



# STARMICA HOLDINGS

Find the Value

## FY2026 First Quarter Financial Results

Mar. 31, 2026



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## **APPENDIX**

- a. **Market Landscape**
- b. **Our Business**

For further detail, please see our [Mid-Term Plan “Find the Value 2026”](#) and newly published [“Fact Book”](#).

**FY2026 First Quarter  
Financial Result  
Summary**

P.4~

**Both revenue & profit reached a record high in Q1.**

- Sales: JPY **21.3**bn, Operating profit: JPY **3.4**bn, Recurring profit: JPY **3.4**bn  
Net profit: JPY **2.4**bn

**The current progress is extremely favorable.**

- Progress rates: Sales **25.1%**, Operating profit **37.6%**, Net profit **47.5%**

**Summary and  
Topics of our  
Mid-Term Plan**

P.10~

**Business Strategy : Current progress against the full-year goal is extremely favorable at 32%.**

- Expanded purchase volume driven by an increase in OC condo purchases.

**FY2026  
Forecast**

P.20~

**Aim for +20+% YoY profit growth and consecutive record-high revenue and profit.**

- Sales: JPY **84.7**bn, Operating profit: JPY **9.2**bn, Recurring profit: JPY **7.4**bn  
Net profit: JPY **5.0**bn, EPS growth rate (YoY, FY2025-2026): **+20.2%**

**Continue stable and growing dividends in addition to growth investments and profit growth.**

- DPS forecast: JPY 45.0 (YoY JPY +8.0, +22%)

**Our Perception of  
Stock Price**

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**We see rooms for further valuation improvement.**

- Aim for PER of 15–25x driven by stable, high profit growth and a re-rating of our hard-to-imitate business model.

**1**

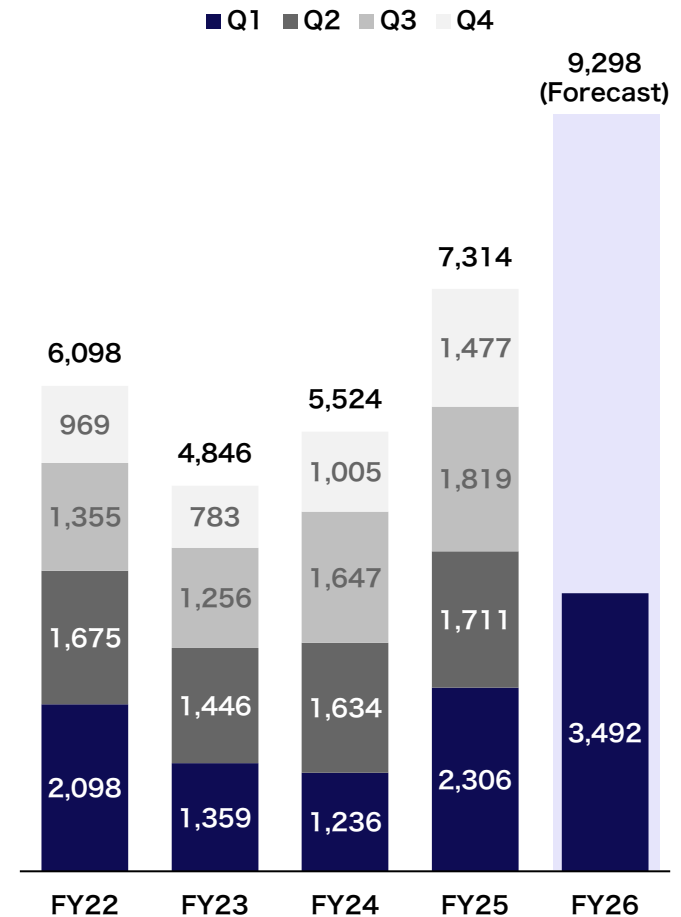
# **FY2026 First Quarter Financial Result Summary**

- Record-high revenue & profit in Q1 represents the extremely favorable progress.
- Derivatives unrealized gains (JPY 350mn) as non-operating income drove stronger than expected progress in recurring & net profit.

Consolidated P/L (summary)

Operating profit (by quarter, JPY mn)

(JPY mn)	FY25 Q1	FY26 Q1	FY26 Forecast	YoY Change	Progress
Revenue	16,089	<b>21,300</b>	84,715	+32.4%	25.1%
Gross profit	3,203	<b>4,826</b>	14,865	+50.7%	32.5%
SG&A	897	<b>1,333</b>	5,567	+48.6%	24.0%
Operating profit	2,306	<b>3,492</b>	9,298	+51.5%	37.6%
Recurring profit	2,090	<b>3,455</b>	7,494	+65.3%	46.1%
Net profit	1,422	<b>2,422</b>	5,095	+70.3%	47.5%

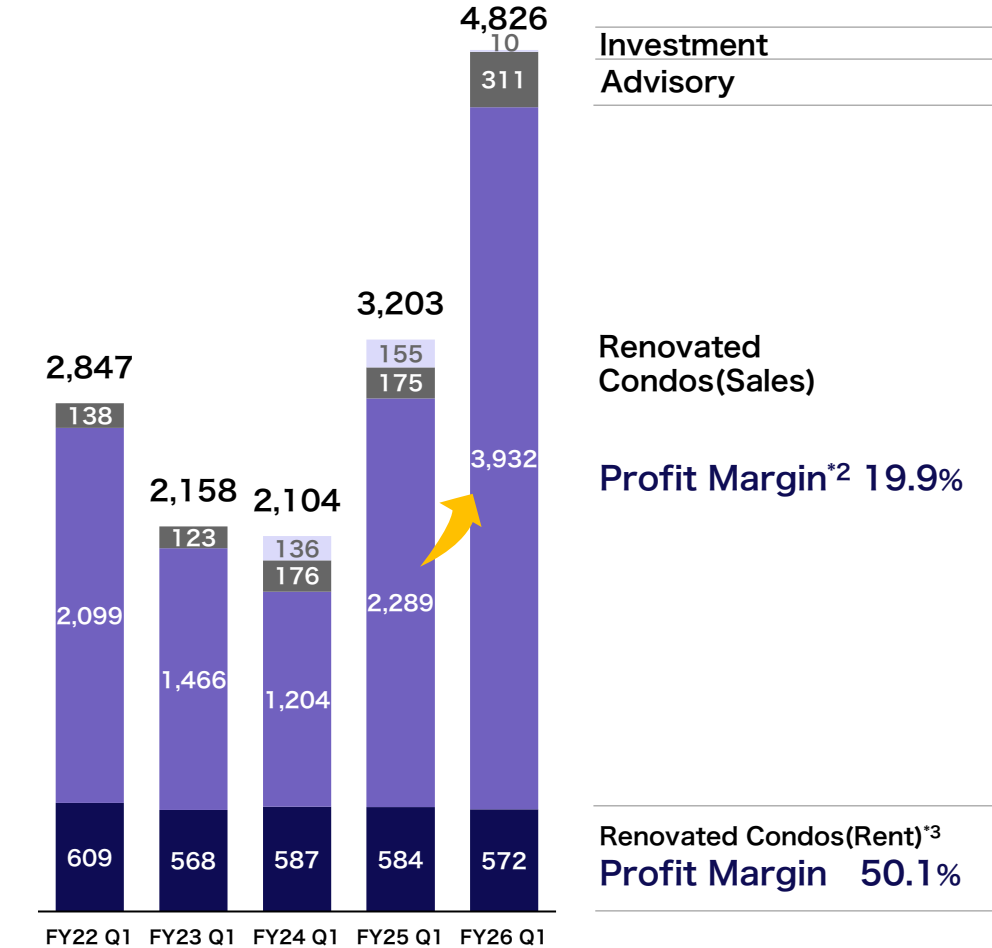


- Significant profit increase in Renovated condominium segment (Sales) drove record-high earnings.

Revenue and gross profit (by segment)

	(JPY mn)	FY25 Q1	FY26 Q1	YoY Change
<b>Revenue</b>		<b>16,089</b>	<b>21,300</b>	<b>+32.4%</b>
Renovated condominium business		15,696	20,923	+33.3%
Rent		1,153	1,142	-0.9%
Sales		14,543	19,781	+36.0%
Investment business		162	10	-93.6%
Advisory business		230	365	+58.7%
<b>Gross profit</b>		<b>3,203</b>	<b>4,826</b>	<b>+50.7%</b>
Renovated condominium business		2,873	4,505	+56.8%
Rent		584	572	-2.1%
Sales <sup>*1</sup>		2,289	3,932	+71.8%
Investment business		155	10	-93.5%
Advisory business		175	311	+78.0%

Gross profit (by segment, JPY mn)



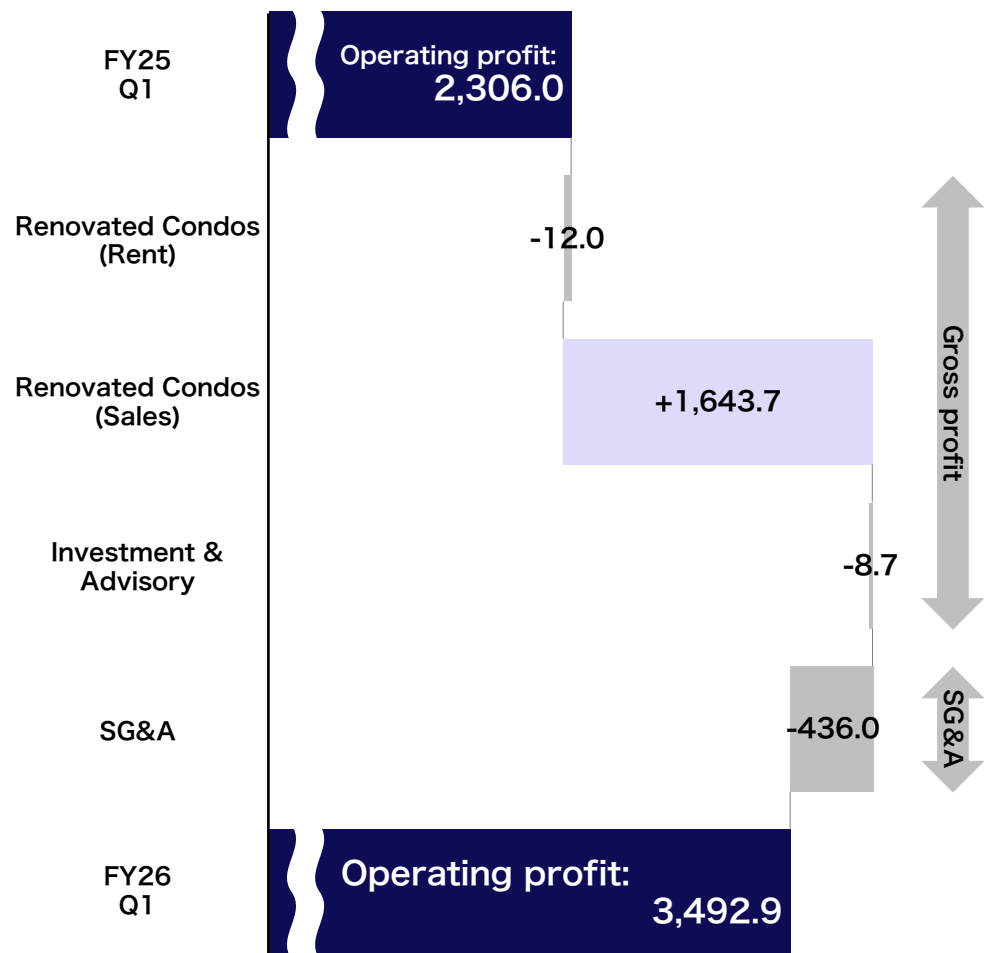
<sup>\*1</sup> Including mark-to-market (MTM) loss (FY2025 Q1: JPY -30.5mn / FY2026 Q1: JPY -11.1mn)

<sup>\*2</sup> Profit margin excluding MTM loss (FY2026 Q1: JPY -11.1mn)

<sup>\*3</sup> Depreciation for properties have been recorded as costs since FY23.

- Success of back to owner-change condos<sup>\*1</sup> and sales of mid- to high-priced renovated condos in urban area drove profit growth.

Delta b/w FY25 Q1 and FY26 Q1 (JPY mn)



Main reasons

**Renovated Condos (Rent)**

- Decrease in # of rental units<sup>\*2</sup> from active sales activities (FY25 Q1: 3,253 units -> FY26 Q1: 3,076 units, JPY -12.0mn)

**Renovated Condos (Sales)**

- Renovated OC condos<sup>\*3</sup>: Increasing sales volume & GP margin thanks to initiatives to shorten balance sheet turnover (FY25 Q1: 129 units 22.3% -> FY26 Q1: 189 units 27.4%, JPY +1,253.8mn)
- Other OC condos<sup>\*4</sup>: Increase in # of condos sold thanks to diversifying exit strategies (FY25 Q1: 64 units -> FY26 Q1: 69 units, JPY -22.4mn)
- Renovated vacant condos<sup>\*5</sup>: Increase both in # of units sold and in profit margin thanks to the sales of high-priced condos (FY25 Q1: 180 units 11.2% -> FY26 Q1: 197 units 11.8%, JPY +325.4mn)

**Other Gross Profit**

- Investment: Decrease of one-time gain on sale of trading securities from the previous year (FY25 Q1: JPY 155.4mn -> FY26 Q1: JPY 10.0mn, JPY -145.3mn)
- Advisory: Increase in brokerage commission etc. (FY25 Q1: JPY 175.1mn -> FY26 Q1: JPY 311.7mn, JPY +136.6mn)

**SG&A**

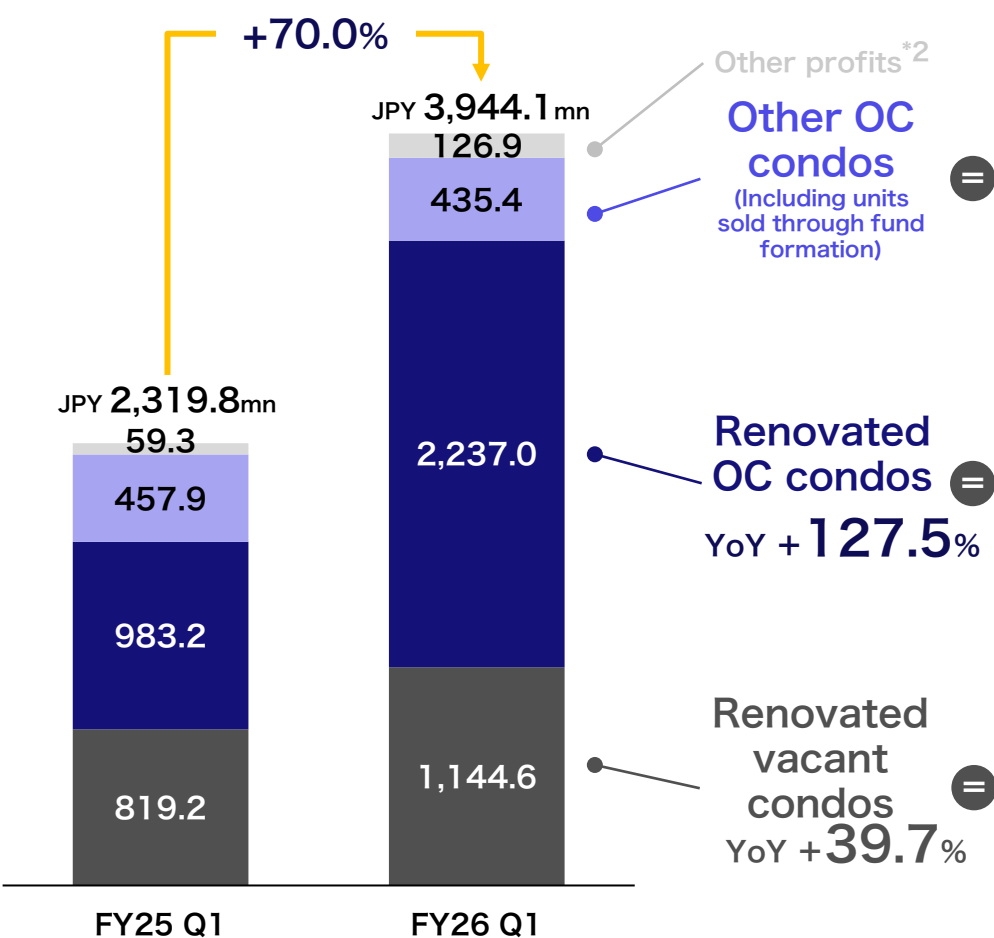
- Personnel expenses (FY25 Q1: JPY -476.2mn -> FY26 Q1: JPY -503.6mn, JPY -27.4mn)
- Consumption tax (FY25 Q1: JPY -144.8mn -> FY26 Q1: JPY -458.7mn, JPY -313.9mn)
- Other expenses (FY25 Q1: JPY -276.8mn -> FY26 Q1: JPY -371.5mn, JPY -94.7mn)

<sup>\*1</sup> Pre-owned condos with tenants, in the following pages, it may be written as "OC" <sup>\*2</sup> # of condos with tenants that we hold and receive rental income from at the end of each period

<sup>\*3</sup> Purchase as an owner-change condo, renovate it after the tenant's leave, and then sell it <sup>\*4</sup> Purchase as an owner-change condo and sell it while it is still with tenants <sup>\*5</sup> Purchase as a vacant condo, renovate and sell it

- Continued to expand high-margin renovated OC condos sales volume and drive profit growth through the structural evolution of our business model (≒shortening OC turnover period).

Breakdown of gross profit in renovated condos (Sales)\*1



Detailed assumptions (YoY change)

# of unit sales	Unit price	GP margin
69 units (+7.8%)	JPY 25.9mn (-39.1%)	24.3% (+7.5pt)

- Unit price decreased from prioritized sales outside the Tokyo Met. & Kansai areas
- GP margin largely increased thanks to the sale of relatively low-priced condos

# of unit sales	Unit price	GP margin
189 units (+46.5%)	JPY 43.2mn (+26.3%)	27.4% (+5.1pt)

- # of units sold remain on an upward trend thanks to initiatives aimed at shortening OC turnover period
- Increased sales of condos in urban areas boosted unit price and GP margin

# of unit sales	Unit price	GP margin
197 units (+9.4%)	JPY 49.2mn (+20.7%)	11.8% (+0.6pt)

Increased both in # of unit sold and in unit price thanks to the aggressive sales of high-priced condos in urban areas

\*1 Excluding mark-to-market (MTM) loss (FY2025 Q1: JPY -30.5mn / FY2026 Q1: JPY -11.1mn)

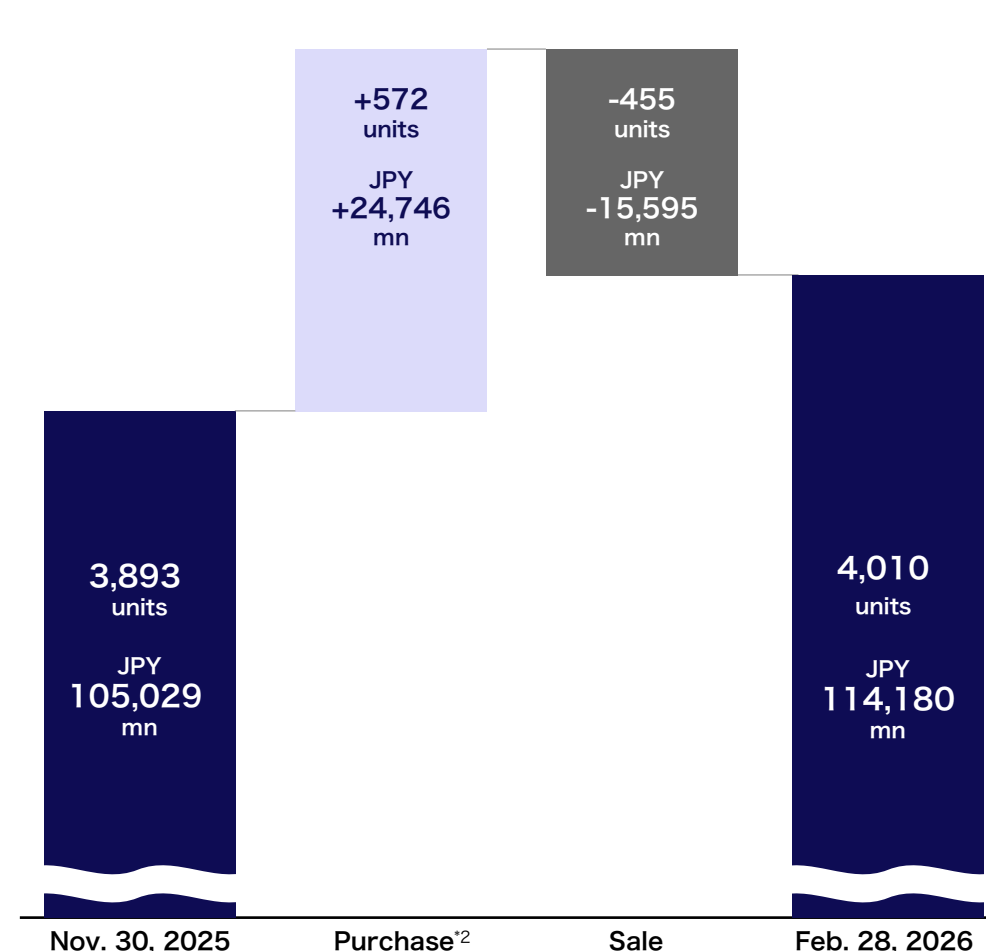
\*2 Dividend income from funds, etc., which are not directly attributed to profits from property sales

- Record-high purchase volume resulted in inventory built up (discussed later).

Consolidated BS (Summary)

	(JPY mn)	Nov. 30, 2025	Feb. 28, 2026	Change
Current assets		110,862	120,402	+8.6%
Cash and deposits		3,400	4,153	+22.1%
Inventories*1		105,029	114,180	+8.7%
Fixed assets		4,599	5,240	+13.9%
Total assets		115,462	125,643	+8.8%
Short-term liabilities		12,212	13,819	+13.2%
Long-term liabilities		73,550	80,293	+9.2%
Shareholder's equity		29,610	31,432	+6.2%
Equity Ratio		25.6%	25.0%	▲0.6%

Change in Inventories\*3



\*1 All owned condominiums (with or without tenants) and income-generated whole building

\*2 Including increase in book value through renovation

\*3 Units consist of # of pre-owned condos purchased & sold within the renovated condo business

# 2

## Summary and Topics of our Mid-Term Plan

### a. Summary

For further detail, please see [Mid-Term Plan “Find the Value 2026” \(FY2024-2026\)](#) and [FY2025 Financial Results](#).

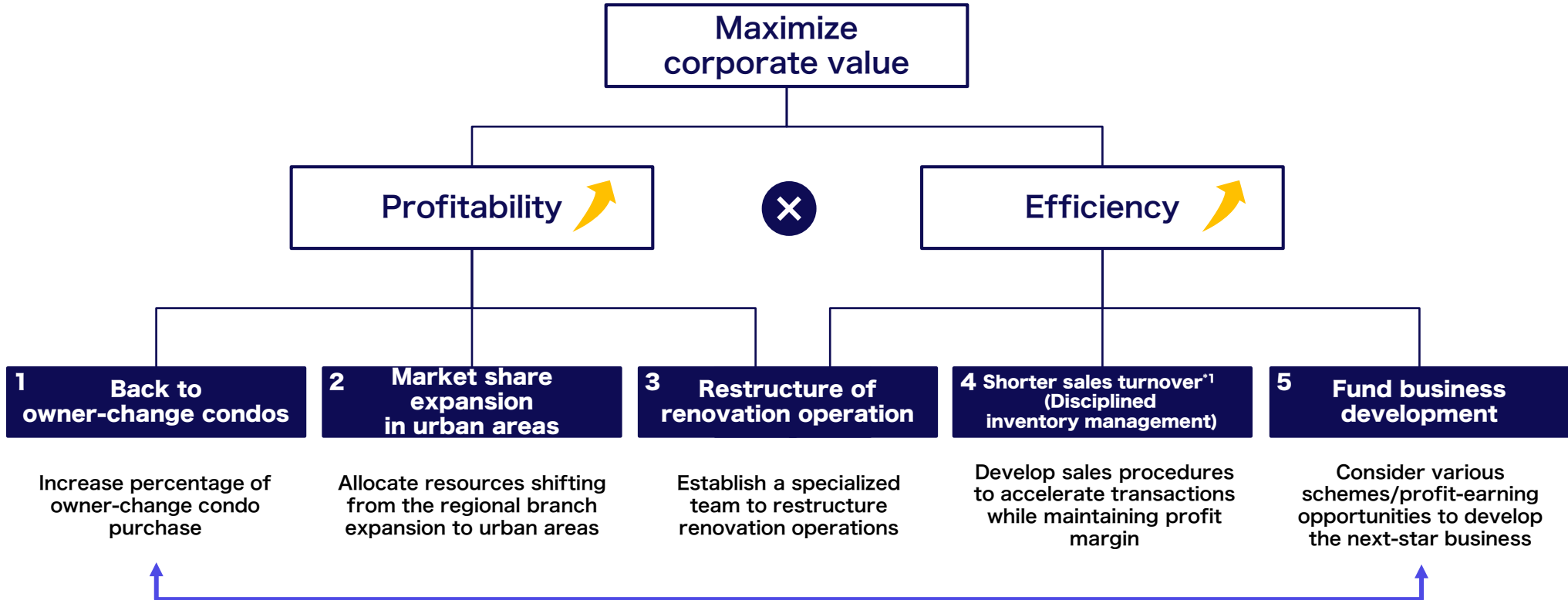
- Profit growth & efficiency improvement keep us well on track to meet mid-term targets.

FY26 Numerical goals (current outlook)		Quantitative goals	Goals	Current outlook / guidance
<p><b>Revenue</b> JPY <b>84.7</b> bn</p> <p><b>Operating profit</b> JPY <b>9.2</b> bn</p> <p><b>Net profit</b> JPY <b>5.0</b> bn</p>	Business strategy	ROE	12.0+%	<b>16.2%</b> (FY26)
		OP margin	10.0+%	<b>11.0%</b> (FY26)
		EPS growth	+14.0+% (FY23-26 CAGR)	<b>+23.4%*1</b> (FY23-26 CAGR)
Sales turnover		-1.5 months (FY23 vs. FY26)	<b>-1.5</b> months (FY23 vs. FY26)	
OC turnover period*2		-18 months (FY23 vs. FY26)	<b>-18</b> months (FY23 vs. FY26)	
	Financial strategy	Inventory	JPY 100+bn	Approx. JPY <b>110-120</b> bn
		Equity ratio	25.0+%	No change
		Cost of equity (for monitoring)	N/A	No change
	IR strategy	Total shareholder return (Dividend + Buyback)	40.0%	No change
		PBR	1.0x	No change

\*1 Recalculated based on the foreseeable average number of shares outstanding during the period as of February 28, 2026.

\*2 Inventory turnover period for owner-change condos (= end-of-period balance of real estate for sale / sales)

- Achieve sustainable growth and increase corporate value based on five strategies.



**Strategy key point:**  
**Sustainable & Stable growth through purchase of competitive owner-change condos**

\*1 Days from key received → Renovation → Listing for sale → Contract date

- Vacant condos turnover temporarily increased as purchases of high-priced condos boosted the inventory balance.
- OC turnover period improved dramatically in FY25 through diversification of exit strategies, including fund structuring.

Forecast of inventory turnover period (=inventory/revenue)

**Overall turnover**

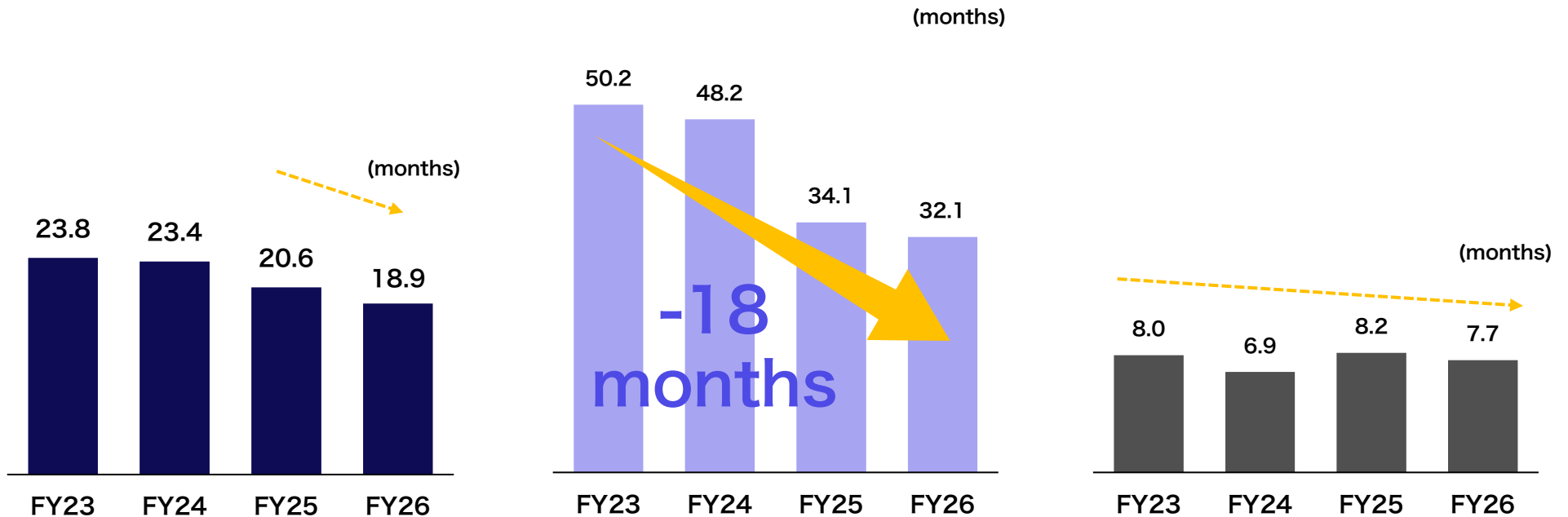
Improve efficiency of overall transactions with shortening OC turnover period as a key driver

**OC condos turnover**

- In FY25, the turnover period improved dramatically through two fund formations and increased sales of units with tenants
- Continue our current strategy in FY26 and aim for further reduction

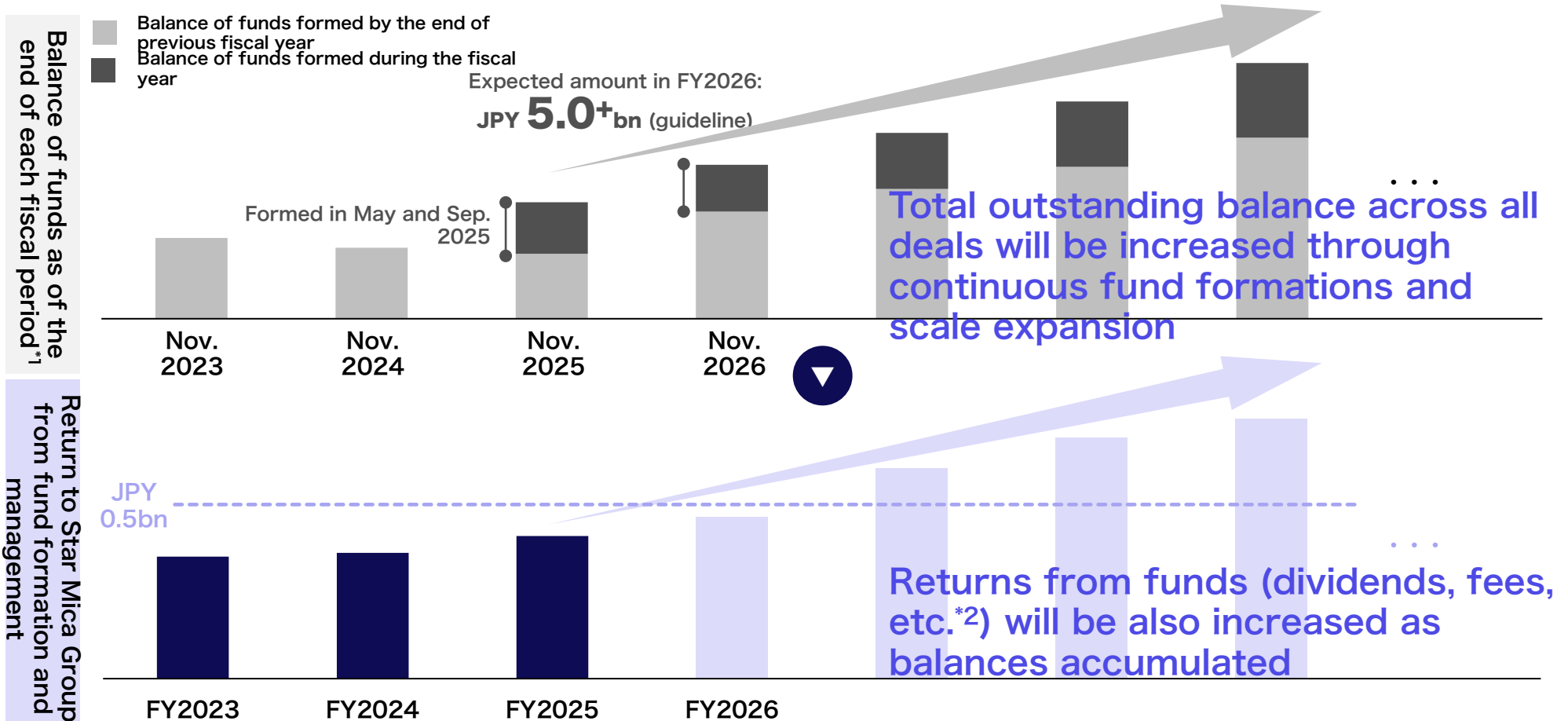
**Vacant condos turnover**

- In FY25, the turnover period temporarily lengthened due to an increase in high-priced condo purchases
- In FY26, the turnover period is expected to return to a level comparable to FY23 as sales of these properties progress



- Aim to build fund AUM through continuous fund formation and large-scale funds.
- Expect increased stable returns as recurring income in addition to property sales gains at each fund formation.

Illustration of fund balance buildup and growth in Star Mica Group's profits



\*1 The balance of existing projects represents the total value (including tax) of properties held by each fund, sold by Star Mica group at the time of fund formation as of the end of the Star Mica Group's fiscal year (November 30).

\*2 Dividends (to be recorded in the renovated condominium business, ) property management and brokerage fee (to be recorded in the advisory business) etc.

# 2

## **Summary and Topics of our Mid-Term Plan**

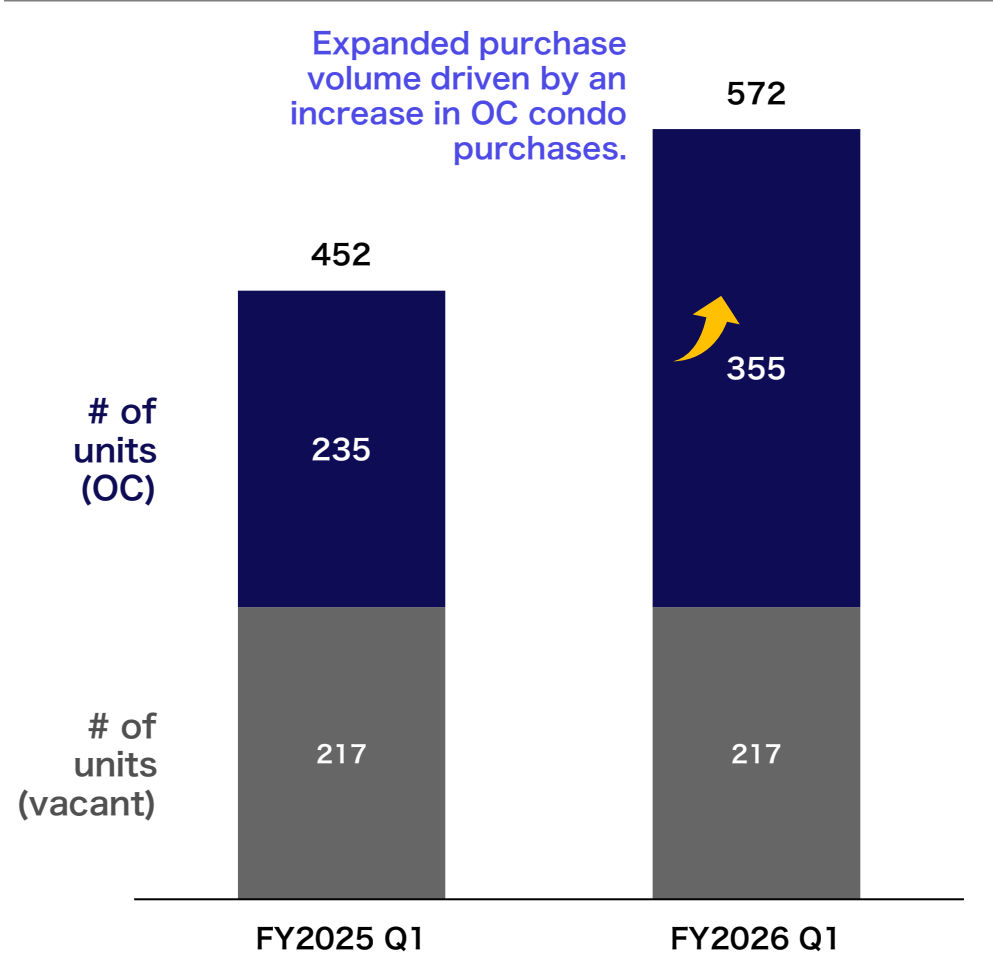
### **b. Topics**

- Current progress against the full-year goal is extremely favorable at 32%.
- Expanded purchase volume driven by an increase in OC condo purchases.

# of units purchased and progress rate (YoY)

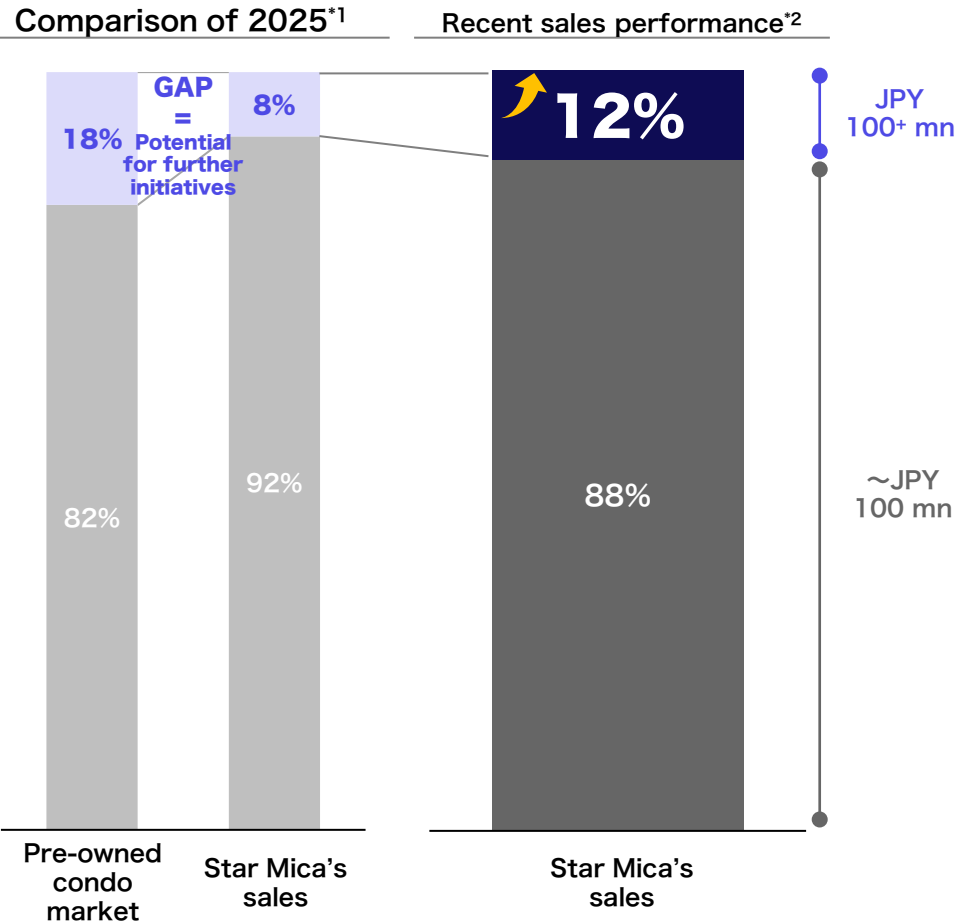
Composition of units purchased (YoY)

	FY2025	FY2026
# of units purchased in Q1	452 units	572 units
Full-year purchase volume	1,641 units (Actual)	1,800 units (forecast)
Progress	28%	32%

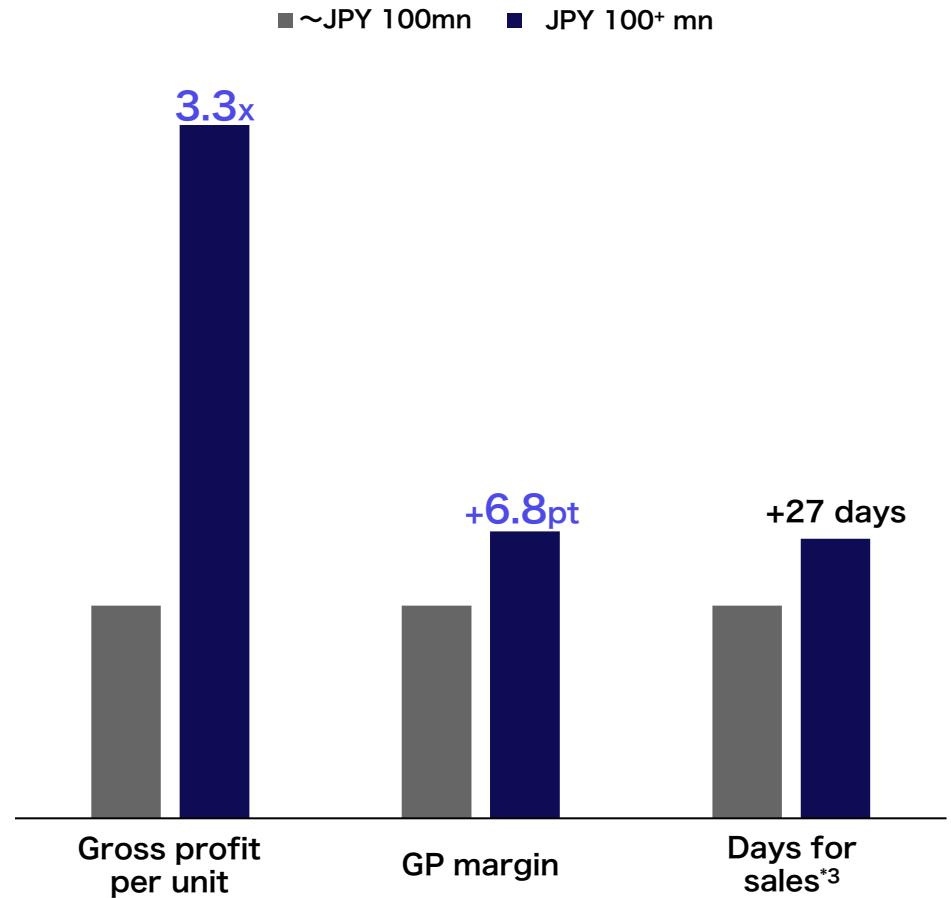


- Sold 17 high-priced condos (JPY 100-200mn) in Tokyo (12% of total units sold).
- Profitability significantly exceeds that of condos sold for JPY 100mn or less.

Breakdown of transaction volume by price range in Tokyo  
(Pre-owned condo market vs. Star Mica's sales)



Comparison of Star Mica's sales performance (FY2026 Q1)



<sup>\*1</sup> (Source) Calculated by Star Mica based on REINS "Market Watch"; Market data and our sales data for 2025 are based on actual results for 12 months from Jan. to Dec..

<sup>\*2</sup> FY2026 Q1 (from Dec. 2025 to Feb. 2026) results

<sup>\*3</sup> Start date of sales listing - End date of sales listing (Contract date)

- Completed the largest-ever bulk purchase (137 units\*<sup>1</sup>) in March 2024.
- Have sold 89 units by the end of FY2026 Q1.

Property Overview



**a. Harumi Island Triton Square View Tower**

Location: Chuo-ku, Tokyo      # of purchase: **71** units  
(Total # of units: 624units)



**b. Hills Kugahara Ichi-ban Kan**

Location: Ota-ku, Tokyo      # of purchase: **26** units  
(Total # of units: 216units)



**c. Park Heights Azusawa**

Location: Itabashi-ku, Tokyo      # of purchase: **24** units  
(Total # of units: 271units)



**d. Sanno Garden Heights**

Location: Ota-ku, Tokyo      # of purchase: **10** units  
(Total # of units: 132units)

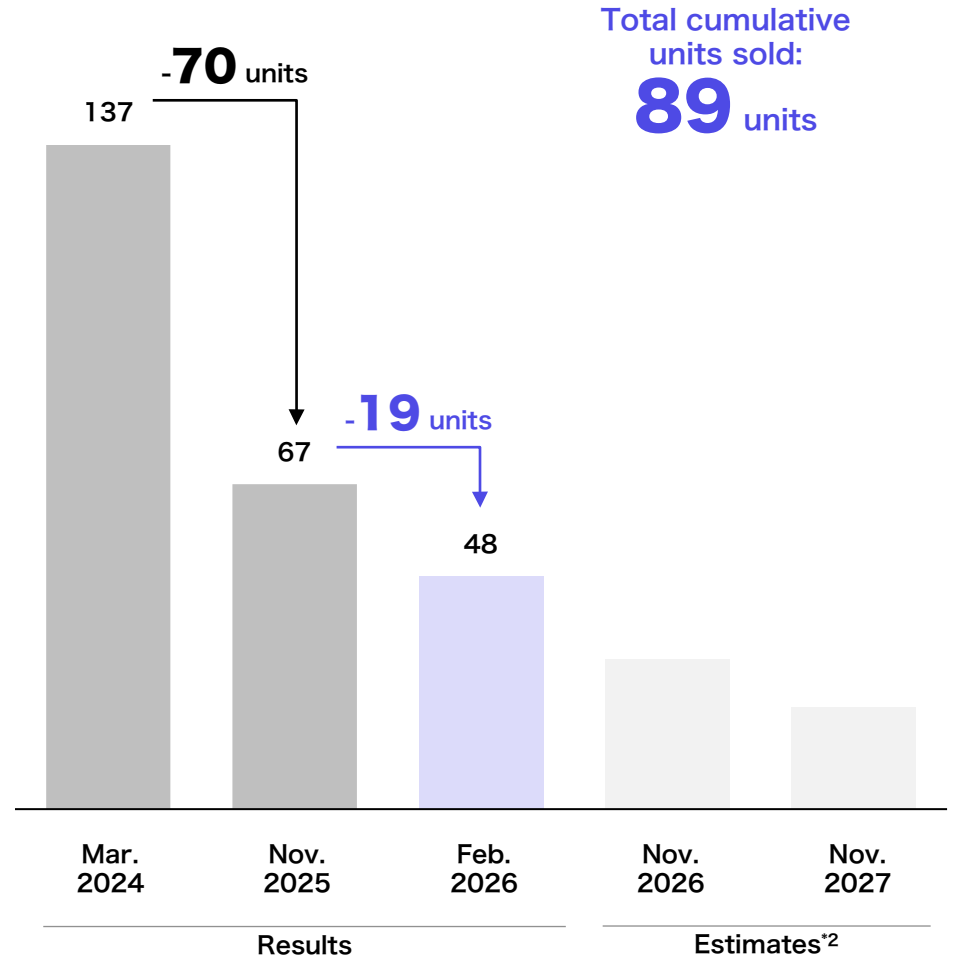


**e. Sakuragaoka Flat**

Location: Setagaya-ku, Tokyo      # of purchase: **6** units  
(Total # of units: 226units)

Total:  
**137**  
units







# of units hold (results and estimates)



\*2 Estimates based on the total cumulative units sold and the remaining lease term of the properties as of February 28, 2026

\*1 Owner-change condos 130 units, vacant condos 7 units

- Leverage investor feedback to drive management focused on the cost of capital & stock price.

Contents	FY26 Q1 Result	YoY Change	Topics
 <p>Financial results briefing</p>	1	±0	<ul style="list-style-type: none"> <li>■ Conducted the FY25 full-year earnings briefing in January (<a href="#">Archived video</a>)</li> <li>■ Conducting the FY26 Q1 earnings briefing in March (Archived video will be available)</li> </ul>
 <p>Seminar for individual investors </p>	1	+1	<ul style="list-style-type: none"> <li>■ Participated in IR seminar hosted by KabuBerry in February</li> <li>■ In addition to increasing awareness among new investors, dialogue deepened through active Q&amp;A sessions with repeat participants.</li> </ul>
 <p>1 on 1 meetings with institutional investors and analysts (domestic)</p>	27	-4	<ul style="list-style-type: none"> <li>■ <a href="#">New analyst coverage from Mizuho Securities</a> in March</li> <li>■ Conducted meetings with 24 existing investors and three new investors</li> </ul>
 <p>1 on 1 meetings with institutional investors (overseas) </p>	19	+10	<ul style="list-style-type: none"> <li>■ Significant increase in follow-up meetings with previously visited investors (9 meetings).</li> <li>■ Scheduled Asia non-deal roadshow in April</li> </ul>

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# **FY2026 Forecast**

## **(Excerpt from FY2025 Financial Results)**

For further detail, please see [FY2025 Financial Results](#).

- Aim for +20+% YoY profit growth and consecutive record-high revenue and profit.

## FY26 Forecast

**Revenue**

JPY **84.7** bn

YoY +22.5%

**Gross profit**

JPY **14.8** bn

YoY +21.1%

**Operating profit**

JPY **9.2** bn

YoY +27.1%

**Recurring profit**

JPY **7.4** bn

YoY +21.7%

**Net profit**

JPY **5.0** bn

YoY +21.7%

**EPS** JPY **149.58**\*

YoY +20.2%

CAGR(FY23-26) +23.4%

**ROE**  
**16.2%**

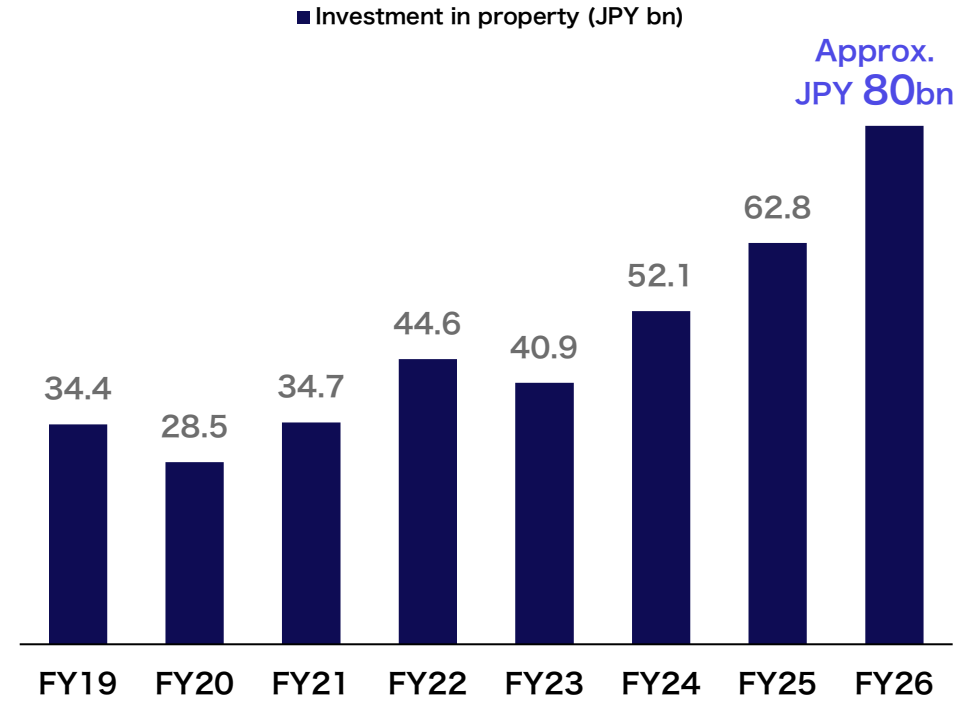
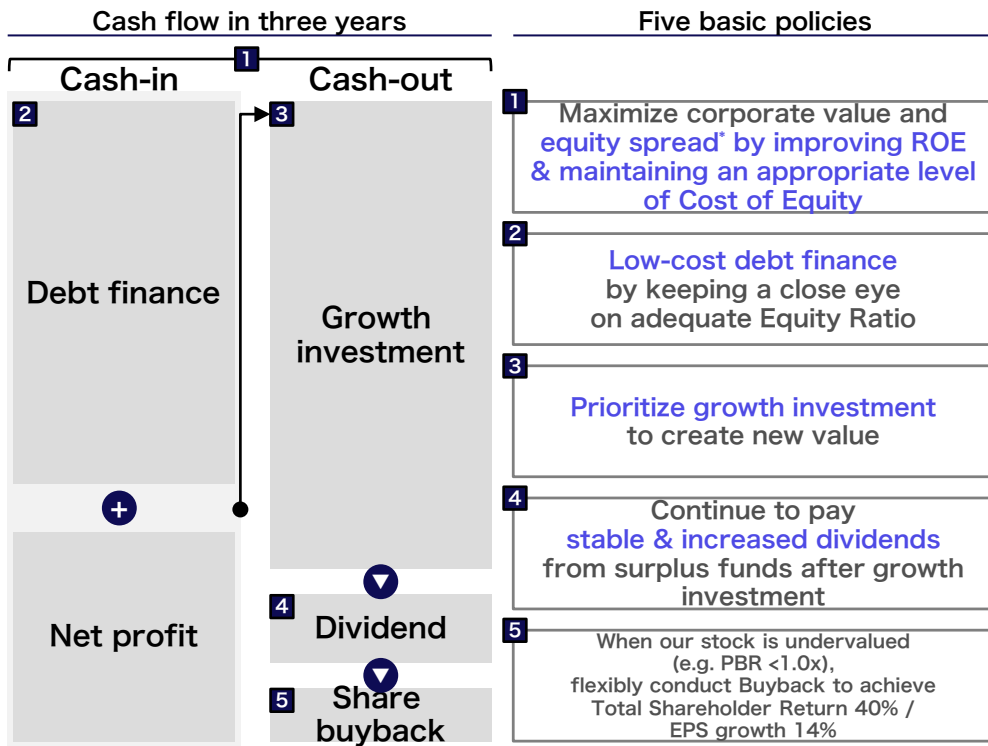
\* Recalculated based on the foreseeable average number of shares outstanding during the period as of February 28, 2026.

- Actively allocate our capital to the growth investment considering the situation where our ROE & growth rates far exceed cost of capital.



**Maximize corporate value**

**Prioritize growth investment**



\* Equity spread = ROE - Cost of equity

- Aim to continue profit growth and equity spread expansion by improving balance sheet turnover.
- Actively allocate our capital to growth investments in FY2026 in the business expansion phase.

## High profit growth

### <Upside in EPS growth>

\*All figures are forecasted  
3-year CAGR for FY2023-2026.

+5+%

Initial forecast  
at the MTP  
announced  
in FY2024

+14+%

Revised forecast  
at the MTP  
revision  
in FY2025

+23%\*

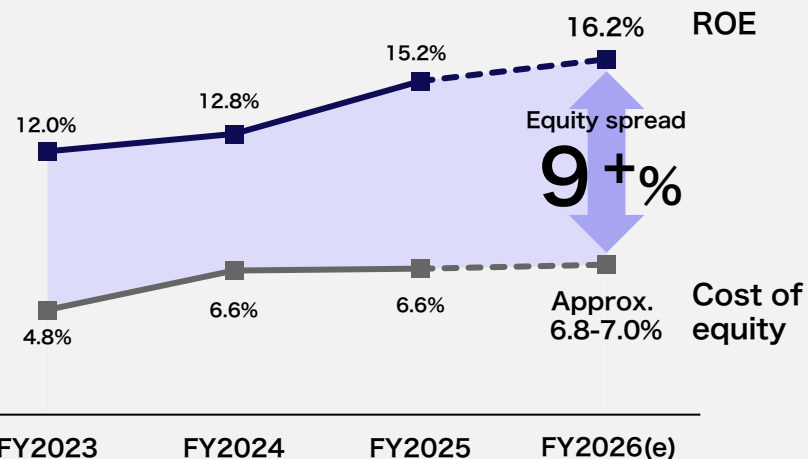
Current outlook

Achieving EPS growth

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## High ROE

### <Expansion of equity spread>



High return

## Prioritize growth investment

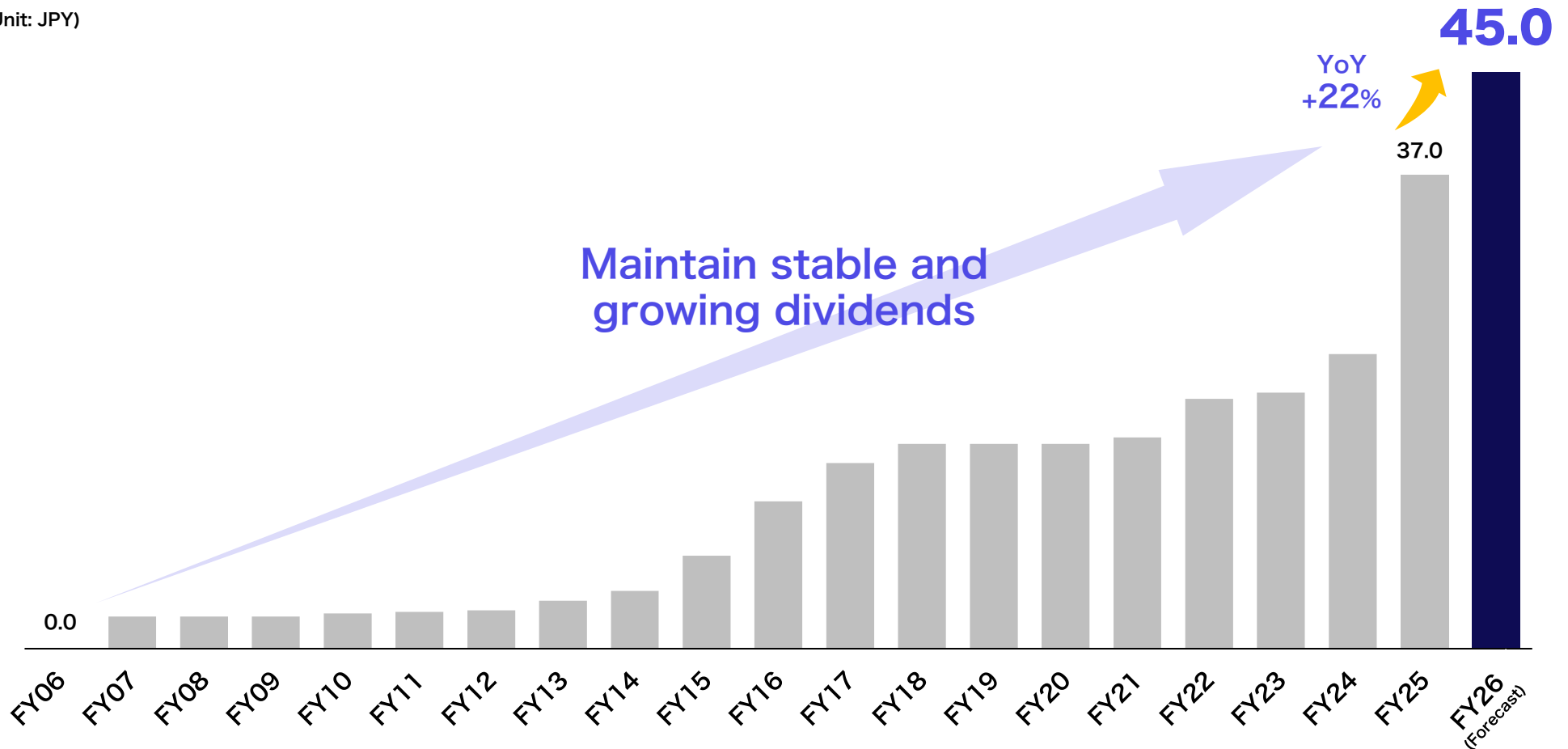
- Abundant investment opportunities in the expanding existing pre-owned condominium market.
- Accelerating property purchase to sustain strong profit growth will maximize corporate value and shareholder returns over the mid-to-long term.

\*Recalculated based on the foreseeable average number of shares outstanding during the period as of February 28, 2026.

- In addition to growth investment and profit growth, continue to enhance direct shareholder return with stable and growing dividends.

Dividend records

(Unit: JPY)

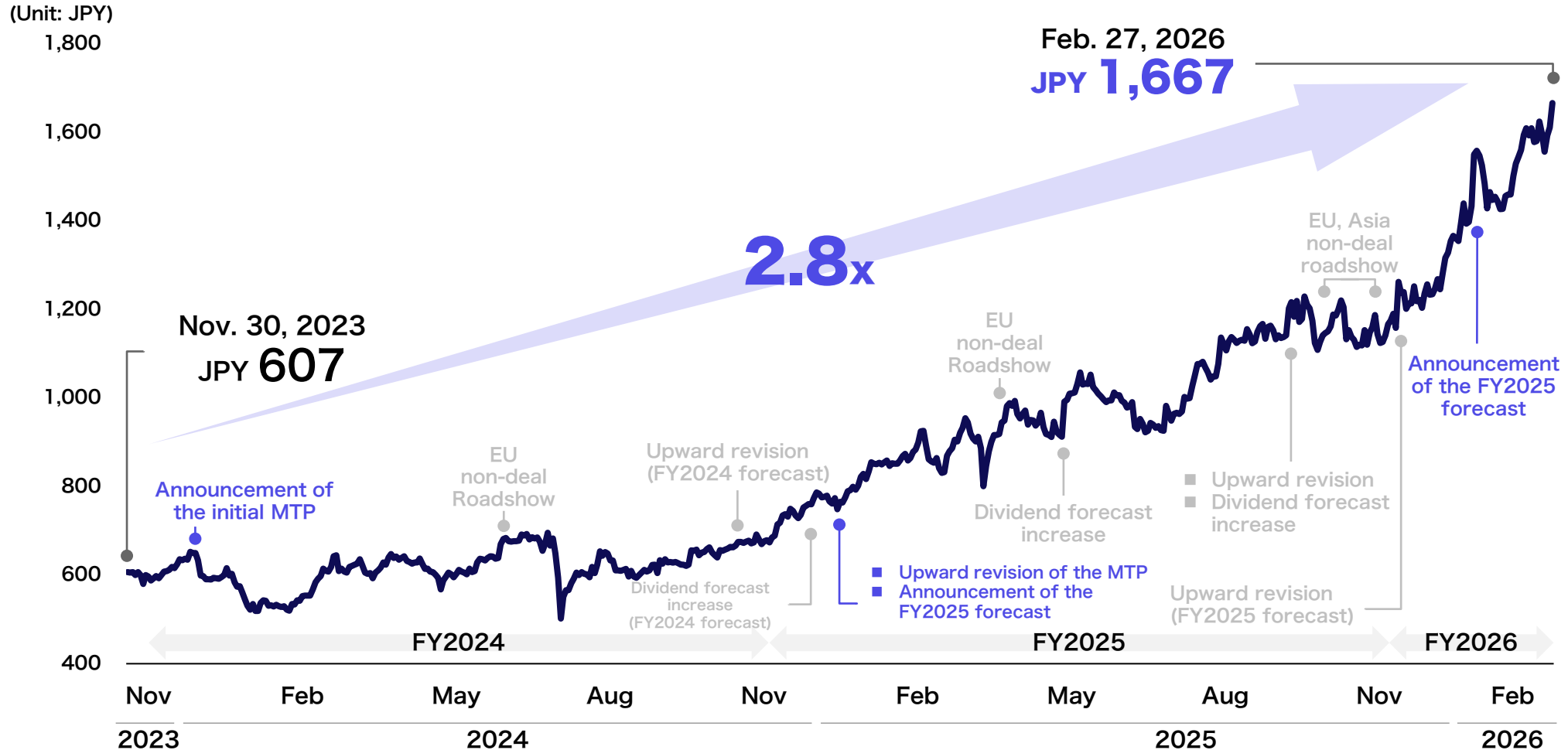


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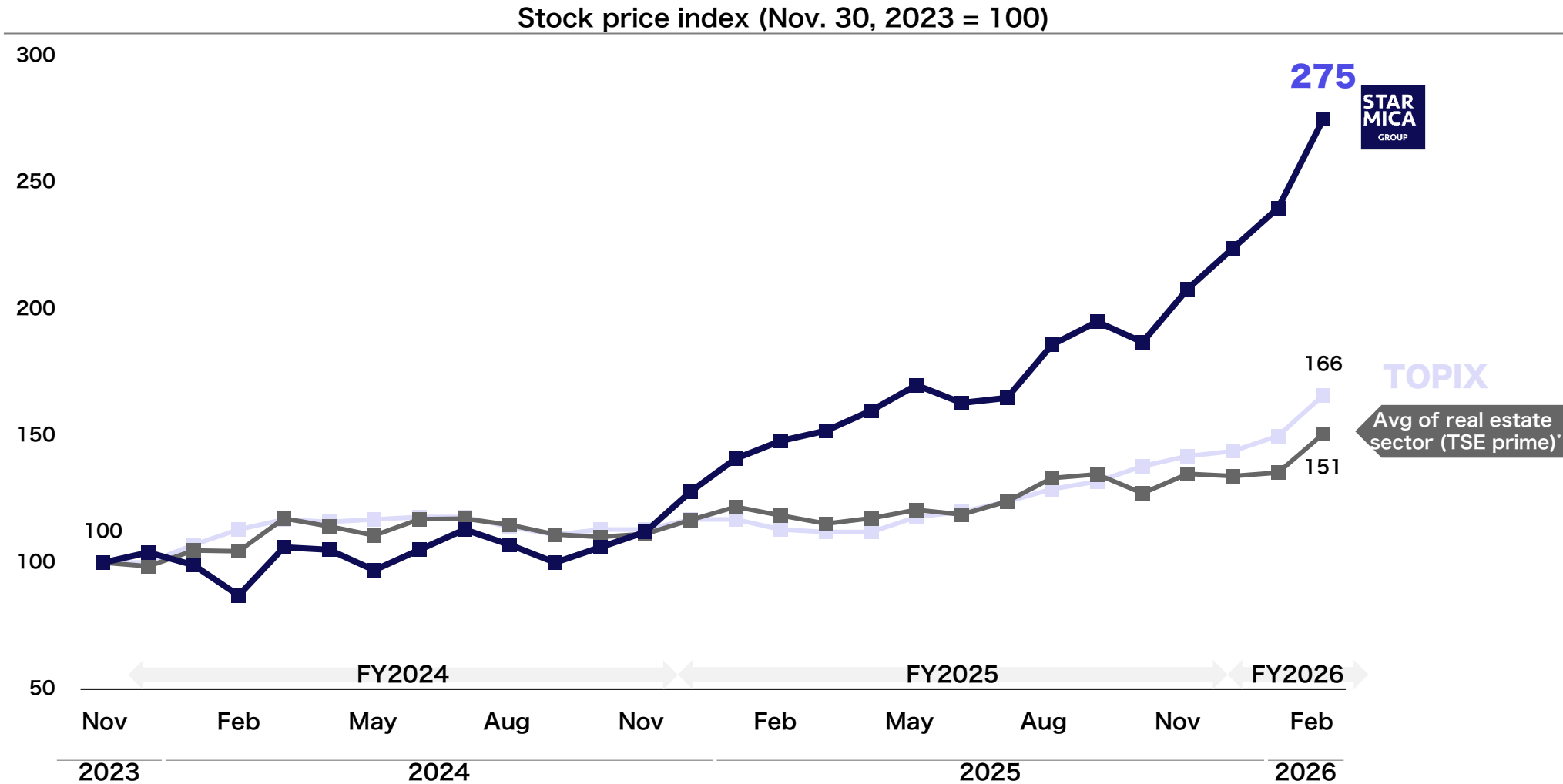
## Our Perception of Stock Price

- Stock price tripled compared to the end of FY2023, just prior to our MTP period.

Stock price trends since end of FY2023 (Nov. 30, 2023 – Feb. 27, 2026)



- Significantly outperforming TOPIX & the sector average from FY2025.



\* Calculated based on the share prices of 48 real estate companies listed on the TSE Prime as of Feb. 28, 2026; comparison of closing prices on Nov. 30, 2023

- PBR currently above 1.0x and ROE continues to over 12.0%.
- PER remains low and we see significant rooms for PER improvement.

PBR decomposition

**PBR**



**ROE**



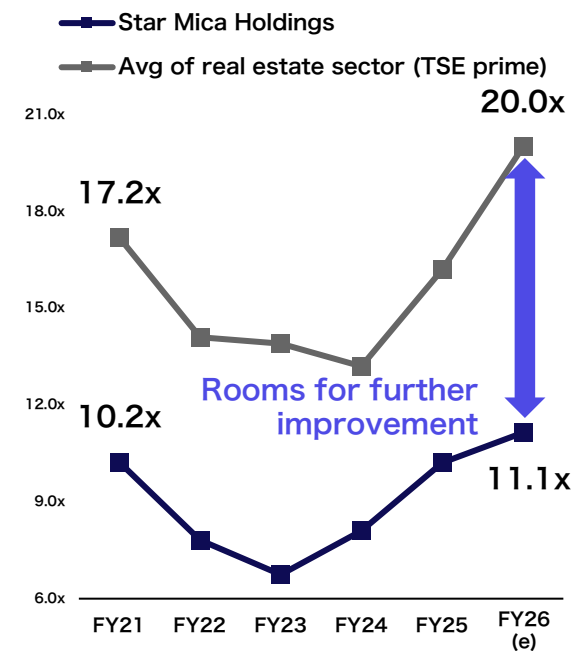
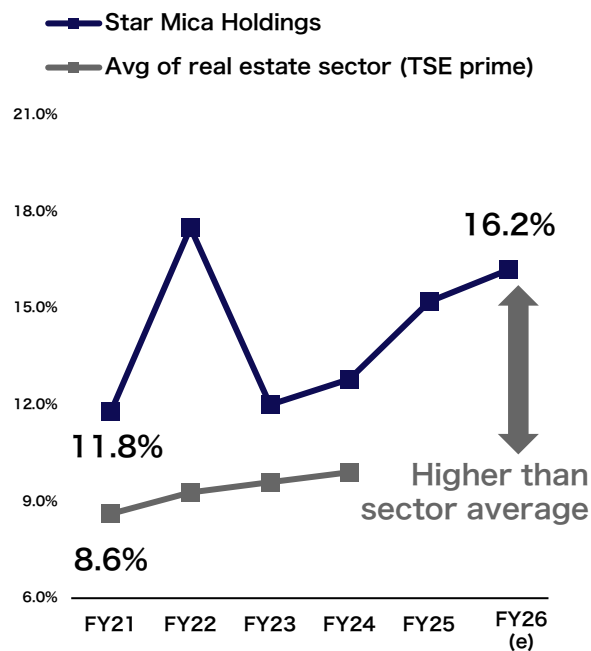
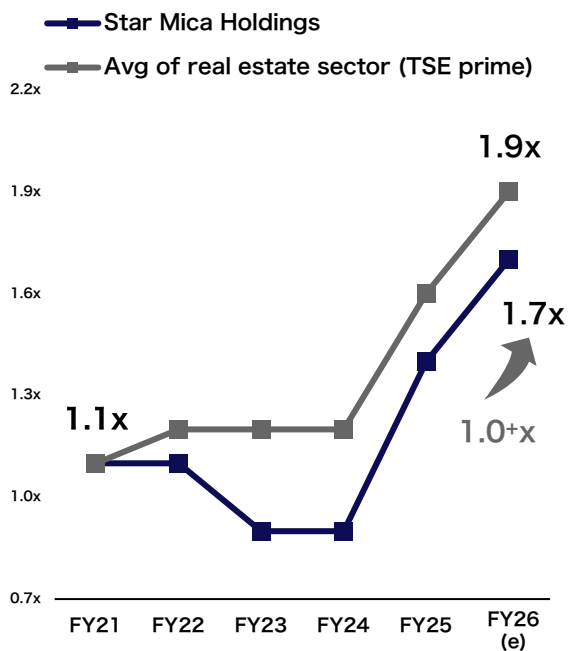
**PER**

**1.7x**

**16.2%**

**11.1x**

Trends over the past 5yrs

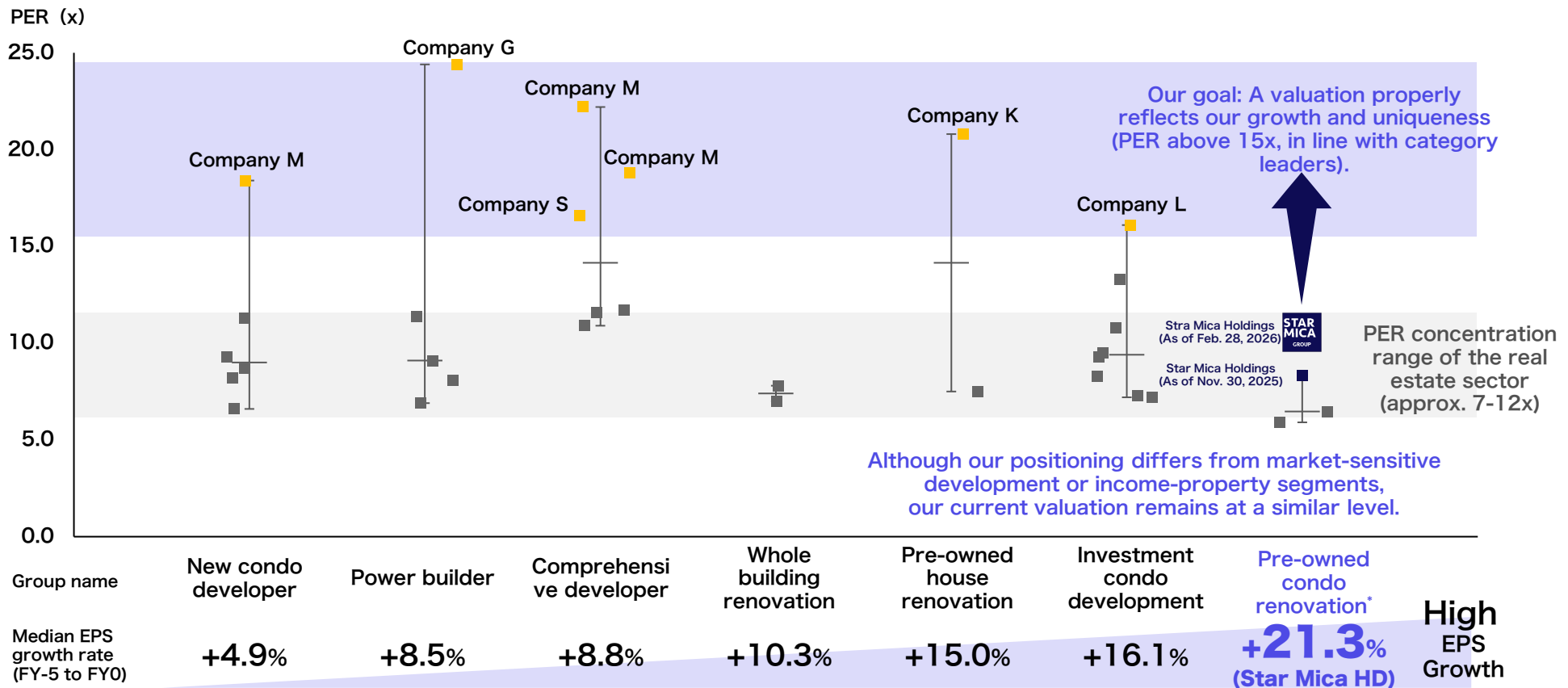


(Note) ROE data is not available after FY2025.

Our forecasted PBR, ROE, and PER for FY2026 are calculated based on the actual stock price at the end of FY2026 Q1, as well as the forecast EPS, BPS, and other figures as of September 30, 2026.

- Unique positioning as the only TSE Prime real estate company with renovated condominiums as its core business.
- Aim for PER of 15x–25x driven by stable, high profit growth and a re-rating of our hard-to-imitate business model.

Positioning map of residence-focused companies in the TSE Prime real estate sector

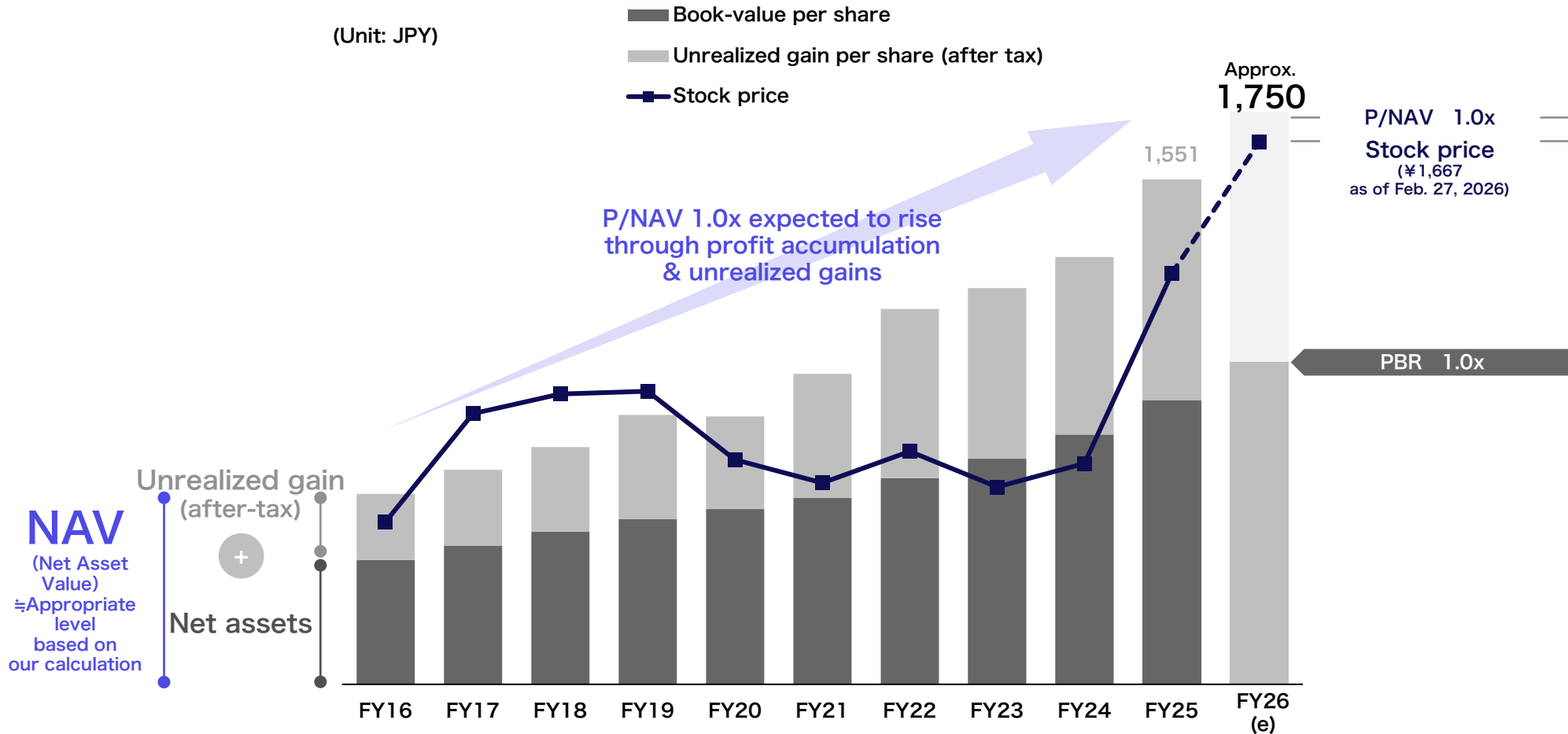


(Source) Developed by Star Mica Holdings based on information from Buffet Code, IR Bank, and other public sources; PER is calculated based on the closing price as of November 28, 2025, and the EPS forecast available at the time of preparation (for Star Mica, the FY2026 forecast announced today is used).

\* Assumed Star Mica Group is the only TSE Prime-listed company with pre-owned condominium renovation as its core business. Companies from the Standard Market are also included in the plot; the +21.3% EPS growth rate reflects the actual results of Star Mica Group.

- P/NAV 1.0x as a milestone; further enhancing corporate value.
- P/NAV 1.0x expected to rise through profit accumulation & unrealized gains.

NAV\*1 (Market value of net assets with unrealized gain (after-tax)) and stock price\*2



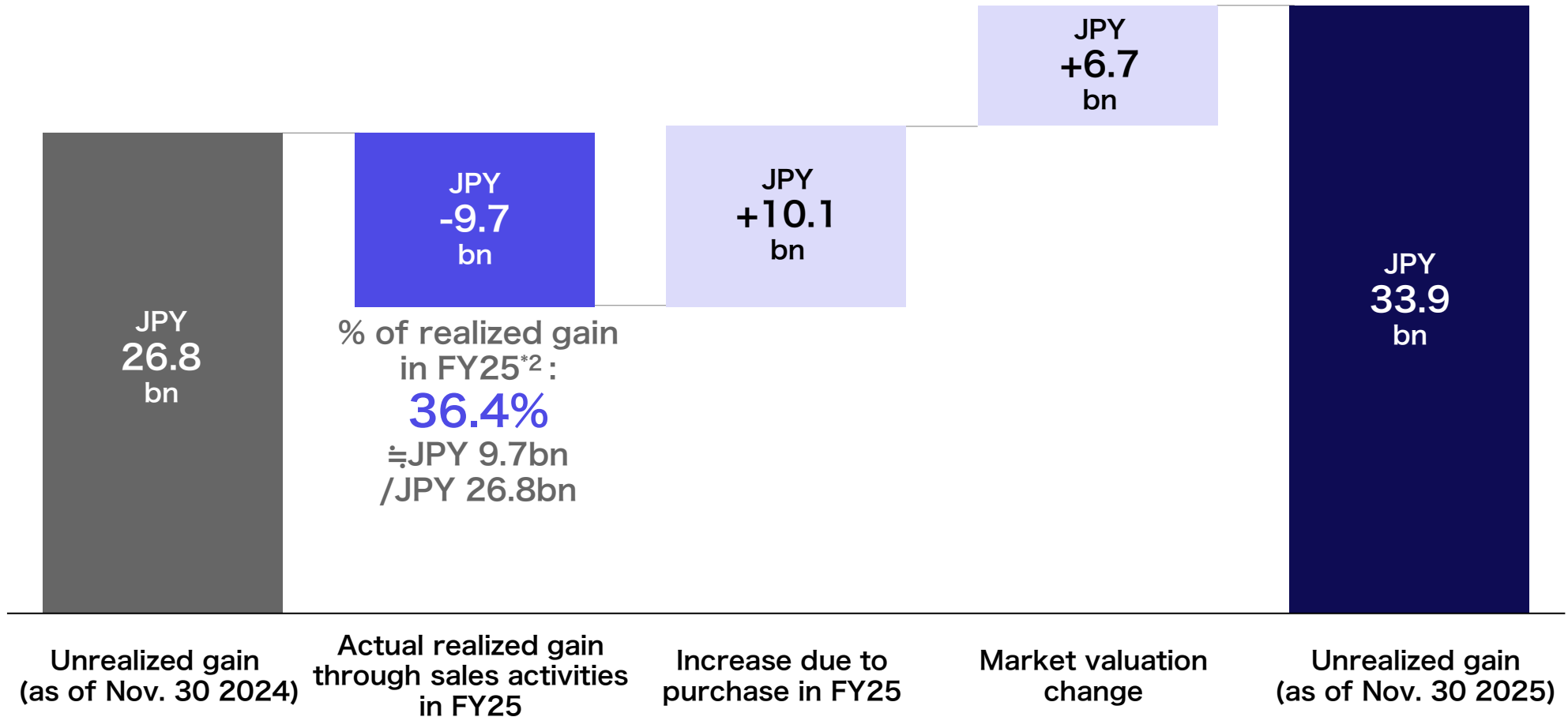
\*1 NAV per share = (Unrealized profit after tax (as of the end of each fiscal period x (1 - effective tax rate)) + book value of net assets as of the end of fiscal period) / Number of shares at the end of each quarter (excluding treasury stock)

FY2026 estimates are calculated by the predictable unrealized gain & net assets as of Feb. 28, 2026.

\*2 Closing prices for each fiscal year

- Achieved 30% of unrealized profit through sales activities.
- Unrealized gains increased by JPY 7.1bn thanks to property purchases & valuation increases of our owned properties.

Change in unrealized gain

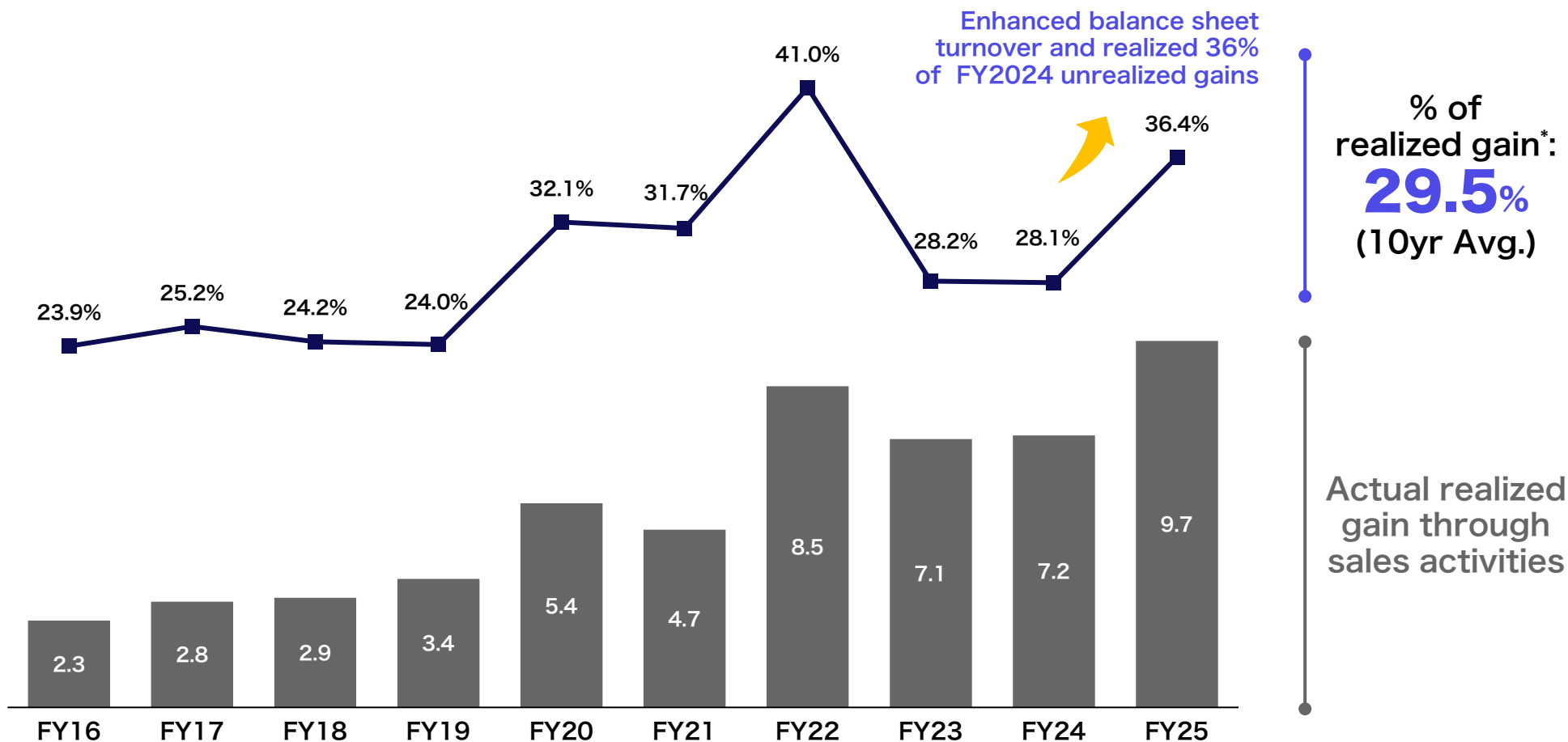


\*1 Estimated sales – Book value – Estimated cost (Property agent cost etc.)

\*2 % of realized gain in each fiscal year = Actual realized gain through sales activities in each fiscal year / Unrealized gain as of the end of previous fiscal year.

- The ratio of realized gain is stable at 30% per year.
- Higher balance sheet turnover drove higher realization of unrealized gains in FY2025.

Realized gain amount & % of realized gain in the past 10 years (JPY bn)



\* % of realized gain in each fiscal year = Actual realized gain through sales activities in each fiscal year / Unrealized gain as of the end of previous fiscal year.

# 5

## **Summary of Discussion with Shareholders etc. (Q&A)**

**NEW!**

Who are the buyers of high-priced condos?




■ **Backed by various financial plans, high-priced condos are within reach of a wide range of end-users.**

- % of joint purchases for high-priced condos (JPY 100–200mn) is approx. 40%, suggesting that purchasing power is enhanced through the use of couple's loans.
- % of cash buyers is also relatively high at approx. 36%, indicating a segment that purchases condos without utilizing mortgages.
- The average age of buyers remains consistent with the ~JPY 100mn segment, with a broad buyer base ranging from relatively young high-income earners to seniors with substantial self-funding.

Buyer profiles by price range<sup>\*2</sup>

Content	~JPY 100mn		JPY 100-200mn
% of joint purchases	19.2%	<	<b>40.0%</b>
% of cash buyers <sup>*3</sup>	29.1%	<	<b>35.6%</b>
Age (Average)	46.6	≡	47.2

Buyer personas for high-priced condos<sup>\*4</sup>

Content	Age group and annual household income	Financial plan
Power couples	<ul style="list-style-type: none"> <li>■ Age group: 30s</li> <li>■ Income: JPY 16mn</li> </ul>  <p>JPY 9mn   JPY 7mn</p>	<ul style="list-style-type: none"> <li>■ LTV ratio: <b>100%</b> (Down payment: None)</li> <li>■ Annual income multiplier: <b>8x</b></li> <li>■ Repayment period: <b>45yrs</b></li> </ul>
Business owners	<ul style="list-style-type: none"> <li>■ Age group: 30s</li> <li>■ Income: JPY 25mn</li> </ul>  <p>JPY 25mn</p>	<ul style="list-style-type: none"> <li>■ LTV ratio: <b>65%</b> (Down payment: JPY 50mn)</li> <li>■ Annual income multiplier: <b>4x</b></li> <li>■ Repayment period: <b>35yrs</b></li> </ul>
Retired couples	<ul style="list-style-type: none"> <li>■ Age group: 70s</li> <li>■ Income: None</li> </ul> 	<ul style="list-style-type: none"> <li>■ LTV ratio: <b>0%</b></li> <li>■ Cash purchase using sale proceeds from previous home etc.</li> </ul>

<sup>\*1</sup> Key points from Q&A sessions with institutional investors, individual investors, analysts, and media personnel, focusing on particularly noteworthy topics

<sup>\*2</sup> Calculated by Star Mica based on our sales data for FY2025 & FY2026 Q1.

<sup>\*3</sup> % of buyers who purchased without utilizing mortgages

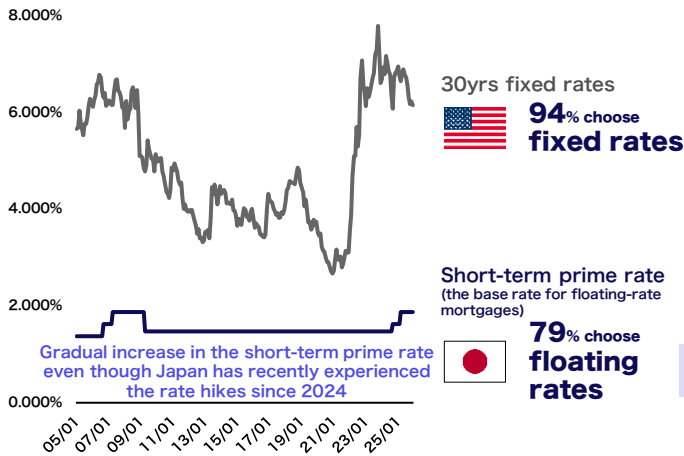
<sup>\*4</sup> Created based on our sales data; they do not represent any specific individuals.

## Could rising mortgage interest rates and real estate prices lead to weaker consumer demand?



### A sudden surge in mortgage interest rates is considered unlikely in Japan

< Gradual increase in the short-term prime rate (the base rate for variable-rate mortgages in Japan) >



We expect strong demand to continue.

### ■ The increase in the short-term prime rate (the base rate for floating-rate mortgages) is moderate, and financial institutions continue to provide lending proactively.

- Approximately 80% of Japanese mortgage borrowers choose floating rates linked to short-term prime rate (the majority of their applicable interest rates are 1.0% or less), but the level of the short-term prime rate remains around 1-2%
- Japan has recently experienced the rate hikes since 2024. Most recently, an increase in the short-term prime rate is expected following the policy rate hike at the December 2025 Monetary Policy Meeting. However, we don't anticipate the rapid increase in the short-term prime rate

Also, a sharp rise in interest rates is unlikely in Japan

- Financial institutions continue to proactively lend for mortgages with low risk of loan defaults, backed by an increase in their outstanding loan balance. Over the past 20 years, the mortgage balance has increased steadily at approximately 1% per year

### ■ Homebuyers are purchasing homes by utilizing couple's loans or joint income with a repayment period of 35+ yrs

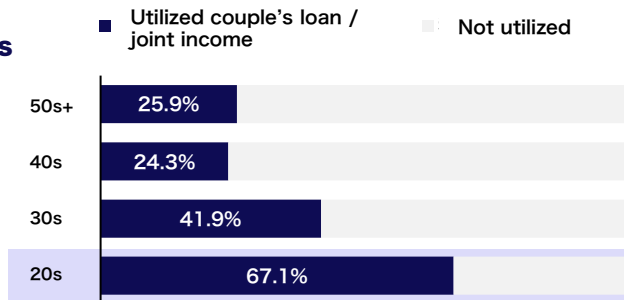
- As real estate prices have risen, approx. 40% of new mortgage users (around 70% among younger people) utilize couple's loans or joint income to have more their borrowing amount
- Even when taking out a mortgage in the current financial environment, which has experienced rising mortgage interest rates and real estate prices, the actual interest burden is reduced thanks to tax credits of up to 0.7%. In addition, by utilizing loans with repayment periods of 35+ yrs, mortgage users can reduce their monthly repayments
- The prices of our main sales condos are higher than those of our competitors and local home resale operators, targeting customers with more flexible financial plans, such as dual-income households and senior second-time homebuyers

### Mortgage users utilize couple's loans or joint income

< Approx. 40% of mortgage users utilize couple's loans or joint income. Utilization among younger generations reaches approx. 70% >

% of mortgage users utilized couple's loan / joint income:

Approx. **40%**



Approx. **70%** of people in their 20s utilize it

### Leveraging mortgages w/ repayment terms of 35+ yrs to reduce monthly repayment burden

< By choosing a mortgage with a repayment period of 35+ yrs, monthly repayments remain flat even with rising interest rates or increased borrowing >

% of mortgage users utilized mortgages with a repayment period of 35+ yrs:

Approx. **26%**

Simulation of monthly mortgage repayments:

Repayment period: **35yrs**  
 Applicable rate: **0.4%**  
 Amount: JPY **40mn**

Monthly repayments:

JPY **102k**

Repayment period: **50yrs (+15yrs)**  
 Applicable rate: **0.8% (+0.4%)**  
 Amount: JPY **50mn (+JPY 10mn)**

Monthly repayments:

JPY **101k**

\* Key points from Q&A sessions with institutional investors, individual investors, analysts, and media personnel, focusing on particularly noteworthy topics (Source) Japan Housing Finance Agency "Survey on the actual conditions of Mortgage Borrowers" (Apr. 2025 survey) and "Trends in New Mortgage Loans and Outstanding Loans by Business Category," The Federal Housing Finance Agency "New Residential Mortgage Statistics," Federal Home Loan Mortgage Corporation "Primary Mortgage Market Survey," Bank of Japan, "Trends in Long- and Short-Term Prime Rates (Major Banks)" and Organization for Housing Warranty Ltd. "Repayment Amount Estimates" (The simulation is based on an equal principal and interest repayment method with a floating interest rate.)

Why can you continuously purchase attractive properties?

■ **Information Network: Advanced information gathering capabilities as an industry pioneer**

- Since our business initiation, we have established a strong information network with real estate agencies as a pioneer in the family-type owner-change condo market which has limited buyers.
- We collect approx. 54k potential pre-owned condo offers for sale annually, and assess our information gathering as sufficient to achieve our purchase targets for each year

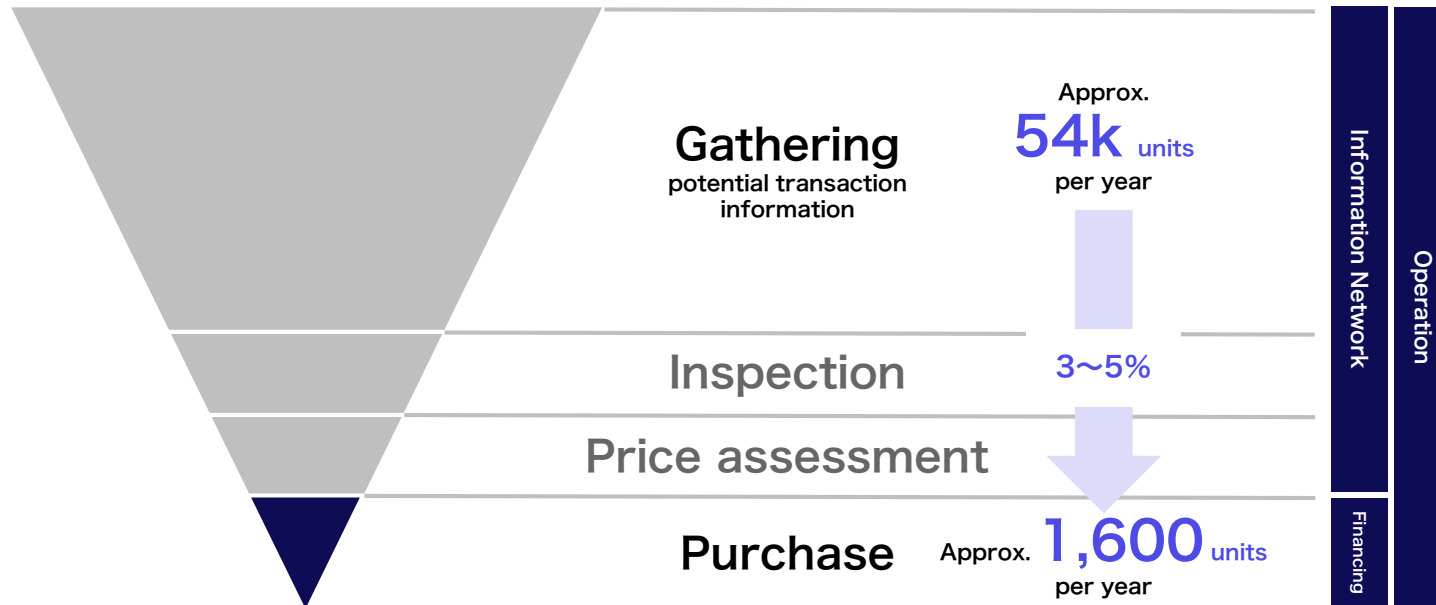
■ **Operation: Systematization for rapid business execution**

- We have internalized and systematized labor-intensive operations in each process from price assessment and on-site surveys to contract and settlement
- While the # of full-time employees in our purchasing and related departments is small at approx. 120, we stably execute around 1,600 purchase contracts and settlements annually

■ **Financing: Realization of long-term borrowing based on past track records**

- Have considered various financing methods supported by 15,000+ transaction track records and secured long-term borrowings.
- Currently, we have raised JPY 80+bn from approx. 50 financial institutions, which enabling fast and stable fund settlement.

Operational flow of purchase (image)



\* Key points from Q&A sessions with institutional investors, individual investors, analysts, and media personnel, focusing on particularly noteworthy topics

Are there any reasons for the negative trend in operating cash flow?



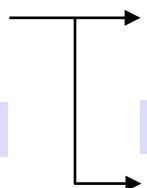
- **Property purchases as growth investments negatively impact operating cash flow**
  - The properties held are classified as current assets (inventories) on the balance sheet, regardless of the type of properties
  - We strategically purchase properties at a pace exceeding sales, which has resulted in a negative trend in operating cash flow
- **Possible to consider a proforma cash flow that regards owner-change condo purchases as investment activities**
  - Our purchased properties can be broadly categorized into two types: vacant condos that are quickly turned around from purchase to sale, and owner-change condos that are held until tenant leave, generating rent revenue, resulting in longer business cycles
  - Considering the nature of upfront investment in purchasing owner-change condos, if we were to categorize it as an investment activity, we could segregate the changes in owner-change condos from “the increase or decrease in inventories” in consolidated cash flow statement as investment cash flow
- **As FY25 is a transition period for strategic shifts, its proforma cash flow would be negative, however, we expect it would turn to be positive from FY26 onwards**
  - In FY25, the balance of vacant condos increased due to the rise in unit prices (purchase), leading to a temporary negative proforma operating cash flow
  - Unit prices (sales) for vacant condos are increasing, and a positive balance is expected from FY26 onwards as the gap between purchase and sales prices would be shrinking

**Consolidated cash flow statement**

(JPY mn)	FY25
<b>CF from operating activities</b>	<b>-5,121.7</b>
Net profit before income taxes	6,156.9
Increase in inventories <sup>*2</sup>	-9,218.9
Others	-2,059.8
<b>CF from investing activities</b>	<b>-378.4</b>
-	-
-	-
<b>CF from financing activities</b>	<b>6,996.2</b>
Borrowing from banks & proceeds from issuance of shares	8,128.6
Dividends paid	-926.3
Share buyback	-206.0

**(Reference) Proforma cash flow statement**

(JPY mn)	FY25
<b>CF from operating activities (proforma)</b>	<b>-879.9</b>
Net profit before income taxes	6,156.9
Increase in vacant condos <sup>*2</sup>	-4,977.1
Others	-2,059.8
<b>CF from investing activities (proforma)</b>	<b>-4,620.2</b>
Increase in owner-change condos etc. <sup>*2,3</sup>	-4,241.7
Others	-378.4
<b>CF from financing activities</b>	<b>6,996.2</b>
Borrowing from banks & proceeds from issuance of shares	8,128.6
Dividends paid	-926.3
Share buyback	-206.0



\*<sup>1</sup> Key points from Q&A sessions with institutional investors, individual investors, analysts, and media personnel, focusing on particularly noteworthy topics

\*<sup>2</sup> The negative cash flow indicates that the purchase amount exceeded the sales amount, resulting in an increase in real estate balance

\*<sup>3</sup> Including the changes of whole buildings

**NEW!**

Impact of escalating tensions in the Middle East?

Are you adequately prepared for higher borrowing costs resulting from rising interest rates?

How does inflation in the Japanese economy impact Star Mica Group's growth story?

What impact would potential restrictions of speculative / foreign real estate purchases have on your business?

Is employee recruitment progressing smoothly?

How will AI/DX change Star Mica Group's operations?

- There have been no impacts such as delays in materials or components resulting from this situation.
- As our business targeting domestic end-users that does not rely on investment capital, the impact is expected to be limited.
- By utilizing interest rate swaps, we can mitigate the impact of interest rate fluctuations on performance (approx. 70% of the Tibor-based floating-rate borrowing balance has been fixed at low interest rates)
- By capturing rising rental market and improving balance sheet turnover, both profitability and efficiency have improved
- We expect the impact on renovated condos, end-user demand remains resilient, to be limited
- Recruitment of both new graduates and mid-career hires is progressing smoothly to expand our human resources in line with business expansion
- we are fostering a culture and environment that support strong employee retention
- Solutions have been integrated into actual workflows to improve efficiency and quality, while practicing PDCA for continuous improvement



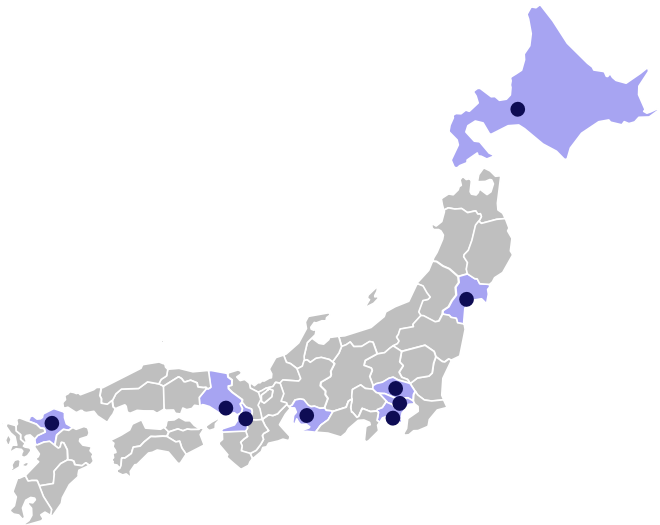
\* Key points from Q&A sessions with institutional investors, individual investors, analysts, and media personnel, focusing on particularly noteworthy topics

# APPENDIX

## a. Market Landscape

- Japan's population will decline, but much slower in urban areas.
- Expect the number of households in our main operation areas remain flat.

Our main operation areas



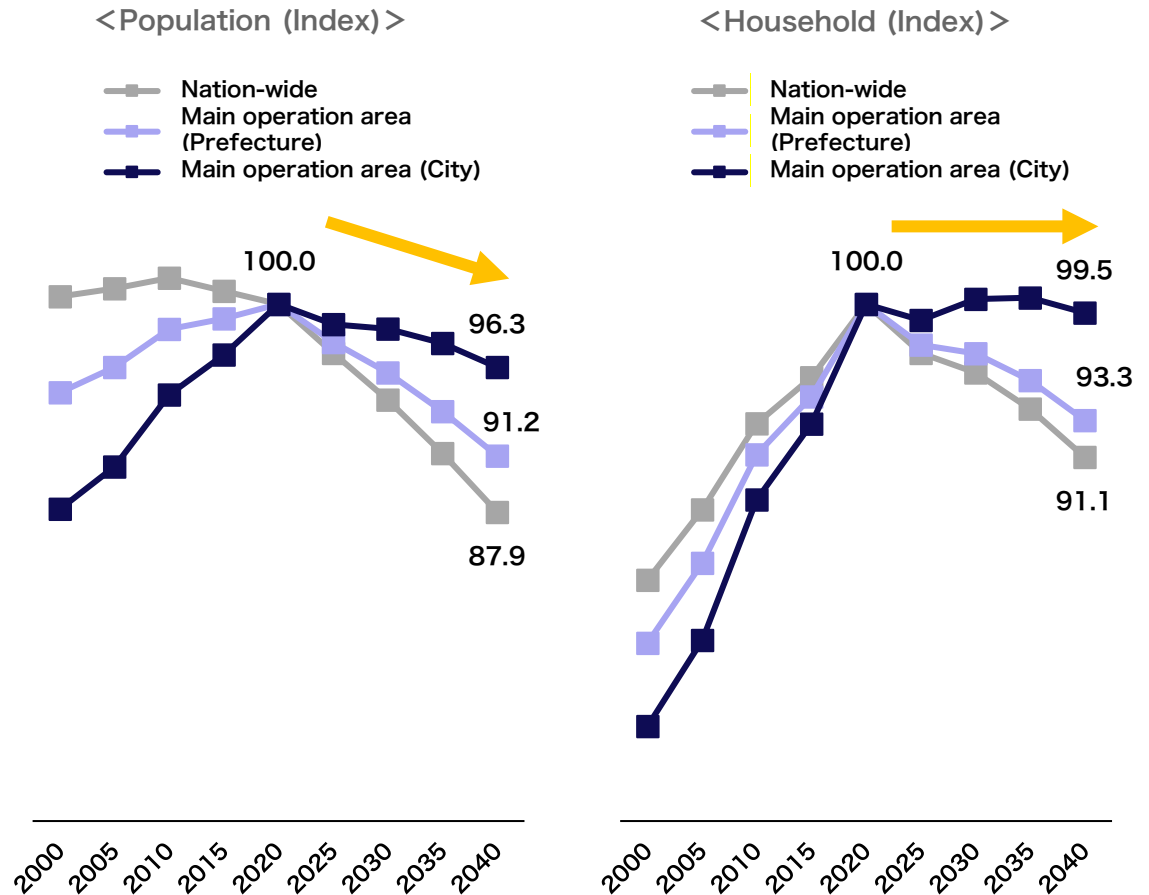
Focus areas (Prefecture)

- |          |          |         |         |       |
|----------|----------|---------|---------|-------|
| Tokyo    | Kanagawa | Saitama | Osaka   | Hyogo |
| Hokkaido | Miyagi   | Aichi   | Fukuoka |       |

Focus areas (City)

- |                |          |         |         |      |
|----------------|----------|---------|---------|------|
| Tokyo 23 Wards | Yokohama | Saitama | Osaka   | Kobe |
| Sapporo        | Sendai   | Nagoya  | Fukuoka |      |

History of Japanese population and households (2020=100)



(Source) the National Population Census, National Institute of Population and Social Security Research "Projections of Future Population by Region in Japan" and "Projections of Future Number of Households in Japan"

- Mortgage payments are reasonable compared to rents, and more households are choosing to own their homes.

Reasonable monthly repayment compared to rent

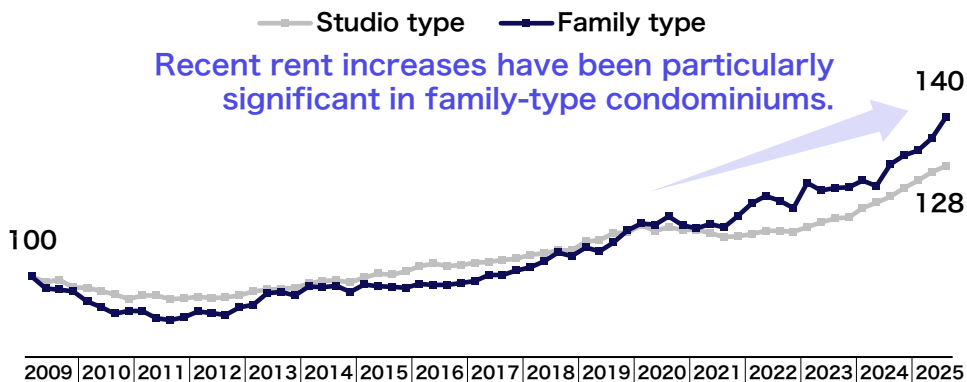
<Monthly payment comparison of our sold condos (FY2025)>

	Standard monthly rent* <sup>1</sup>	Monthly mortgage repayment* <sup>2</sup>
Tokyo Metro Area	JPY 128k	JPY 110k
Kansai Metro Area	JPY 119k	JPY 88k
Regional Cities	JPY 90k	JPY 61k

\*<sup>1</sup> Based on condos sold by Star Mica in FY2025.

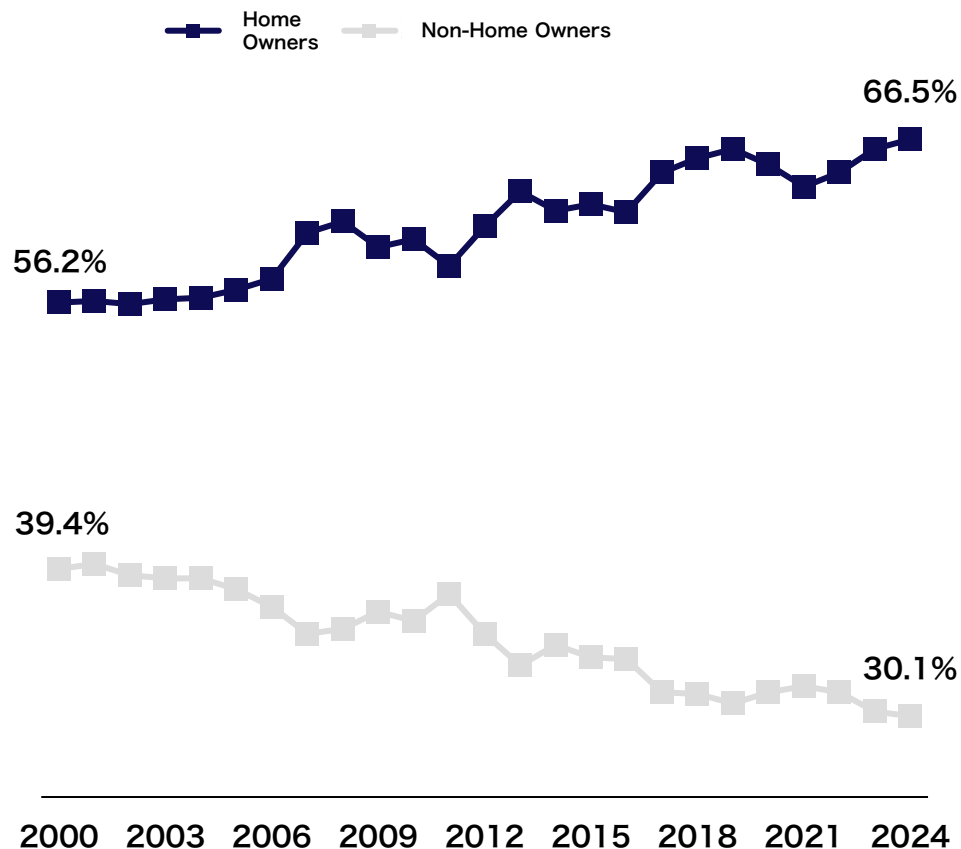
\*<sup>2</sup> Assumed mortgage loan at 0.8% for 40 years.

<Condominium Rent Index (Tokyo 23 wards, Jan.-Mar. 2009 = 100)>



Home-owner ratio has gradually increased in the past approx. 25 years

<% of home owner and non-home owner>

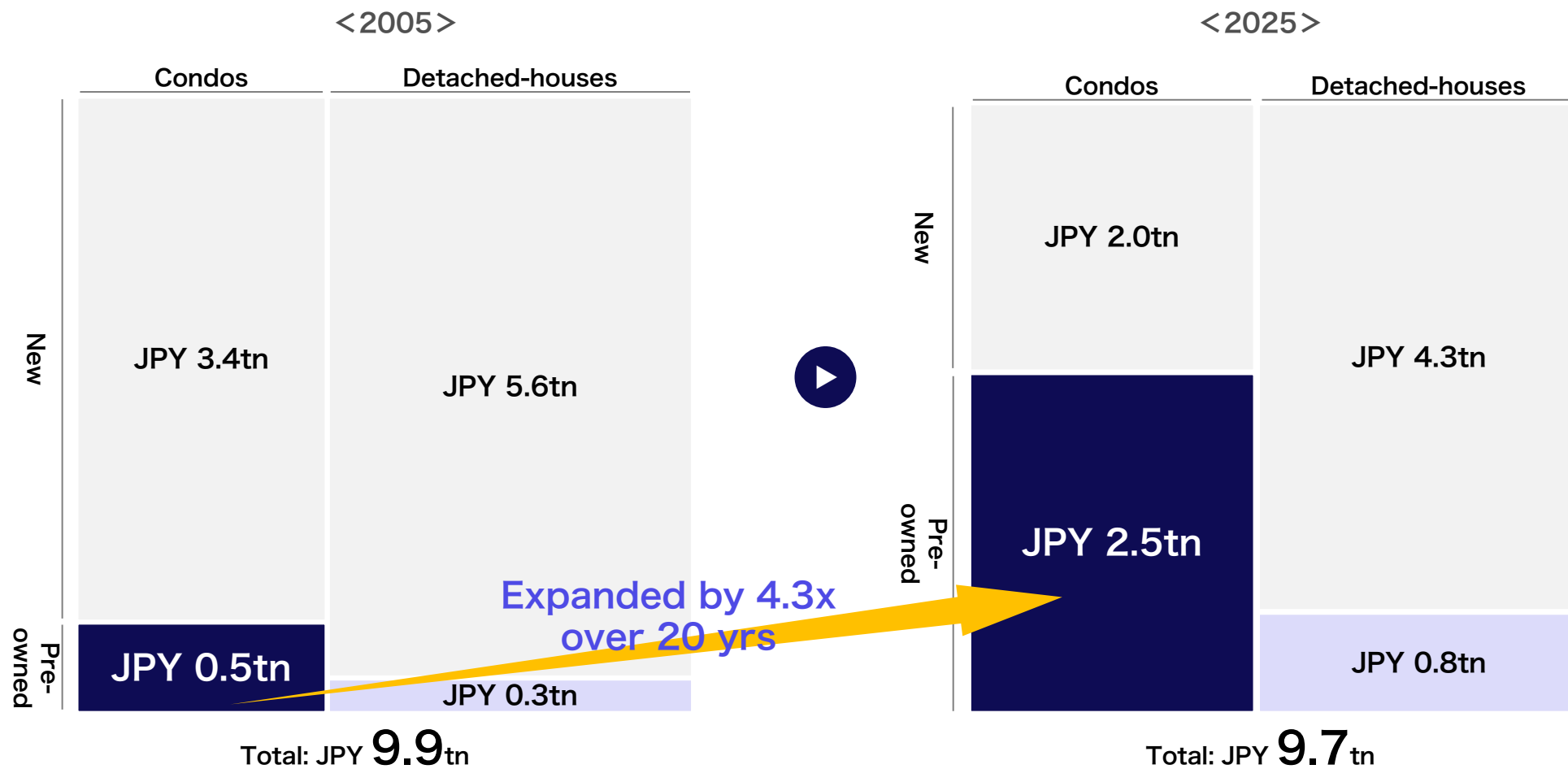


(Source)

Developed by Star Mica based on the Condominium Rent Index (At Home Co., Ltd. and Sumitomo Mitsui Trust Research Institute Co., Ltd.); Studio type: 18-30m<sup>2</sup>, Family type: 60-100m<sup>2</sup>. (Source) Statistic Bureau, Ministry of Internal Affairs and Communications

- While new residence is becoming scarcer and more expensive, the pre-owned market is expanding in both price and transaction volumes.
- The growth rate of the highly liquid, high-asset-value existing condominium market exceeds that of pre-owned detached houses.

Residential market size in the Tokyo Metropolitan Area (# of transactions x unit price, 2005 vs. 2025)

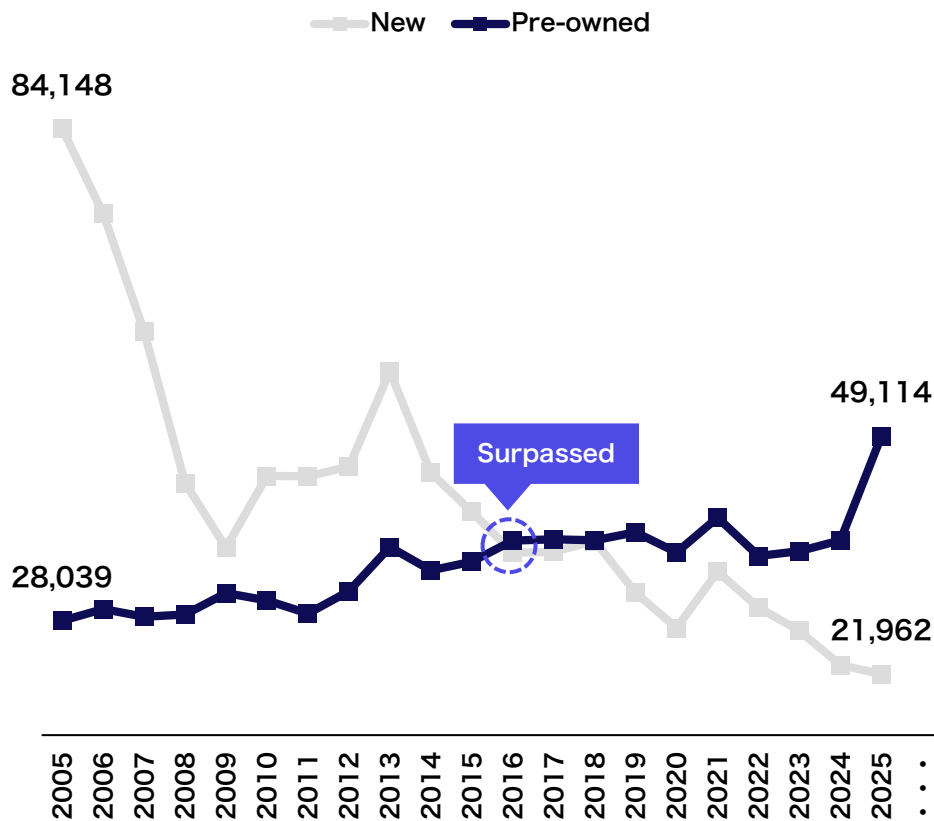


(Source) Calculated by Star Mica based on REINS "Annual Market Watch," Real Estate Economic Institute "Condominium Market in Japan," and MLIT "Housing Start Statistics."

- Demand for pre-owned condo remains solid and the market is expected to expand over the mid-long term.

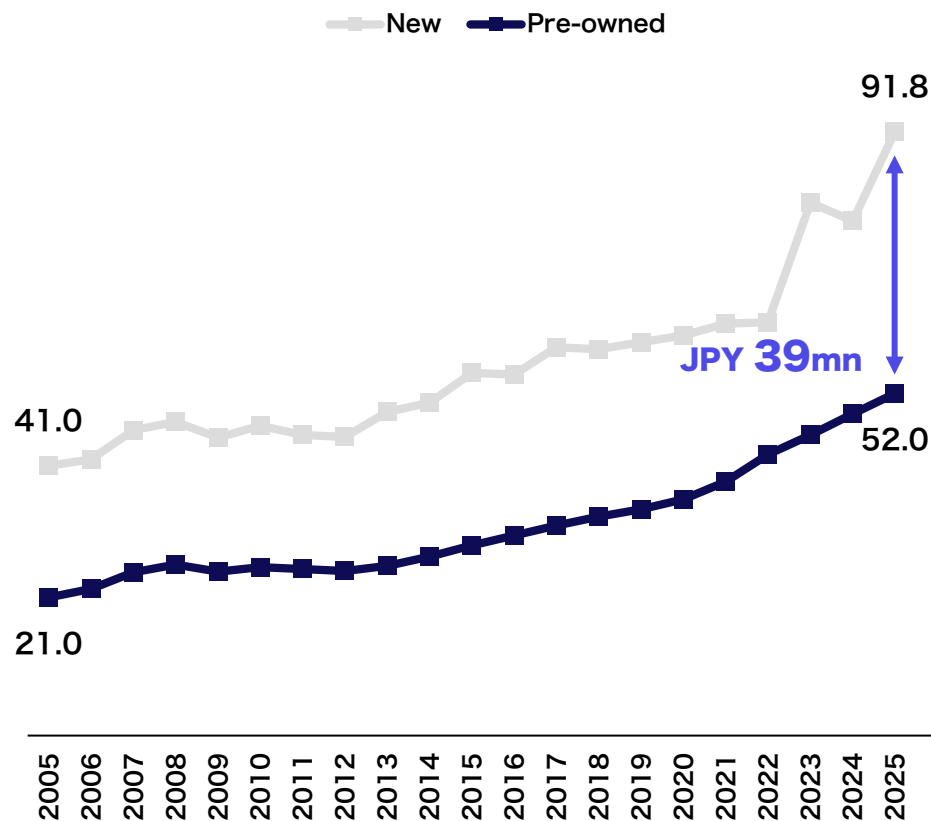
Since 2016, the number of existing condo transactions has surpassed the new condos

<Transactions of new/pre-owned condos (Tokyo metropolitan area)>



Existing condos are more affordable than new ones

<Average selling price of condos in Tokyo metropolitan area (JPY mn)>

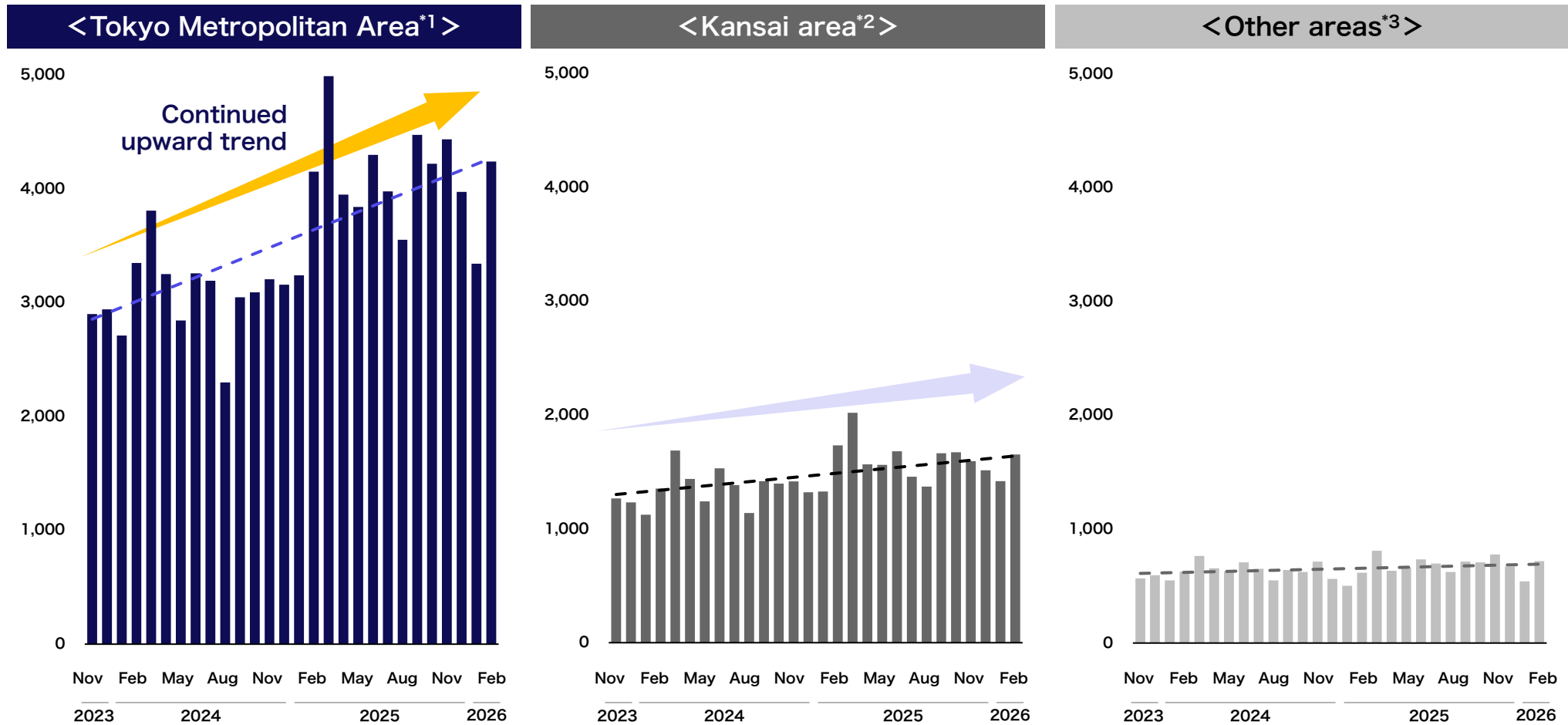


(Source) Real Estate Economics Research Center "Condominium Market in Japan", REINS "Market Watch"  
Data from 2025 onwards may be affected by system updates following the amendment to the Enforcement Regulations of the Real Estate Brokerage Act, potentially impacting data continuity with prior years.

(Source) National Federation of Real Estate Brokerage Associations Real Estate Institute Research "Real Estate Market Annual Statistics", Real Estate Economics Research Center "Market Data in Tokyo Metropolitan Area", REINS "Annual Market Watch"

- Expect current market trends to continue, given no signs of short-term stagnation in the pre-owned condominium market.

# of pre-owned condominium transactions in our major operating areas (units)



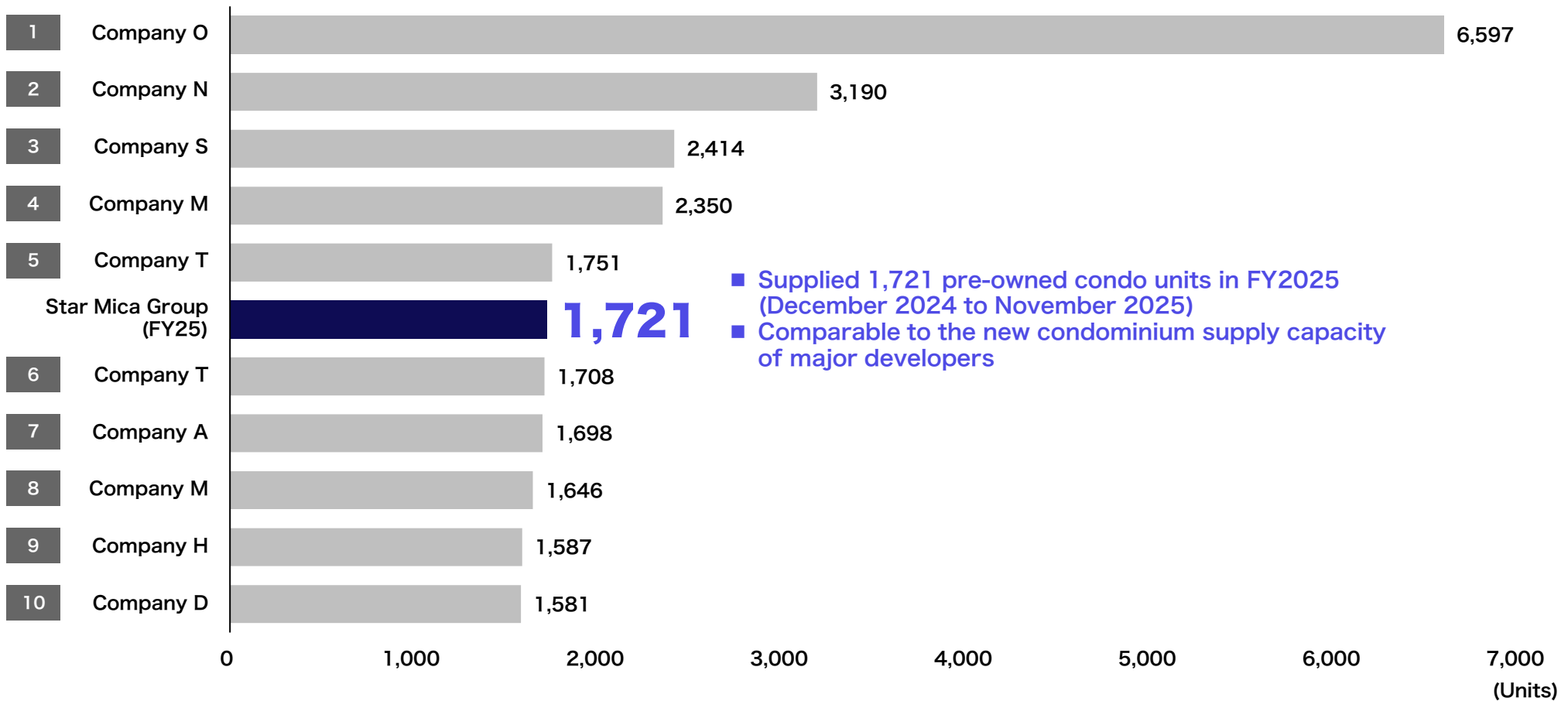
(Source) REINS "Market Watch"  
\*1 Tokyo, Chiba, Kanagawa and Saitama pref.

\*2 Kyoto, Osaka and Hyogo pref.

\*3 Hokkaido, Miyagi, Fukuoka pref.

- As a leading company in the pre-owned condo market, our sales volume is comparable to the supply volume of new condo developers.

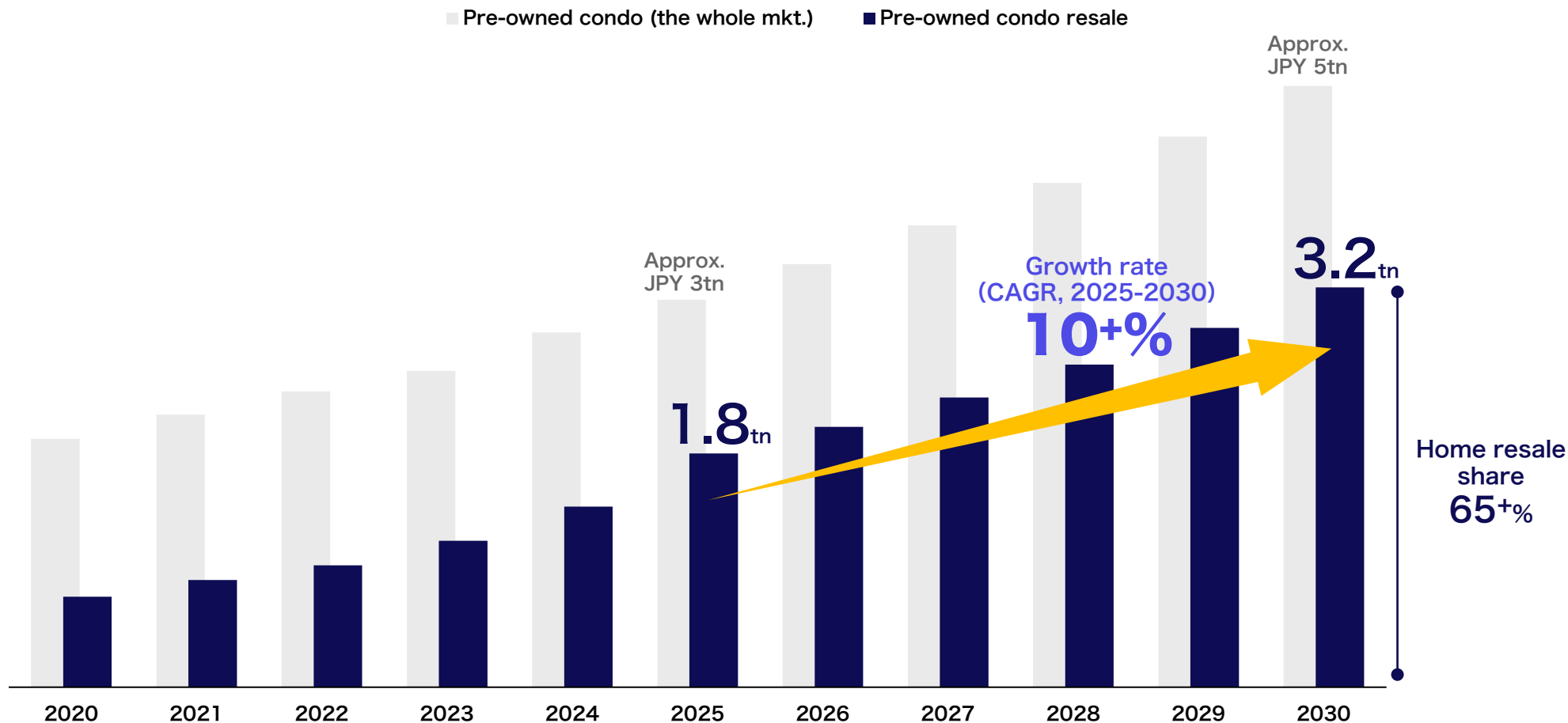
Supply volume by new condo developers (2025)  
vs. Units sold by Star Mica (FY2025, pre-owned condominiums)



(Source) Developed by Star Mica based on Real Estate Economic Institute "Condominium Market in Japan." This is a reference material comparing different business domains and does not indicate a direct competitive relationship with us.

- The renovated condo mkt. (pre-owned condo resale mkt.) is a promising segment with expected double-digit growth.

Market size of pre-owned resale in Japan (Estimates)

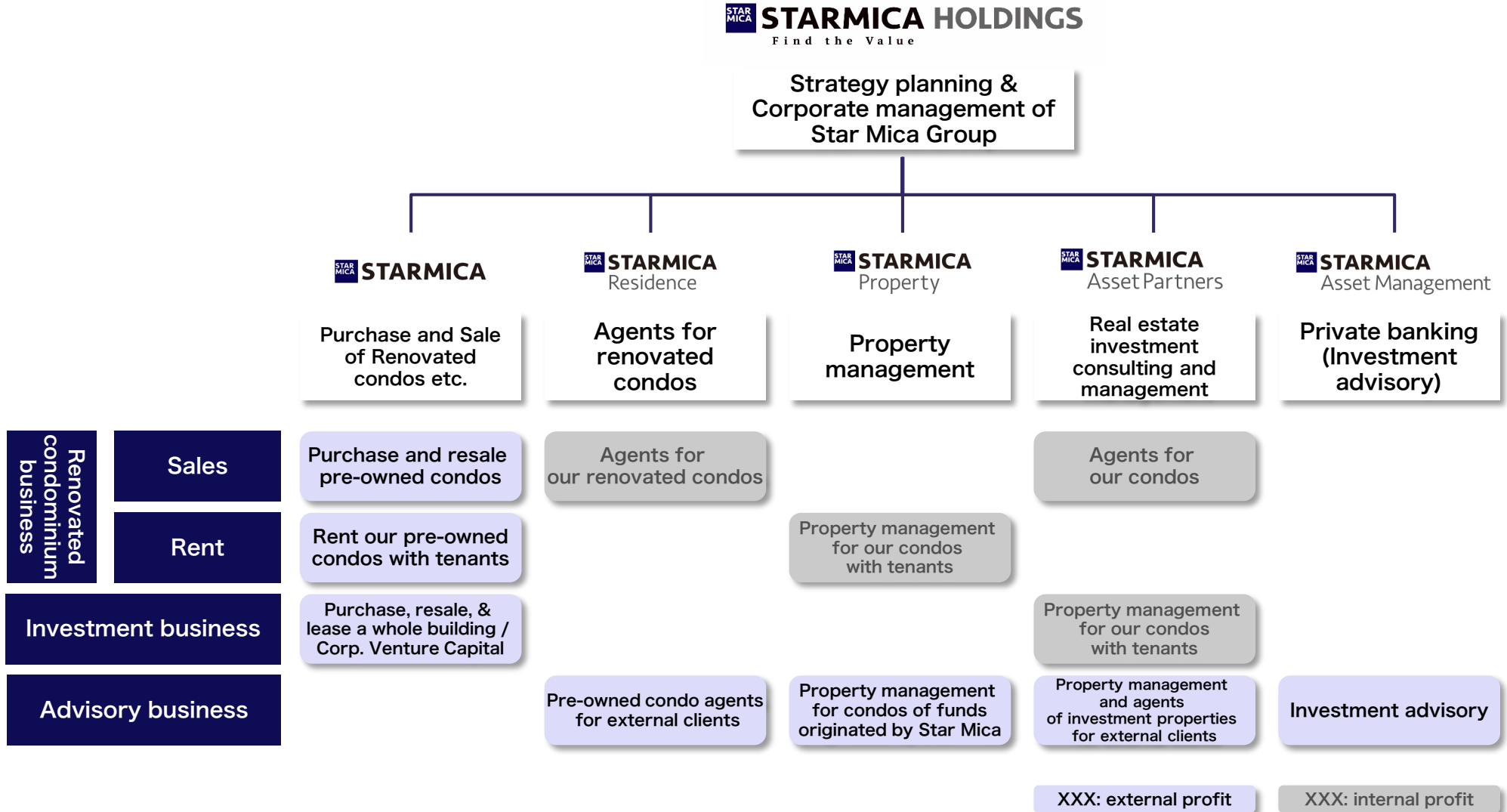


(Source) Estimated by Star Mica based on Yano Research Institute Ltd., "Thorough Research on the Pre-owned Housing and Renovation Market (2025 Edition)," MLIT "Real Estate Information Library," and price trends of properties held by us.

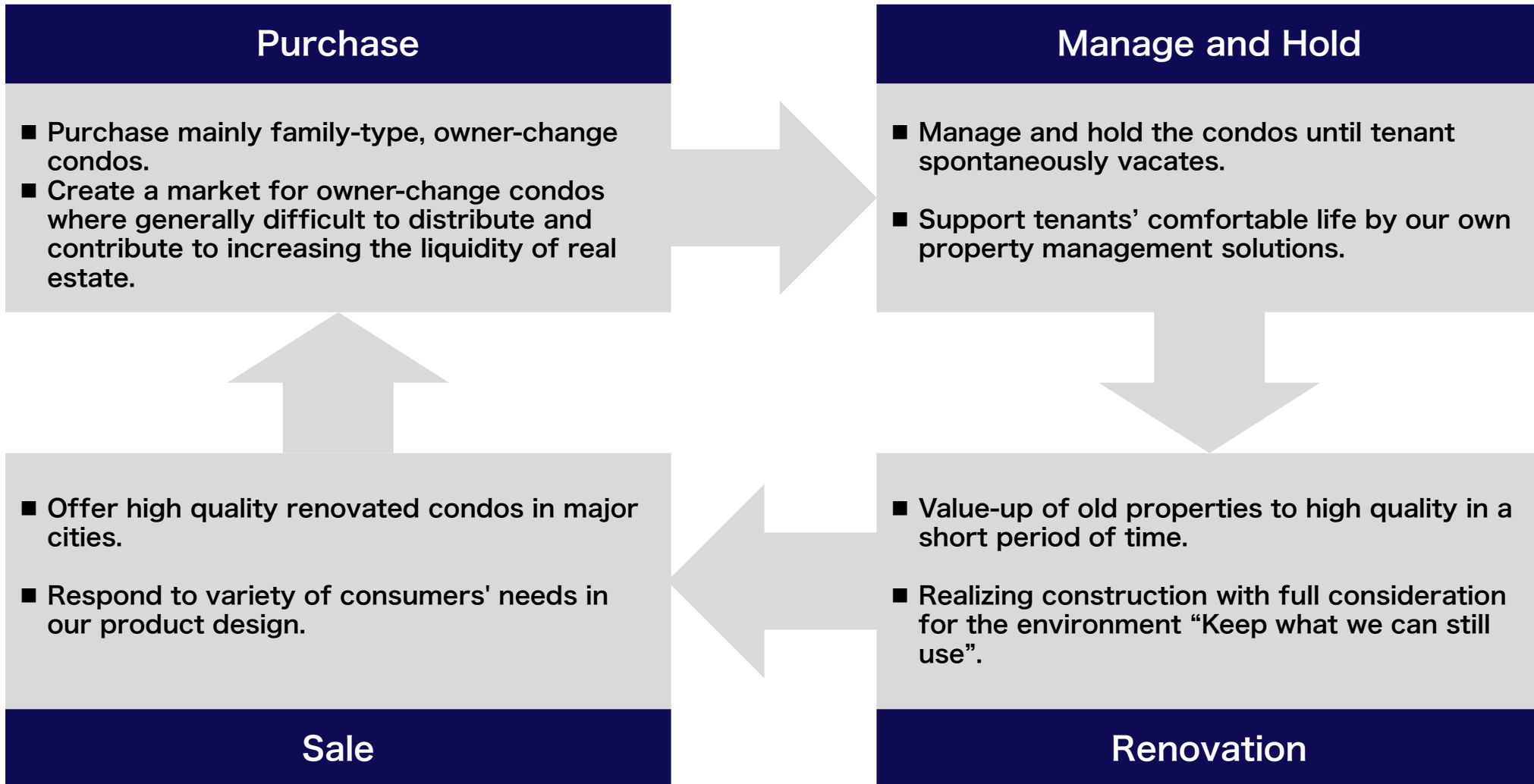
# APPENDIX

## b. Our Business

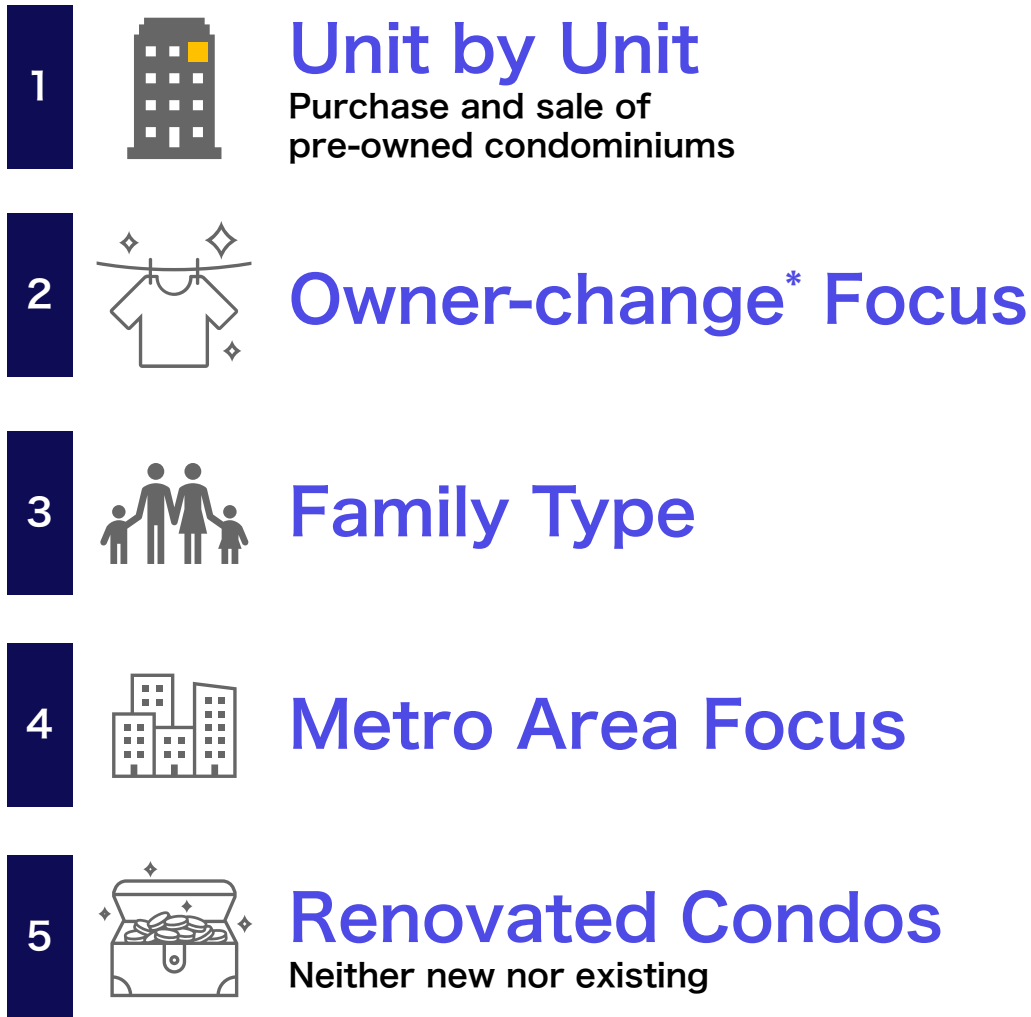
- Regard the condominium business as our core and aim to maximize profits across the entire group.



- Value chain creating value for society.



- Steadily gain profit by investing in properties with high liquidity & solid demand.



**Solid demand** for residential use

\* Pre-owned condos with tenants

- We have overwhelming advantages over high entry barriers.

Entry  
Barriers

**Information  
Network**

**Operation**

**Financing**

Our  
Strength

**50,000+**  
offers for sale per year

**3,300+**  
transactions  
(purchase + sale)  
per year

Borrow  
JPY **80+** bn  
from  
approx. **50** banks

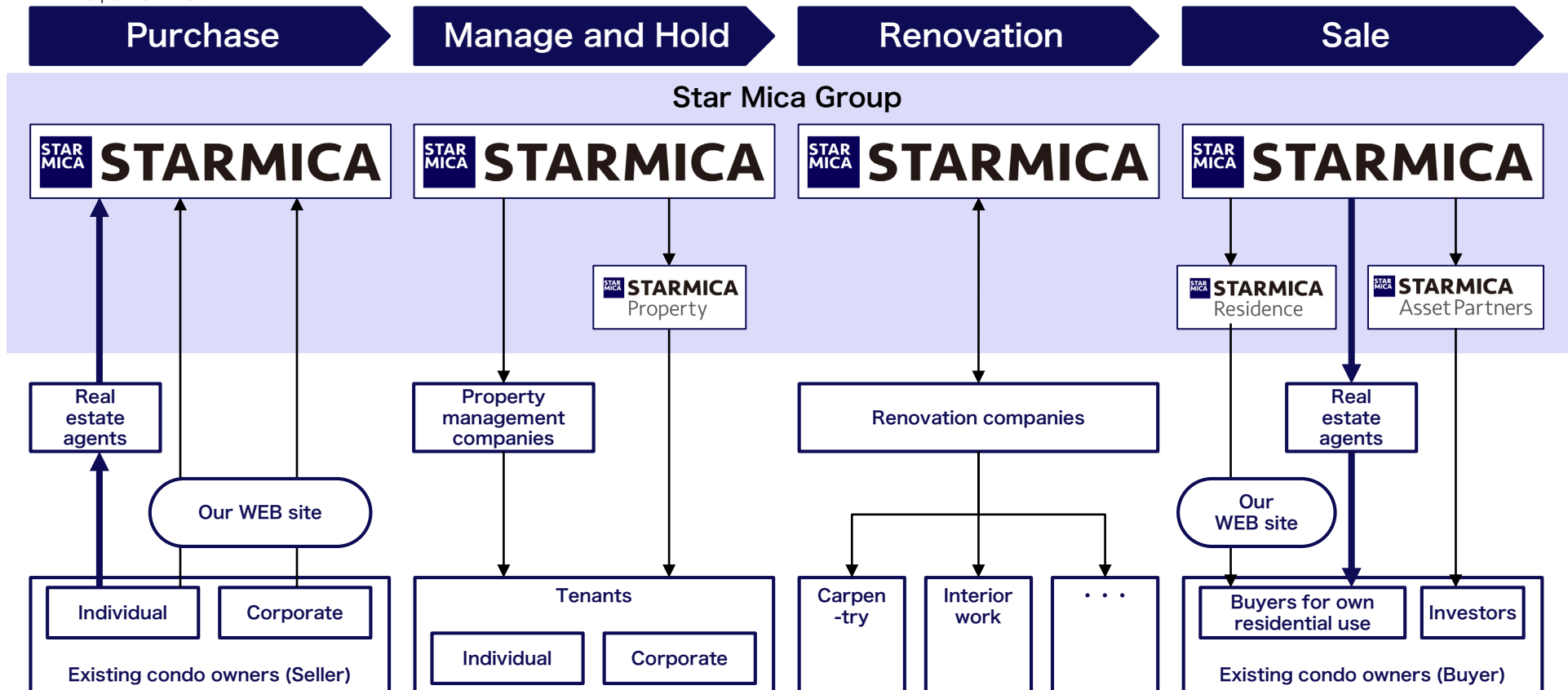
- Purchase and sales transactions are mainly direct with consumers.
- Efficiently operating by balancing between in-house production and outsourcing.

- Receive 50+k potential inquiries per year for purchase
- Over half of the purchase are from individual owners through real estate agents
- Some part of our purchase are from corporate owners

- Over half of our condos in Tokyo metropolitan area are managed by property management subs
- Condos in regional areas are outsourced to external property management companies

- Internally handling quality related business such as renovation planning, specifications, and inspections
- Actual constructions of renovation are outsourced to external business partners

- Our sales main channel is through property agents to individual home buyers
- 30+ % of transactions are directly through our internal real estate agent



- Successfully leading the expansion of the existing condo market by increasing purchase/sale transactions and inventories in our main renovated condo business.

<History of Renovated Condo Business (units)>

< Early stage >

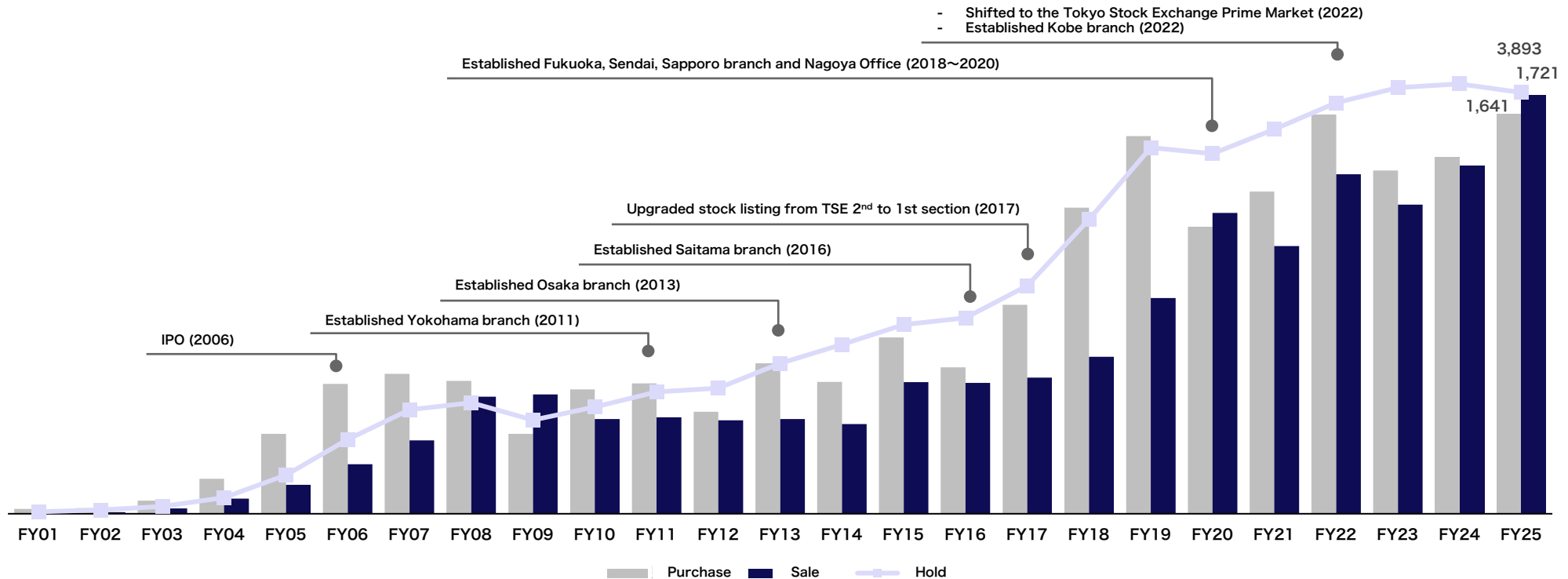
Our unique business led IPO in 6 years

< Establishment stage >

Strengthened our business model by building up inventories

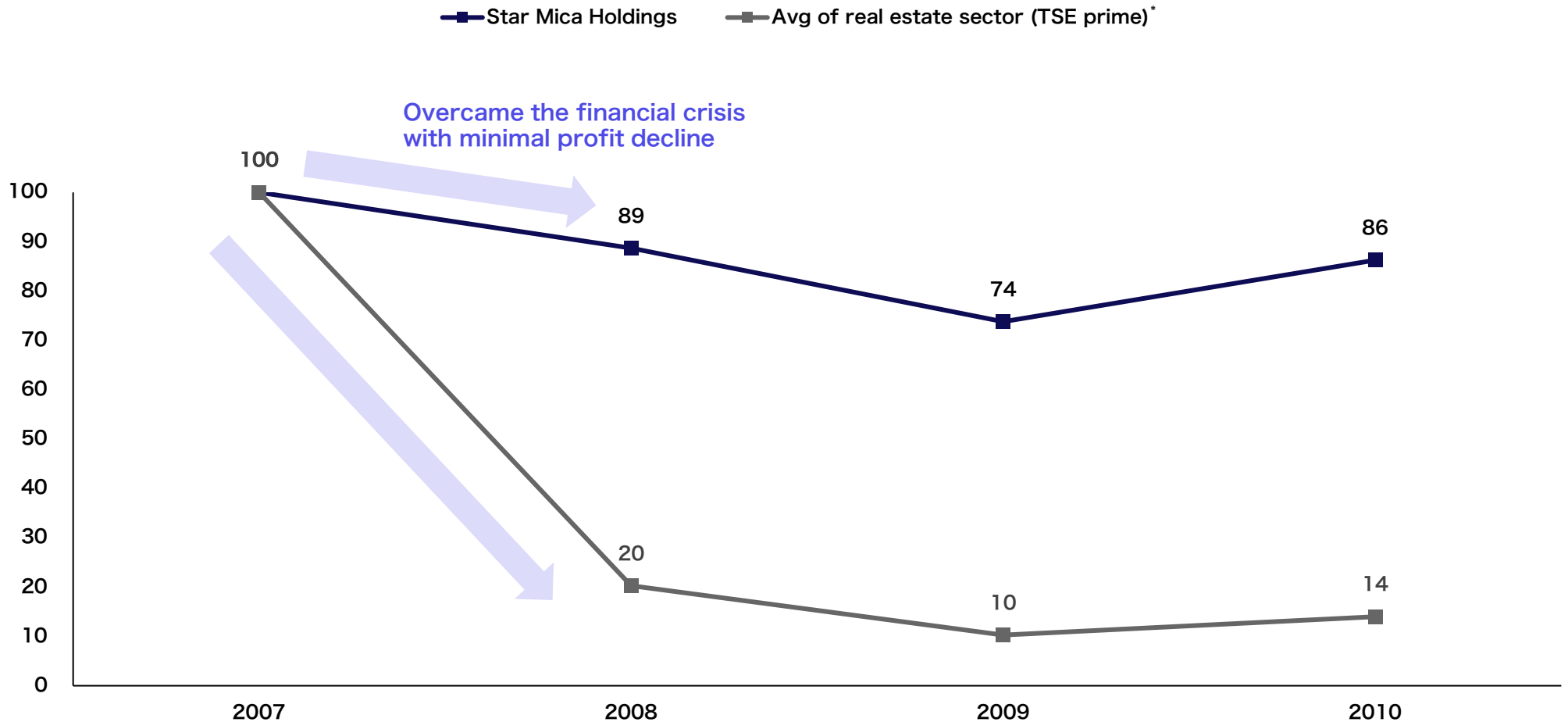
< Expansion stage  
~ Stable growth >

Sharply expanded # of transactions by entering new areas & vacant units



- Our business model is very stable even during recessions as we survived the financial crisis with minimal profit declines.

Operating profit Index during the global financial crisis (2007 = 100)



\* Calculated by 32 TSE Prime companies in the real estate sector which financial data as of 2007 is available.

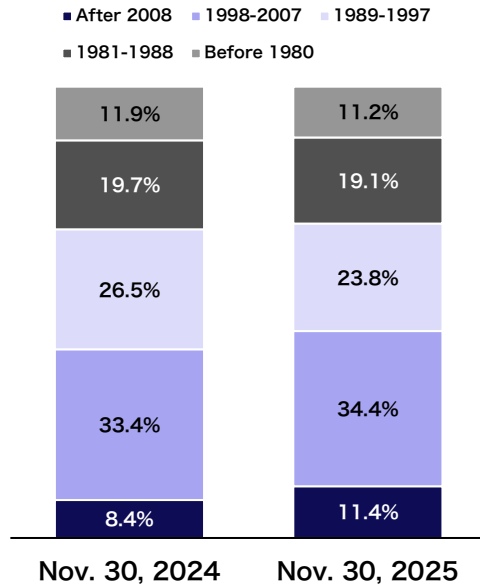
- Well-diversified portfolio by accumulating on a unit-by-unit basis.

Composition\*1

Average

Strategy

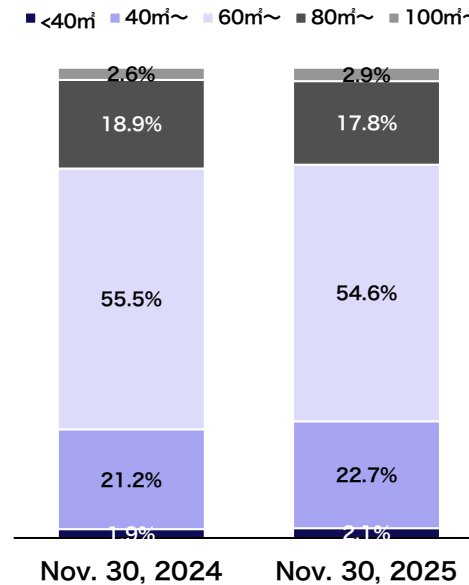
By year built\*2



32.4yrs → 32.7yrs

- Purchase mainly in the age range where value can be increased through renovation
- The purchase ratio of condos in pre-anti earthquake standard is controlled carefully by monitoring their management status, seismic performance, and mortgage loan trends

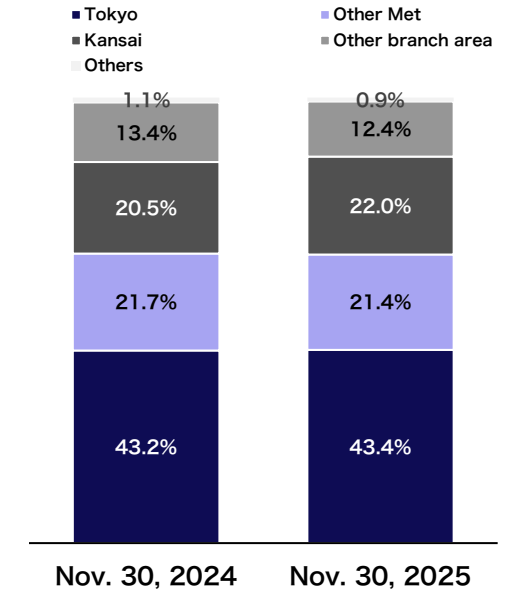
By size\*2



67.5m² → 67.4m²

- Purchase mainly family-type condos
- Diversify and expand product lineup to meet the homebuyers' needs in each area

By region\*2



-

- Expand by allocating sales resources
  - in metropolitan areas
- Focus on gaining market share in highly liquid central areas

\*1 Based on purchase price as of Nov. 30, 2025

\*2 Average year as of each year-ending

<b>Company name</b>	Star Mica Holdings Co., Ltd.
<b>Representative</b>	President and CEO Masashi Mizunaga
<b>Date of incorporation</b>	July 24, 1998
<b>Listing date</b>	June 1, 2019
<b>Listed market</b>	Tokyo Stock Exchange Prime Section (stock code: 2975)
<b>Shareholders' equity</b>	JPY 31.4bn
<b>Group</b>	Star Mica Co., Ltd., Star Mica Residence Co., Ltd., Star Mica Asset Management Co., Ltd., Star Mica Property Co., Ltd., Star Mica Asset Partners Co., Ltd.
<b>Offices</b>	Tokyo head office (Minato-ku) Branches in Sapporo, Sendai, Yokohama, Osaka, Fukuoka
<b>Main Bank</b>	MUFG Bank, Aozora Bank, Mizuho Bank, Sumitomo Mitsui Banking Corporation, Resona Bank, Sumitomo Mitsui Trust Bank
<b>Auditor</b>	Grant Thornton Taiyo LLC
<b>Number of employees</b>	237
<b>Businesses</b>	Renovated Condominium Business, Investment Business, Advisory Business

<sup>1</sup> Consolidated basis unless otherwise noted

 **STARMICA HOLDINGS**

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Department : Corporate Planning Department IR Group

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URL : <https://www.starmica-holdings.co.jp/>

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- This presentation is not to be construed as a solicitation to invest in the company. Investors must make their own investment decisions.