



## Second Quarter Fiscal Year Ending March 31, 2023 Consolidated Earnings Announcement (Japanese GAAP)

November 10, 2022

Company Name: **Hoosiers Holdings Co., Ltd.**

Listed market: Tokyo Stock Exchange Prime Market

Stock Code: 3284

URL: <https://www.hoosiers.co.jp/>

Representative: (Title) President and Representative Director,  
Executive Officer

(Name) Eiichi Ogawa

Contact: (Title) Head of Business Planning Section,  
Executive Officer

(Name) Yoshiro Narukami Telephone: +81-3-3287-0704

Scheduled date to file quarterly report:

November 11, 2022

Scheduled date to commence dividend payment:

December 5, 2022

Preparation of supplemental information of quarterly financial results: Yes

Holding of quarterly financial results briefing:

Yes (For institutional investors and analysts)

(Figures are rounded down to the nearest million yen)

### 1. 2nd Quarter FY3/23 Consolidated Earnings Results (April 1, 2022 to September 30, 2022)

#### (1) Consolidated Earnings (Cumulative)

(% indicates changes from the same period of the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
2nd Quarter FY3/23	20,102	(25.2)	286	(81.6)	(237)	—	(256)	—
2nd Quarter FY3/22	26,863	(8.2)	1,559	67.9	1,078	48.4	483	(42.0)

(Note) Comprehensive income: 2nd Quarter FY3/23 ¥1,028 million (15.6%) 2nd Quarter FY3/22 ¥889 million (27.5%)

	Earnings per Share	Diluted Earnings per Share
	Yen	Yen
2nd Quarter FY3/23	(7.25)	—
2nd Quarter FY3/22	13.65	13.63

#### (2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
	Million yen	Million yen	%
As of September 30, 2022	134,877	39,254	23.3
As of March 31, 2022	127,905	38,960	24.4

(Reference) Shareholders' equity: As of September 30, 2022 ¥31,418 million As of March 31, 2022 ¥31,263 million

### 2. Dividends

	Dividend per Share				
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	End of Year	Annual
	Yen	Yen	Yen	Yen	Yen
FY3/22	—	17.00	—	19.00	36.00
FY3/23	—	24.00			
FY3/23 (Forecast)			—	24.00	48.00

(Note) Changes in the latest forecasts released: No

### 3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 2023 (From April 1, 2022 to March 31, 2023)

(% indicates changes from the same period of the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent		Earnings per Share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	80,000	0.6	7,300	9.0	6,500	14.2	4,200	36.9	118.71

(Note) Changes in the latest forecasts released: No

**\* Matters to be noted**

**(1) Changes in important subsidiaries during the quarter under review:** No

**(2) Application of specific accounting treatments in preparing the quarterly consolidated financial statements:** No

**(3) Changes in accounting principles, changes in accounting estimates and retrospective restatements**

(a) Changes in accounting principles in accordance with revisions to accounting and other standards: Yes

(b) Changes in accounting principles other than above (a): No

(c) Changes in accounting estimates: No

(d) Retrospective restatements: No

Note: Please refer to “2. Consolidated Quarterly Financial Statements and Main Notes, (4) Matters to be Noted regarding Consolidated Quarterly Financial Statements (Changes in accounting principles)” on page 12.

**(4) Outstanding shares (Common stock)**

(a) Number of outstanding shares at the end of period (Including treasury shares)

September 30, 2022	36,916,775 shares	March 31, 2022	36,916,775 shares
--------------------	-------------------	----------------	-------------------

(b) Number of treasury shares at the end of period

September 30, 2022	1,537,512 shares	March 31, 2022	1,537,512 shares
--------------------	------------------	----------------	------------------

(c) Average number of shares during the period (Quarterly cumulative period)

2nd Quarter FY3/23	35,379,263 shares	2nd Quarter FY3/22	35,379,263 shares
--------------------	-------------------	--------------------	-------------------

The number of treasury shares includes 410,550 shares of our company that are held by Board Benefit Trust as of the end of the second quarter under review.

\*Earnings Announcement is out of scope of quarterly reviews by certified public accountants or an audit corporation.

\*Explanatory statement regarding the proper use of financial forecasts and other notes

All forecasts provided in this document are based on certain reasonable assumptions and beliefs in light of information currently available and, therefore, it is not intended for guaranteeing to meet them. Actual results may differ from our forecasts due to various unforeseen reasons.

\*The year-on-year percentage change is indicated as“-” if figures for the six months ended September 30, 2022 and/or 2021 were negative.

○ Table of contents of the attached document

1. Qualitative Information on the Financial Statements for the Quarter under Review .....	4
(1) Explanation about business performance .....	4
(2) Qualitative information on consolidated financial position .....	5
(3) Qualitative information on consolidated earnings forecasts .....	5
2. Consolidated Quarterly Financial Statements and Main Notes .....	6
(1) Consolidated Quarterly Balance Sheet .....	6
(2) Consolidated Quarterly Income Statement and Comprehensive Income Statement .....	8
(3) Consolidated Quarterly Cash Flow Statement .....	10
(4) Matters to be Noted regarding Consolidated Quarterly Financial Statements .....	12
(Notes on the premise of a going concern) .....	12
(Notes on the significant change in the shareholders' equity amount) .....	12
(Changes in accounting principles) .....	12
(Segment information, etc.) .....	12
(Important subsequent events) .....	13
3. Other Information .....	14
(1) Records of Sales .....	14
(2) Real Estate Sales Information .....	15

## 1. Qualitative Information on the Financial Statements for the Quarter under Review

### (1) Explanation about business performance

During the second quarter under review, the number of contracted units was 607 and 2 buildings, and that of delivered units was 317 and 4 buildings. As of the end of the second quarter, we managed 19,750 units. Consequently, as the results for the second quarter, we posted net sales of ¥20,102 million (down 25.2% year over year), operating income of ¥286 million (down 81.6% year over year), ordinary loss of ¥237 million (ordinary profit of ¥1,078 million a year earlier), and loss attributable to owners of parent of ¥256 million (profit attributable to owners of parent of ¥483 million a year earlier).

In our Real Estate Development, CCRC, and Real Estate Investment, sales are booked upon delivery to customers, not at the time purchase and sales contracts are executed. As a result, this tends to cause a deviation in quarterly sales depending on the timing of delivery.

Results by segment are as follows.

#### (I) Real Estate Development

During the second quarter under review, the Group recorded net sales of ¥6,202 million (down 47.2% year over year) and operating loss of ¥649 million (operating income of ¥228 million a year earlier) due to a delivery of 154 condominium units such as “Duo Hills Obu The Marks,” and “Duo Hills Sakai The Residence”, etc.

#### (II) CCRC

During the second quarter under review, the Group recorded net sales of ¥7,768 million (up 5.5% year over year) and operating income of ¥1,003 million (up 47.8% year over year) due to a delivery of 163 condominium units such as “Duo Scene Egota-no-Mori Park”, etc.

#### (III) Real Estate Investment

We recorded net sales of ¥2,801 million (down 39.0% year over year) and operating loss of ¥247 million (operating income of ¥406 million a year earlier) during the second quarter under review.

##### (1) Real Estate Sales

Due to the sales of inventory assets, we recorded net sales of ¥1,249 million (down 59.0% year over year).

##### (2) Rental Revenue

We recorded net sales of ¥1,385 million (up 5.2% year over year) due to the stable operation of owned income-producing properties.

#### (IV) Condominium Management and Related Services

We recorded net sales of ¥3,307 million (up 6.0% year over year) and operating income of ¥90 million (down 36.8% year over year) during the second quarter under review.

##### (1) Condominium Management

We recorded net sales of ¥1,000 million (up 5.2% year over year) due to the start of the new management contracting of “Duo Hills Obu The Marks” and “Duo Hills Sakai The Residence,” etc. in condominium management.

##### (2) Sports Club Operation Revenue

We recorded net sales of ¥1,789 million (up 3.4% year over year) mainly due to the operation of sports clubs.

##### (3) Other Income

We recorded net sales of ¥516 million (up 18.1% year over year) in hotel business and consigned construction, etc.

#### (V) Other

We recorded net sales of ¥23 million (down 37.3% year over year) and operating income of ¥4 million (down 60.0% year over year) through PFI operations.

The progress status of the annual delivery plan in the Real Estate Sales is shown below. In Condominium apartments , the main business of the Group, 87.7% of the contracts have been executed.

FY3/23	Number of units to be delivered	Number of contracts signed	Progress
Condominium apartments	1,034	906	87.7%
Condominium apartments for seniors	310	207	66.8%
Detached houses	46	4	8.7%
Total	1,390	1,117	80.4%

(Notes) 1. “Condominium apartments” show the total number of family condominiums and compact condominiums.

2. The number of units for joint venture properties is shown with consideration for the joint venture ratio (by rounding off to the whole number).

## (2) Qualitative information on consolidated financial position

### (I) Financial condition analysis

As of the end of the second quarter under review, total assets amounted to ¥134,877 million (up 5.5% from March 31, 2022), total liabilities amounted to ¥95,623 million (up 7.5% from March 31, 2022), and total net assets amounted to ¥39,254 million (up 0.8% from March 31, 2022) mainly due to purchases of development sites resulting in an increase in inventories.

### (II) Cash flow condition analysis

During the second quarter under review, cash and cash equivalents decreased by ¥3,181 million to ¥26,962million mainly due to a decrease of cash from operating activities resulting from an increase in inventories and a decrease in advances received.

- Cash flows from operating activities

Net cash used in operating activities was ¥7,897 million (¥10,660 million provided a year earlier), which was mainly due to an increase in inventories and a decrease in advances received.

- Cash flows from investing activities

Net cash provided by investing activities was ¥283 million (¥170 million used a year earlier), which was mainly due to collection of loans receivable.

- Cash flows from financing activities

Net cash provided by financing activities was ¥4,101 million (¥4,737 million used a year earlier), which was mainly due to proceeds from long-term loans payable.

## (3) Qualitative information on consolidated earnings forecasts

The earnings forecasts for the fiscal year ending March 31, 2023 remain unchanged from those announced on May 12, 2022 as results and sales status for the second quarter under review have progressed as planned and the Group’s operating environment is within the scope of the assumption.

## 2. Consolidated Quarterly Financial Statements and Main Notes

### (1) Consolidated Quarterly Balance Sheet

(Million yen)

	End of Previous Fiscal Year (March 31, 2022)	End of 2nd Quarter under Review (September 30, 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	32,035	27,377
Accounts receivable - trade	733	733
Merchandise	25	24
Real estate for sale	23,659	22,107
Real estate for sale in process	33,599	45,404
Operational investment securities	567	602
Prepaid expenses	1,325	1,793
Other	4,840	5,744
Allowance for doubtful accounts	(115)	(134)
Total current assets	96,672	103,651
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	13,881	14,013
Machinery, equipment and vehicles, net	6	6
Tools, furniture and fixtures, net	72	71
Land	9,423	9,185
Leased assets, net	451	435
Total property, plant and equipment	23,835	23,712
Intangible assets		
Goodwill	164	157
Other	301	340
Total intangible assets	466	498
Investments and other assets	6,931	7,015
Total non-current assets	31,233	31,226
Total assets	127,905	134,877
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	1,184	2,250
Electronically recorded obligations - operating	3,096	3,728
Short-term loans payable	7,166	7,145
Current portion of bonds	595	481
Current portion of long-term loans payable	16,111	15,145
Income taxes payable	608	121
Advances received	3,733	4,921
Provision for bonuses	302	303
Provision for after-sales services	37	24
Other	2,884	2,510
Total current liabilities	35,722	36,631
Non-current liabilities		
Bonds payable	7,487	7,774
Long-term loans payable	41,295	46,657
Deferred tax liabilities	1,062	1,073
Allowance for share provision to directors	223	223
Net defined benefit liability	138	—
Asset retirement obligations	693	905
Other	2,322	2,356
Total non-current liabilities	53,223	58,991
Total liabilities	88,945	95,623

(Million yen)

	End of Previous Fiscal Year (March 31, 2022)	End of 2nd Quarter under Review (September 30, 2022)
Net assets		
Shareholders' equity		
Capital stock	5,000	5,000
Capital surplus	10,882	10,884
Retained earnings	15,858	14,921
Treasury shares	(990)	(990)
Total shareholders' equity	30,749	29,815
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	226	551
Foreign currency translation adjustment	286	1,051
Total accumulated other comprehensive income	513	1,602
Subscription rights to shares	0	0
Non-controlling interests	7,696	7,836
Total net assets	38,960	39,254
Total liabilities and net assets	127,905	134,877

## (2) Consolidated Quarterly Income Statement and Comprehensive Income Statement

### Consolidated Quarterly Income Statement

#### Consolidated Income Statements for the Second Quarter (Cumulative)

(Million yen)

	Previous 2nd Quarter (From April 1, 2021 to September 30, 2021)	2nd Quarter under Review (From April 1, 2022 to September 30, 2022)
Net sales	26,863	20,102
Cost of sales	20,768	15,478
Gross profit	6,095	4,624
Selling, general and administrative expenses	4,536	4,337
Operating income	1,559	286
Non-operating income		
Interest income	29	14
Dividend income	122	111
Contract cancellations	105	41
Subsidy income	51	106
Gain on investments in partnership	3	—
Other	48	34
Total non-operating income	361	308
Non-operating expenses		
Interest expenses	506	490
Commission fee	134	92
Foreign exchange losses	163	216
Share of loss of entities accounted for using equity method	28	5
Other	8	26
Total non-operating expenses	841	832
Ordinary income (loss)	1,078	(237)
Extraordinary income		
Gain on sales of non-current assets	2	—
Gain on sales of other securities of subsidiaries and associates	—	54
Gain on reversal of asset retirement obligations	9	—
Total extraordinary income	11	54
Extraordinary losses		
Loss on valuation of investment securities	25	—
Loss on disaster	19	—
Loss due to the spread of COVID-19	60	—
Total extraordinary losses	105	—
Income (loss) before income taxes	985	(183)
Income taxes - current	213	66
Income taxes - deferred	173	(132)
Total income taxes	387	(65)
Profit (loss) attributable to	598	(118)
Non-controlling interests	115	138
Owners of parent	483	(256)



**Consolidated Quarterly Comprehensive Income Statements**  
**Consolidated Income Statements for the Second quarter (Cumulative)**

(Million yen)

	Previous 2nd Quarter (From April 1, 2021 to September 30, 2021)	2nd Quarter under Review (From April 1, 2022 to September 30, 2022)
Profit (loss)	598	(118)
Other comprehensive income		
Valuation difference on available-for-sale securities	81	324
Foreign currency translation adjustment	209	876
Share of other comprehensive income of entities accounted for using equity method	0	(54)
Total other comprehensive income	291	1,146
Comprehensive income	889	1,028
Comprehensive income attributable to		
Owners of parent	758	837
Non-controlling interests	130	190

### (3) Consolidated Quarterly Cash Flow Statement

(Million yen)

	Previous 2nd Quarter (From April 1, 2021 to September 30, 2021)	2nd Quarter under Review (From April 1, 2022 to September 30, 2022)
<b>Cash flows from operating activities</b>		
Income before income taxes (loss)	985	(183)
Depreciation	655	715
Amortization of goodwill	6	6
Increase (decrease) in allowance for doubtful accounts	(0)	1
Increase (decrease) in provision for bonuses	(57)	0
Increase (decrease) in net defined benefit liability	(7)	(138)
Increase (decrease) in provision for after-sales services	—	(13)
Interest and dividend income	(154)	(127)
Interest expenses	506	490
Share of (profit) loss of entities accounted for using equity method	28	5
Foreign exchange losses (gains)	163	216
Subsidy income	(51)	(106)
Loss on disaster	19	—
Loss due to the spread of COVID-19	60	—
Decrease (increase) in notes and accounts receivable - trade	(262)	0
Decrease (increase) in inventories	3,265	(9,492)
Decrease (increase) in investment securities for sale	227	30
Decrease (increase) in prepaid expenses	(1)	(400)
Increase (decrease) in notes and accounts payable - trade	602	1,697
Decrease (increase) in consumption taxes refund receivable	534	(149)
Increase (decrease) in accrued consumption taxes	103	(328)
Increase (decrease) in advances received	4,665	1,187
Increase (decrease) in deposits received	(168)	2
Other	180	284
Subtotal	11,301	(6,299)
Interest and dividend income received	154	237
Interest paid	(510)	(509)
Subsidies received	61	109
Payments associated with disaster loss	(32)	—
Payments associated with the loss due to the spread of COVID-19	(60)	—
Income taxes refund	955	26
Income taxes paid	(1,208)	(1,461)
Net cash provided by (used in) operating activities	10,660	(7,897)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(621)	(408)
Proceeds from sales of property, plant and equipment	115	—
Purchase of investment securities	(345)	(17)
Proceeds from sales of investment securities	—	13
Proceeds from distribution of investment securities	340	27
Proceeds from sales of other securities of subsidiaries and associates	—	500
Payments of loans receivable	(12)	(730)
Collection of loans receivable	325	541
Other	26	356
Net cash provided by (used in) investing activities	(170)	283

(Million yen)

	Previous 2nd Quarter (From April 1, 2021 to September 30, 2021)	2nd Quarter under Review (From April 1, 2022 to September 30, 2022)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(2,783)	(68)
Proceeds from long-term loans payable	8,789	15,220
Repayments of long-term loans payable	(11,708)	(11,618)
Proceeds from issuance of bonds	700	500
Redemption of bonds	(281)	(333)
Cash dividends paid	(643)	(679)
Withdrawal of limited purpose deposit	1,297	1,099
Other	(108)	(19)
Net cash provided by (used in) financing activities	(4,737)	4,101
Effect of exchange rate change on cash and cash equivalents	73	331
Net increase (decrease) in cash and cash equivalents	5,826	(3,181)
Cash and cash equivalents at beginning of period	23,923	30,143
Cash and cash equivalents at end of period	29,750	26,962

#### (4) Matters to be Noted regarding Consolidated Quarterly Financial Statements

(Notes on the premise of a going concern)

Not applicable.

(Notes on the significant change in the shareholders' equity amount)

Not applicable.

(Changes in accounting principles)

(Application of the accounting standard for revenue recognition)

On April 1, 2022, the Company applied the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No.31, June 17, 2021, "Implementation Guidance on Accounting Standard for Fair Value Measurement"), and the new accounting policy stipulated in the Implementation Guidance on Accounting Standard for Fair Value Measurement is applied prospectively pursuant to the transitional treatment stipulated by Paragraph 27-2 of the Implementation Guidance on Accounting Standard for Fair Value Measurement. The application has no impact on the consolidated quarterly financial statements.

(Segment information, etc.)

[Segment information]

Previous 2nd Quarter (From April 1, 2021 to September 30, 2021)

Information on the amount of net sales and profit/loss for each reportable segment

(Million yen)

	Reportable segment						Adjustment	Consolidated quarterly income statement amount
	Real Estate Development	CCRC	Real Estate Investment	Condominium Management and Related Services	Other	Total		
Net sales								
Sales to external customers	11,753	7,359	4,593	3,118	38	26,863	—	26,863
Intersegment sales or transfers	2	0	180	149	—	333	(333)	—
Total	11,756	7,360	4,774	3,268	38	27,196	(333)	26,863
Segment income	228	678	406	143	10	1,468	91	1,559

(Notes) 1. The adjustment for segment income consists of elimination of intersegment transactions of ¥(16) million, the amounts unable to be allocated to reportable segments of ¥(1) million and income (loss) of the holding company (the filing company of the consolidated financial statements) not allocated to reportable segments of ¥108 million.

2. The segment income is adjusted with the operating income in the consolidated quarterly income statement.

2nd Quarter under Review (From April 1, 2022 to September 30, 2022)

Information on the amount of net sales and profit/loss for each reportable segment

(Million yen)

	Reportable segment						Adjustment	Consolidated quarterly income statement amount
	Real Estate Development	CCRC	Real Estate Investment	Condominium Management and Related Services	Other	Total		
Net sales								
Sales to external customers	6,202	7,768	2,801	3,307	23	20,102	—	20,102
Intersegment sales or transfers	—	—	143	91	—	235	(235)	—
Total	6,202	7,768	2,945	3,398	23	20,337	(235)	20,102
Segment income (loss)	(649)	1,003	(247)	90	4	201	85	286

(Notes) 1. The adjustment for segment income (loss) consists of elimination of intersegment transactions of ¥(5) million, the amounts unable to be allocated to reportable segments of ¥(0) million and income (loss) of the holding company (the filing company of the consolidated financial statements) not allocated to reportable segments of ¥91 million.

2. The segment income (loss) is adjusted with the operating income in the consolidated quarterly income statement.

3. Part of property, plant and equipment was transferred to real estate for sale due to a change in holding purpose, but this change has no impact on segment income.

(Important subsequent events)

Disposal of treasury shares through a third-party allotment in relation to additional contribution to the Board Benefit Trust

The Company resolved at its Board of Directors meeting held on November 10, 2022 to dispose of its treasury shares through a third-party allotment (the “Disposal of Treasury Shares”) as follows.

1. Outline of the disposal

(1)	Date of disposal	November 28, 2022
(2)	Number of shares to be disposed of	160,000 shares of the Company’s common stock
(3)	Disposal price	758 yen per share
(4)	Total disposal value	121,280,000 yen
(5)	Planned allottee	Custody Bank of Japan, Ltd. (trust account)
(6)	Other	The Disposal of Treasury Shares is subject to the effectuation of the Securities Registration Statement under the Financial Instruments and Exchange Act.

2. Purpose and reason of the disposal

Pursuant to the resolution at the 3rd Annual Meeting of Shareholders held on June 25, 2016, we introduced a performance-linked stock-based remuneration plan for directors of the Company (excluding outside directors) and directors of our group companies (hereinafter, the “Eligible Subsidiaries”) (hereinafter, “Directors of the Company, etc.”) (hereinafter, the “Plan;” and a trust agreement entered into with Resona Bank, Limited with regard to the Plan will hereinafter be referred to as the “Trust Agreement” and the trust established based on the Trust Agreement will hereinafter be referred to as the “Trust”) and continue to have the Plan with partial revisions made, such as a change in eligible persons under the Plan, pursuant to the resolution at the 9th Annual Meeting of Shareholders held on June 24, 2022.

At the Board of Directors meeting held today, we resolved to make additional contribution of money to the Trust (the “Additional Contribution”) for the Trust to be able to acquire shares expected to be required for the future benefit as we continue the Plan and, for that purpose, to dispose of treasury shares to Custody Bank of Japan, Ltd. (Trust Account), a re-trust trustee of Resona Bank, Limited which is the trustee of the Trust.

The number of shares to be disposed of is the total number of shares expected to be issued for the four fiscal years in accordance with the Share Delivery Regulations for Directors, which is 0.43% of the total number of issued shares as of September 30, 2022 of 36,916,775 shares (0.45% of the total voting rights of 357,789 as of September 30, 2022. Both percentage values shall be rounded off to two decimal places). The Company believes that the Plan will contribute to increasing its corporate value in the medium to long term and that the number of treasury shares to be disposed of and the scale of dilution as a result of the disposal is reasonable, and therefore the disposal will have an insignificant impact on the secondary market.

< Overview of the Trust Agreement >

(1) Name: Board Benefit Trust

(2) Type of trust: Trust of money other than money trust (third party benefit trust)

(3) Trustor: The Company

(4) Trustee: Resona Bank, Limited

Custody Bank of Japan, Ltd. is the re-trust trustee based on the specified comprehensive trust agreement entered into between Resona Bank, Limited and Custody Bank of Japan, Ltd.

(5) Beneficiaries: Directors of the Company, etc. who satisfy the beneficiary requirements

(6) Trust administrator: Third party who has no conflict of interest with the Company

(7) Date of the Trust Agreement: August 26, 2016

(8) Date of the establishment of the Trust: August 26, 2016

(9) Trust period: From August 26, 2016 until the termination of the Trust

(No specific date of termination shall be set, and the Trust shall continue as long as the Plan is not terminated.)

< Overview of the Additional Contribution and the acquisition of the Company's shares by the Trust >

- (1) Class of shares to be acquired: Common stock of the Company
- (2) Amount of additional contribution: 49,280,000 yen
- (3) Total number of shares to be acquired: 160,000 shares
- (4) Date of additional contribution: November 28, 2022
- (5) Date of share acquisition: November 28, 2022
- (6) Method of share acquisition: By subscribing for the Company's treasury shares

(Note) The Trust will use the sum of the Additional Contribution of 49,280,000 yen and 72,000,000 yen in the Trust to acquire additional shares of the Company.

### 3. Other Information

#### (1) Records of Sales

	Previous 2nd Quarter (From April 1, 2021 to September 30, 2021)	2nd Quarter under Review (From April 1, 2022 to September 30, 2022)	YoY Change (%)
Segment Name	Net sales (Million yen)	Net sales (Million yen)	
(I) Real Estate Development			
(1) Real Estate Sales	11,694	6,145	52.6
(2) Other Income	58	56	96.5
Total Real Estate Development	11,753	6,202	52.8
(II) CCRC			
(1) Real Estate Sales	6,841	7,076	103.4
(2) Other Income	518	691	133.4
Total CCRC	7,359	7,768	105.5
(III) Real Estate Investment			
(1) Real Estate Sales	3,048	1,249	41.0
(2) Rental Revenue	1,316	1,385	105.2
(3) Other Income	228	166	72.8
Total Real Estate Investment	4,593	2,801	61.0
(IV) Condominium Management and Related Services			
(1) Condominium Management	951	1,000	105.2
(2) Sports Club Operation Revenue	1,729	1,789	103.4
(3) Other Income	437	516	118.1
Total Condominium Management and Related Services	3,118	3,307	106.0
(V) Other	38	23	62.7
Total	26,863	20,102	74.8

- (Notes)
1. Intersegment transactions are offset and omitted.
  2. In the Real Estate Development, CCRC, and Real Estate Investment, sales are booked upon delivery to customers, not at the time purchase and sales contracts are executed. As a result, this tends to cause a deviation in quarterly sales depending on the timing of delivery.
  3. In the Real Estate Development and CCRC, Rental Revenue is included in Other Income as the amount is immaterial.

## (2) Real Estate Sales Information

	Previous 2nd Quarter (From April 1, 2021 to September 30, 2021)											
	Outstanding Contracts at Beginning of Period			New Contracts Signed during Period			Number of Delivery during Period			Outstanding Contracts at End of Period		
	Transaction volume			Transaction volume (YoY comparison)			Transaction volume (YoY comparison)			Transaction volume (YoY comparison)		
Real Estate Development	502 Units	— Block	— Building	468 Units	— Block	— Building	295 Units	— Block	— Building	675 Units	— Block	— Building
	19,860 (Million yen)			18,930 (Million yen) (84.5%)			11,694 (Million yen) (58.0%)			27,096 (Million yen) (94.6%)		
CCRC	219 Units	— Block	— Building	151 Units	— Block	— Building	174 Units	— Block	— Building	196 Units	— Block	— Building
	8,538 (Million yen)			6,172 (Million yen) (141.9%)			6,841 (Million yen) (172.5%)			7,869 (Million yen) (80.6%)		
Real Estate Investment	1 Unit	— Block	3 Buildings	6 Units	— Block	6 Buildings	5 Units	— Block	5 Buildings	3 Units	— Block	4 Buildings
	1,844 (Million yen)			3,545 (Million yen) (391.2%)			3,048 (Million yen) (461.6%)			2,341 (Million yen) (712.1%)		
Total	722 Units	— Block	3 Buildings	625 Units	— Block	6 Buildings	474 Units	— Block	5 Buildings	874 Units	— Block	4 Buildings
	30,243 (Million yen)			28,648 (Million yen) (103.6%)			21,585 (Million yen) (87.0%)			37,307 (Million yen) (96.3%)		

	2nd Quarter under Review (From April 1, 2022 to September 30, 2022)											
	Outstanding Contracts at Beginning of Period			New Contracts Signed during Period			Number of Delivery during Period			Outstanding Contracts at End of Period		
	Transaction volume			Transaction volume (YoY comparison)			Transaction volume (YoY comparison)			Transaction volume (YoY comparison)		
Real Estate Development	639 Units	— Block	— Building	459 Units	— Block	— Building	154 Units	— Block	— Building	945 Units	— Block	— Building
	25,494 (Million yen)			18,482 (Million yen) (97.6%)			6,145 (Million yen) (52.6%)			37,831 (Million yen) (139.6%)		
CCRC	66 Units	— Block	— Building	141 Units	— Block	— Building	163 Units	— Block	— Building	44 Units	— Block	— Building
	3,034 (Million yen)			5,725 (Million yen) (92.8%)			7,076 (Million yen) (103.4%)			1,682 (Million yen) (21.4%)		
Real Estate Investment	— Unit	— Block	2 Buildings	7 Units	— Block	2 Buildings	— Units	— Block	4 Buildings	7 Units	— Block	— Building
	664 (Million yen)			714 (Million yen) (20.2%)			1,248 (Million yen) (41.0%)			130 (Million yen) (5.6%)		
Total	705 Units	— Block	2 Buildings	607 Units	— Block	2 Buildings	317 Units	— Block	4 Buildings	996 Units	— Block	— Building
	29,193 (Million yen)			24,922 (Million yen) (87.0%)			14,471 (Million yen) (67.0%)			39,644 (Million yen) (106.3%)		

(Note) Transaction volume means the total amount of tax-excluded selling prices of condominium apartments, detached houses, etc. The number of units and transaction volume for joint venture properties are calculated by multiplying by the investment ratio and rounded down to the nearest integer.