Medium-Term Business Plan (FY2025–FY2027)

Medium-Term Business Plan (FY2025–FY2027) is positioned as a milestone following the previous plan in our pursuit of the long-term vision. Firmly committed to realizing that vision, we have formulated a three-year plan focused on building the foundation for growth. We intend to improve corporate value under the current medium-term business plan by further clarifying our emphasis on capital efficiency, while also increasing investments to drive profit growth and enhance shareholder returns.

Basic policy Building a robust portfolio that is resilient to change for accelerated growth and greater capital efficiency

Robust: Businesses with a strong, stable earnings base that are resistant to changes in the business environment, providing long-term strength and stability

Resilient: Businesses that combine flexibility and agility to swiftly adapt to changes in the operating environment, providing ongoing responsiveness

Accelerating and expanding asset-turnover business
- Acceleration of the property sales to investors business
- Expansion of overseas business
- Further growth in the for-sale condominium business

Accelerated growth and greater capital efficiency

Strengthening the stable revenue base
- Steady promotion of large-scale redevelopment projects
- Diversification of rental asset portfolio

Disciplined control of balance sheet
- Reduction of cross-shareholdings
- Strategic sales of non-current assets

Evolution of management infrastructure to support growth
- Sustainability (Environmental, Social, Governance)
- Human Capital
- DX

Quantitative Targets (Certain targets projected to be achieved ahead of schedule in FY2026)

Profit indicator	Capital efficiency indicator	Shareholder return policy
Business profit[1] (FY2027): **95.0** billion yen	ROE (Medium-term business plan period): **10**%	Payout ratio[2] (FY2027): **40**%
Projected to be achieved ahead of schedule. Forecast for FY2026: **102.0** billion yen		Projected to be achieved ahead of schedule. Forecast for FY2026: **40.2**%

Balance Sheet Control

Financial targets (FY2027): Debt-to-equity ratio[3]	Financial targets (FY2027): Interest-bearing debt/EBITDA multiple[4]	Cross-shareholdings to consolidated net assets (As of December 31, 2027)	Non-current asset sales Cross-shareholding sales (Aggregate total for medium-term business plan period)
Approx. **2.4** times	Approx. **12** times	**10**% or less	**130.0** billion yen or more (Based on sale price)

Reference Indicators

Profit attributable to owners of parent (FY2027)	ROA (Medium-term business plan period) Based on business profit	EPS (FY2027)
60.0 billion yen	Approx. **4**%	Approx. **290** yen
Projected to be achieved ahead of schedule. Forecast for FY2026: **63.0** billion yen		Projected to be achieved ahead of schedule. Forecast for FY2026: **303.46** yen

1. We have redefined business profit in Medium-Term Business Plan (FY2025–FY2027) to allow for the flexible sale of non-current assets and diversification of investment schemes in overseas businesses.
Before change: Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method
After change: Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method, etc. + Gain (loss) on sale of non-current assets
Note: "Share of profit (loss) of entities accounted for using equity method, etc." includes interest and dividend income, and gain (loss) on sale of investment equity in investment vehicles for overseas businesses.
2. We will flexibly repurchase Company shares, comprehensively taking into account the stock price level, business environment, and financial situation, among other factors.
3. Interest-bearing debt ÷ Equity capital
4. Interest-bearing debt ÷ (Operating profit + Interest and dividend income + Share of profit (loss) of entities accounted for using equity method + Depreciation expense + Goodwill amortization expense)