



President Eiichi Wakita

LA Holdings Co., Ltd. (2986)

LA HOLDINGS

Company Information

Market	Growth Market of Tokyo Stock Exchange, Premier Market of Nagoya Stock Exchange, Main Board of Fukuoka Stock Exchange, Main Board of Sapporo Securities Exchange
Industry	Real estate
President	Eiichi Wakita
HQ Address	Kokusai Hamamatsucho Building 9F, 1-9-18 Kaigan, Minato-ku, Tokyo
Year-end	December
Homepage	https://lahd.co.jp/

Stock Information

Share Price	Shares Outstanding (Term-end)	Total Market Cap	ROE Act.	Trading Unit
8,850 yen	7,630,075 shares	67,526 million yen	28.6%	100 shares
DPS Est.	Dividend Yield Est.	EPS Est.	PER Est.	BPS Act.
330.00 yen	3.7%	727.30 yen	12.2x	2,915.56 yen
				3.0x

*Share price as of closing on September 5. All figures were taken from the financial statements in the first quarter of the fiscal year ending December 2025. BPS and ROE are actual results from the previous fiscal year.

Earnings Trend

Fiscal Year	Sales	Operating Income	Ordinary Income	Net Income	EPS	DPS
December 2021 Act.	14,677	3,216	2,847	1,959	410.83	132.00
December 2022 Act.	18,253	4,226	3,730	3,381	638.25	200.00
December 2023 Act.	31,499	5,552	4,941	3,293	549.10	211.00
December 2024 Act.	44,707	7,700	6,848	4,713	759.38	292.00
December 2025 Est.	51,000	8,200	7,400	5,100	727.30	330.00
December 2026 Plan	61,000	17,500	16,700	11,600	-	-

*Unit: million yen. Estimates are those of the company. Net income is profit attributable to owners of the parent. The figures for the fiscal year ending December 2026 (plan) were taken from the medium-term management plan. The EPS in fiscal year ending December 2025 was calculated from the average number of outstanding shares in the fiscal year, including the number of new shares issued (1,087,000) through a public offering with the due date of payment being June 9, 2025 and the number of new shares issued (163,000) and allocated to third parties for capital increase (related to the sale of shares due to over-allotment) with the due date of payment being June 26, 2025.

This report includes the LA Holdings Co., Ltd.'s financial results for the second quarter of the fiscal year ending December 2025 and the interview with President Wakita.

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Key Points

- In the first half of fiscal year ending December 2025, sales and profit grew considerably. Sales increased 24.2% year on year to 17,375 million yen. DX new real estate business and DX real estate value improvement business saw significant sales growth. Operating income rose 153.2% year on year to 3,992 million yen. While gross profit increased 74.2% year on year and gross profit margin rose 9.1 points year on year due to higher selling prices and added value, SG&A expenses decreased thanks to the drop in fees for sale entrusted to other companies as more properties were sold in-house". Accordingly, profits grew significantly. Considering the favorable business performance and the increase of opportunities to return profit to shareholders, they decided to pay an interim dividend (165 yen/share) for the first time.
- The earnings forecast has been left unchanged. For the full year, too, sales and profits are expected to grow. It is projected that sales will increase 14.1% year on year to 51 billion yen and operating income will rise 6.5% year on year to 8.2 billion yen. All the four business segments will continue business operations based on the policy set in the medium-term management plan. They plan to pay a dividend of 330.00 yen/share, up 38 yen/share from the previous fiscal year. The expected payout ratio is 45.3%.
- We interviewed President Wakita about the outline of the financial results in the first half of fiscal year ending December 2025, the purpose of listing on multiple markets, his message toward shareholders and investors, etc. He said, "sales are projected to be 61 billion yen and operating income is forecast to be 17.5 billion yen in fiscal year ending December 2026, which is the final fiscal year of the medium-term management plan, but our capacity for investment improved further through capital increase through a public offering, so we can now think that sales of 100 billion yen are achievable. As a 'manufacturing' company, we aim to grow steadily and increase market cap by pursuing our uniqueness, so we would appreciate your continued support."
- The progress rate in the first half of the fiscal year is 34.1% for sales and 48.7% for operating income. Sales are slightly below the normal level, but operating income is high. As mentioned by President Wakita, each employee earnestly engages in high value-added business from the viewpoint of "manufacturing." Their capacity for investment increased further through the capital increase based on a public offering. We would like to pay more attention to the performance of the company as "sales of 100 billion yen" have become achievable, as well as how much they can increase sales and profit.

1. Company Overview

LA Holdings operates four core businesses: DX new real estate sales, DX revitalized real estate sales, DX real estate value improvement, and real estate leasing. “L’atrait Premium-Renovation®,” the flagship series for revitalized real estate sales, features planning and design to provide “quality” that matches the needs of wealthy people, with prices ranging from 100 million yen to 1 billion yen, aiming for high prices and high added value. The company has established a distinctive position that no other company can match. It is also focusing on operating its business in Kyushu, Okinawa, Nagoya, and Hokkaido.

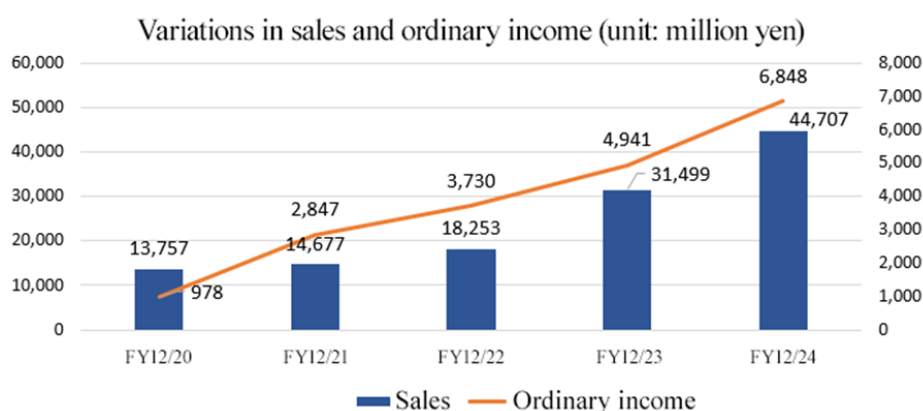
[1-1 History]

The predecessor of the company was L’atrait Nijuichi, Co., Ltd. (currently L’atrait Co., Ltd.), established in December 1990 for the purpose of buying/selling real estate, acting as a sales agent, managing rental properties, and buying/selling golf memberships. Due to the expansion of its business, the company was listed on the “Hercules Market” of Osaka Exchange in June 2006.

As a result of the downturn in business performance after the Lehman shock, Eiichi Wakita (currently the representative director and president of LA Holdings Co., Ltd.) was entrusted with the restructuring of the business and was invited to join the company in February 2012 (appointed as the representative director and president of L’atrait Co., Ltd. in March 2013). Under the leadership of Wakita, who has developed a record in building design and real estate development since his twenties, the restructuring of the business has progressed steadily with increased capital and changes in management strategies.

In July 2020, L’atrait Co., Ltd. established LA Holdings Co., Ltd., which acquired shares of L’atrait, and got listed on JASDAQ (Growth) of Tokyo Stock Exchange (L’atrait Co., Ltd. was delisted in June 2020). At the same time, Mr. Wakita was appointed as representative director and president of LA Holdings Co., Ltd.

In April 2022, the TSE market was reorganized, and the company was listed on the Growth market.



[1-2 Corporate Philosophy]

The Corporate Philosophy and Management Philosophy of the Group are as follows:

Corporate Philosophy

Creating “attractive products and services” to realize a “prosperous and attractive society” for people

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Management Philosophy of the Group

1	To establish a corporate culture that is free and open-minded and grow stably by fostering the wisdom and creativity of our employees while swiftly adapting to the new economic environment in the new era and taking into account new and innovative management without being bound by established business models, grow steadily, and pursue coexistence and co-prosperity with society.
2	While being constantly aware that “homes shape people's hearts and lives,” we not only pursue the original functionality and livability of homes, but also provide sophisticated and attractive products that are compatible with local communities and the environment while anticipating changes in times and trends, to realize business administration that can meet clients' needs.
3	To strive for management that contributes to the creation of local living environments by providing “homes that enrich people's hearts” through clean and fair corporate activities that value the lifestyles of local communities.
4	To create a working environment in which people can work together to exert their abilities fully through dedication and diligence to live a pleasant life full of enthusiasm, optimism, and ambition.
5	Based on the principle that “client satisfaction and employee motivation support a company,” we aim to manage business in harmony with society by ensuring an appropriate profit return.

[1-3 Business Environment]

The major business environment in which the company operates is as follows:

◎ Second-hand condominium market in the Tokyo metropolitan area

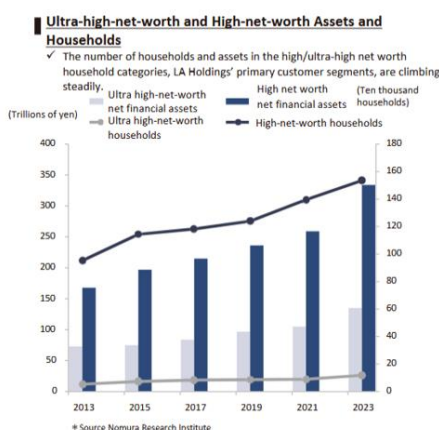
Selling prices of used condominiums in the six central wards of Tokyo have been rising steadily since 2019 and have jumped 33% year on year in FY2025. The gap between these prices and those in surrounding areas is widening.



(Source: the reference material for the company)

◎ Growing customer base

Amid the recent rise in interest rates, the super-wealthy and wealthy, the company's core customers, are increasing in both the number of households and total net worth. This indicates that the target customer base for the company's properties is expanding.



(Source: the reference material for the company)

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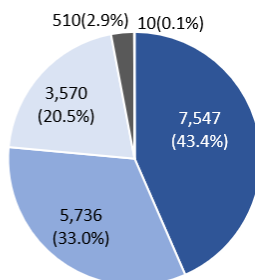


[1-4 Business Description]

The four reportable business segments are the “DX New Real Estate Business,” the “DX Revitalized Real Estate Business,” the “DX Real Estate Value Improvement Business,” and the “Real Estate Leasing Business.”

The company has designated the fiscal year 2025 as the starting point for a new phase of accelerated growth and is promoting its businesses with the aim of achieving further growth. As part of these activities, the DX real estate value improvement business has been added as a new separate segment because of the growing scale of business operations involving land planning and sales, which was previously included in the former new real estate sales segment, and investment project operations, which were previously included in the former revitalized real estate sales segment. Other revisions were also made to use segment classifications that more accurately reflect business operations from the fiscal year ending December 2025”.

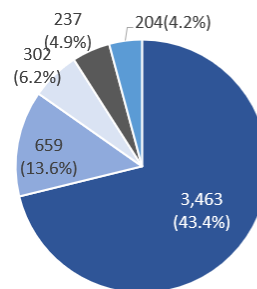
Sales composition by segment (unit: million yen, 1H of FY12/25)



■ DX new real estate business ■ DX revitalized real estate business
 ■ DX real estate value improvement business
 ■ Real estate leasing business ■ Other

* Sales to external clients

Profit composition by segment (unit: million yen, 1H of FY12/25)



■ DX new real estate business ■ DX revitalized real estate business
 ■ DX real estate value improvement business
 ■ Real estate leasing business ■ Other

* Segment profit means the ratio to the total before adjustments.

(1) DX new real estate business

Business	Outline
<Development work>	<p>By participating in land procurement and product development, the company is able to pay attention to the overall design of the building as well as the smallest details. It can also focus on aspects such as structure, earthquake resistance, fire resistance, energy saving, eco-friendliness, air quality, and sound insulation.</p> <p>By conducting business operations from product development to sales, including procurement and planning, the company creates “attractive products and services” in anticipation of the needs of society.</p> <p>◎ Profit-generating real estate development Developmental services for rental residences, including residential condominiums, and urban commercial buildings, such as buildings for retail shops and office buildings, to be sold to investment corporations and general corporations.</p> <p>◎ Development of new condominiums for sale Developmental services for new condominiums, to be sold to general customers and others.</p> <p>• Rental residences The company creates and establishes brands such as “THE DOORS,” a luxury rental residence that offers different values from the existing ones and extraordinary emotional experience value.</p> <p>• Urban commercial buildings The company is working to continuously improve the brand strength of the “A*G” series, which focuses on areas with high potential as prime future locations and is based on the concept of “small but brilliant,” and the “THE EDGE” series, which is based on the concept of “an office that is different from typical offices and like home” as an office brand that has uncovered potential needs among the core group of tenants.</p> <p>• New condominiums for sale</p>

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	<p>By creating series such as “L'attrait Residence” and “rêve,” the company provides new value to lifestyle-oriented customers under the keywords: “innovative design,” “unique worldview,” and “cutting-edge.”</p> <p>The strength of these product developments is that land information can be used effectively to increase procurement opportunities.</p>
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(2) DX revitalized real estate business

Business	Outline
(i) Sale of renovated condominium units	<p>The company purchases second-hand condominium units, plans and draft the details of renovation to restore them as sophisticated residences, which are then sold to general customers and other parties. When purchasing properties, the company carefully reviews and selects properties based on location, price, size, etc., and buys them using information on the settlement of debts through brokers, real estate agents, servicers, and financial institutions.</p> <p>Focusing on premium area in the high price range, used condominiums are furnished with interiors and amenities similar to those in new ones to create unique locations and sophisticated living spaces, enabling attractive products to be offered customers at more reasonable prices than newly built properties with the same conditions.</p>
(ii) Renovation and sale of individual buildings	<p>The company acquires a single building among company-owned employee dormitories, company housing, and rental condominiums in the Tokyo metropolitan area, completely renovates the building, and they sell each unit to general customers, and other buyers.</p> <p>Due diligence is conducted on the entire building by utilizing the renovation expertise of the company. Based on this, complete renovation is conducted, for not only private areas, but also common areas, to significantly renew the functionality of the building and make it attractive for sale. The company prepares building management plans, repair plans, financial budgets, etc., formulates management associations, appoints management specialists, and focuses on improving the living environment so that residents can live with peace of mind after they move in.</p>
(iii) Purchase and resale work for new condominiums	<p>The company buys and sells newly built properties developed by other developers after reviewing their location, development concept, safety, design, habitability, and profitability. Utilizing the know-how cultivated so far, value is added to their services by coordinating lifestyle goods, furniture, interior decor, etc. to suit each property.</p>

(3) DX real estate value improvement business

Business	Outline
(i) Land value improvement	<p>The potential value of land is identified through unique information-gathering capabilities and a discerning eye, and complex rights adjustments and issues are settled. Development planning and necessary procedures are then conducted, after which the land is sold together with the business plan as a set. Leveraging the know-how cultivated over time in land development, rights coordination, and business planning, the latent value of the land is unlocked to transforming it into highly valuable that meets the needs of each buyer.</p>
(ii) Investment business	<p>Buildings are purchased among rental office buildings, company-owned employee housing, and rental residences in the Tokyo metropolitan area, and then sold to investors after increasing their profitability.</p> <p>Using revitalization know-how, thorough due diligence is conducted to improve the profitability of the entire building. Cost management related to building management, etc. and renovations are then conducted to improve the building's capability of attracting tenants or occupants, increase profitability, and improve cash flow, and then sell it.</p>
(iii) Land planning and sales	<p>Among the land being considered as a site in development work, land and a</p>

	business plan are sold as a set, after carrying out development planning and certain procedures, to other companies in the same industry for relatively prime sites that did not ultimately meet the criteria for product development. The benefit for buyers is that they can reduce the time required for development.
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(4) Real estate leasing business

The company secures stable revenue by leasing real estate owned as fixed assets. It constructs or acquires properties and then leases individual buildings to operators, particularly healthcare facilities for which there is a high social need, as well as residential hotels and commercial facilities.

[1-5 Characteristics, strengths, and competitive advantages]

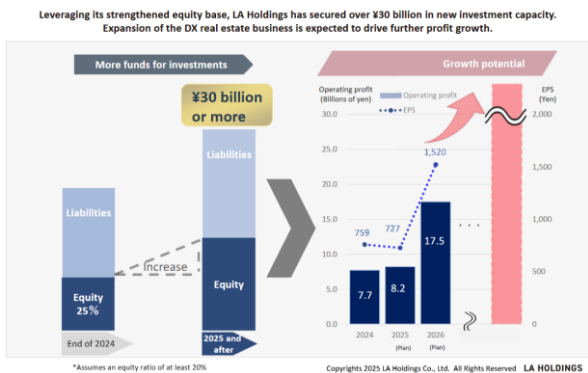
The company's primary competitive advantages are business mix that continues to generate high profits, investment capacity and room for growth created through a capital increase, and establishment of a unique positioning.

(1) Business mix that continues to generate high profits

The environment surrounding the real estate industry is undergoing significant changes, with soaring real estate prices, rising interest rates, and exchange rate fluctuations. Some companies are unable to respond appropriately to these changes, forcing them to scale back new development and procurement, resulting in the deterioration of their business performance. Amid this environment, the company not only operates a diverse range of businesses, handling commercial facilities, condominiums, and office buildings, but also possesses excellent planning capabilities that combine its discerning eye, information-gathering, renovation, and leasing capabilities to create high added value. This advantage allows the company to strategically select businesses in accordance with market conditions and consistently create high value-added products, enabling it to continue aggressive procurement and large-scale development even amid business environments such as the one described above. The company believes that the changing business environment presents a good opportunity to develop its businesses while maintaining a competitive advantage.

(2) Investment capacity and room for growth created through a capital increase

In June 2025, the company raised approximately 7.5 billion yen through a public offering of new shares. In recent years, financial institutions have raised their credit lines significantly, enabling the company to pursue business growth by increasing the number of projects. This public offering has created a new investment capacity of over 30 billion yen, which the company aims to use to further accelerate the pace of sales and profit growth.



(Source: the reference material for the company)

(3) Establishment of a unique position

The company has established a unique position in new and revitalized real estate sales.

① New real estate sales domain

In terms of the scale of development, they focus on medium-scale development costing 1-5 billion yen. In terms of development areas, the company focuses on finding areas with high potential to become “prime areas in the future,” and it has a significant advantage in the ability to gather information and identify the best areas to achieve it.

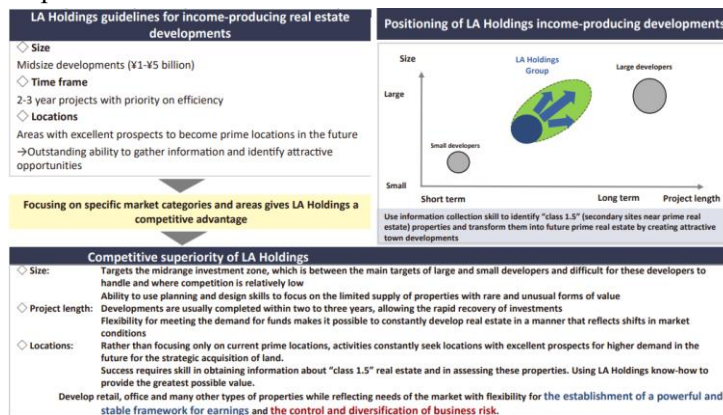
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Furthermore, regarding the development period, they focus on projects whose development period is not long, but 2-3 years and put importance on efficiency.

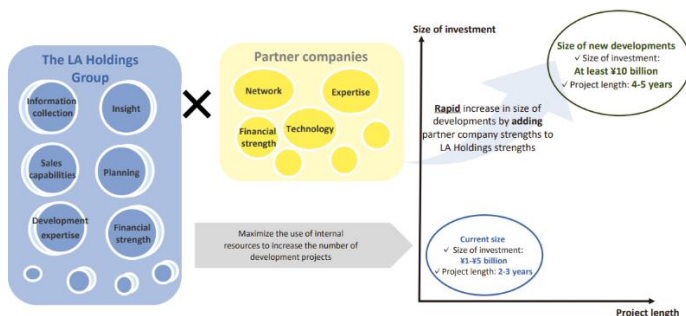
In this way, the company has found a competitive advantage by focusing on specific markets and areas and has established a unique position by finding white spaces that are difficult for other companies to deal with.

Through this, the company has achieved both “the establishment of a robust and stable revenue base” and “curtailment and dispersion of business risks.”



(Source: the reference material for the company)

In addition, the company has recently expanded their business domains, including large-scale development projects, through collaborative projects with partner companies.



(Source: the reference material for the company)

② Revitalized real estate sales domain

The core series “L'attrait Premium-Renovation®” is characterized by plans and designs for offering “high quality” to match the needs of wealthy people. Prices also ranging from 100 million yen to 1 billion yen, aiming for unreasonable prices and high added value.

In addition, the company targets “100 m² or over” in terms of size and “three wards in the urban center” in terms of area, thereby establishing a unique position that other companies are not dealing with. In addition, the company is making efforts to secure more advantages by establishing latest sales networks, recruiting personnel, and actively promoting them to strengthen selling capabilities.

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(Source: the reference material for the company)

[1-6 Comparison with competitors]

We compared the major indicators of LA Holdings and major listed companies that sell revitalized real estate.

LA Holdings ranks second in the ratio of operating income and first in terms of ROE, indicating high profitability.

Code	Corporate name	Sales	Sales growth rate	Operating income	Income growth rate	Operating income margin	ROE	Market cap	PER	PBR
2975	Star Mica Holdings	64,061	+14.7%	6,298	+14.0%	9.8%	12.8%	39,204	11.1	1.5
2986	LA Holdings	51,000	+14.1%	8,200	+6.5%	16.1%	28.6%	67,526	12.2	3.0
3294	e'grand	38,700	+26.9%	2,300	+54.6%	5.9%	7.8%	10,844	7.7	0.9
8934	Sun Frontier Fudousan	117,000	+13.4%	23,840	+12.0%	20.4%	14.7%	112,917	7.3	1.1
8940	Intellex	56,415	+25.9%	2,498	+4.7%	4.4%	13.2%	9,351	6.3	0.6

*Unit: million yen and times. Sales and operating income are the forecasts for this fiscal year, taken from the latest brief financial reports of respective companies.

Market cap, PER, and PBR are based on the closing price on Sep. 5, 2025.

[1-7 Sustainability]

The company will take the following measures for dealing with ESG issues.

ESG	Applicable SDGs	Activities
Environment	7 (Affordable and Clean Energy), 11 (Sustainable Cities and Communities), 12 (Responsible Consumption and Production), 13 (Climate Action)	<ul style="list-style-type: none"> ✓ Use of energy-saving technologies (window sashes, LED lights) that are comfortable and contribute to sustainability ✓ Business activities that support the decarbonization of society by developing environmentally responsible products
Social	5 (Gender Equality), 8 (Decent Work and Economic Growth), 10 (Reduced Inequalities), 16 (Peace, Justice and Strong Institutions)	<ul style="list-style-type: none"> ✓ Help create safe and comfortable communities through measures for responsible regional coexistence and supplying products needed by Japan's aging population ✓ Use business revitalization and succession support and support for start-up company growth to play a role in solving regional and social issues ✓ Keep employees healthy and provide pleasant and productive workplaces
Governance	9 (Industry, Innovation and Infrastructure), 10 (Reduced Inequalities), 16 (Peace, Justice and Strong Institutions)	<ul style="list-style-type: none"> ✓ Strengthen corporate governance and compliance ✓ Distribute information with sincerity and transparency to shareholders, investors and all other stakeholders

(Source: the reference material for the company)

2. Medium-term Management Plan

The target profits set in the “medium-term management plan for the period from 2023 to 2025,” which was announced on February 14, 2023, were achieved in the fiscal year ended December 2024 one year earlier than expected, so the company has formulated and announced a new plan for the period until 2026. The company intends to steadily attain the new forecasts and create new revenue earning opportunities and further grow its existing businesses from the fiscal year 2027 onward.

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[2-1 Basic policy]

They aim to “help create attractive town development that reflect society’s needs and new trends,” “play a role in creating a sustainable society by using business activities to help solve environmental and social issues,” and “establish a new business model for long-term growth of corporate value” and consider the following three as business issues.

- ① Pursuit of existing business
- ② Creation of new business
- ③ Promotion of M&A



(Source: the reference material for the company)

[2-2 Business issues]

(1) Pursuit of existing business

The company will pursue higher added value and realize sustainable profit growth with product planning that makes the most of its strengths.

It will promote regional revitalization and rural development by expanding its business to major local cities.

*DX new real estate business

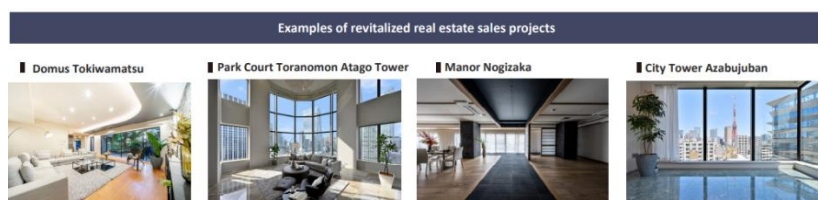
The company engages in multiple projects for developing residential and commercial income-producing properties not only in the Tokyo Metropolitan Area, but also in Nagoya and Fukuoka.

*DX revitalized real estate business

The “L'attrait Premium-Renovation®” series priced in the order of 100 million yen to 1 billion yen sold well.

In addition, the company is strengthening the sales of BILLION RESIDENCE®, a new brand that is priced at over one billion yen.

It will strive to boost profit on a continuous basis by enhancing high-priced properties and providing high added value in the premium real estate market while giving a central focus to these two brands.



(Source: the reference material for the company)

Regarding "BILLION RESIDENCE®," the company rigorously selects mansions and supplies them based on the experience and know-how nurtured in the “L'attrait Premium-Renovation®” business for many years and the company’s broad information network.

The company is working on multiple series, including “Hi▶La▶Re” that is priced between 70 million yen and less than 150 million yen per condominium unit, in the downtown area in Tokyo.

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*Real estate leasing business

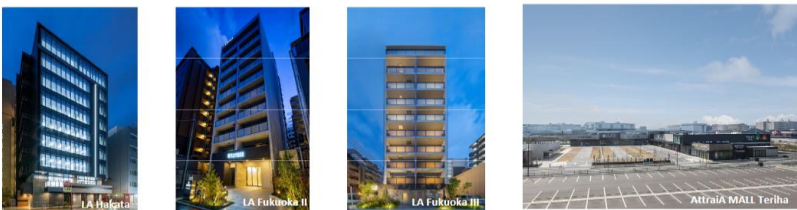
The company is securing stable revenue and optimizing its portfolio of rental properties by acquiring excellent rentable assets, such as healthcare facilities.

The company will conduct active investment in healthcare facilities, which are strongly demanded by society, with the aim of investing 2 billion yen every fiscal year. To expand business scale, it is indispensable to fortify the revenue base through not only one-shot-revenue business, but also recurring revenue business, which is expected to help secure stable revenues. In particular, the company will allocate managerial resources to healthcare facilities with a high profit margin.

Healthcare facilities



Offices, hotels and commercial facilities



(Source: the reference material for the company)

(2) Creation of new businesses

The company operates “M&A support business” and “corporate investment business” as new businesses that would be new revenue sources, under the policy set in the medium-term management plan, in order to achieve sustainable growth and improve corporate value in the medium/long term.

The company has been obtaining a lot of information on transactions on a daily basis through M&A, strategic alliance, the establishment and operation of funds, the investment in funds, etc. and have been discussing multiple transactions in diverse business types and categories or negotiating for them.

The company's purpose is to establish a new revenue base to improve profitability by utilizing the know-how and networks for M&A and investment in enterprises, management know-how, information on transactions of diverse business types and categories in Japan, etc. the company has accumulated so far.

◎ M&A support business

In Japan, M&A is carried out actively in all kinds of business categories and industries, as there is the problem with business succession and the domestic market is shrinking, so the related support business domain is expanding.

Under these circumstances, the corporate group considers mergers and acquisitions (M&A) as an important growth strategy and got registered as an organization that offers M&A support services.

The company signed a memorandum of understanding on operational cooperation with StormHarbour Japan Ltd. in December 2023.

It will make optimal and strategic proposals as an M&A support advisor while utilizing networks and communication between management executives and considering growth strategies of enterprises and market conditions.

The company's M&A is targeted at a broad range of small and medium-sized enterprises in all kinds of fields. In particular, the company plans to support enterprises and others that own real estate in the improvement of business administration and so on by raising the profitability of owned assets, efficiently using them, or the like while taking advantage of the company's management know-how.

◎ Corporate investment business

LA Holdings established LA/BSP Vision Fund Investment Limited Partnership, which is funded jointly by the company and BSP Asset Management Co., Ltd., in February 2022. LA Holdings acquired FAN STYLE Co., Ltd., a real estate developer based in Okinawa Prefecture, as a wholly owned company on December 30, 2022 and is making investments in venture funds for business revitalization and succession for small- and medium-sized enterprises (SMEs) and venture funds in the Kyushu region.

With the aim of realizing sustainable business growth, LA Holdings intends to enhance cooperation with leading medium-sized companies in local communities, increase its corporate value, and expand its business.

It will target such companies as leading medium-sized companies that take a higher share in specific markets, companies that have been confronted with issues of business succession, including the lack of successors, and companies that possess their own unique products and services and have competitive edges in markets with high entry barriers as M&A candidates.

Furthermore, regarding funds in which LA Holdings will invest, the company will establish and operate next-generation funds targeting venture companies that are in the middle and later phases in various fields, further enhance this business in the Kyushu region, and promote investment in venture funds for business revitalization and succession for SMEs and venture funds in other regions.

[2-3 Corporate Issues]

LA Holdings has recognized the following issues regarding enhancement of its corporate group's business foundation and thus intends to take necessary measures against each issue:

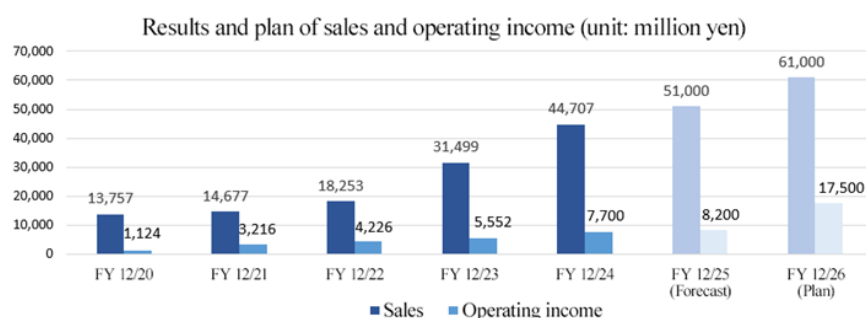
Issues	Measures
Expansion of the business portfolio	LA Holdings will continuously strive to expand and optimize its business portfolio by taking on challenges and branching out into new business areas in which it can make the most of its corporate group's business resources, such as fields in which it has a significant competitive edge and markets that are expected to grow considerably on a continuous basis.
Enhancement of the financial base	To achieve sustainable profit growth, LA Holdings will strike a balance between investment in future growth and shareholder returns while endeavoring to optimize its financial base. LA Holdings will keep equity ratio at 20% or higher and increase financial soundness and capital efficiency.
Development of business indicators	LA Holdings will aim at an ROE of 20% or higher and a dividend payout ratio of 40%.
Development of a highly productive organization	LA Holdings will generate high organizational capacities and increase productivity across its corporate group by establishing an organizational structure that allows each employee to demonstrate his or her abilities and skills. LA Holdings will proactively recruit and develop human resources with highly specialized skills and know-how.

[2-4 Numerical goal]

(1) A company-wide goal

In the fiscal year ending December 2026, which is the last fiscal year of the “medium-term management plan,” the company forecasts “sales of 61 billion yen and an operating income of 17.5 billion yen.”

The fiscal year ending December 2025 falls on the 35th anniversary of the company's business, so all of executives and employees plan to make the utmost effort to grow business and improve corporate value further.



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	FY 12/20	FY 12/21	FY 12/22	FY 12/23	FY 12/24	FY 12/25 (Forecast)	FY 12/26 (Plan)
Sales	13,757	14,677	18,253	31,499	44,707	51,000	61,000
Operating income	1,124	3,216	4,226	5,552	7,700	8,200	17,500
Ordinary income	978	2,847	3,730	4,941	6,848	7,400	16,700
Net income	650	1,959	3,381	3,293	4,713	5,100	11,600
EPS (Yen)	123.58	410.83	638.25	549.10	560.3	727.30	-

*Unit: million yen.

[2-5 Future financial strategy]

◎ Envisioned image of total assets

While aiming to conduct strategic investment for growth and return profit to shareholders stably, the company will strive to improve capital efficiency, grow profit significantly every fiscal year, and keep capital-to-asset ratio 20% or higher (the capital-to-asset ratio in fiscal year ended December 2024 was 25.2%) while aiming to achieve total assets of 100 billion yen.

Internally, the company will pursue the stable growth of the real estate development business, which earns one-shot revenues, and the real estate leasing business, which earns recurring revenues.

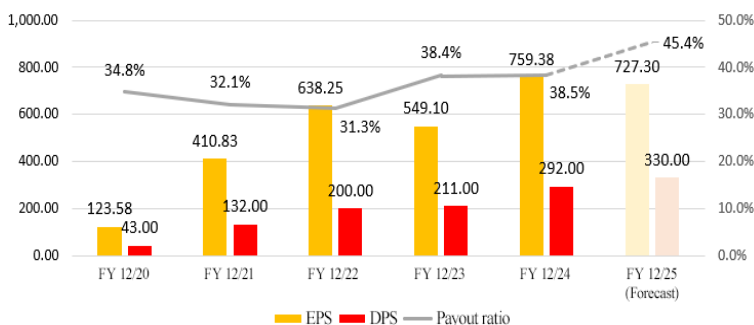
Externally, the company will conduct investment for growth to achieve M&A or strategic cooperation with enterprises that are expected to exert constructive collaboration.

[2-6 Return to shareholders]

The company recognizes the return of profit to shareholders as one of principal issues for management.

As the basic policy, the company aims to achieve a payout ratio of 40%. As the company will commemorate the 35th anniversary of L'attract and the 5th anniversary of LA Holdings, the company aims to “improve corporate value sustainably” and “maximize the return of profit.”

EPS, DPS, and payout ratio (unit: yen)



3. First Half of the Fiscal Year ending December 2025 Earnings Results

[3-1 Business Results]

	1H of FY 12/24	Ratio to sales	1H of FY 12/25	Ratio to sales	YoY
Sales	13,986	100.0%	17,375	100.0%	+24.2%
Gross profit	3,159	22.6%	5,503	31.7%	+74.2%
SG&A expenses	1,582	11.3%	1,511	8.7%	-4.5%
Operating income	1,576	11.3%	3,992	23.0%	+153.2%
Ordinary income	1,162	8.3%	3,417	19.7%	+193.9%
Interim net income	792	5.7%	2,374	13.7%	+199.6%

*Unit: million yen.

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**Sales and profit grew considerably.**

Sales increased 24.2% year on year to 17,375 million yen. DX New Real Estate Segment and DX Real Estate Value Improvement Segment saw significant sales growth.

Operating income rose 153.2% year on year to 3,992 million yen. While gross profit increased 74.2% year on year and gross profit margin rose 9.1 points year on year due to the hike of selling prices and the addition of high value, SG&A expenses decreased thanks to the drop in fees for sale entrusted to other companies as they sold more properties by themselves. Accordingly, profits grew significantly.

Considering the favorable business performance and the increase of opportunities to return profit to shareholders, they decided to pay an interim dividend (165 yen/share) for the first time.

[3-2 Trend in each segment]

	1H of FY 12/24	Composition ratio	1H of FY 12/25	Composition ratio	YoY
Sales					
DX new real estate business	1,675	12.0%	7,547	43.4%	+350.4%
DX revitalized real estate business	10,293	73.6%	5,736	33.0%	-44.3%
DX real estate value improvement business	1,492	10.7%	3,570	20.5%	+139.1%
Real estate leasing business	467	3.3%	510	2.9%	+9.1%
Total sales	13,986	100.0%	17,375	100.0%	+24.2%
Gross profit					
DX new real estate business	451	26.9%	3,811	50.5%	+745.1%
DX revitalized real estate business	1,917	18.6%	974	17.0%	-49.1%
DX real estate value improvement business	458	30.7%	406	11.4%	-11.3%
Real estate leasing business	277	59.3%	300	58.9%	+8.5%
Total gross profit	3,159	22.6%	5,503	31.7%	+74.2%

*Unit: million yen. "Sales" means "sales to external customers." The composition ratio of profit means gross profit margin.

① DX new real estate business

Sales grew 350.4% year on year, and gross profit rose 745.1% year on year.

In the business of developing real estate for earning revenues, they sold the urban commercial buildings "A*G Shimokitazawa" (Setagaya-ku, Tokyo) and "A*G Asakusa" (Taito-ku, Tokyo), and the high-end rental residence "THE DOORS" (Fukuoka-shi, Fukuoka Prefecture).

② DX revitalized real estate business

Sales decreased 44.3% year on year, and gross profit decreased 49.1% year on year.

The high-priced "L'attrait Premium-Renovation®" Series sold well.

③ DX real estate value improvement business

Sales grew 139.1% year on year, and gross profit decreased 11.3% year on year.

A project for improving land value was completed.

④ Real estate leasing business

Sales grew 9.1% year on year, and gross profit rose 8.5% year on year.

They acquired healthcare facilities, and the operation of rental assets was stable.

BRIDGE REPORT

**[3-3 Financial Condition and Cash Flow]****◎ Main BS**

	End of December 2024	End of June 2025	Increase/ Decrease		End of December 2024	End of June 2025	Increase/ Decrease
Current assets	63,141	84,874	+21,733	Current liabilities	24,785	34,739	+9,953
Cash and deposits	13,545	19,535	+5,990	Short-term interest-bearing liabilities	20,433	30,758	+10,325
Real estate for sale	18,041	27,015	+8,973	Noncurrent liabilities	28,330	32,248	+3,918
Real estate for sale in process	29,317	36,031	+6,713	Long-term interest-bearing liabilities	27,523	31,342	+3,819
Noncurrent assets	8,098	9,535	+1,437	Total liabilities	53,116	66,987	+13,871
Tangible assets	6,737	8,080	+1,343	Net assets	18,131	27,428	+9,296
Investments and other assets	1,319	1,414	+94	Retained earnings	15,343	17,717	+2,373
Total assets	71,247	94,416	+23,168	Total liabilities, net assets	71,247	94,416	+23,168

*Unit: million yen.

Total assets increased 23.1 billion yen from the end of the previous fiscal year to 94.4 billion yen, due to the increase in cash and deposits and inventory assets, etc.

Total liabilities augmented 13.8 billion yen from the end of the previous fiscal year to 66.9 billion yen, due to the increase in short-term and long-term interest-bearing liabilities, etc.

Net assets grew 9.2 billion yen from the end of the previous fiscal year to 27.4 billion yen, due to the increase in capital stock and capital reserve due to capital increase through a public offering, as well as an increase in retained earnings, etc.

Capital-to-asset ratio increased 3.7 points from the end of the previous fiscal year to 28.9%.

◎ Cash Flow

	1H of FY 12/24	1H of FY 12/25	Increase/Decrease
Operating Cash Flow	-4,430	-13,419	-8,988
Investing Cash Flow	-438	-1,538	-1,100
Free Cash Flow	-4,868	-14,958	-10,089
Financing Cash Flow	-1,064	2,0935	+22,000
Cash, Equivalents	6,756	19,404	+12,647

*Unit: million yen.

The cash outflow from operating activities and the deficit of free cash flow increased, due to the increase of inventory assets and the acquisition of tangible fixed assets, etc.

Financial cash flow turned positive, due to the growth of income from long-term borrowing and revenues caused by the issuance of shares.

The cash position improved.

[3-4 Topics]**(1) Listed on Nagoya Stock Exchange and Sapporo Securities Exchange**

The company got listed on Premier Market of Nagoya Stock Exchange in July 2025 and the Main Board of Sapporo Securities Exchange in September 2025.

Accordingly, the company is now listed on all the four markets of Japanese stock exchanges. The company is the seventh company that got listed in all the four markets.

By getting listed on multiple markets of stock exchanges in respective regions, they aim to improve the liquidity of shares, popularize the company, and contribute to the growth of local economies, by utilizing the excellent functions of community-based stock exchanges to approach a broad range of investors.

(2) Selected as one of stocks used for calculating “JPX-Nikkei Mid and Small Cap” in FY 2025

In August 2025, the company was selected as one of stocks used by JPX Market Innovation & Research, Inc. and Nikkeisha Inc. for calculating “JPX-Nikkei Mid and Small Cap” in FY 2025 (Aug. 29, 2025, to Aug. 31, 2026). This means that the company was selected as one of these stocks for 4 consecutive years.

The objective of JPX-Nikkei Mid and Small Cap is to select companies that efficiently utilize capital and consider investors in business administration, by applying the concept for “JPX-Nikkei Index 400,” which is calculated from the stock prices of “attractive companies for investors,” to small and medium cap stocks, and diffuse and promote that concept among a broad range of enterprises. In addition, it is intended to meet the needs of investors for investment in such enterprises. The stocks for calculating JPX-Nikkei Mid and Small Cap are selected from common stocks listed on mainly the Prime, Standard, or Growth Market of Tokyo Stock Exchange while considering market cap, market liquidity indicators, etc. and then quantitative indicators (3-year average return on equity [ROE] and 3-year cumulative operating income) and qualitative elements (appointment of independent outside directors making up a majority, appointment of female executives, disclosure of documents in English, etc.), and top 200 stocks have been selected.

4. Fiscal Year ending December 2025 Earnings Forecasts

[4-1 Earnings Forecast]

	FY 12/24	Ratio to sales	FY 12/25 Est	Ratio to sales	YoY	Progress rate
Sales	44,707	100.0%	51,000	100.0%	+14.1%	34.1%
Operating income	7,700	17.2%	8,200	16.1%	+6.5%	48.7%
Ordinary income	6,848	15.3%	7,400	14.5%	+8.1%	46.2%
Net income	4,713	10.5%	5,100	10.0%	+8.2%	46.6%

*Unit: million yen. The forecast figures were announced by the company.

There is no revision to the earnings forecast. Sales and profit are expected to grow.

The earnings forecast has been left unchanged. It is projected that sales will increase 14.1% year on year to 51 billion yen and operating income will rise 6.5% year on year to 8.2 billion yen.

All the four business segments will continue business operations based on the policy set in the medium-term management plan.

They plan to pay a dividend of 330.00 yen/share, up 38 yen/share from the previous fiscal year. The expected payout ratio is 45.3%.

[4-2 Initiatives in each business]

*Listed again from the previous report

① DX new real estate business

The company will actively develop “A*G” series, a commercial building, “THE EDGE,” an office building, and “THE DOORS” series, a classy rental residence in development of income-producing properties, which is a growth driver, and plan products with competitive advantages to pursue high added value, while aiming to improve its brand power and expand target areas, including major local cities. In addition, in the condominium business, the company will promote the “L'attrait Residence” brand in major local cities. In Okinawa, the company will strive to expand the business of the “rêve” series brand, fortify the company’s business foundation, and establish a unique position where the company can exert competitive advantages.

② DX revitalized real estate business

The company will concentrate on the core business, that is, the sale of renovated condominium units, including the “L'attrait Premium-Renovation®” series priced at over 100 million yen per unit, and the high-grade mansion “BILLION-RESIDENCE®” priced at over 1 billion yen per house. In addition to the products that match the needs of a broad range of customers, they supply products with high added value, which have competitive advantages free from price-cutting wars, based on their planning and designing skills, to establish a unique position.

③ Real estate leasing business

They will actively invest in healthcare facilities for which social needs are high, to optimize their rental portfolio and secure stable revenues, and concentrate on the fostering of an optimal relationship with the company entrusted with the management of healthcare facilities and the further improvement in operation, to maintain their high revenue earning capacity.

5. Interview with President Wakita

We interviewed the President Wakita about the outline of financial results in the first half of the fiscal year ending December 2025, the purpose in getting listed on multiple markets, a message toward shareholders and investors, etc.

Q: Please comment on the financial results in the first half of the fiscal year ending December 2025.

We have not made any new efforts, but rather each employee continues to work diligently on high value-added business based on the perspective of "manufacturing." In addition, our leasing capabilities have led to further revenue growth, and we are making progress as expected.

Furthermore, last year we thought it would be difficult to expand the scale of development to 10 billion yen or even 20 billion yen in one go, but thanks to the public offering and the subsequent further increase in credit lines of financial institutions, we were able to boost our investment capacity by over 30 billion yen. We believe it has further strengthened our medium- to long-term growth potential.

Q: You call your company a "manufacturing company." Could you please explain what that means?

When it comes to real estate companies, there may be a strong image that "sales power" and "the number of properties sold" represent competitiveness. However, we have thoroughly avoided commoditization, always pursuing high added value. As I have been involved in architectural design and real estate development since before I became involved in the management of our company, we are truly a "manufacturing company" that always develops its business with these mindsets: "create something that does not exist," "create new value ourselves," and "seek businesses that allow us to set the market price." We have established a corporate culture in which employees are able to freely work in manufacturing and are encouraged to take on new challenges, and we believe that this is the essential source of our competitive advantages. Additionally, while initially our priority was to achieve high profitability rather than increasing the number of properties sold, we believe that we have been able to build a business foundation that allows us to pursue both quality and quantity through the continuous increase in credit lines of financial institutions, including the public offering.

Q: This year, you also listed your shares on the Nagoya Stock Exchange and the Sapporo Securities Exchange. Could you tell us about your intentions behind this?

With this addition, our company is now listed on all four domestic stock exchanges, including those in Tokyo and Fukuoka. Through this cross-listing, we aim to utilize the excellent functions of each stock exchange, which is rooted in a local community, to approach a broader investor base, thereby improving the liquidity of our shares, popularizing our company nationwide, and contributing to the development of the local economy.

Being listed on the Sapporo Securities Exchange is important for our company, following the stock exchange in Kyushu, as we focus on regional revitalization and vitalization through corporate investment businesses, etc. Thanks to this, we have been covered by plenty of local media, and we believe that this increased awareness will make our future activities even smoother. Although there are issues of efficiency due to Hokkaido's nature of locality and its large area, we would like to work with local companies to develop businesses that would be difficult for local companies to handle on their own, with our company having a wealth of experience and a diverse network.

Q: Thank you very much. Lastly, please send a message to shareholders and investors.

As I have mentioned before, we will first take full advantage of the current market environment and our competitive advantages to further strengthen our business foundation by the end of 2026. From 2027 onward, we will build on the growth

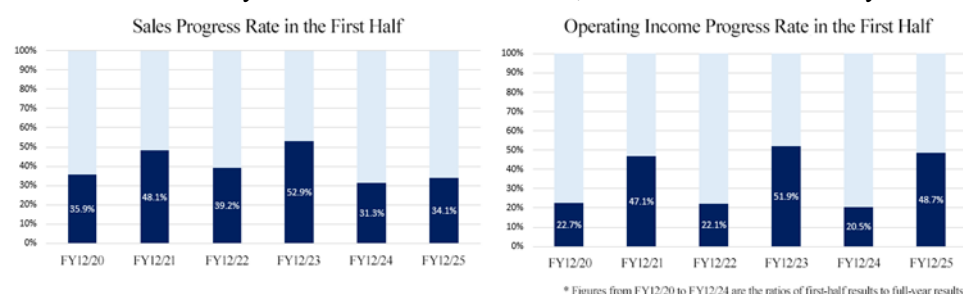
of our existing businesses and create various revenue opportunities by boldly taking on new businesses with real estate at the center.

In the fiscal year ending December 2026, the final year of the medium-term management plan, we are targeting sales of 61 billion yen and an operating profit of 17.5 billion yen. As our investment capacity has further increased through the public offering, we can say that sales of 100 billion yen are achievable.

We will continue to pursue our unique identity as a "manufacturing company," aiming for steady growth and an increase in market capitalization, so we hope you will continue to support us.

6. Conclusions

The progress rate in the first half of the fiscal year is 34.1% for sales and 48.7% for operating income. Sales are slightly below the normal level, but operating income is high. As mentioned by President Wakita, each employee earnestly engages in high value-added business from the viewpoint of "manufacturing." Their capacity for investment increased further through the capital increase based on a public offering. We would like to pay more attention to the performance of the company now that "sales of 100 billion yen" have become achievable, as well as how much they can further increase sales and profit.



<Reference: Regarding Corporate Governance>

◎ Organizational structure and composition of directors and auditors

Organizational structure	Company with an audit and supervisory board
Directors	5 including 2 outside directors (including 2 independent officers)
Auditors	3 including 2 outside directors (including 2 independent officers)

◎ Corporate Governance Report

Update date: April 8, 2025

<Basic policy>

We recognize that corporate governance means the basic framework of corporate management for fulfilling social responsibility toward stakeholders, including shareholders, customers, employees, business partners, and local communities. We will continue corporate governance-related strategies, while concentrating on the establishment of a better management base.

<Reasons for Non-compliance with the Principles of the Corporate Governance Code>

The company follows all the basic principles of the Corporate Governance Code.

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