

 President Nobutsuna Miyawaki	Fuji Corporation Ltd. (8860)
	

Company Information

Exchange	TSE Prime Market
Industry	Real Estate
President	Nobutsuna Miyawaki
HQ Address	1-4-23 Habucho, Kishiwada-shi, Osaka
Year-end	End of March
Homepage	https://www.fuji-jutaku.co.jp/

Stock Information

Share Price	Share Outstanding(excluding treasury stock)	Market Cap.	ROE (Act.)	Trading Unit	
¥680	36,005,623 shares	¥24,484 million	9.0%	100 shares	
DPS (Est.)	Dividend Yield (Est.)	EPS (Est.)	PER (Est.)	BPS (Act.)	PBR (Act.)
¥32.00	4.7%	¥102.76	6.6x	¥1,518.50	0.45x

* The share price is the closing price on June 5, 2025. The number of shares issued at the end of the most recent quarter excludes its treasury shares.

* ROE and BPS are based on FY 3/25 earnings results. EPS and DPS are based on FY 3/26 earnings estimates.

Earnings Trends

Fiscal Year	Net Sales	Operating Income	Ordinary Income	Net Income attributable to owners of the parent	EPS	Dividend
March 2022 Act.	118,698	5,871	5,627	3,869	107.68	27.00
March 2023 Act.	114,473	6,091	5,744	3,817	106.65	27.00
March 2024 Act.	120,388	7,264	6,643	4,559	126.69	30.00
March 2025 Act.	123,927	7,894	6,987	4,764	131.61	32.00
March 2026 Est.	126,000	7,200	5,700	3,700	102.76	32.00

*Units: million yen, EPS and dividend are yen.

This Bridge Report provides information about Fiscal Year ended March 2025 Earnings Results of Fuji Corporation Ltd.

Table of Contents

[Key Points](#)

[1. Company Overview](#)

[2. New Medium-Term Management Plan \(FY 3/26 to FY 3/28\)](#)

[3. Fiscal Year ended March 2025 Earnings Results](#)

[4. Fiscal Year ending March 2026 Earnings Estimates](#)

[5. Conclusions](#)

[<Reference: Regarding Corporate Governance>](#)

Key Points

- For the fiscal year ended March 2025, the company recorded a 2.9% year-on-year increase in sales and a 5.2% year-on-year increase in ordinary income. While the segment of residential properties for sale and effective land utilization experienced slight declines in sales, the housing distribution segment saw a 7.2% year-on-year increase due to the handover of more used houses. The property leasing and management segment also posted a 10.6% year-on-year increase in sales, contributing to overall revenue growth. On the profit side, although there was a slight decline in the housing distribution and effective land utilization segment, the segment of residential properties for sale recorded a significant increase in profit due to an improvement in gross profit per unit and strong contributions from land sales with high profit margins. In the property leasing and management segment, profit also increased in tandem with sales, resulting in an overall increase in profit from the previous year.
- For the fiscal year ending March 2026, the company forecasts a 1.7% year-on-year increase in sales and an 18.4% year-on-year decrease in ordinary income. On the sales side, growth is expected mainly due to the contribution of a large-scale condominium project that was handed over in April. On the profit side, the company anticipates an increase in personnel-related investments to support future growth, as well as higher interest expenses resulting from rising interest rates.
The company plans to pay an annual dividend of 32 yen/share (an interim dividend of 16 yen/share and a year-end dividend of 16 yen/share), unchanged from the previous year, in which the annual dividend increased 5 yen/share year on year.
- The forecast for the fiscal year ending March 2026 calls for a 1.7% year-on-year increase in revenue and an 18.4% year-on-year decrease in ordinary income from the previous fiscal year. As of the end of the fiscal year ended March 2025, the company's order backlog stood at 60.1 billion yen, up 8.2% year on year, exceeding the previous year's level across all segments and marking a record high for the end of a fiscal year. Given this strong accumulation of orders, the company's forecast appears to be quite conservative. How much reserve the company can build for achieving its current-year targets amid a challenging industry environment, while maintaining its characteristic balanced management, will depend on how the results unfold in the upcoming first quarter.

1. Company Overview

Fuji Corporation Ltd. provides various real estate related services including sales of new and used condominiums and detached houses primarily in Osaka Prefecture (where the Company is based), between Osaka and Kobe, and within Wakayama City. Their main business is the sale of detached houses, albeit a built-for-sale type, that would maximize customer satisfaction by allowing for the “free-design house” regarding layout, specifications, etc. within the boundaries of Japan’s Building Standards Act. Fuji also boasts of strengths in the development of properties where 50 to 200 homes are constructed in coordination with the surrounding environment and each other to provide uniformity in neighborhoods. The other main pillars of the Company’s business include renovation and sale of used residential properties, collaboration with financial institutions for

effective land utilization, sales of rental apartments for sale to individual investors, property leasing and management services. Fuji boasts of unique knowhow developed in various businesses realms derived from its sales agency and detached house services. Furthermore, the complementary and synergistic effects that occur between its various business divisions allow the Company as a Complete Home Provider to respond with solutions that match the needs of home owners and residents in various geographic regions and times. Taking advantage of its strength in community-based management, the company aims to create homes that deliver high customer satisfaction by a special relationship with customers that doesn't end just after sell or build them a home.

In addition, each of the company's businesses, consisting of residential properties for sale, housing distribution, effective land utilization, leasing and management, and construction-related businesses, has its own know-how and promotes balanced management that complements each other's business segments. Starting with the sublease business of rental apartments for sale to individual investors and serviced housing for seniors for individual investors, the company has been diversifying the business, operating the asset business of existing residential properties and the business of owning serviced rental housing for seniors, and expanding its recurring-revenue business that will withstand any change in economic trends.

1-1 Management ethos

The company operates for the sake of:

- Employees,
- Employees' families,
- Customers and business partners,
- Shareholders,
- Local communities, and
- Ultimately, the nation.

The company's management ethos begins with “for employees and their families” because it believes that if employees or their families are not happy, they cannot do work that would truly please customers. By treasuring employees and their families and providing them with a sense of gratitude, pride in their work, motivation, and a sense of purpose in life, the employees will be able to value customers truly, which the company believes will lead to the happiness of all stakeholders, including business partners, shareholders, local communities, and the nation.

1-2 Business Description

***The percentage represents the ratio of sales in each business segment to the total sales of the reporting segments (excluding internal sales).**

Residential Properties for Sales (accounting for 28.0% of total sales in FY 3/25)

With its base of operations in Osaka Prefecture and the surrounding areas, the company sells freely designed new detached houses, built-for-sale houses, and condominiums, and also undertakes the construction of custom houses. It specializes in “development of a town” with 50 to 200 homes and offers “free-design house” in which customers themselves participate in building their homes, as well as its unique ventilation system “Sumi no Ie (a house with a system for purifying air with charcoal)/Pure Air,” which harnesses the self-purifying properties of charcoal. In the current fiscal year, the company plans to complete and deliver 11 condominium buildings (745 units), which will contribute to one-shot revenues.



(Taken from the website of the company)

Housing Distribution (accounting for 21.5% of total sales in FY 3/25)

The company is engaged in the “business of purchasing and reselling used residential properties,” in which it purchases used residential properties, renovates them, and sells them, and the “used housing asset business,” in which it acquires existing condominiums with tenants and earns rental income and profit on the sale of the condominiums through resale. The company aims to further stabilize its earnings base by focusing on the highly competitive and profitable used housing asset business, while continuing the inventory optimization and strict procurement policy emphasizing profit, which were started in the previous fiscal year.



(Taken from the website of the company)

Effective Land Utilization (accounting for 24.3% of total sales in FY 3/25)

The company is engaged in contract construction of rental apartment buildings and affordable apartments for seniors with nursing-care services, as well as selling rental apartments for sale to individual investors. Under a management policy of aiming to be “the most beloved effective land utilization business section in Japan,” the company has been able to exist solely in the closed market for many years, thanks to an extremely high repeat order rate and introduction of customers by its financing banks. The demand from investors is extremely strong, and the company expects the environment of strong demand to continue, leading to solid performance.



(Taken from the website of the company)

Property Leasing and Management (accounting for 25.0% of total sales in FY 3/25)

The company's wholly owned subsidiary Fuji Amenity Service Co., Ltd. provides management services such as the management of rental apartment buildings, tenant recruitment, and rent collection, as well as management of condominiums on consignment from their management associations. The company boasts the nation's largest number of affordable apartments for seniors with nursing-care services, which are operated only in the Kansai area. The company expects these operations to continue to be healthy in the current fiscal year and to become a key component of its long-term, stable earnings base, thanks to the strong synergetic effects of the construction contracts in the effective land utilization business, the sale and deliver of rental apartments for sale to individual investors and condominiums in the business of residential properties for sales.



(Taken from the website of the company)

Construction related (accounting for 1.0% of total sales in FY 3/25)

In January 2020, the company welcomed the Yuuken Construction Group, which has a proven track record in steel-framed and reinforced concrete construction work, as a partner, and is providing steel-framed housing for the “Fuji Palace Senior,” which is affordable apartments for seniors with nursing-care services, as well as carrying out public works projects, mainly architectural and civil engineering works. The company aims to expand its business lineup by carrying out steel-framed and reinforced concrete construction work all by itself and steadily expand its business performance.



(Taken from the website of the company)

Other business (accounting for 0.2% of total sales in FY 3/25)

This business segment is not included in segments to be reported, but includes the insurance agency business operated by the company.

1-3 Strengths of Fuji Corporation

◎ Creating customer-oriented homes that can take responsibility for meeting customer needs

The company's name is derived from Mt. Fuji, with the aim of becoming "the most beloved company in Japan." The company believes that a house is a once-or-twice-in-a-lifetime purchase, and that it must be a business that satisfies its customers to the very end. The company believes that providing safe and reliable products and services, and meeting the expectations and trust of its customers are of utmost importance, so that all its customers will be happy to say, "Fuji will take care of everything right through to the end, and I am glad I bought a house from Fuji." Since the company's founding, it has continued to build homes that are customer-focused and responsible. As a result, the company has been highly recognized by customers. This is evident through the many introductions of new customers by existing customers and cooperating companies and the repeat contracts from existing customers. Moreover, in the 2025 Oricon Customer Satisfaction ® Survey, the company has received high praise from customers, being ranked first in "Kinki" and "Osaka Prefecture" for five consecutive years.

In the division of residential properties for sale (new construction), 30.0% of orders received come from customers who have previously purchased a home from the company or through referrals from the company's affiliates. In the housing distribution division (used houses), 47.6% of orders for properties sold directly without intermediary agents also come from previous customers or referrals from company affiliates. Furthermore, in the effective land utilization business division, returning clients, owners who have already purchased a building and subsequently sign for a second or third one, account for

approximately 40.0% of the total. In recent years, due to strong sales performance, properties have been sold by lottery, which has caused some fluctuations in the repeat purchase rate. However, the demand from repeat customers has remained stable, and overall sales conditions continue to be good.

*1 The number of contracts concluded through referrals for newly constructed homes for sale is calculated based on the number of lots when multiple lots are purchased at the same time (excluding sales of land).

*2 The number of used houses is for the homes sold directly by the company without an intermediary.

*3 The number of orders received is calculated based solely on contracts for construction and sale of rental apartment buildings, using the loan approval date from financial institutions as the reference point.

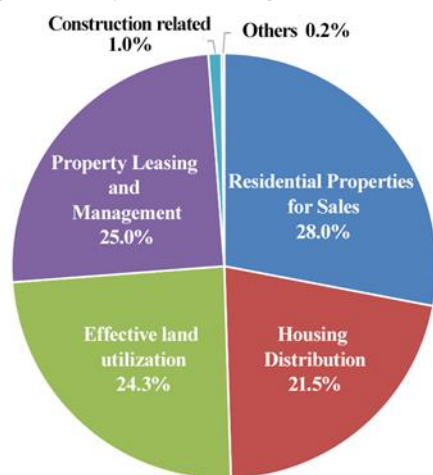
(Taken from the reference material of the company)

◎ Stable Business Structure with Balanced Management

Although the company's sales area is limited to Osaka and parts of Hyogo and Wakayama Prefectures, each of its divisions boasts a national level or the largest market share within its sales area. In the business of residential properties for sale, the company was ranked first in the number of housing starts in Osaka Prefecture in the builder category released in February 2023, for 17 consecutive years until fiscal 2021 (although it has not been certified since fiscal 2022 as the survey was terminated, the company believes that it still maintains the largest share of the market). In the housing distribution business, it is ranked 8th in Japan for the number of used housing purchases and resales, and in the property leasing and management department, it is ranked first in Japan by a long way with 256 affordable apartments for seniors with nursing-care services. “Source: Reform Industry Newspaper, Annual Ranking of Units Sold for Purchase and Resale 2024 (issued on July 29, 2024); the Elderly Housing Newspaper dated summer extra-large, 2024.” The company was certified as No. 1 in the ranking of local builders in terms of housing starts in Osaka Prefecture, excluding Osaka City (Osaka City is out of scope for this survey.) (surveyed by Jutaku Sangyo Kenkyusho Co., Ltd. ; taken from “No. 1 Complete Collection of Builders in 2023”)

In addition, (1) the ability to conduct business that meets the needs of a wide range of customers, (2) the expansion of business opportunities by responding to a wide variety of commercialization, and (3) a high tolerance for changes in the economy and market conditions are strengths of balanced management.

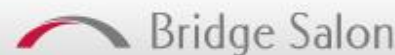
[Sales composition by business segment in balance (FY 3/25)]



◎ Sumi no Ie (House of Charcoal) / Pure Air

Pollens, bacteria, and viruses are becoming grave problems in addition to air pollution due to such factors as exhaust gas. Fuji Corporation’s “Sumi no Ie / Pure Air” was born through its efforts of putting together the technologies that it has cultivated and focusing thoroughly on air and quality. The company has gained the right to use the patented system “Sumi no Ie” within the corporate group’s sales area, and offers safe housing as a product that differentiates it from other companies and possesses added value.

BRIDGE REPORT



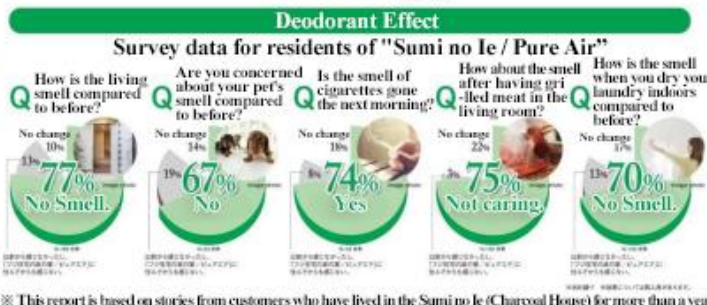
Sumi no Ie (a house with a system for purifying air with charcoal)/Pure Air is a carbon air clean system that forcibly draws in outdoor air with a fan, and blocks minute harmful substances with a microparticle filter. By putting charcoal under the floor and passing air through it, clean air is supplied to each room.

In some lots of land for sale, they hold an event for experiencing a stay at “Sumi no Ie (a house with a system for purifying air with charcoal).” This event has been held since 2019, and many people have experienced a stay at “Sumi no Ie.” In this event, those who are thinking of buying a detached house and interested in the effects of charcoal stay at a model house of “Sumi no Ie,” a detached house, for a day free of charge, to experience the effects of charcoal and the latest housing equipment.

(Outline of “Sumi no Ie / Pure Air”)
 “The carbon air clean system” forces outside air in with a fan and blocks minute harmful substances with a “filter for minute particles”. In addition, “charcoal” is spread out on the floor to supply clean air to each room through the double measure of passing air through it.



For more information
<https://www.fuji-ie.com/kodawari/>



※ This report is based on stories from customers who have lived in the Sumi no Ie (Charcoal House) for more than a year.

(Taken from the reference material of the company)
 *Examples of the effects felt by customers

◎ Provision of high-performance housing

The company considers that its mission is to provide high-quality housing where people can live while being filled with a sense of satisfaction throughout life. As one of the approaches to the mission, Fuji has obtained the housing performance assessment report for all its free design houses, and this means that the company has established a corporate system that enables it to earn the highest grades for all the housing performance indication items (having six kinds). Furthermore, the company has adopted “TRC Damper”, a vibration control system that dampens seismic vibrations, to achieve more effective prevention of walls from being damaged and furniture from falling down.

[Items of the Housing Performance Indication System]

<p>Grade 5-6※</p> <p>Thermal Insulation Performance Grade</p> <p>Thermal Environment / Energy Consumption</p>	<p>Highest Grades</p> <p>Wind Resistance Grade</p> <p>Prevention of collapse and damage to the structural frame</p>	<p>Highest Grades</p> <p>Seismic Resistance Grade</p> <p>Prevention of collapse of the structural frame</p>
<p>Highest Grades</p> <p>Seismic Resistance Grade</p> <p>Prevention of Damage to Structural Frame</p>	<p>Highest Grades</p> <p>Formaldehyde Emission Grade</p>	<p>Highest Grades</p> <p>Grade for Measures Against Deterioration</p> <p>Structural Frame, etc.</p>

※The highest grade is Grade 7.

(Taken from the reference material of the company)

*The above contents are as of March 31, 2025.

*All housing units of the company got Grade 5 or higher grades for heat insulation performance, etc. according to the ZEH standards. The company also provides residential properties with Grade 6 to meet the needs of customers.

Considering the trends of the needs of customers and the market, the company plan to provide residential properties with Grade 7, too.

◎ Building a home that can be built because of their close ties to the local community

The company's founding spirit is to "keep taking care of a house after sold or built." The company is committed to continuing its dense business within the scope of its customers' face-to-face contact, and to ensuring a complete after-sales follow-up system, which is why it does not expand its business nationwide. In line with its founding spirit, the company aims to create high-quality housing that is community-based so that customers who have been with the company for decades can continue to live with peace of mind.

◎ Used asset business in collaboration with the leasing management division

The used asset business acquires used condominiums that are already rented. This business model profits by collecting rents until tenants move out, and then the company renovates and resells the properties by collaborating with the leasing management business division. The company is one of the leading companies in Japan in the property purchase and resale business that renovates and resells vacant, used houses. The company owns 989 properties in Osaka Prefecture and the Hanshinkan area. Namely, it holds a significant number of properties in Kansai, being comparable to the largest companies in the same industry. In addition, the company has diversified exit strategies, such as re-leasing properties with existing tenants as investment properties or selling them with the tenants living in them. Using the corporate group's leasing management division enables the company to manage the properties flexibly according to their attributes. The average area of properties owned as of the end of March 2025 is 58.68m², and the average building age is about 26 years. Regarding the location of the properties, 61% of them are in Osaka prefecture, and 34% are in Hyogo prefecture, making them the regions with the largest number of properties.

Number of Owned Properties and Percentage of Owned Properties		
Region	Number of owned properties (houses)	Percentage of owned properties
Osaka	600	61%
Hyogo	335	34%
Kyoto	40	4%
Nara	14	1%
Total	989	100%

*Properties owned at the end of March 2025

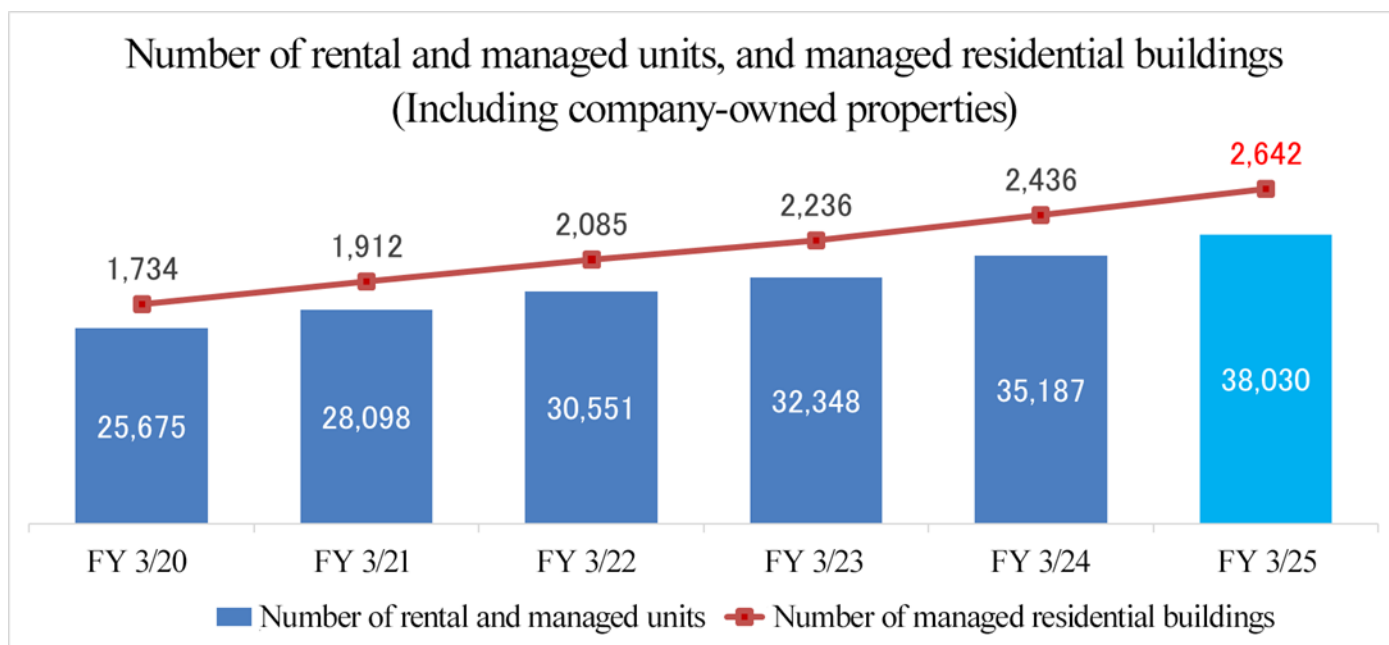
◎ No sales consignment. The company's employees handle all sales.

The company sells about 1,000 new condominium units annually, and the company's employees conduct sales activities at all sales sites. The company's employees handle land purchase, sales, plan design, construction site management, and after-sales follow-up. The company conducts face-to-face sales activities in an intensive and responsible manner aiming for the best customer satisfaction in Japan and pursuing customer happiness. In the sales department, there are no sales performance graphs for individual employees, but customer reviews and report graphs. The company places great importance on the positive reviews it receives from its customers and is promoting its sales activities by upholding the principles of "a special relationship with customers that doesn't end just after sell or build them a home."

◎ Leasing management that has maintained a high occupancy rate of approx. 97% for the past five consecutive years

As of the end of March 2025, the number of rental housing units managed by the company is 38,030 (the number of rental residential buildings managed by the company is 2,642), the number of rental housing units managed by the company after renting whole buildings is 33,388 (the number of rental residential buildings managed by the company is 2,467), and occupancy rate is 96.8%. In the past 5 years, occupancy rate has been as high as approx. 97%. This is thanks to the company carefully selecting the location of each property so that its buyer can manage the property with peace of mind over the long

term, as well as (1) the company's ability to attract customers through strong cooperation with brokerage companies, (2) its high level of property management, and (3) the rapid and flexible management system due to division of labor.



◎ Stable supply of high-quality housing based on deep trusting relationships with cooperative firms

In order to provide high-quality housing, the company holds a meeting of the council for safety and health every month and a conference of the association for on-site cooperation once a year, to share the management philosophy of the company and carry out the thoroughgoing management of safety and quality. At the conference of the association for on-site cooperation in fiscal year 2024, approx. 900 people of cooperative firms got together, and held a ceremony for commending companies and artisans who aim to “bring happiness to customers” together with Fuji Corporation. In addition, they hold a ceremony for offering letters of appreciation to cooperative firms that make daily efforts to satisfy customers three times a year to express their thanks. Fuji Corporation and cooperative firms join hands to provide high-quality housing in a stable manner.

1-4 Efforts for ESG and SDGs

Fuji Corporation aims to become a corporate group that continues growing sustainably together with the society and builds up trust by contributing to the society while being conscious of the relationship of its community-based property management activities with Environmental, Social, and Corporate Governance (ESG) and the Sustainable Development Goals (SDGs).

Environment		
Activity	Fuji Group’s efforts	SDGs
Environmentally friendly business activities	<p>Efforts in the refurbished used residential properties business Renovation of used residential properties produces significantly less CO₂ and waste than house reconstruction, which directly results in conservation of resources.</p> <p>Total heat exchange system that comes with the indoor air quality (IAQ) control system Fuji’s “Sumi no Ie / Pure Air” is energy-saving houses equipped with the total heat exchange system that prevents loss of thermal energy due to ventilation.</p> <p>Precut technique Fuji lightens environmental burdens by reducing waste materials with the precut technique in which wood, which is machined at factories in advance, is assembled on site.</p>	<p>6. Clean water and sanitation</p> <p>7. Affordable and clean energy</p> <p>9. Industry, Innovation and infrastructure</p> <p>11. Sustainable cities and communities</p> <p>12. Responsible consumption and production</p>

BRIDGE REPORT



	<p>Cellulose fiber (heat insulation) Cellulose fibers that Fuji adopts as heat insulation are made by recycling old newspapers that were not delivered and can be produced with significantly less energy than glass wool, the general internal heat insulation, and lighten environmental burdens.</p> <p>Participation in OSAKA Zero Carbon Smart City Foundation The company participated in the OSAKA Zero Carbon Smart City Foundation to play a leading role in realizing a decarbonized society by 2050 by materializing even more ambitious and advanced initiatives related to the SDGs from Osaka and spreading them nationwide.</p>	<p>13. Climate action</p> <p>15. Life on land</p>
Office Environment Improvements Consideration Environmental Conservation with for	<p>Various internal initiatives for environmental conservation:</p> <ul style="list-style-type: none"> •Adoption of hybrid vehicles for all cars for marketing •Paperless internal documentation through an electronic approval system (abolishing the need for physical stamps) •Switching of office lighting and the company's headquarters building signage tower to LED •Energy saving through the promotion of "Cool Biz" •Use of recycled paper by dissolving used office paper •Installation of a demand monitoring system to monitor peak electricity usage and control power consumption 	
Environmental Conservation Activities by Employees	<p>Voluntary Tree planting: "Fuji Jutaku no Mori (Fuji Housing Forest)" in Hidakagawa-cho, Hidaka-gun, Wakayama Prefecture</p> <p>A 2.16-hectare forest in Hidakagawa-cho, Hidaka-gun, Wakayama Prefecture has been designated as "Fuji Jutaku no Mori," where employees and their families from the company group participate in volunteer activities, including tree planting and forest cultivation. Through this initiative, the company contributes to the conservation of the local natural environment as a member of the regional community, while working to raise environmental awareness. On Saturday, November 30, 2024, the 6th tree-planting activity at "Fuji Jutaku no Mori" was held, with 53 employees and family members participating as volunteers. They planted 300 saplings and performed underbrush clearing.</p>	<p>6. Clean water and sanitation</p> <p>7. Affordable and clean energy</p> <p>9. Industry, Innovation and infrastructure</p> <p>12. Responsible consumption and production</p> <p>13. Climate action</p>
Establishment of TCFD Working Group	<p>Promotion of initiatives with an awareness of the relationship between ESG and SDGs and the Company's business activities with community-based management</p> <p>TCFD Working Group was established on April 12, 2022. Based on the framework proposed by the TCFD recommendations regarding the impact of climate change on the company's business, the group is examining future changes in the external environment and promoting initiatives based on the Basic Sustainability Policy.</p>	<p>15. Life on land</p>

Social		
Activity	Fuji Group's efforts	SDGs
Establishment of a comfortable work environment (1)	<p>Health Management Initiatives</p> <p>"A company's performance is determined by its personnel. Without the health and happiness of employees, customer satisfaction or company growth cannot be achieved." The company has believed this since its establishment, and for its customers to be truly happy, it is important for its employees to be healthy in mind and body, to take pride in their work, to have a sense of fulfillment, and to lead fulfilling lives both in their professional and personal lives. The company was selected three times, in 2016, 2018, and 2019, for the</p>	<p>1. No Poverty</p> <p>3. Good Health & Wellbeing</p> <p>4. Quality Education</p> <p>5. Gender Equality</p>

	<p>"Health and Productivity Stock Selection," a program jointly conducted by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange. In addition, in March 2025, the company has been recognized 8 time by the Ministry of Economy, Trade and Industry (METI) in collaboration with the Japan Health Council as the "Outstanding Health and Productivity Management Organization 2025 Large Enterprise Category (White 500)." Furthermore, the company has been recognized for the third consecutive year as an "Outstanding Company in Cancer Control Promotion" by the Ministry of Health, Labour and Welfare. The "Cancer Control Promotion Award for Outstanding Companies" was established in 2020, and with the first award presented on February 28, 2023, this marks the company's third consecutive recognition.</p> <p>Specific Health Management Measures The company's Board of Directors has adopted a policy of priority measures for health promotion. For priority initiatives and measures, the company has set target figures and indicators for health-oriented business administration, and consider the health checkups for all employees as an important issue. The company has achieved a 100% health checkup rate for over 10 consecutive years, including part-time employees. In addition to the legally required medical checkups above, many additional items are added (tumor marker test, H. pylori test, breast cancer echo test for all female employees, and CA19-9 cancer marker test to detect pancreatic cancer, bile duct cancer, and gall bladder cancer starting in April 2022). The company covers the entire cost of employees undergo health examinations that are not specified by law, re-examinations, etc. The company aims to improve long-term business performance through ongoing efforts to maintain and promote employee health.</p>	<p>8. Decent Work and Economic Growth</p> <p>10. Reduced Inequalities</p>
<p>Establishment of a comfortable work environment (2)</p>	<p>Promoting Workplace Reform through the Introduction of Telework The Company promotes telework as a flexible work style that is not restricted by location or time, utilizing ICT (Information and Communication Technology), and received the "Minister of Internal Affairs and Communications Award for the 100 Pioneers of Telework" in 2018 and selected for the "Telework Promotion Award for Excellence" in 2020 and 2022. In 2024, the company received "the Special Award in the practical section of the Telework Promotion Award." The company believes that the promotion of telework will lead to the balancing of work and childcare/nursing care, help people with disabilities who have difficulty commuting, secure excellent human resources in rural areas, and establish a business continuity plan (BCP), which will lead to the enhancement of their corporate value.</p> <p>A proactive approach to sports In support of the idea that the inherent value of sports is that they support "people's lifelong commitment to a healthy and cultured lifestyle in both mind and body," the company has been involved in a variety of sports-related initiatives, including the installation of a box-type hyperbaric oxygen box (maximum capacity of 10 people) for stretching and training, holding walking events, and encouraging people to walk to work in sneakers (the company was recognized as Bronze of "Sports Yell Company 2025" on January 31, 2025).</p>	<p>1. No poverty</p> <p>3. Good health and well-being</p> <p>4. Quality education</p> <p>5. Gender equality</p> <p>8. Decent work and economic growth</p> <p>10. Reduced inequalities</p>
<p>Establishment of a comfortable work</p>	<p>Operation of Shirahama Recreation Center The company owns a recreation facility in Shirahama-cho,</p>	

<p>environment (3)</p>	<p>Nishimuro-gun, Wakayama Prefecture, which can be used by all employees, including part-time and temporary employees, including those of group companies. The sanatorium is conveniently located just a 2-minute walk from Shirahama Beach, and offers a hot spring with natural spring water and delicious food using local specialties at a reasonable price. The facility is operated with the aim of "for employees and their families" so that employees can spend a relaxing time with their families and loved ones.</p>	
<p>Residential development with consideration for safety and security, beautiful scenery, and local community revitalization</p>	<p>Safe and secure community development The open exterior of the house gives an open, bright, and beautiful impression. In addition, it has the advantage in terms of crime prevention that it is difficult for suspicious people to enter the house because it has a sweeping view. The roads in the town are curved lines based on gentle curves, which naturally reduce the speed of cars and make the town safer.</p> <p>Community Revitalization Town parks and meeting places have been established as community spaces where anyone, from children to the elderly, can casually drop by, aiming to create a "connected" town where the smiles of the people who live there abound.</p>	<p>1. No Poverty 2. Zero Hunger</p>
<p>Development of health-oriented homes</p>	<p>Fuji Charcoal House/Pure Air In contrast to the general 24-hour ventilation system of "natural air supply + forced exhaust," Fuji employs a "forced air supply + forced exhaust" system with a fan. In addition, the house is equipped with a double measure to block harmful substances by using a "filter for minute particles" when supplying air, and to pass air through charcoal installed under the floor to remove harmful substances with a particle diameter of 0.5 μm or greater (PM2.5, yellow sand, bacteria, pollen, etc.), keeping clean and clean air in the house 24 hours a day. The company strives to build houses that are healthy and comfortable.</p>	<p>3. Good Health & Wellbeing 10. Reduced Inequalities 11. Sustainable Cities and Communities</p>
<p>Cooperation in support activities for Asian countries</p>	<p>Support activities through Asia Child Support In February 2024, the company received a letter of appreciation from Asian Child Support. The company has set up donation boxes at its head office building and offices, and sends donations received from employees, customers who visit the company, and subcontractors. The company plans to continue its support for the relief efforts.</p>	
<p>Efforts against the aging society</p>	<p>Development of affordable apartments for seniors with nursing-care services The birthrate has been decreasing and the population has been aging rapidly in recent years, and the ratio of people aged 65 and older to the total population is expected to exceed 30% in 2030. Under these circumstances, how houses as final abodes should be and enrichment of such services as nursing care and medical treatment are crucial social issues. The corporate group provides affordable and quality affordable apartments for seniors with nursing-care services based on a concept of housing at which people can entrust their parents with a sense of safety, and the number of the rental housings that it operates is more than 250 and No. 1 in Japan. It aims to continue building rental housings in which elderly can continuously lead safe, healthy, and enriched life.</p> <p>Use of ESG Target Setting Loan "Try Now" On December 24, 2021, the company received a 500 million yen loan from Minato Bank, Kansai Mirai Financial Group, using the "ESG Target Setting Loan Try Now." This loan was set with the goal of</p>	<p>3. Good Health & Wellbeing 11. Sustainable Cities and Communities</p>

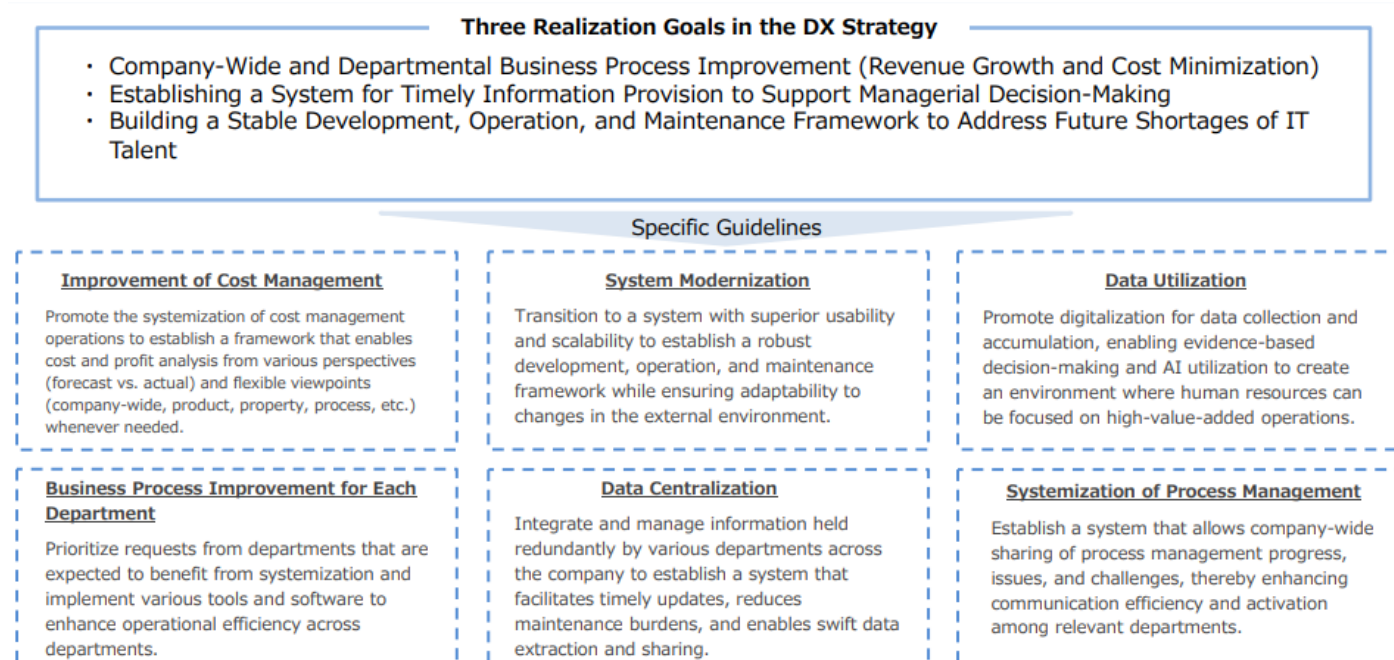
	<p>increasing the number of serviced senior housing units supplied above a certain number, with the aim of contributing to the spread of safe and secure housing in an aging society.</p> <p>Utilization of Sustainability Linked Loans The company received a loan of 1 billion yen from Kiyo Bank on October 31, 2022, and a Sustainability Linked Loan of 500 million yen from Chugoku Bank on April 3, 2023 and 500 million yen from Senshu Ikeda Bank on March 29, 2024. On July 31, 2024, the company borrowed 500 million yen from Kansai Mirai Bank, and on December 25, 2024, the company borrowed 500 million yen from The 77 Bank, Ltd. in the form of "Sustainability Linked Loan." The company aims to enhance its sustainability management by setting a target value for sustainability activities aimed at contributing to the resolution of social issues, which is "To increase the number of houses for the elderly that provide services (such as nursing care) by approximately 5% annually."</p>	
<p>Contribution to local community</p>	<p>Blue crime prevention patrol Fuji Corporation has formed the Fuji Blue Crime Prevention Patrol Team in cooperation with Kishiwada Police Station with the aim of protecting the safety of the children in the area and eliminating street crimes, and strives to prevent local crimes in the school zones in Kishiwada City as a company. For this activity contributing to crime prevention, the company was commended by the chief of Osaka Prefectural Police and Osaka Federation of Associations for Crime Prevention in the occupational section on September 30, 2023. On June 17, 2024, the company received a letter of gratitude under the joint names of the chief of Kishiwada Police Station and the head of Kishiwada Association for Preventing Crimes in Workplaces.</p> <p>Donation to the Osaka Nursing Association Fuji gratefully donated to healthcare workers who have been devoting themselves to providing medical services and those who have been committed to continuing the medical system amid the COVID-19 pandemic.</p> <p>Environmental beautification activities Fuji's employees clean the roads around the headquarters building, Higashi-Kishiwada building, and "Ouchi Kan" main shop, including the roads in front of the buildings and shops. As a result, the company's contributions to road beautification and community clean-up activities were recognized, and Osaka Prefecture officially designated its sidewalk cleaning efforts around the Higashi-Kishiwada building as part of the "Adopt Road Habu-cho 2-chome" program and by Kishiwada City as "Family Road Fuji Jutaku."</p> <p>Promotion of e-Tax The Regional Taxation Bureau proactively promotes e-Tax, a system that allows its users to file final tax returns using the Internet. Fuji encourages all its officers and employees to use e-Tax for filing tax returns and received a letter of appreciation for the effort from the superintendent of Kishiwada Tax Office in May of 2021. In May 2025, the company also received a letter of appreciation from the Head of the Kishiwada Tax Office in recognition of its ongoing efforts to support the smooth operation of tax administration.</p>	<p>4. Quality education</p> <p>11. Sustainable cities and communities</p> <p>15. Life on land</p>

Governance		
Activity	Fuji Group's efforts	SDGs
Governance enhancement based on the organizational structures	<p>The Board of Directors, the Audit & Supervisory Board, and other organizational structures for enhancing corporate governance</p> <p>Fuji's Board of Directors consists of seven directors (including two outside directors) and its Audit & Supervisory Board is composed of three auditors (including two outside auditors), and the company has set up a risk compliance promotion committee and an internal control promotion committee, established an internal reporting system, and TCFD working group.</p>	
Governance enhancement through human resources development	<p>Booklet of the management philosophy and policies</p> <p>Exactly as stated by the words "The enterprise is its people," Fuji Corporation gives the top priority to development of human resources. It requires all its employees to carry the booklet of the management philosophy and policies so that they can move forward unwaveringly toward the same goal and purpose, and strives to develop human resources so that all the officers and employees fully understand and follow the management philosophy and policies and to raise the ratio of such human resources.</p> <p>Direct dialogue between the management and the employees</p> <p>Fuji regularly holds meetings for asking questions for the chairman and the president in which employees can have direct dialogue with the chairman and the president. The chairman and the president themselves are committed to settling not only the employees' work-related issues, but also troubles and issues in their private life through telephone meetings with each employee who has questions.</p> <p>The company believes that direct dialogue between the employees and the management helps cement the relationship of trust and increase a sense of belonging among its employees, and thus it is essential for enhancing corporate governance through understanding and implementation of the management philosophy and policies.</p> <p>360-degree personnel assessment system</p> <p>Believing that development of human resources that have excellent insight, boldness, and judgment, and thoroughly follow the management philosophy and policies contributes to long-term improvement of its corporate value, Fuji has adopted a fair and equitable personal assessment system, 360-degree personnel assessment system, that assesses the employees from all viewpoints, including not only their direct bosses but their co-workers, subordinates, and the officers in other departments.</p>	<p>4. Quality education</p> <p>5. Gender equality</p> <p>8. Decent work and economic growth</p> <p>12. Responsible consumption and production</p> <p>16. Peace, justice and strong institutions</p>
Governance enhancement through customer satisfaction improvement	<p>Insatiable pursuit of customer satisfaction</p> <p>Fuji records words of joy and appreciation from customers on its "Bravo Card" and "Thank You Report," and complaints and words of scolding on the "Yellow Card." They are shared among the internal departments concerned and used for resolving issues arising in the worksites and assessing personnel, and the company believes that these efforts to gain greater customer satisfaction with a focus on the worksites will help identify true needs and fundamental issues and problems, and will directly result in enhanced governance.</p> <p>"2021-2025 Oricon Customer Satisfaction® Survey": No. 1 in Builders of Built-for-Sale Housing in the Kinki Region, "2020-2025 Oricon Customer Satisfaction® Survey": No. 1 in Builders of Built-for-Sale Housing in the Kinki Region,</p>	<p>4. Quality education</p> <p>8. Decent work and economic growth</p> <p>10. Reduced inequalities</p> <p>12. Responsible consumption and production</p> <p>16. Peace, justice, and</p>

	Osaka Prefecture.	strong institutions
Proactive dialogue with the stakeholders	<p>Holding IR events and dialogue with the shareholders and institutional investors</p> <p>Fuji holds company information sessions for individual investors and for analysts and institutional investors as necessary in Osaka and Tokyo, accepts requests from its institutional investors and other parties concerned for interviews and telephone meetings to a reasonable extent, and holds an online session for describing the company, which is hosted by a securities firm, several times per year. It endeavors to give as clear explanations as possible in understandable words to inquiries from its individual investors, and has proactive dialogue with them via the shareholder questionnaire enclosed in the shareholder newsletters published twice a year. Fuji Corporation believes that constructive dialogue with the shareholders and investors will contribute to its medium- and long-term corporate value enhancement and sustainable growth.</p>	
Strengthening relationships with business partners	<p>Holding a Briefing Session in Preparation for the Start of the Consumption Tax Invoice System</p> <p>Due to the revision of the Consumption Tax Act, the invoice system was introduced in October 2023. Ahead of the system's implementation, the company held a briefing session in September 2022 for its business partners. A representative from the Kishiwada Tax Office was invited to explain the system and dispel concerns regarding the new invoice requirements. Approximately 200 people attended the session, which helped strengthen ongoing cooperative relationships with the company's business partners.</p>	

1-5 DX (Digital Transformation) Initiatives

To promote next-generation system construction projects to dramatically accelerate the improvement of duplicated operations through overall optimization and the improvement of operational efficiency through information sharing, with the aim of building a system infrastructure that is resistant to change.



(Taken from the reference material of the company)

In November 2023, the company adopted the "ITANDI Service" operated by Itandi, Inc. Ltd. This allows the entire process, from property search to application and contract conclusion, to be completed online, reducing the burden on customers to

visit in person, enabling faster customer services, and significantly improving operational efficiency for both the company and partner real estate agencies. Additionally, the company adopted the electronic contract and document management service "Release" for various business operations in sales contracts in the business of residential properties for sale in February 2023, and in lease agreements for rental apartments for seniors with nurse care services in June 2024.

Moreover, in December 2023, the company adopted the "egaku" cloud-based housing specification confirmation service, and it has achieved seamless management in the business of purchasing and reselling used residential properties, by digitalizing operations in collaboration with partner companies.

2. New Medium-Term Management Plan (FY 3/26 to FY 3/28)

In the real estate industry, land prices continue to rise, and the cost of supplying new housing has further increased due to surging construction material prices and labor costs. Additionally, the Bank of Japan's measures for normalizing policy interest rates have made the business environment even more challenging for real estate companies. On the other hand, economic recovery and wage growth are supporting consumers' willingness to purchase homes, and the real estate market as a whole remains relatively firm. In particular, the steep rise in new housing prices has invigorated the used house resale market, and the market of properties for investment, including rental housing, is also performing well. In response to these market changes, the corporate group has formulated a medium-term management plan (FY 3/26 to FY 3/28) centered on expanding recurring-revenue businesses, to optimize its business portfolio and strengthen its stable revenue base. This plan seeks to secure the company's growth path by maximizing synergies across five business areas, further enhancing its proposal and product development capabilities, driving operational innovation through DX and generative AI, and optimizing financial management. The plan also aims to contribute to the realization of a sustainable society by developing human resources.

◎ Review of the Previous Medium-Term Management Plan (FY 3/23 to FY 3/25)

During the period of the previous medium-term management plan (FY 3/23 to FY 3/25), both sales and all kinds of profits exceeded the targets in every fiscal year. As initially projected, the fiscal year ended March 2025 marked a record high in both sales and profit. ROE also remained stable, and over the three years, the company was able to strengthen its earnings structure further.

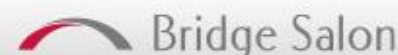
	FY 3/23 Mid-Term Plan	FY3/23 Act.	FY 3/24 Mid-Term Plan	FY3/24 Act.	FY 3/25 Mid-Term Plan	FY3/25 Act.
Sales	110,600	114,669	117,000	120,388	121,800	123,927
Operating Income	6,000	6,286	6,800	7,264	7,000	7,894
Ordinary Income	5,700	5,744	6,300	6,643	6,600	6,987
Net Income	3,800	3,817	4,200	4,559	4,400	4,764
ROE	8.4%	8.4%	8.7%	9.3%	8.4%	9.0%
Capital adequacy ratio	Over 25%	30.5%	Over 25%	30.3%	Over 25%	29.8%

*Units: million yen

◎ Vision for the New Medium-Term Management Plan (FY 3/26 to FY 3/28)

Medium- to Long-Term Trends in the External Environment			
Policy	<ul style="list-style-type: none"> ◆Continuous support for homeownership ◆Mandatory energy efficiency standards; promotion of ZEH (Net Zero Energy Houses) and BELS (Building-Housing Energy-efficiency Labeling System) evaluations ◆Tax reform-related risks in the real estate sector 	Society	<ul style="list-style-type: none"> ◆Declining birth rate, aging population, and an increase in single-person and senior households ◆Growing demand for health-conscious and safety-oriented housing ◆Diversification in work styles and housing preferences
Economy	<ul style="list-style-type: none"> ◆Gradual increases in policy interest rates ◆Persistently high prices for materials, labor, 	Technology	<ul style="list-style-type: none"> ◆Promoting the distribution of ZEH, smart homes, and renewable energy equipment

BRIDGE REPORT



and land ◆Polarization of purchasing behavior between real demand for homes and demand for investment	◆Expanded use of generative AI and cloud-based core systems in operations ◆Advanced operational efficiency and training support through IT and DX
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Company Strengths

- ◆Community-based management and high customer satisfaction
- ◆Strong product appeal offering health, safety, and high performance
- ◆Stable earnings through recurring-revenue businesses
- ◆Capability of gathering land information by leveraging a multi-business network
- ◆Business diversification to meet all housing-related needs, with flexible responsiveness through cross-departmental collaboration

Vision for the New Medium-Term Management Plan

- ◆Enhance service quality by delivering products that meet the needs of the times and providing tailored proposals to each customer.
- ◆Build a long-term, stable earnings base by optimally combining one-shot-revenue businesses (sales) and recurring-revenue businesses (rent and management of properties).
- ◆Improve productivity and create a fulfilling workplace by advancing operational improvement, DX, and the use of generative AI.
- ◆Balance financial soundness and efficiency through optimization of capital composition, profit distribution, and inventory strategy.
- ◆Deepen community-based management and customer satisfaction by addressing social issues through business and contributing to local communities.

The company believes that having as many employees as possible understand and embody its management philosophy is the foundation for enhancing all aspects of corporate value, productivity, profitability, credibility, and sustainability.

◎ Profit Plan

Under this medium-term plan, sales are projected to reach record highs for three consecutive fiscal years, with profit also expected to grow steadily. Through investment in human capital and cost absorption, key financial indicators such as ROE and equity ratio are expected to remain at stable levels, striking a balance between growth and financial soundness.

[Consolidated performance plan]

	FY 3/26 Mid-Term Plan	FY 3/27 Mid-Term Plan	FY 3/28 Mid-Term Plan
Sales	126,000	127,200	131,900
Operating Income	7,200	7,300	8,200
Ordinary Income	5,700	5,300	6,200
Net Income	3,700	3,500	4,100
ROE	6.6%	6.0%	6.6%
Capital adequacy ratio	Over 25%		

*Units: million yen

<Consolidated Net Sales>

Sales are projected to reach record highs for three consecutive fiscal years, maintaining a stable growth trend.

◆Recurring revenue from property leasing and management is expected to grow steadily by approximately 7% annually, forming a stable revenue base.

◆One-shot revenue from the selling of residential properties, housing distribution, and effective land utilization is also expected to be healthy.

◆Condominium developments: Plans call for the completion and handover of 9 buildings totaling approximately 850 to just under 900 units over the period of three fiscal years

◆With steady performance across all segments, net sales are expected to exceed 130 billion yen in the third fiscal year of the plan, marking a strong growth path.

<All Kinds of Profits >

Ordinary income is expected to be impacted by an increased interest burden in the second fiscal year, but is expected to recover and return to a growth trend.

- ◆Human capital investment: integrating recruitment, development, and retention processes to strengthen organizational capabilities and on-site business execution
- ◆Advertising expenses will be strategically optimized, while DX investments will be carried out in a planned manner.
- ◆The impact of policy interest rate hikes is expected to peak in the second year, with expansion in net sales offsetting the effect in the third year.

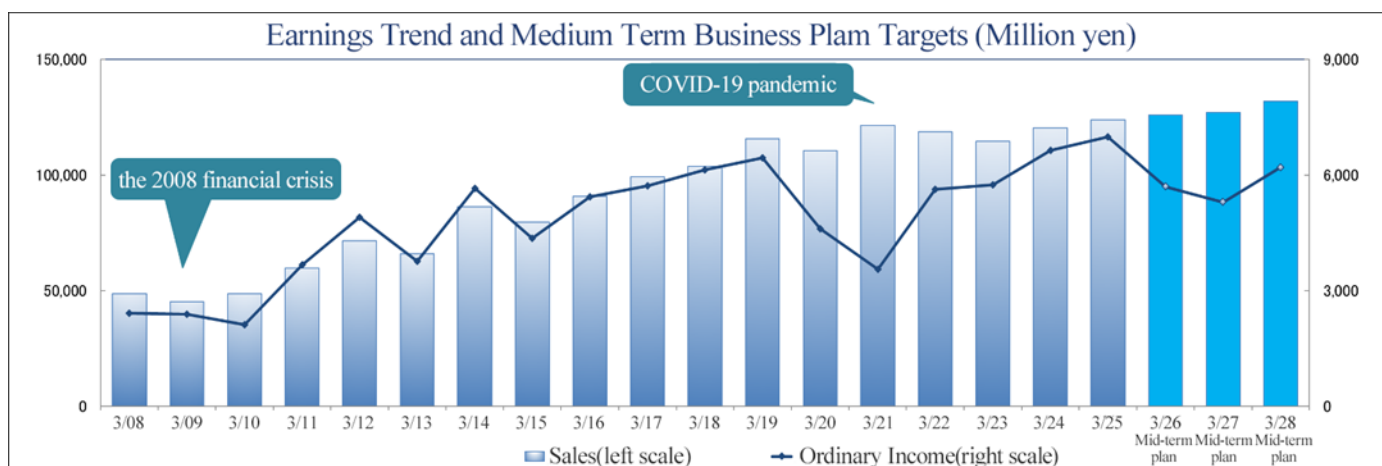
<ROE & Equity Ratio>

Equity ratio is expected to be 30% or higher, ensuring financial soundness.

- ◆ROE is projected to temporarily decline to around 6% in the second fiscal year, when rising borrowing costs and personnel expenses are taken into account.
- ◆However, steady accumulation of equity capital, combined with increased sales and improved profitability, is expected to support a recovery trend from the third fiscal year onward.
- ◆Net D/E ratio is expected to gradually decline through appropriate management of inventory levels and interest-bearing debt, along with steady capital accumulation.
- ◆Equity ratio is expected to remain stable, maintaining a healthy financial standing.

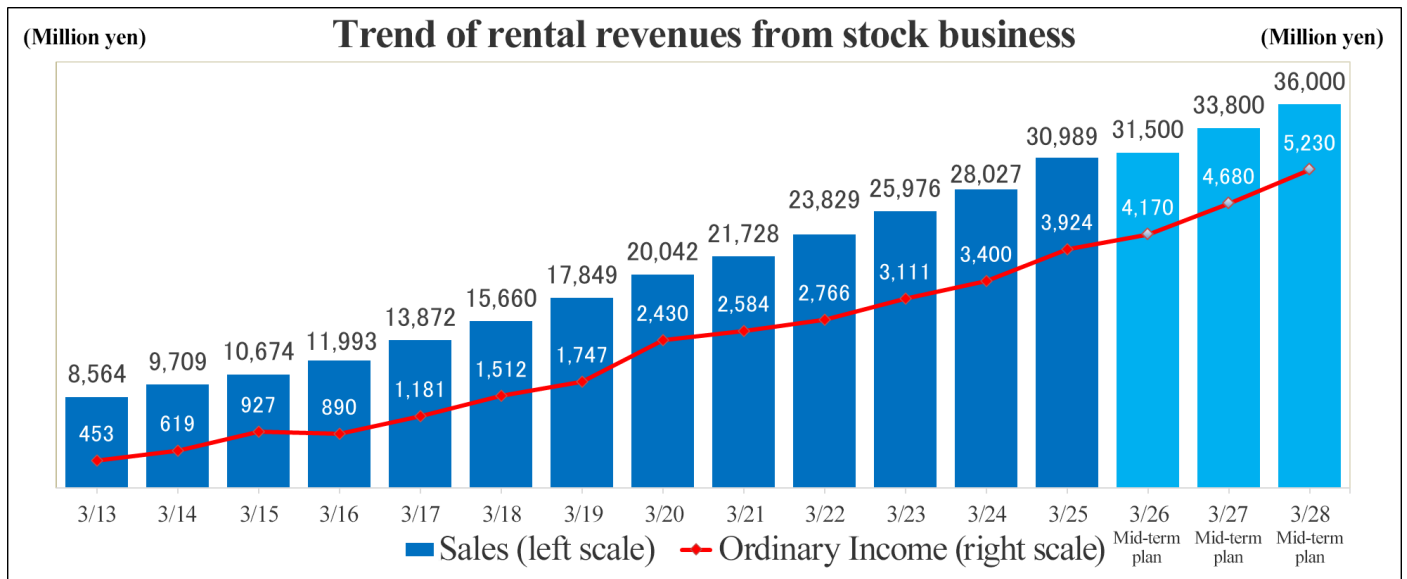
[Performance Trends]

Since its listing on the stock market, the company has maintained steady sales growth by flexibly responding to changes in the external environment. Despite ongoing external pressures such as persistently high construction and land costs and rising interest rates, the company is committed to appropriate inventory management and disciplined investment decisions through selection and focus. During the current medium-term plan period, the company aims to achieve record-high sales for three consecutive fiscal years.



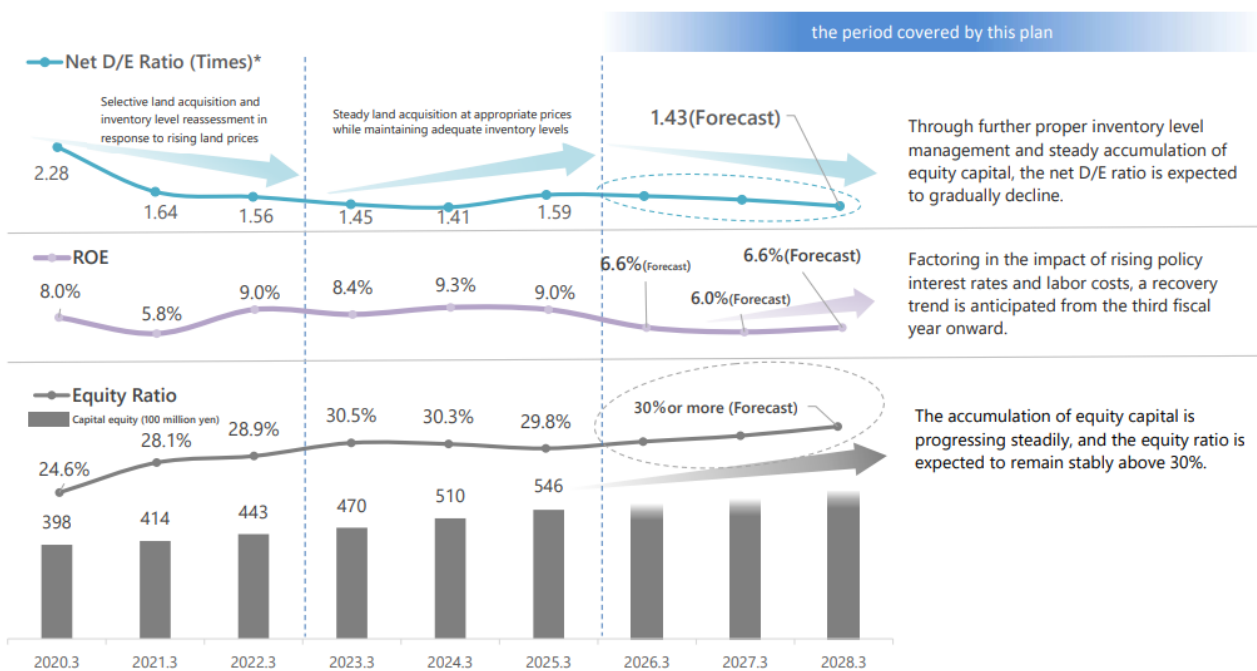
[Pursuit of the Recurring-revenue Business]

During the current plan period, the company aims to hand over approximately 600 rental apartment buildings over a three-year period. This is expected to result in an increase in the number of properties under management and an expansion of leasing and management revenue. The occupancy rate is projected to remain at a high level of around 97%, and the company will continue to ensure revenue stability through a high-quality property management system.



[Trends and Projections for Key Financial Indicators (Equity Ratio, ROE, and Net D/E Ratio)]

During the current plan period, as all kinds of profits recover, equity capital is expected to accumulate, resulting in stable trends of key financial indicators.



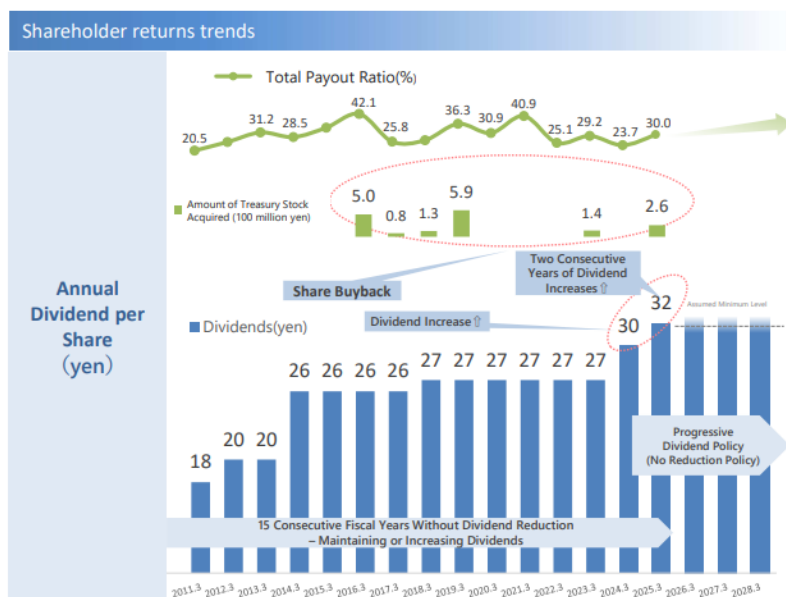
*Net D/E Ratio = (Interest-bearing Liabilities - Cash and Deposits (including Time Deposits) at End of Period) ÷ Equity Capital
 *The impact of the new lease accounting standards (such as on-balance sheet recognition) applicable from fiscal years beginning on or after April 1, 2027, is not reflected in the figures in this document.

(Taken from the reference material of the company)

[Sustainable Shareholder Return Through a Progressive Dividend Policy]

The company has consistently maintained stable dividends, with no dividend reductions, for 15 consecutive fiscal years, while expanding its earnings base and strengthening its financial foundation. In the fiscal year ended March 2024, it adopted a progressive dividend policy and plans to implement dividend increases for two consecutive years. The company will continue to provide flexible shareholder returns in line with business performance, aiming for stable dividends and the sustainable enhancement of corporate value.

BRIDGE REPORT



Shareholder Return Policy

- Based on a progressive dividend policy, we will maintain stable dividends or increase them, without implementing any dividend reductions.
- While striving to maintain financial soundness and improve asset efficiency, we will promote sustainable shareholder returns in conjunction with growth investments.
- Share repurchases will be conducted in a timely and flexible manner, based on a comprehensive assessment of share price levels, financial condition, and the business environment.

We will steadily work to enhance our corporate value over the medium to long term and to deepen the trust-based relationship with our shareholders.

Shareholder Benefits

Number of Shares Held as of the Record Date	Details of Shareholder Benefits
500 shares or more but less than 1,000 shares	QUO Card worth ¥1,000
1,000 shares or more but less than 5,000 shares	JCB Gift Card worth ¥3,000
5,000 shares or more but less than 10,000 shares	JCB Gift Card worth ¥4,000
10,000 shares or more	JCB Gift Card worth ¥5,000

Shareholders who hold 500 shares or more as recorded in the shareholder registry as of March 31 each year are eligible.

(Taken from the reference material of the company)

© Business strategies in each segment

[Residential Properties for Sales Business]

	FY 3/26 Mid-Term Plan	FY 3/27 Mid-Term Plan	FY 3/28 Mid-Term Plan
Sales	38,800	37,500	39,600
Segment Profits	1,870	1,550	1,840

* Units: million yen

During the current plan period, supply will expand for both detached houses and condominiums, with steady performance expected throughout the three fiscal years. Although the fiscal year ending March 2027 is projected to see a temporary decline in revenue and profit due to a reactionary drop in the number of units delivered for a large-scale condominium project, supply is expected to recover in the fiscal year ending March 2028, leading to a rebound in both net sales and segment profit.

In the residential properties for sales business, the company offers three brands: the custom-built "Sumi no Ie/Pure Air" (a house with a system for purifying air with charcoal) which emphasizes air quality and health, the price-conscious "S.O.U" series; and "HIRANAGI," a single-story home line focused on design and livability. Through this diverse product lineup, the company aims to respond precisely to the evolving lifestyles and values of its customers, while also balancing operational efficiency with profitability and maximizing its proposal capabilities. In the southern area (including Sakai City, southern Osaka, Minami-kawachi, and northern Wakayama), the focus is on maximizing proposal provision capabilities and sales efficiency by leveraging all three brands. In the northern area (Osaka City, the Hanshin region, Hokusetsu, Keihan area, and Higashi-Osaka), the strategy is to maximize added value and profitability through offerings tailored to urban living.

In addition, the company provides homes that earn customer trust and satisfaction through three pillars: custom design, air quality, and earthquake resistance. With recent changes in work styles and rising land and construction costs, consumer preferences regarding housing have diversified, and consumers are becoming increasingly more likely to base their purchasing decisions on price. In response to these evolving needs, the company launched two new product lines, "S.O.U" and "HIRANAGI," in November 2022. These are new types of standardized housing that expand customer options while maintaining quality.

<Condominium Development>

Under this plan, the company aims to complete and hand over 9 condominium projects totaling approximately 850 to just under 900 units over three years, forming a key pillar of the company's overall earnings base. The handover schedule includes 3 buildings in the fiscal year ending March 2026, 4 buildings in the fiscal year ending March 2027, and 2 buildings in the fiscal year ending March 2028.

Fiscal Year Ended March 2026 (3 buildings)		Fiscal Year Ended March 2027 (4 buildings)		Fiscal Year Ended March 2028 (2 buildings)
				
Branneed HankyuMinase (Shimamoto Town, Mishima District, Osaka 75units)	Branneed Tsukamoto Station Front (Osaka City, Osaka 71 units)	Charmant Fuji Kitanoda Station Residence (Sakai City, Osaka 65units)	Project Name TBD (Total of 2 buildings Plan 126 units)	Project Name TBD (Plan 52 units)
				
Charmant Fuji PARK & LINKS (Sakai City, Osaka 190 units)	Charmant Fuji PARK & LINKS EAST (Sakai City, Osaka 120 units)	Project Name TBD (Plan 160 units)		
 <p>50th Anniversary Commemorative Project "PARK LINK PROJECT (Total of 2 buildings 310 units)" * Construction Section 1 : Charmant Fuji PARK & LINKS (190 units) → Completed and Delivered in April 2025 * Construction Section 2 : Charmant Fuji PARK & LINKS EAST (120 units) → Scheduled for Delivery in the Fiscal Year Ending March 2027</p>		<p>The development projects mentioned above have already secured land and are scheduled for completion between the fiscal years ending March 2027 and March 2028.</p>		

(Taken from the reference material of the company)

<Detached Housing>

Examples of ongoing sales projects linked to the sales plan from the fiscal year ending March 2026 onward (excerpted from currently available properties)

			
LEA-GRAN Fukiage Fukiage, Wakayama City, Wakayama (All 36 lots)	FUNJE Sakai Kitanoda III・IV Higashi Ward, Sakai City, Osaka (All 25 lots)		
			
FUNJE Izumisano Aoi-cho I・II Aoi-cho, Izumisano City, Osaka (All 46 lots)	AFUJIR Garden Amagasaki I - Yasuraginomati Amagasaki City, Hyogo (All 11 lots)	AFUJIR Tatsumikita Osaka City, Osaka (All 17 lots)	AFUJIR Shimomotohirose Shimamoto Town, Mishima District, Osaka (All 24 lots)

(Taken from the reference material of the company)

[Housing Distribution Business]

	FY 3/26 Mid-Term Plan	FY 3/27 Mid-Term Plan	FY 3/28 Mid-Term Plan
Sales	24,900	25,500	25,800
Segment Profits	420	480	520

* Units: million yen

During the current plan period, the company will focus on used condominiums as the core of its business, while improving its product lineup based on profitability and market potential. For used detached houses, the strategy will involve a selective approach, focusing on highly profitable properties. Furthermore, in the used property housing business, the company will leverage its competitive edge in property acquisition and implement flexible sales strategies, accompanied by careful inventory management. This is expected to lead to both net sales and segment profit growing steadily.

Amid expectations for continued steady growth in the used residential property market within the Kinki region, the company aims to secure stable earnings through diverse exit strategies that carefully manage inventory levels. In the housing distribution business, the company is also developing a “used housing asset model,” a recurring-revenue approach that leverages collaboration with the rental division. This model involves acquiring and holding used residential properties with existing tenants, generating revenue from both rental income and resale profits. Compared to the highly competitive buy-and-resell market, this model features higher barriers to entry, offers greater flexibility in exit strategies, and enables risk diversification. As such, it is positioned as a strategic business domain that contributes to enhancing earnings stability.

[Effective Land Utilization Business]

	FY 3/26 Mid-Term Plan	FY 3/27 Mid-Term Plan	FY 3/28 Mid-Term Plan
Sales	29,600	29,600	30,000
Segment Profits	3,019	2,920	3,020

* Units: million yen

* The amount of internal transactions between segments is included.

During the current plan period, both net sales and segment profit are expected to remain generally flat, indicating that overall business operations will continue steadily and stably. In the construction contracting segment, a strong order intake from the previous fiscal year is expected to contribute to performance in the first year. However, for the second year onward, the company is adopting a conservative outlook, assuming stable order intake while taking into account potential changes in the external environment and the risk of rising construction costs.

As of now, order trends remain steady, with no significant fluctuations in the business's growth potential or earnings base. Stable revenue generation is expected to continue. With growing interest in inheritance and asset succession, the company has been steadily building its track record by supplying rental apartment buildings that emphasize "security and stability" as a means of asset formation capable of generating stable returns. Even as the investment environment shifts following the end of prolonged monetary easing, the company will continue to meet the needs of owners who prioritize long-term stable income and effective asset utilization, supported by its strong supply capabilities. During the current plan period, the company plans to hand over approximately 420 rental apartment buildings and around 180 buildings through construction contracts. Amid rising construction material costs, wooden rental apartments, which offer an excellent balance between cost and profitability, are once again drawing attention. The company's Fuji Palace series leverages design expertise cultivated through its detached housing business to minimize initial investment while achieving both profitability and asset value. These properties are also well regarded from tax and financing perspectives, contributing to stable rental business operations.

[Property Leasing and Management Business]

	FY 3/26 Mid-Term Plan	FY 3/27 Mid-Term Plan	FY 3/28 Mid-Term Plan
Sales	31,500	33,800	36,000
Segment Profits	4,170	4,680	5,230

* Units: million yen

During the current plan period, the company anticipates stable growth driven by the expansion of recurring revenue, primarily through its rental apartment brand, Fuji Palace, and Fuji Palace Senior, which offers rental apartments for seniors with nurse care services. Sales are projected to increase from 31.5 billion yen in the fiscal year ending March 2026 to 36 billion yen in the fiscal year ending March 2028, with segment profit expected to rise steadily each year, exceeding 5 billion yen in the final year of the plan.

The company's property leasing and management business, which serves as its foundation for recurring revenue, is steadily expanding through the continuous increase in the number of units under management, due to construction contracting and handover of rental apartments for sale to individual investors and condominiums. The profit from this business continues to account for an increasing share of the company's total profit, solidifying its position as a core business that supports mid- to long-term earnings stability. In addition to community-based rental apartments for seniors with nurse care services, the property leasing and management business centered on company-owned properties, subleased units, and condominium management is contributing to the steady expansion of its recurring revenue base. The company is expected to maintain a high occupancy rate of around 97%, supported by strong partnerships with brokerage firms, rigorous quality control, and on-site operation capabilities built through close collaboration between employees and subcontractors.

[Construction-related Businesses]

	FY 3/26 Mid-Term Plan	FY 3/27 Mid-Term Plan	FY 3/28 Mid-Term Plan
Sales	2,900	2,600	2,800
Segment Profits	32	28	65

* Units: million yen

* The amount of internal transactions between segments is included.

In the first year of the plan, several in-house projects are scheduled, including the renovation of Fuji Palace Senior, new construction and demolition of Fuji Palace rental apartments, and other initiatives. These are expected to contribute to stable performance. In the second year, revenue and profit are projected to decline temporarily due to project scheduling delays. However, in the third year, profitability is expected to improve through the end of goodwill amortization and a recovery in order volume.

During the previous plan, the company was involved in a variety of in-house projects, including new condominium developments and renovations of affordable apartments for seniors with nursing-care services, thereby expanding its track record of construction through interdepartmental collaboration. Through the collaboration from the planning and design stages, the company has advanced cost, quality, and schedule optimization, generating synergies across one-shot revenue and recurring-revenue businesses.

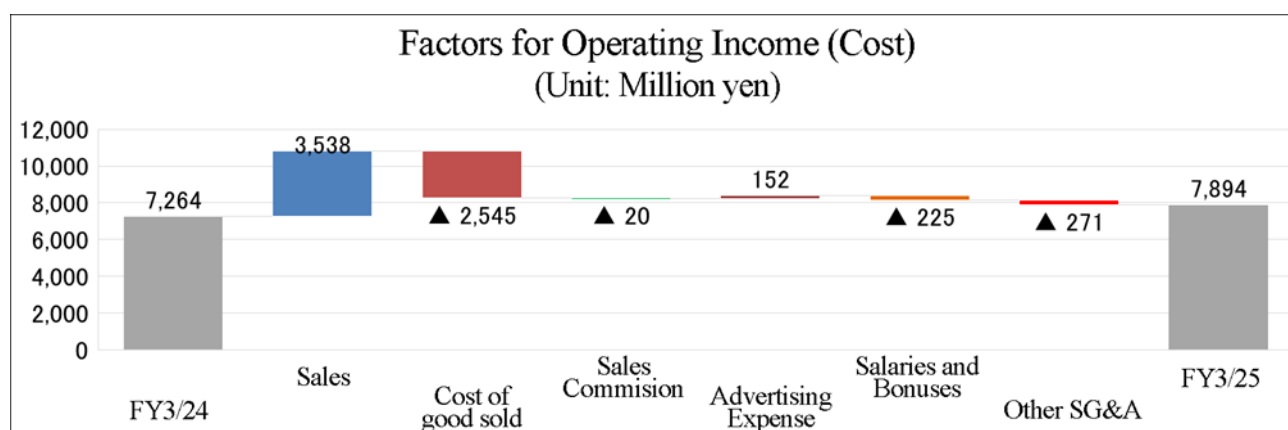
3. Fiscal Year ended March 2025 Earnings Results

3-1 Consolidated Results

	FY 3/24	Ratio to sales	FY 3/25	Ratio to sales	YoY	Initial forecast	Ratio to forecasts
Sales	120,388	100.0%	123,927	100.0%	+2.9%	123,000	+0.8%
Gross Income	18,619	15.5%	19,612	15.8%	+5.3%	-	-
SG&A	11,354	9.4%	11,718	9.5%	+3.2%	-	-
Operating Income	7,264	6.0%	7,894	6.4%	+8.7%	7,400	+6.7%
Ordinary Income	6,643	5.5%	6,987	5.6%	+5.2%	6,700	+4.3%
Profit attributable to owners of parent	4,559	3.8%	4,764	3.8%	+4.5%	4,500	+5.9%

* Data in this table and other parts of this report include figures which have been calculated by Investment Bridge, and may differ from those of the Company (same as below)

* Units: million yen



*Created by Investment Bridge based on disclosed material of the company.

*▲ of expense account indicates that the expense has increased.

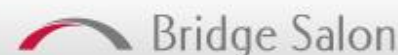
Sales increased 2.9% year on year, and ordinary income grew 5.2% year on year

In the fiscal year ended March 2025, sales increased 2.9% year on year to 123,927 million yen. In terms of sales, the sales in the segment of residential properties for sale and effective land utilization segment fell slightly, but the sales in the housing distribution segment increased 7.2% year on year due to an increase in the handover of used houses, and sales in the property leasing and management segment increased 10.6% year on year, resulting in an overall increase in sales.

In the fiscal year ended March 2025, ordinary income rose 5.2% year on year to 6,987 million yen. In terms of profit, there was a slight decline in the housing distribution segment and the effective land utilization segment, but there was a significant increase in the segment of residential properties for sale due to an improvement in gross profit margin per unit and the handover of high-margin land. In addition, the property leasing and management segment as a whole improved from the previous fiscal year due to an increase in profit in line with the increase in sales. Gross profit margin increased 0.3 points from the previous fiscal year to 15.8%. Despite a 3.2% year on year increase in SG&A expenses due to higher sales commissions, salaries/bonuses, and consumption taxes, operating income increased 8.7% year on year to 7,894 million yen. The ratio of operating income to sales was 6.4%, up 0.41 points year on year. In addition, despite an increase in subsidy revenue in non-operating income, the rate of increase in ordinary income was slightly slower than that of the increase in operating income due to an increase in interest expenses in non-operating expenses. There were no other major extraordinary income gains/losses recorded, and net income attributable to shareholders of the parent company increased 4.5% year on year. Furthermore, as of the end of March 2025, the backlog of orders received was 60,138 million yen, up 8.2% from the previous fiscal year, setting a new record for the end of the fiscal year.

In addition, net sales and all kinds of profits exceeded both the initial forecast and the medium-term management plan.

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3-2 Segment Earnings (FY3/25)

Results by Segment and Topics

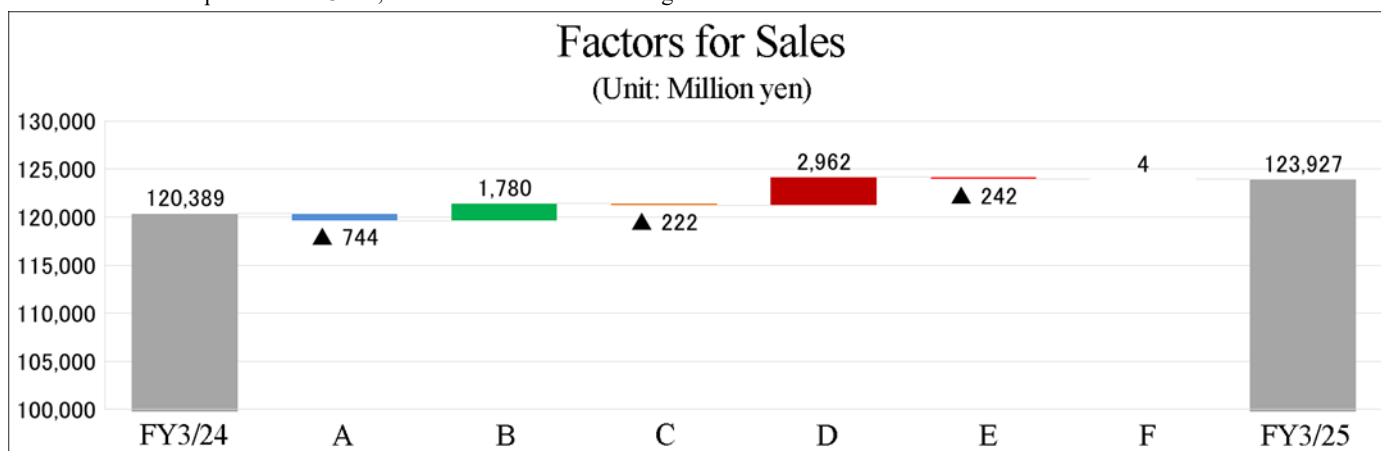
	Sales	Share	YoY	Segment Profits	Share	YoY
Residential Properties for Sale	34,718	28.0%	-2.1%	2,251	22.4%	+21.3%
Housing Distribution	26,661,	21.5%	+7.2%	876	8.7%	-3.6%
Effective Land Utilization	30,120	24.3%	-0.7%	2,763	27.5%	-6.4%
Property Leasing and Management	30,989	25.0%	+10.6%	3,924	39.1%	+15.4%
Construction Related	1,259	1.0%	-16.1%	94,	0.9%	-
Others	178	0.1%	+2.1%	132	1.3%	+2.6%
Adjustment	-	-	-	-2,148	-	-
Total	123,927	100.00%	+2.9%	7,894	100.00%	+8.7%

* Units: million yen

*Sales mean sales to external clients, while segment profit means operating income.

*The composition ratio of segment profit means the ratio to operating income before adjustments.

*The revenue from the insurance agency business had been posted in “non-operating revenue,” but they adopted the method for posting it in “sales” in the first quarter of FY3/24 , and is shown in the Other segment.



*A: Residential Properties for Sale, B: Housing Distribution, C: Effective Land Utilization, D: Property Leasing and Management, E: Construction Related, F: Other

*Created by Investment Bridge based on disclosed material of the company.

In the segment of residential properties for sale, sales decreased 2.1%% year on year to 34,718 million yen and profit rose 21.3% year on year to 2,251 million yen.

In the segment of residential properties for sale, sales decreased slightly from the previous fiscal year, but segment profit increased significantly.

Although the number of units delivered for freely designed houses and residential properties for sale decreased, the average sales price per unit for freely designed houses increased, and the completion and handover of four residential condominiums, as well as the sale of highly profitable undeveloped land, contributed. As a result, there was only a slight decrease in overall sales.

Segment profit increased significantly by 21.3% year on year due to an increase in profit per unit as a result of sales at appropriate prices and the sale of highly profitable undeveloped land.

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	FY 3/24		FY 3/25		YoY
	Volume	Value	Volume	Value	
Free-design Houses, etc.	537 homes	22,393	486 homes	20,818	-7.0%
Condominiums for Sales	239 homes	10,757	284 homes	11,569	+7.5%
Sale of Residential Land	67 homes	1,890	54 homes	1,546	-18.2%
Land sales	1,766 m ²	420	1,440 m ²	783	+86.3%
Net Sales in the Residential Properties for Sales Segment	843 homes 1,766 m ²	35,461	824 homes 1,440 m ²	34,718	-2.1%
Profit in the Residential Properties for Sales Segment		1,856		2,251	+21.3%

* Units: million yen

Large-scale project for delivering detached houses in FY 3/25	
All City II	44 homes (Izumi City, Osaka Prefecture)
Condominium projects scheduled for delivery in FY 3/25	
Branneed Minase	14-story, 53 residences, completed and delivered on April 12, 2024
Branneed Kawachieiwa	13-story, 38 residences, completed and delivered on May 17, 2024
Charman Fuji Wakayama Eki Station Next	14-story, 65 residences, completed and delivered on May 29, 2024
Branneed Ooimazato	15-story, 98 residences, completed and delivered on July 31, 2024

(Taken from the reference material of the company)

In the housing distribution segment, sales increased 7.2% year on year to 26,661 million yen and profit decreased 3.6% year on year to 876 million yen.

In the housing distribution segment, sales increased from the previous fiscal year due to an increase in the number of units sold; however, segment profit decreased slightly.

Sales increased 7.2% year on year as a result of progress in securing inventory through stronger procurement from the start of the fiscal year, a sales strategy focused on inventory turnover, and initiatives to boost sales in the used asset business. On the other hand, segment income decreased 3.6% year on year as a result of temporarily prioritizing the securing of sales and actively promoting inventory replacement.

In the used asset business, as a result of strengthening purchases with the aim of increasing the number of owned units, the number of owned units as of the end of March 2025 was 989 (up 141 year on year), and rental income also increased steadily. The company will continue to maintain the number of owned units and secure stable rental income while focusing on sales to investors with strong demand.

	FY 3/24		FY 3/25		YoY
	Volume	Value	Volume	Value	
Used Residential Properties (Detached Houses)	80 homes	2,091	111 homes	2,895	+38.4%
Used Residential Properties (Condominiums)	936 homes	22,773	970 homes	23,757	+4.3%
Others	-	15	-	8	-47.1%
Net Sales in Housing Distribution Segment	1,016 homes	24,881	1,081 homes	26,661	+7.2%
Profit in Housing Distribution Segment		909		876	-3.6%

*Units: million yen

According to Japan Journal of Remodeling's Annual Ranking of Resale Units Sold 2024 (issued on July 29, 2024), the company ranked eighth in Japan in the annual ranking of resale units sold. The company's housing distribution business takes place mainly in Osaka and the Hanshin region, and although its sales activities are limited to this area, it boasts one of the largest purchase and resale volumes in Japan.

Fuji Home Bank operates the used assets business with a significant competitive advantage, buying and reselling used condominiums and acquiring used condominiums occupied by tenants as real estate for investment and renovating and

reselling them after occupants move out. As of the end of March 2025, the company holds 989 units.

[Variation in the used housing asset business]

	FY3/21	FY3/22	FY3/23	FY3/24	FY3/25
No. of units held [contracts]	946	891	845	848	989
Acquisition price [million yen]	12,985	13,043	13,867	15,025	22,020
Annual revenues from rents [million yen]	1,050	1,000	993	996	1,242

In addition, each “Ouchi Kan” store is a general housing exhibition hall that always displays information on more than 1,000 properties and is arranged by area, new construction, and used house to make it easier to search for properties.

In the effective land utilization segment, sales decreased 0.7% year on year to 30,120 million yen and profit decreased 6.4% year on year to 2,763 million yen.

In the effective land utilization segment, sales were almost unchanged from the previous fiscal year, and segment profit decreased slightly.

In terms of sales, the sales of contracted construction of rental housing and affordable apartments for seniors with nursing-care services were lower than the previous year, but internal sales increased due to the rental apartments for sale to individual investors and contracted construction of company-owned affordable apartments for seniors with nursing-care services, resulting in sales that were unchanged from the previous year. Although segment profit decreased slightly due to the impact of recording the amount of consumption tax on units as SG&A expenses in line with the increase in the number of completed rental apartment units for sale for the purpose of holding for a certain period of time, gross profit margin remained unchanged, and the company maintained stable profitability.

	FY 3/24		FY 3/25		
	Volume	Value	Volume	Value	YoY
Contract Construction of Rental Properties	42 contacts	4,769	37 contacts	4,677	-1.9%
Affordable Apartments for Seniors with Nursing-care Services	17 contacts	4,400	14 contacts	4,026	-8.5%
Rental Apartments for Sale to Individual Investors	137 buildings	21,173	135 buildings	21,416	+1.1%
Net Sales in the Effective Land Utilization Segment (External Sales)	59 contacts 137 buildings	30,342	51 contacts 135 buildings	30,120	-0.7%
Intersegment sales and transfers	-	1,564	-	1,889	+20.7%
Net Sales in the Effective Land Utilization Segment	59 contacts 137 buildings	31,907	51 contacts 135 buildings	32,010	+0.3%
Profit in the Effective Land Utilization Segment		2,952		2,763	-6.4%

* Units: million yen

Regarding rental apartments for sale to individual investors, the company rigorously selects and procures rare profitable buildings based on abundant information accumulated as a general real estate industry, and keeps occupancy rate as high as 96.8% as of the end of March 2025, based on the advanced management and tenant attracting capabilities of group companies. Owners highly evaluate their capabilities of developing products, managing properties in good faith, and attracting tenants as well as the contents of contracts beneficial for owners.

Construction Cases from the Fuji Palace Series	
Fuji Palace Stairwell Type	Urban compact designers' residential rental housing.
Fuji Palace Senior (The largest number of)	A new form of land utilization in an aging society Housing for the elderly with nursing care services

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residential buildings for elderly people with nursing-care services in Japan)	
Fuji Palace Detached Homes for Rent	A savior of suburban land utilization that opens new possibilities for valuable assets that had almost been disregarded for utilization.
Fuji Palace Three Herbs	All-unit maisonette-type rental housing that achieves high occupancy and high profitability.
Fuji Palace Loft Type	A loft type to meet the new needs of single people.

(Taken from the reference material of the company)

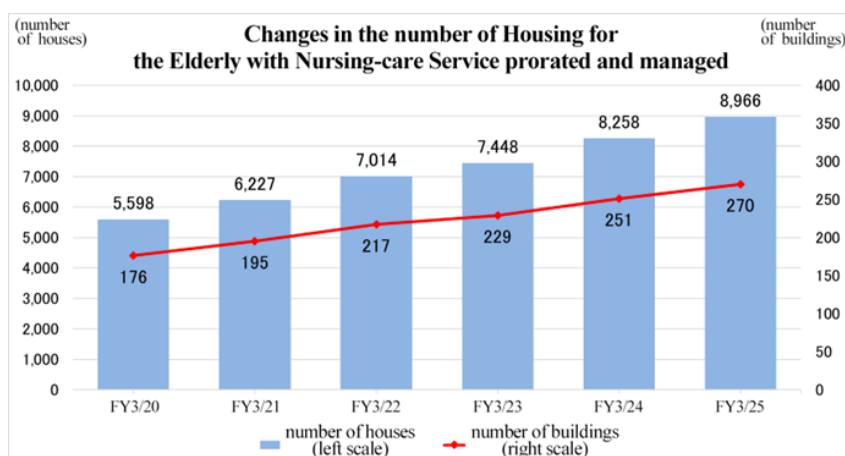
Sales in the property leasing and management segment increased 10.6% year on year to 30,989 million yen, and profit increased 15.4% year on year to 3,924 million yen.

Both sales and segment profit increased year on year as initially forecast, because the number of managed properties increased through the delivery of rental residential properties in the effective land utilization business and the operation of their own affordable apartments for seniors with nursing-care services progressed.

	FY 3/24	FY 3/25	
	Value	Value	YoY
Rental Income	20,308	22,459	+10.6%
Income from Affordable Apartments for Seniors with Nursing-care Services	6,738	7,443	+10.5%
Management Fee Income	979	1,085	+10.8%
Net Sales in the Property Leasing and Management Segment	28,027	30,989	+10.6%
Profit from Property Leasing and Management	3,400	3,924	+15.4%

*Units: million yen

While the number of leased and managed units has been increasing at an average annual pace of over 2,000 units since 2020, occupancy rate has remained stable at around 97%. In addition, as of the end of March 2025, the company boasts operating 270 affordable rental apartment buildings for seniors with nursing-care services and managing 8,966 units. In addition, according to the Summer 2024 Special Edition of the Senior Citizens Housing Weekly Newspaper, the company has Japan's top ranking in the number of affordable rental apartment buildings for seniors with nursing-care services in operation, with 256 buildings in operation.



Ranking of the number of Housing for the Elderly with Nursing-care Service **No.1 in Japan**

Ranking	Business name	Number of Buildings
1	FUJI AMENITY SERVICE CO., LTD.	256
2	Gakken Cocofump Co., Ltd.	201
3	SOMPO Care Inc.	146
4	Vati Co., Ltd.	121
5	La Charite	96

*Number of buildings in operated and managed as of March 2025 (Made by Investment Bridge Co., Ltd. based on the reference material of the company.)

*Ranking in the number of affordable rental apartment buildings for seniors with nursing-care services in operation (produced by Investment Bridge Inc. with reference to the August 21, 2024 issue of The Senior Citizens Housing Weekly Newspaper).

In the construction-related segment, sales decreased 16.1% year on year to 1,259 million yen and profit improved 114 million yen year on year to 94 million yen.

In the construction-related segment, both sales (internal sales or transfers between segments) and segment profit were significantly higher than in the same period of the previous year.

External sales (construction-related) declined 16.1% year on year. Still, internal sales rose sharply, reflecting steady progress in renovation work on affordable apartments for seniors with nursing-care services and other projects, resulting in a 12.8% year-on-year increase in overall sales. Profit turned positive due to the significant increase in sales.

	FY 3/24	FY 3/25	
	Value	Value	YoY
Construction Related Segment	1,500	1,259	-16.1%
Intersegment sales and transfers	805	1,341	+66.7%
Net Sales in the Construction Related Segment	2,305	2,600	+12.8%
Profit in the Construction Related Segment	-19	94	-

* Units: million yen

* Table sales are before deducting intersegment sales or transfers.

In January 2020, the company welcomed the renowned Yuuken Kensetsu Group as a partner in constructing steel-framed and reinforced concrete structures. After that, the company worked on the construction of a new large-sized RC apartment for seniors with nursing-care services and renovated an old company-owned condominium building into an affordable apartment for seniors with nursing-care services. At present, they engage in the construction of condominiums that will be sold by the corporate group and large-scale repairs of the company's building, indicating a steady expansion of the scope of cooperation. In the current fiscal year, the company is involved in the construction of condominiums and the renovation of affordable apartments for seniors with nursing-care services.

(Case of in-group construction)

Renovation of affordable apartments for seniors with nursing-care services



Renovation of Former Employee Dormitory in Yakumo-Higashi-Town, Moriguchi City
(Completed on January 27, 2025)

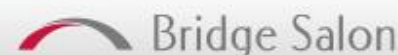


Renovation of Former Hospital in Abiko-Nishi, Sumiyoshi Ward, Osaka City
(Completed on February 3, 2025)

(Taken from the reference material of the company)

Sales in the other segment increased 2.1% year on year to 178 million yen, and profit increased 2.6% yen year on year to 132 million yen.

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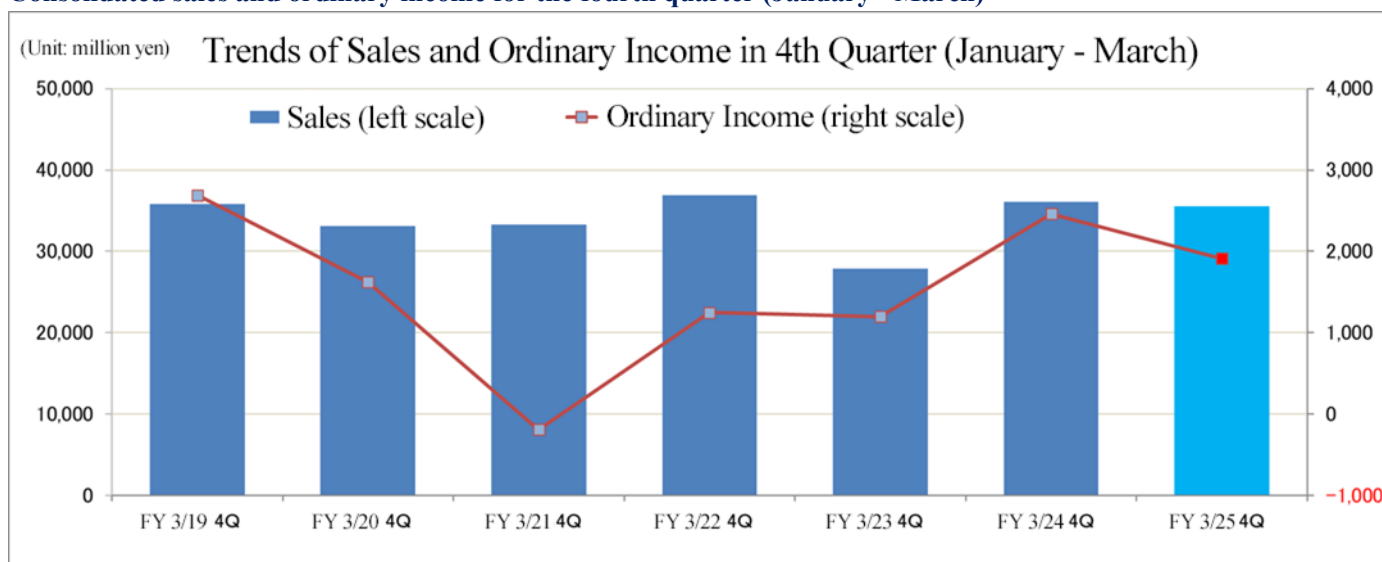


The other segment is a business segment not included in segments to be reported but includes the insurance agency business operated by Fuji Corporation.

The revenue from the insurance agency business had been posted in “non-operating revenue,” but they adopted the method for posting it in “sales” in the first quarter of fiscal year ended March 2023.

3-3 Quarterly Earnings Trends

Consolidated sales and ordinary income for the fourth quarter (January - March)



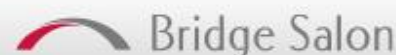
*Created by Investment Bridge based on disclosed material of the company.

In the fourth quarter (January-March), sales declined slightly from the previous fiscal year, resulting in a decrease in profit. In the fourth quarter of the previous fiscal year, the completion and delivery of two condominium buildings were reflected in sales. However, in the fourth quarter of the current fiscal year, this was not the case. Instead, sales remained at the same level as the fourth quarter of the previous fiscal year as a result of a significant increase in the handover of new detached houses and used houses. On the other hand, operating income in the fourth quarter of the current fiscal year decreased from the fourth quarter of the previous fiscal year due to a recoil from the delivery of profitable condominiums in the previous fiscal year.

3-4 Status of order backlog

	FY 3/24 Term-end		FY 3/25 Term-end		YoY
	Volume	Value	Volume	Value	
Free Design Houses, etc.	303 homes	12,887	355 homes	15,062	+16.9%
Condominiums for Sale	275 homes	11,381	282 homes	11,858	+4.2%
Sale of Residential Land	12 homes	227	13 homes	288	+26.8%
Land Sales	148 m ²	8	-	-	-
Residential Properties for Sales	590 homes / 148 m ²	24,504	650 homes / -m ²	27,209	+11.0%
Used Residential Properties (Detached Houses)	7 homes	161	14 homes	313	+94.1%
Used Residential Properties (Condominiums)	106 homes	2,681	132 homes	3,203	+19.5%
Housing Distribution	113 homes	2,842	146 homes	3,517	+23.7%
Contract Construction of Rental Properties	71 contacts	7,417	88 contacts	8,771	+18.3%
Affordable Apartments for Seniors with Nursing-care services	26 contacts	5,426	26 contacts	5,285	-2.6%
Rental Apartments for Sale to Individual Investors	95 buildings	14,761	95 buildings	14,323	-3.0%
Effective Land Utilization	97 contacts / 95 buildings	27,604	114 contacts / 95 buildings	28,379	+2.8%
Construction Related	18 contacts	604	15 contacts	1,031	+70.6%
Total	-	55,557	-	60,138	+8.2%

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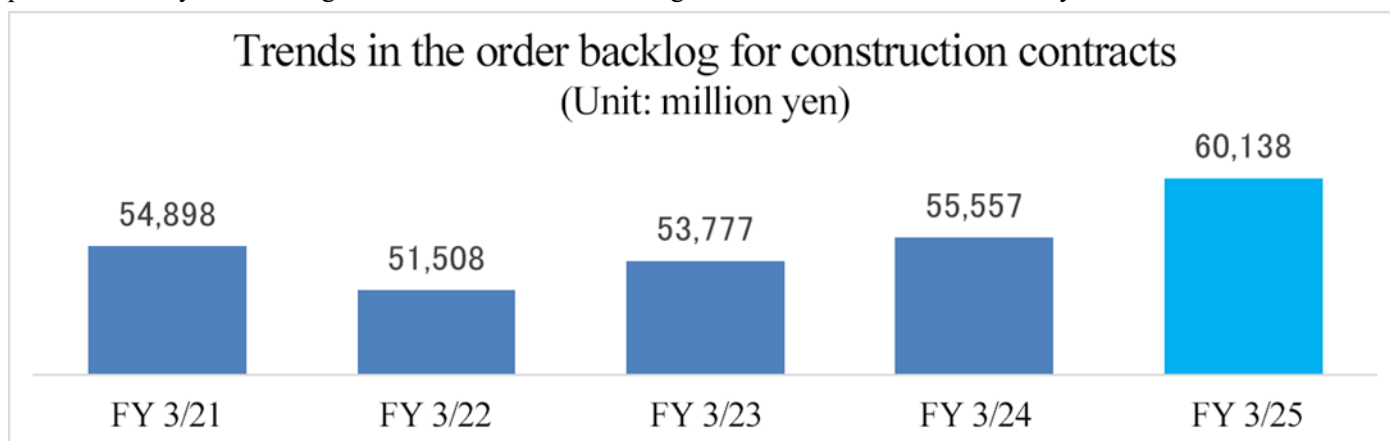


* Units: million yen

(Taken from the reference material of the company)

As of the end of the fiscal year ending March 2025, order backlog stood at 60.1 billion yen, grew 8.2% from the same period of the previous year.

In the segment of residential properties for sale, order backlog grew 11.0% year on year as they received a healthy number of orders for freely designed houses. In the housing distribution segment, order backlog increased 23.7% year on year as they received a favorable number of orders for used detached houses and used condominiums. In the effective land utilization segment, the order backlog for commissioned construction of rental housing, etc. increased 18.3% year on year due to the continuous strong needs for the effective utilization of real estate owned by wealthy people. The number of orders for rental apartments for sale to individual investors remained strong, being unchanged from the previous fiscal year, with an overall increase of 2.8% year on year. In the construction-related segment, order backlog increased significantly by 70.6% year on year due to large-scale construction contracts outside the group. The backlog of orders exceeded those at the end of the previous fiscal year in all segments and reached a record high for the end of the current fiscal year.



3-5 Financial Conditions and Cash Flow (CF)

Financial Conditions

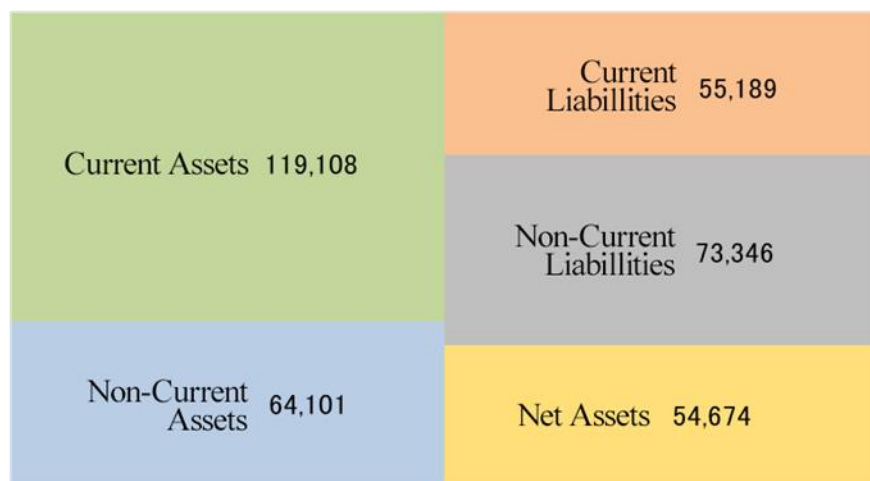
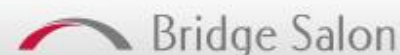
	Mar. 2024	Mar. 2025		Mar. 2024	Mar. 2025
Cash, Equivalents	23,767	21,578	Payables	6,703	4,377
Inventories	85,528	93,877	ST Interest Bearing Liabilities	23,780	35,633
Current Assets	113,165	119,108	Unpaid Taxes	1,336	1,401
Tangible Noncurrent Assets	49,808	58,331	Advance payment	3,625	3,369
Intangible Noncurrent Assets	611	582	LT Interest Bearing Liabilities	72,084	73,078
Investments, Others	4,627	5,188	Liabilities	117,207	128,535
Noncurrent Assets	55,047	64,101	Net Assets	51,004	54,674
Total Assets	168,212	183,210	Total Interest-Bearing Liabilities	95,865	108,711

* Units: million yen

* Inventories = Real estate for sale + Real estate for sale in progress + Real estate for development + Payments for uncompleted construction + Inventories

* Interest bearing liabilities = Loans + Lease liabilities + Debenture

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*Created by Investment Bridge Co., Ltd. based on disclosed material of the company.

Total assets at the end of March 2025 were 183,210 million yen, up 14,997 million yen from the end of the previous fiscal year. On the asset side, there was an increase in fixed assets mainly due to an increase in the number of owned real estate for sale, real estate for development, buildings/structures, land, and used condominiums divided into units with rental tenants (used assets). On the liabilities and net assets side, there were increases in short-term borrowings, long-term borrowings, and retained earnings due to the recording of net income attributable to shareholders of the parent company. The breakdown and amount of inventory assets are as follows: real estate for sale amounting to 28.26 billion yen (23.31 billion yen at the end of the previous fiscal year), real estate for sale in process amounting to 29.09 billion yen (29.64 billion yen at the end of the previous fiscal year), real estate for development amounting to 36.475 billion yen (32.52 billion yen at the end of the previous fiscal year), and used assets amounting to 22.054 billion yen (14.54 billion yen at the end of the previous fiscal year).

Real estate inventories increased 8.3 billion yen from the end of the previous fiscal year. Although the number of condominiums for sale decreased 1.8 billion yen due to the handover of four units during the fiscal year, the acquisition of sites and properties for detached houses for sale, used houses, and effective land utilization progressed smoothly. As a result, the number of detached houses and condominiums for sale in inventory has reached 2,602 (out of which 650 units have already been ordered), which is equivalent to the number of orders received in approximately three years. In addition, the number of units in stock for effective land utilization is 271, out of which 70 units (9.3 billion yen) are for the purpose of holding them for a certain period of time. The company has 201 units in inventory for sale (95 of which have already been ordered), which is the same as the number of units at the end of the previous fiscal year and equivalent to the number of orders received in approximately 1.5 years. The company has secured necessary and sufficient inventory for detached houses for sale, condominiums for sale, and effective land utilization, and all of them are at appropriate levels.

Cash Flow

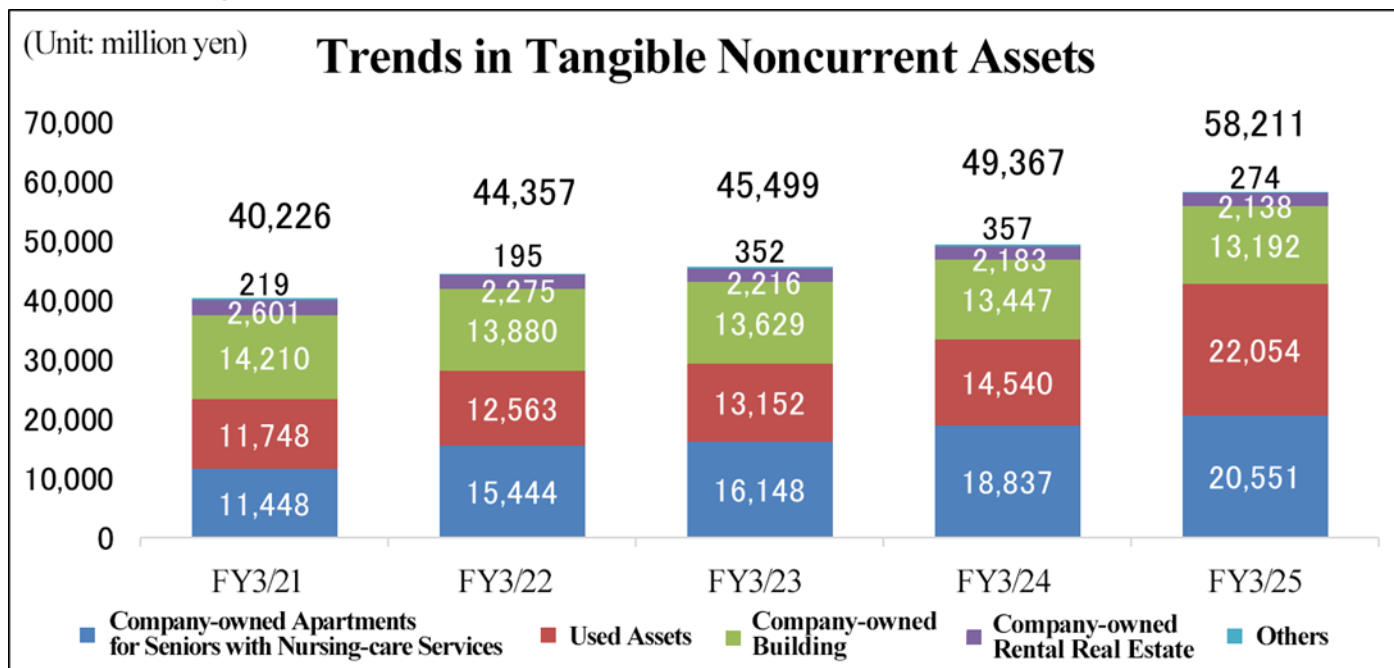
	FY 3/24	FY 3/25	YoY	
Operating Cash Flow (A)	5,990	2,738	-3,252	-54.3%
Investing Cash Flow (B)	-8,203	-16,290	-8,086	-
Free Cash Flow (A + B)	-2,212	-13,551	-11,338	-
Financing Cash Flow	5,672	11,361	5,689	+100.3%
Cash and Equivalents at Term End of Quarter	23,752	21,562	-2,189	-9.2%

* Units: million yen

In terms of cash flows, the cash inflow from operating activities shrank due to the decrease in accounts payable, the increase in payment of income taxes, etc. In addition, the cash outflow from investment activities grew and the deficit of free cash flow augmented due to the increase of tangible fixed assets through the acquisition of previously owned condominiums,

affordable apartments for seniors with nursing-care services, etc. for enhancing the used housing asset business. On the other hand, the cash inflow from financial activities grew thanks to the increase in inventory assets, the augmentation of short-term debt through the fund procurement for acquiring tangible fixed assets, etc. Accordingly, the balance of cash and cash equivalents as of the end of the period was down 9.2% year on year.

3-6 Trends in Tangible Noncurrent Assets

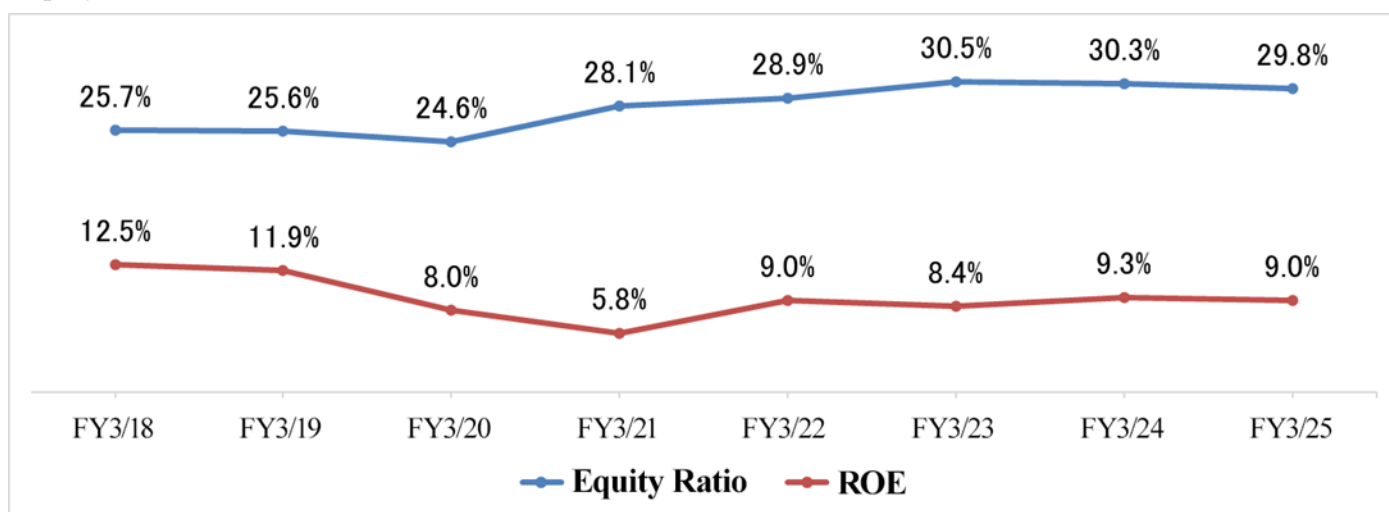


* Tangible fixed assets are the total value of buildings & structures, machinery, equipment & vehicles, tools, furniture & fixtures, and land, excluding leased assets and construction work-in-progress assets.

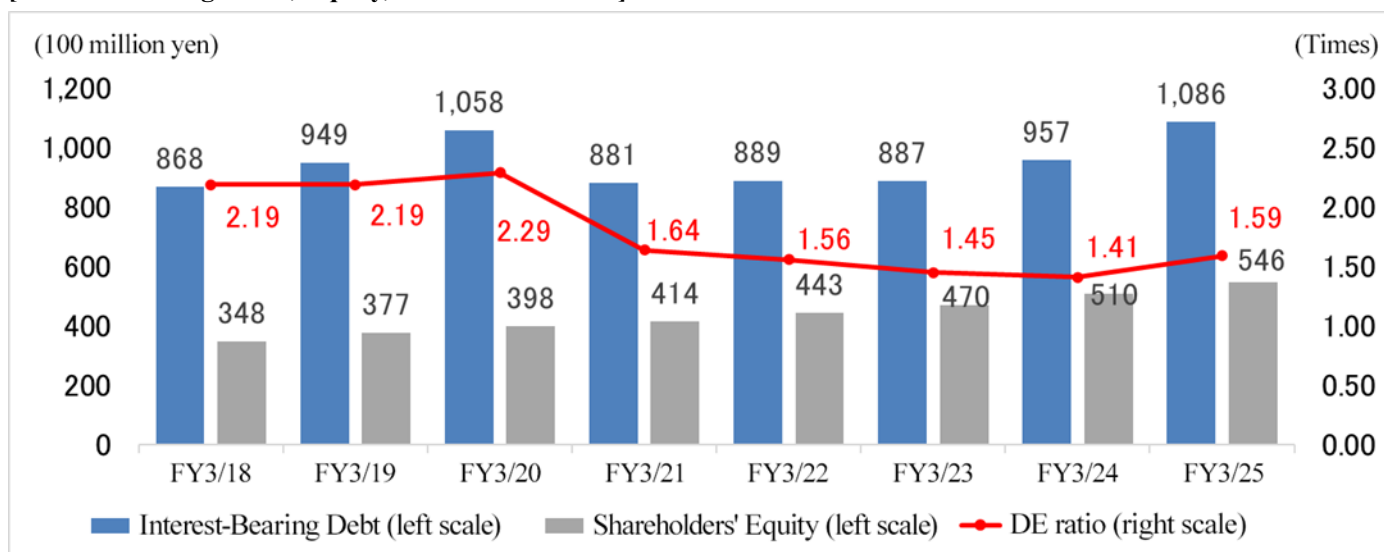
The company has actively acquired its own affordable apartments for seniors with nursing-care services (serviced residences for the elderly) and used assets (used condominiums with sectional ownership by rental tenants). The company is strengthening its efforts in the recurring-revenue business to build a foundation for stable earnings.

3-7 Trends in Management Indicators

[Equity Ratio / ROE]



[Interest-Bearing Debts, Equity, and Net D/E Ratio]



*Net D/E ratio: (Interest-bearing debt - Cash and cash equivalents at end of period) / Equity

From the fiscal year ended March 2016 to the fiscal year ended March 2020, the company actively purchased land for large-scale sites (detached houses and condominiums) to secure inventory while actively purchasing land for its own properties (apartment for seniors with nursing care services). The period from the fiscal year ended March 2021 onward has been a period in which the company carefully has selected its land purchases due to the surge in land prices, and it also has reviewed inventory levels (improved inventory turnover rate) by responding flexibly to sales prices.

4. Fiscal Year ending March 2026 Earnings Estimates

4-1 Consolidated Earnings

	FY 3/25 Act.	Ratio to sales	FY 3/26 Est.	Ratio to sales	YoY
Sales	123,927	100.0%	126,000	100.0%	+1.7%
Operating Income	7,894	6.4%	7,200	5.7%	-8.8%
Ordinary Income	6,987	5.6%	5,700	4.5%	-18.4%
Net Income attributable to owners of the parent	4,764	3.8%	3,700	2.9%	-22.3%

*Units: million yen

Sales are expected to grow 1.7% year on year, while ordinary income is projected to decline 18.4%.

For the fiscal year ending March 2026, the company forecasts sales of 126 billion yen, up 1.7% year on year, and an ordinary income of 5.7 billion yen, down 18.4% year on year.

Although land and construction costs remain high across the real estate industry, where the company group operates, in the fiscal year ending March 2026, the company's new condominium business is expected to offset a slight decline in the number of detached houses sold. This will be achieved through the handover of three newly completed condominium buildings and the promotion of unsold inventory from previously completed projects. The company will secure sales volume more than the number of units sold in the fiscal year ended March 2025 to make up for the decline in sales of detached houses. By maintaining a deliberate and careful sales strategy rather than rushing to sell, the company expects to increase per-unit profitability and achieve overall profit growth in the new condominium division. In the effective land utilization business, demand for income-generating properties and construction from affluent individuals and investors remains strong, and results are projected to exceed those of the fiscal year ended March 2025. The property leasing and management business is also expected to maintain stable performance, driven by an increase in managed properties and sustained high occupancy rates. By leveraging its strength in balanced management, the company anticipates steady progress in both revenue and all kinds of

profits, particularly driven by growth in its effective land utilization business and property leasing and management business. On the revenue side, sales will also be supported by the handover of a large-scale condominium complex completed in April. On the profit side, the company expects increased human capital investment for future growth, as well as higher interest payments due to rising interest rates.

Regarding dividends, the company plans to maintain the same level as the previous year, in which they increase the dividend amount by 5 yen/share, at 32 yen/share annually (an interim dividend of 16 yen/share and a year-end dividend of 16 yen/share), with a projected dividend payout ratio of 31.1%.

4-2 The company's policy about capital costs and share price

The purpose of the company's business administration is to continue its business stably and repay all stakeholders for their support on a permanent basis in accordance with the management philosophy.

The real estate business is easily influenced by changes in market conditions, so business operation using financial leverage is indispensable. Accordingly, financial strategies are extremely important, so the company has a policy of enriching IR activities for improving expected values while aiming to improve the financial soundness by improving the efficiency of asset use and increase profitability by investing in growing fields while paying more attention to capital costs and share price.

① Current situation

- ◆ The ROE in fiscal year ended March 2025 was 9.0%, exceeding capital costs*¹, but PER was as low as 5.27, and PBR*² was 0.47, falling below 1.0.
- ◆ Net D/E ratio is decreasing, and there remains room for further decrease.
- ◆ The dividend amount has been unchanged since fiscal year ended March 2018 regardless of profit, so payout ratio has been fluctuating, but the company pays attention to total return ratio.

② Issues

- ◆ Whether the company can keep the increase rate of EPS*⁴ above the increase rate of BPS*³
- ◆ Whether the company can deepen investors' understanding the down-to-earth, stable business model of the company
- ◆ Whether the company can secure an optimal balance among the maintenance and improvement of financial soundness, investment for growth, and the dividend policy

③ Initiatives

- ◆ To enhance the investment in the effective land utilization business and the property leasing and management business, which have a high degree of asset efficiency, with the aim of stabilizing the revenue base and surefire growth
- ◆ In particular, in the business of affordable apartments for seniors with nursing-care services, the company operates the largest number of apartments in Japan, so they can exert their advantage, and this business matches the needs in the aging society. Accordingly, they focus on this business.
- ◆ Their dividend policy is to consider total payout ratio while paying dividends stably. In October 2023, the board of directors resolved to "adopt the progressive dividend policy" and announced it, in order to clarify this policy.
- ◆ In the fiscal year ended March 2024, they paid a special dividend of 3 yen/share. For the fiscal year ended March 2025, the company plans to propose a 5 yen increase in the year-end dividend at the upcoming Annual General Shareholders' Meeting.
- ◆ Between November and December 2024, the company purchased 350,000 shares of its own stock. This share buyback raised total shareholder return ratio by 5.7%.
- ◆ To energize IR activities and foster an understanding of Fuji Corporation's unique business model, which is not used by other companies.
- ◆ By increasing equity capital and improving asset efficiency based on internal reserve, they will decrease net D/E ratio further and improve financial soundness.

*1: Capital cost means the cost of shareholder's equity (Risk-free rate + β value \times Market risk premium), *2: PBR (price-book value ratio), *3: BPS (book value per share), *4: EPS (earnings per share)

4-3 Dividends and shareholder benefits

◎ Dividend

	FY 3/22	FY 3/23	FY 3/24	FY 3/25	FY 3/26 Est
EPS	107.68	106.65	126.69	131.61	102.76
DPS	27.00	27.00	30.00	32.00	32.00
Dividend payout ratio	25.1%	25.3%	23.7%	24.3%	31.1%

◎ Benefits for shareholders

Benefits are offered to shareholders holding 500 or more shares written or recorded in the shareholder registry as of March 31 every year.

No. shares held as of the record date	Description of benefits for shareholders
500-999	QUO Card worth 1,000 yen
1,000-4,999	JCB Gift Card worth 3,000 yen
5,000-9,999	JCB Gift Card worth 4,000 yen
10,000 or over	JCB Gift Card worth 5,000 yen

5. Conclusions

In the fiscal year ended March 2025, which marked the final year of the previous medium-term management plan, the company recorded net sales of 123.927 billion yen and an ordinary income of 6.987 billion yen. These results exceeded the medium-term management plan's numerical targets of 121.8 billion yen in sales and 6.6 billion yen in ordinary income, successfully achieving both revenue and profit goals at all stages. During this period, the Japanese economy faced persistent uncertainty due to inflation, rising interest rates, and surging energy prices. In the real estate market, while demand for newly built houses declined, demand for used houses and investment rental properties remained steady. The company accurately responded to these market changes and achieved its medium-term management plan targets by leveraging a balanced management approach, an achievement that deserves high praise. The forecast for the fiscal year ending March 2026 is conservative, with a 1.7% year-on-year increase in revenue and an 18.4% decrease in ordinary income. In terms of sales, the forecast is supported primarily by the handover of a large-scale condominium project in April. In terms of profit, the company anticipates increases in human capital investment and DX spending to support future growth, as well as a rise in interest payments due to rising interest rates. As of the end of the fiscal year ended March 2025, the company's order backlog across all segments reached 60.1 billion yen, a record high for the end of a fiscal year, marking an 8.2% increase from the previous fiscal year. Considering this significant accumulation of orders, the company's forecast appears quite conservative. Whether the company can get off to a strong start for achieving this fiscal year's business plan will depend on the performance trends in the upcoming first quarter. Additionally, attention is focused on whether the company can further expand its order backlog, which serves as a leading indicator of its performance.

A new medium-term management plan has also begun, with the fiscal year ending March 2028 as its final year. Despite ongoing external pressures such as persistently high construction and land costs and rising interest rates, the company aims to achieve record-high sales for three consecutive years by rigorously managing inventory and making selective, focused investment decisions. On the profit side, the plan remains conservative due to expected increases in human capital and DX investments, as well as higher interest payments. Recovery is targeted for the final year of the plan (the fiscal year ending March 2028), when the burden of these upfront investments and the impact of rising interest rates are expected to ease. The new medium-term plan outlines five key goals for the company's future:

1. Enhance service quality to deliver products that meet evolving societal needs and provide tailored proposals to each customer.
2. Build a stable, long-term profit base by optimally combining transaction-type (sales) and subscription-type (rent and property management) businesses.
3. Enhance productivity and create a rewarding workplace through operational improvements, DX, and generative AI.
4. Achieve both financial soundness and efficiency through the optimization of capital structure, profit distribution, and inventory strategy.
5. Contribute to solving social issues through the company's core businesses and deepen ties with local communities.

We will focus on the progress of this newly launched medium-term management plan.

<Reference: Regarding Corporate Governance>

◎ Organization type, and the composition of directors and auditors

Organization type	Company with auditors
Directors	7 directors, including 2 external ones (including 2 independent executives)
Auditors	3 auditors, including 2 external ones (including 2 independent executives)

◎ Corporate Governance Report

The company submitted its latest corporate governance report on June 5, 2025

Basic Policy

Our basic policy on corporate governance is to maximize corporate value from the standpoint of our shareholders while improving management efficiency and transparency and achieving steady business results. We regard this as one of the most important management issues.

(1) To Maximize Shareholder Value

This corporate group was founded with the business objectives of “building homes that bring happiness” and “making our customers happy after they buy homes,” and with the desire to become “the most loved company in Japan, like Mt. Fuji.” The company’s main areas of operation are the entire Osaka Prefecture, southern Hyogo Prefecture and northern Wakayama Prefecture, and its business is based on the management principle of building trustworthy houses with a customer-facing approach that does not ignore them after the completion and sale of houses. Therefore, instead of seeking temporary profits and business expansion, the company believes it is important to establish a company that will survive based on long-term stable management. For long-term stable management, human capital is essential, and it is important to develop respectable leaders with excellent knowledge, boldness, and insight, and thus, the corporate group has adopted the following management ethos and corporate philosophy, by using the expression “human capital” rather than “human resources,” based on the belief that people are assets.

“Management Ethos”

The company operates for the sake of:

- Employees,
- Employees’ families,
- Customers and business partners,
- Shareholders,
- Local communities, and
- Ultimately, the nation.

“Corporate Philosophy”

- We are employees of Fuji Corporation Limited.
- We shall engage in our work with enthusiasm and good faith.
- We shall recognize the responsibilities and importance of our own work.
- We shall work in a spirit of gratitude and service.
- We shall do a job that will be appreciated by our customers and business partners.

The company’s management ethos starts with “For the benefit of employees” and “employees’ families.” This is because the company believes that they cannot do a job that truly pleases their customers if their employees or their families are not happy. When the company values its employees and their families and all employees have a sense of appreciation, pride in their work, a sense of achievement, and a sense of purpose in life, the employees get more motivated and can care about their customers from the bottom of their hearts. The company believes that this will lead to the happiness of all stakeholders, including customers, business partners, shareholders, local communities, and consequently, the nation.

While utilizing the above management ethos and policy and expanding business in line with the growth of human capital, the

company aims to become a corporation that is always trusted by its customers, business partners, and shareholders, and that can serve society through its business, by further cultivating the business areas it has been operating from the past, actively expanding into Osaka City, the largest market in the Osaka Prefecture, as well as the northern Osaka Prefecture and southern Hyogo Prefecture, and by promoting the improvement of profitability and strengthening the financial structure.

(2) Meetings of the Board of Directors

In order to formulate highly competitive strategies according to changes in the business environment and carry out quick decision-making, the Board of Directors meets once a month in principle. The Board meets based on a resolution in writing if there are urgent matters. The Board of Directors is currently composed of seven Directors (including two Outside Directors), and strives to ensure that there is a lively debate at meetings of the Board of Directors and that decisions are made quickly through a collegial system.

(3) Corporate Auditors and the Board of Corporate Auditors

The company has adopted a corporate auditor system. The Board of Corporate Auditors consists of one full-time Corporate Auditor (Mr. Hitoshi Kawade) and two Outside Corporate Auditors (Mr. Shinsuke Takatani and Mr. Inao Harato). In principle, the Board of Corporate Auditors holds regular meetings three times a year with the Representative Director and President to exchange views and opinions, and each Corporate Auditor attends the Board of Directors' meetings and meetings of department managers and expresses his or her opinions. In addition, they conduct a wide range of audits, including assessing the appropriateness and efficiency of the Directors' execution of duties and the status of the development and operation of internal control systems, through attending audits and exchanging information with the Internal Audit Office and auditing firms.

(4) To Strengthen the Internal Information Disclosure System

In order to ensure the timeliness, accuracy and fairness of information disclosure, the corporate group has established "Information Disclosure Rules" to restructure and standardize the group-wide information disclosure system, and has been working to raise awareness within the company in relation to timely disclosure.

The "Information Disclosure Rules" designate the head of the IR Office as the person responsible for handling information, and clarifies the roles and responsibilities of each department in relation to timely disclosure. In addition, when disclosing information, each relevant department within the company examines and scrutinizes the information to be disclosed and mutually checks the disclosure documents prepared by each department, thereby establishing a system to ensure the appropriateness of the disclosure process starting from information gathering to disclosure.

(5) To Improve the Quality of IR Activities

The company is committed to IR activities based on its basic policy of disseminating information to shareholders and investors in a timely, appropriate, prompt, and easy-to-understand manner

Specifically, the company strives to actively disclose information on corporate details through the publication of financial statements and supplementary materials as well as other materials disclosed by the stock exchange on the company's website, the posting of electronic public notices, the active holding of company briefings for analysts and institutional investors and for general investors, also through its participation in IR events.

Further, in order to fairly disclose the medium/long term direction of the company to shareholders and investors, the company publishes management indicators, which are published in the IR section of its website. Moreover, shareholder newsletters are prepared in an easy-to-understand manner to provide individual shareholders with a better understanding of the company's management philosophy and policies, as well as its management situation and direction.

In principle, the company's financial results are announced before the end of the following month after the closing date, to accelerate and decentralize the announcement of financial results.

(6) To Strengthen Internal Control

The company believes that internal control is one of the most important mechanisms supporting corporate governance for a company to adequately fulfill its social responsibilities, and that the efforts to strengthen this internal control are the most

significant initiatives for a company to adequately fulfill its social responsibilities, recognizing that such efforts are the responsibility of the management itself. As a specific effort to strengthen internal control, the company established the Internal Control Promotion Committee in February 2007, and has been actively exchanging opinions at its meetings held on a regular basis. To achieve 4 objectives of internal control: [1] effectiveness and efficiency of operations, [2] reliability of financial reporting, [3] compliance with laws and regulations related to business activities, and [4] preservation of assets, the company established an organization and corporate culture with a focus on the control environment in internal control.

In addition, in order to further enhance monitoring activities, the Internal Audit Office is assigned as a complementary organization to maintain and strengthen compliance and risk management, which continuously perform internal checks on business execution in accordance with laws and internal regulations.

<Reason for Non-compliance with the principles of the Corporate Governance Code (excerpts)>

Principles	Reasons for not implementing the principles
[Supplementary Principle 2-4-1 Ensuring diversity within the company, including promotion of women's activities]	<p>To ensure the long-term stability of the corporate group's operations, the company believes it is important to hire talented human capital who are both capable and enthusiastic and who share the corporate group's management philosophy, policies, and values, and to create an environment in which such human capital can work comfortably, cheerfully, vigorously, and stress-free, while feeling a sense of achievement over the long term. With regard to establishing the comfortable working environment, the company is creating a working environment where they respect diversity and employees can work comfortably and maintain good health, by actively encouraging the use of a health consultation hotline that allows employees to call for advice anytime, promoting flexible work styles through teleworking, conducting substantial health checkups with a full range of diagnostic items for all executives and employees including part-time employees, and installing hyperbaric oxygen chambers in the offices available for meetings and breaks.</p> <p>In addition, the company promotes the acquisition of various business qualifications by enhancing its qualification acquisition support system to help employees acquire specialized and advised knowledge. Furthermore, the company believes that the driving force for improved performance is the understanding and practice of its management philosophy and policies and the development of human capital who share the same values. The company has adopted a personnel evaluation system in which all employees and part-time employees, including executives, are evaluated by everyone not only their immediate supervisors, but also subordinates and colleagues, as well as those in other departments, in a 360-degree fair and impartial personnel evaluation and assessment, to appoint employees to positions based on their abilities and performance, regardless of age, gender, nationality, or mid-career employment. As such, the company has not set measurable numerical targets for ensuring diversity in appointment of core human capital, including the appointment of women, non-Japanese, and mid-career hires, to management positions. However, the company has diverse human capital actively working in management positions. In addition, a female Outside Director was appointed at the Ordinary General Meeting of Shareholders in June 2016.</p>
[Supplementary Principle 3-1-3. Sustainability Initiatives, etc.]	<p>The corporate group's Board of Directors adopted the following Basic Sustainability Policy on December 14, 2021.</p> <p>"Since its founding, the company has been committed to social contribution activities through its business activities, based on the corporate group's management philosophy that states that the company operates for the benefit of its employees and their families, its customers and business partners, shareholders, local communities, and ultimately, the nation." Companies are becoming more involved in addressing social</p>

issues, such as the Sustainable Development Goals (SDGs) that have been adopted by the United Nations. We will keep working to grow sustainably alongside society and establish a reliable corporate group by working to make a positive impact on society and by understanding the relations among ESG (Environment, Society, and Corporate Governance), the SDGs, and community-based property management, which is our business operation.

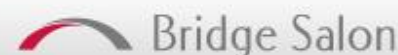
To continuously ensure the long-term stability of the corporate group's operations, the company believes it is important to hire talented human capital who are both capable and enthusiastic and who share the corporate group's management philosophy, policies, and values, and to create an environment in which such human capital can work comfortably, cheerfully, vigorously, and stress-free, while feeling a sense of achievement over the long term. The company holds "Session for Asking the Chairman or the President Questions" on a regular basis, where all executives and employees including part-time employees can have direct dialogue with the Chairman or the President. The Chairman or the President personally holds a telephone meeting with each individual who asks a question, and works together to solve not only work-related issues, but also personal problems and issues in their private lives. The company believes that the driving force for improving business performance is the understanding and practice of its management philosophy and policies and the development of human capital who share the same values. The company has adopted a personnel evaluation system in which all employees and part-time employees, including executives, are evaluated by everyone, not only their immediate supervisors but also by subordinates and colleagues, as well as those in other departments, in a 360-degree fair and impartial personnel evaluation and assessment, to appoint employees to positions based on their abilities and performance, regardless of age, gender, and without limiting the scope of their duties. In addition, the company promotes the acquisition of various business qualifications by its qualification acquisition support system to help employees acquire specialized and advanced knowledge. With regard to establishing a comfortable working environment, the company is creating a working environment where diversity is respected and employees can work comfortably and maintain good health, by actively encouraging the use of a health consultation hotline that allows employees to call for advice anytime, promoting flexible work styles through teleworking, conducting substantial health checkups with a full range of diagnostic items for all executives and employees including part-time employees, and installing hyperbaric oxygen chambers in the offices available for meetings and breaks. Regarding investment in intellectual property, etc., the company does not believe it is necessary to disclose or provide specific information because it is not positioned as the core of its business and the amount of investment is small at the moment.

Currently, the company does not make disclosures as recommended by TCFD, however, in order to respond to the recommendations from TCFD, the Board of Directors resolved with the cooperation of relevant internal departments and group companies., on April 12, 2022, to establish a Working Group (the "Group") for TCFD as a subcommittee of the Internal Control Promotion Committee.

The following matters are discussed in the Group.

- (1) To assess the impact of climate change on the company's business activities, and formulate content of information disclosure based on TCFD's recommendations
- (2) To review the status of initiatives based on the Basic Sustainability Policy, and promote the initiatives

BRIDGE REPORT

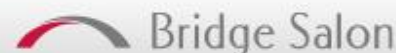


<p>[Principle 4-8. Effective use of Independent Outside Directors]</p>	<p>Currently, the Board of Directors consists of seven Directors and three Corporate Auditors. Of these, four are Outside Officers (two Outside Directors and two Outside Corporate Auditors) and all of them are independent outside officers as stipulated by the Tokyo Stock Exchange. All outside officers attend all board meetings in principle.</p> <p>Two Outside Directors are certified public accountants and certified tax accountants, one of the two Outside Corporate Auditors is a certified public accountant and a certified tax accountant, and the other is a lawyer. They all have affluent experience and profound insight to check the effectiveness and efficiency of the Directors' business execution when necessary, from an independent and fair standpoint, and contribute to ensuring management transparency and legal compliance.</p> <p>Outside Directors provide advice on deliberations at meetings of the Board of Directors from an objective and neutral standpoint, attend important meetings other than meetings of the Board of Directors (meetings of department managers) to express their opinions, and exchange opinions and information with Corporate Auditors as necessary. Based on the above, the company believes that the roles and responsibilities of the company's Independent Outside Directors are adequately satisfied, and the monitoring and supervision of management is appropriately functioning with the four Independent Outside Directors even though the number of Independent Outside Directors does not reach one third of the Board.</p> <p>Therefore, at this point, the company does not intend to appoint Independent Outside Directors to increase the ratio to more than one third, or does not plan to increase the number of Independent Outside Directors.</p>
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<Disclosure Based on the Principles of the Corporate Governance Code (excerpts)>

Principles	Disclosure contents
<p>[Principle 1-4. Strategically held shares]</p>	<p>In all of the company's business, the company carries out comprehensive transactions with financial institutions, such as borrowing funds for acquisition of real estate, acquiring information on real estate purchases, and introducing customers in the effective land utilization business. Cooperative relationships with financial institutions are essential for business expansion and sustainable development. In order to attain the medium/long-term goal of improving corporate value, we plan to discuss the economic rationality of shares of financial institutions that are considered to be able to have comprehensive transactions with our company after understanding our management philosophy and stance, and then hold them. The maximum number of shares to be held for each individual issue is 500,000 and no more than 2% of the company's shareholders' equity. The company continuously monitors transactions with financial institutions and financial position and operating results of financial institutions in which it holds shares, and once a year, the Board of Directors meets to review the reasonableness for holding these shares based on factors such as share price trends, dividend amounts, and transaction status. With respect to the exercise of voting rights pertaining to the strategically held shares, the company makes decisions to approve or disapprove individual proposals after carefully reviewing them based on whether the proposals will enhance the corporate value of the company and its investee companies and whether they are compatible with the company's objectives for holding such shares.</p>
<p>[Principle 5-1. Policy on constructive dialogue with shareholders]</p>	<p>The IR Division is in charge of dialogue with shareholders, which is overseen by the executive officer in charge of IR. The IR Office works closely with the Corporate Planning Department, the General Affairs Department, the Legal Department, the Human Resources Division, the Finance Department, and the Internal Audit Division on a daily basis, and</p>

BRIDGE REPORT



	<p>necessary information is reported to the IR Office. The IR Office holds company briefings for individual investors, financial institutions, analysts, and institutional investors in Osaka and Tokyo, not only explaining the company’s business and performance in financial results presentation materials, but also explaining the company’s management philosophy, management policies, and ESG and SDGs initiatives, which provide the background for the company’s business and performance. In addition, in order to communicate with shareholders, the company conducts shareholder questionnaires twice a year and have established an IR inquiry mail system, whereby the IR Office responds to inquiries (questions, etc.) from shareholders and investors. Questions from shareholders are accepted at the Ordinary General Meeting of Shareholders regardless of the agenda, and are basically handled by the President personally. In addition to the Ordinary General Meeting of Shareholders, Outside Directors and full-time Corporate Auditors are also available to respond to questions as necessary. Shareholder Opinions and concerns identified through shareholder questionnaires and other dialogue with shareholders are reported to Directors and the Board of Directors.</p>
<p>[Principle 5-2 Measures to implement management that is conscious of cost of capital and stock price]</p>	<p>Our management objective is to ensure the stable continuation of our business and to reward all stakeholders in perpetuity, as stated in our management philosophy. Financial strategies are extremely important for the real estate industry, which is susceptible to changes in market conditions and in which business operations that make use of financial leverage are essential. Therefore, we will be more conscious of capital costs and stock prices than ever before, and strive to improve both financial soundness by improving asset efficiency and profitability by investing in growing areas, while enhancing our investor relations activities above all else to raise expectations. For more details, please refer to the following. (Material for briefing financial results for the full year of the fiscal year ended March 2025 (P20) https://ssl4.eir-parts.net/doc/8860/tdnet/2602142/00.pdf) (FiscalYearEndingMarch2025Full-YearFinancialResultsPresentationMaterials (P20) https://www.fuji-jutaku.co.jp/uldoc/topnews_ir_en/20250502141255_1.pdf)</p>

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