



FISCAL YEAR MARCH 2025 2ND QUARTER FINANCIAL REPORT

(For the six months from April 1, 2024 to September 30,2024)

Starts Corporation Inc.

Securities Code :8850



55th Anniversary
since 1969

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◆Summary of Operating Results

FY25/3 2Q (24/4-9) Operating Results Summary

✓ Net Sales (100 m yen)	1,088 <up 38 YOY , up 30 VS. Plan>
✓ Operating Profits (100 m yen)	150 <up 24 YOY , up 23 VS. Plan >
✓ Ordinary Profit (100 m yen)	148 <up 2 YOY , up 21 VS. Plan >
✓ Net Profit (100 m yen)	120 <up 25 YOY , up 17 VS. Plan >

FY25/3 2Q (24/4-9) Topics

- ✓ **September 2024** We had 「STARTS 55th Anniversary Appreciation Party」
- ✓ April 2024 HOTEL comento YOKOHAMA KANNAI opened as the 10th hotel in Japan
- ✓ April 2024 Shibuya Scramble Crossing Vision 「Starts Vision SHIBUYA」 began operation
- ✓ April 2024 We signed an affiliation contract with Hinano Kusaki, a female park skateboarder

FY25/3 (24/4-25/3) Earnings Forecast Summary

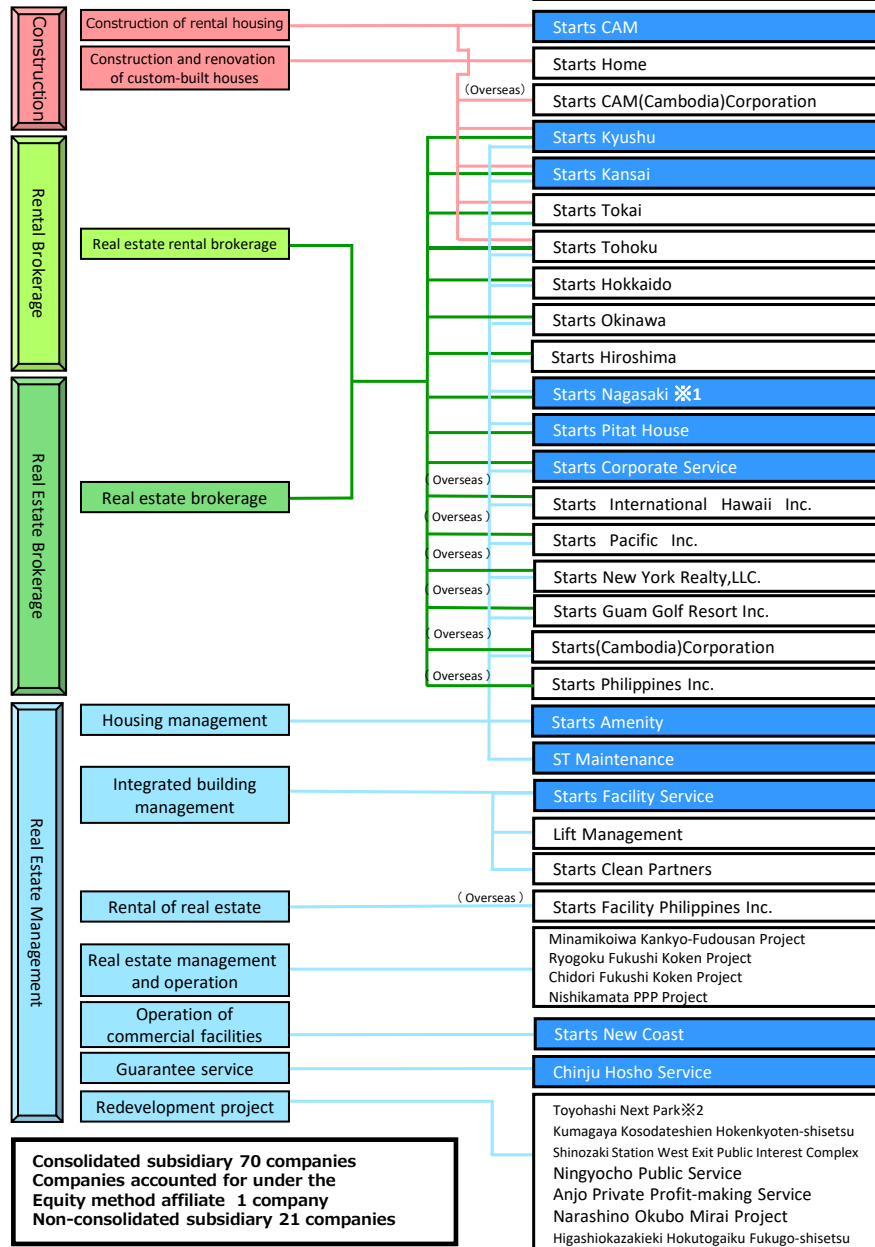
✓ Net Sales (100 m yen)	2,280 <down 2.3% YOY>
✓ Operating Profits (100 m yen)	307 <up 0.7% YOY>
✓ Ordinary Profit (100 m yen)	307 <down 8.1% YOY>
✓ Net Profit (100 m yen)	224 <up 1.4% YOY>
✓ Cash dividends (yen)	Annual dividend 110 <up 5 YOY>

Business Strategy of Starts Group

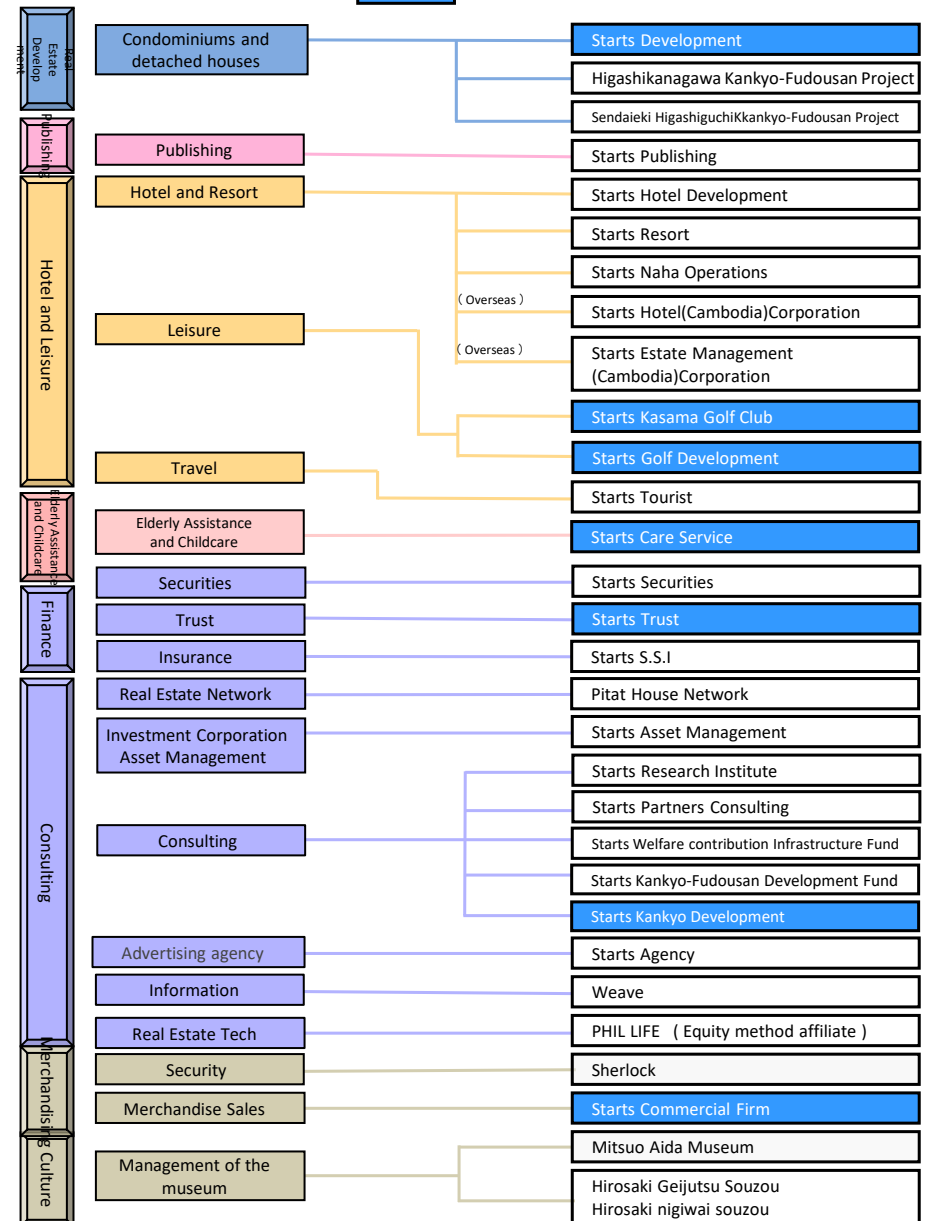
◆ Group Organization Chart

【Group Chart】


(Segment) (Main Business Activities)



(Segment) (Main Business Activities)



New structure in the Tokyo metropolitan area and major cities with
Balance between “**Active Management**” and “**Steady Management**”



“Active Management” to achieve our dreams

- Expansion into new business areas
(Redevelopment projects and growth investment)
- Refine business in major cities and overseas

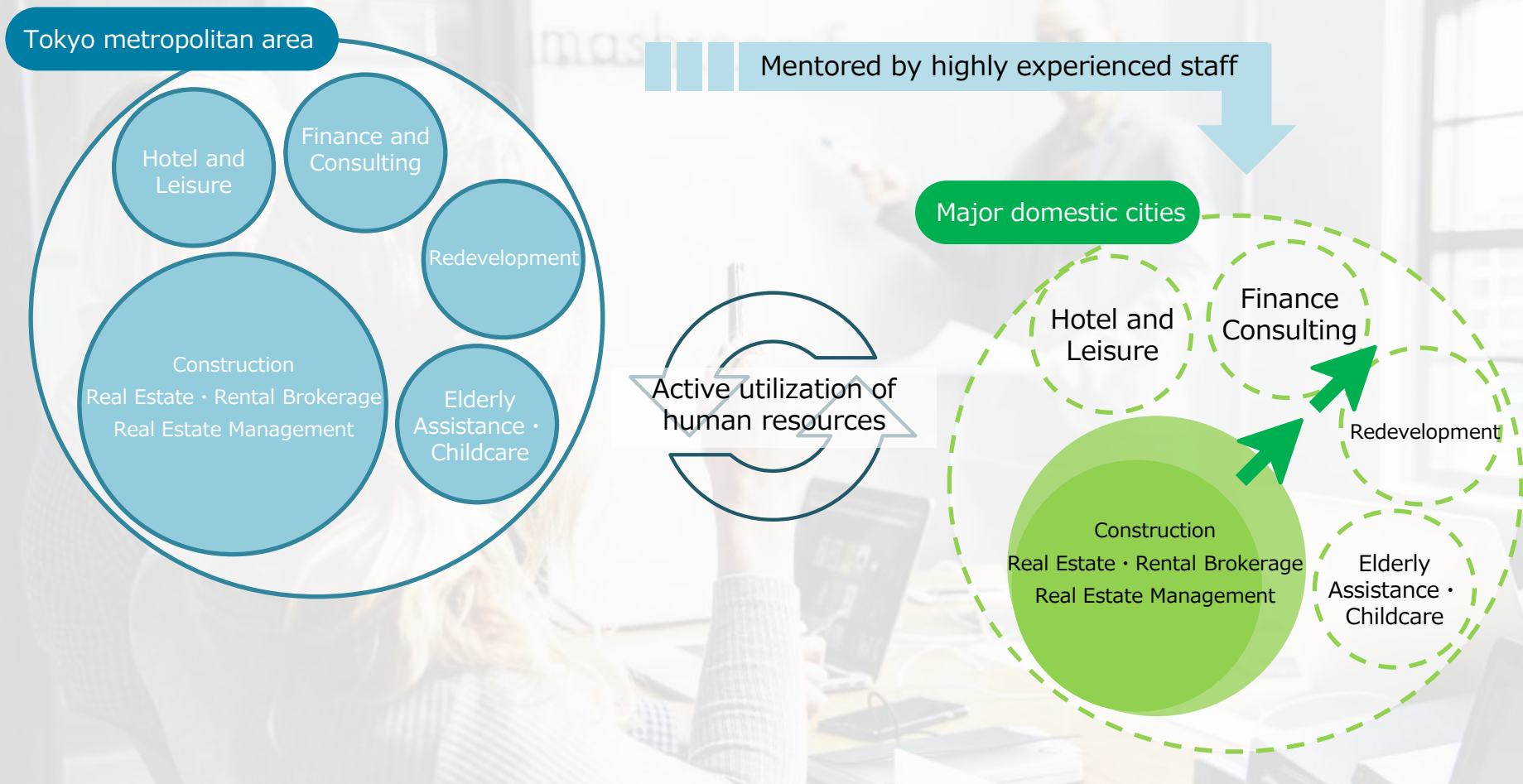
"Steady Management" to ensure longevity

- Stable growth through stock business
- Community-based sales since foundation

Support system for young leaders from senior staff

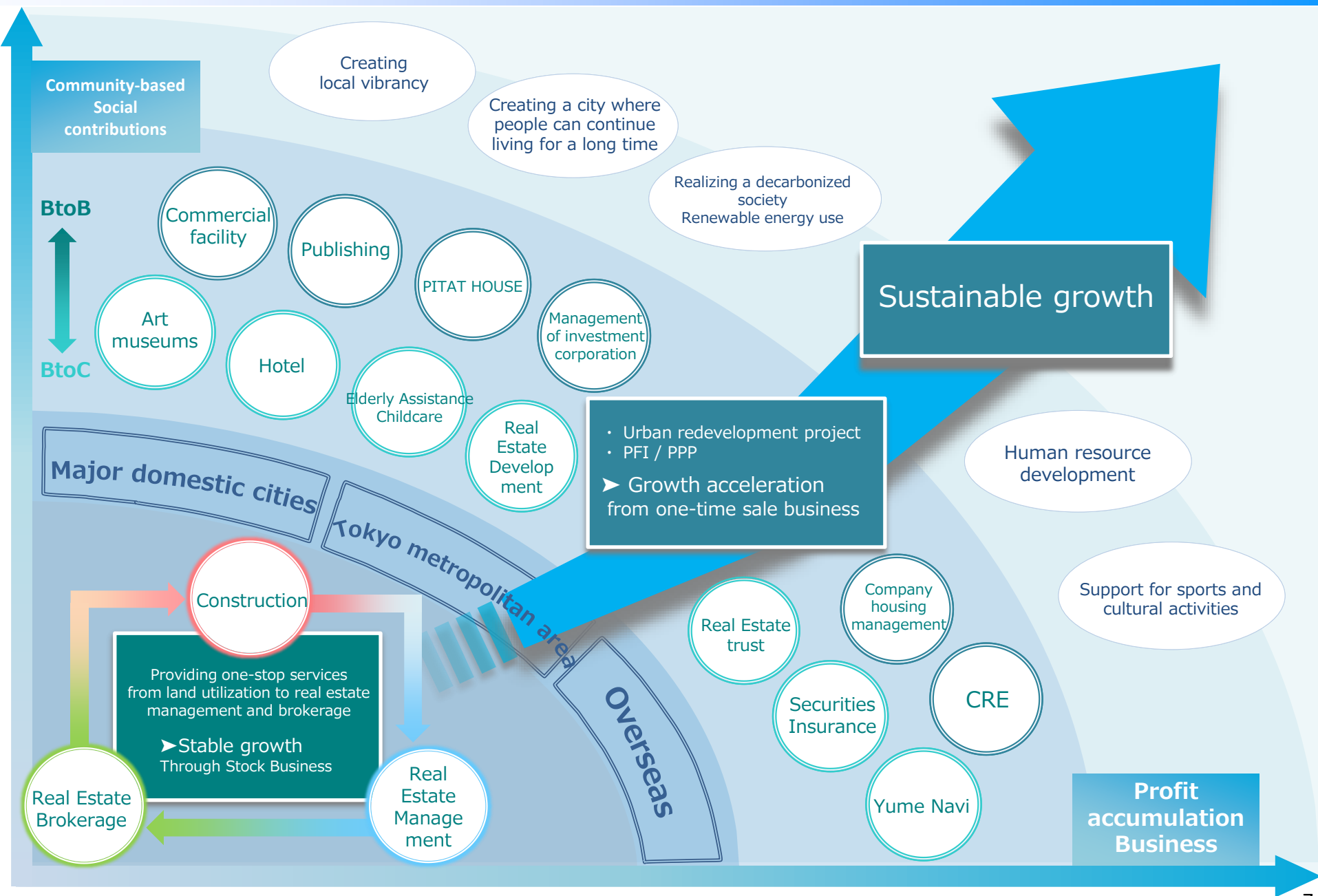
- ▶ Create a corporate culture that allows for greater challenge and growth

Focus on expanding business domains in major cities



- ▶ Appointing highly experienced staff in major cities and further accelerating the development of the business model cultivated in the Tokyo metropolitan area, centering on the growth of the stock business as the foundation

◆ Our growth strategy



◆ Expansion of Starts business domain

▶ Expanding the scope of business from individuals to local governments by handling projects ranging from residential housing to commercial facilities

Commercial facility



The Hotei Station East Complex Public Facility Development Project
(toko+toko=labo)



Nagareyama Otakanomori station Municipal Land Utilization Project
(Hotel Lumiere Grande Nagareyama Otakanomori)
(STARTS OTAKANOMORI HALL)
(QUWON Nagareyama Otakanomori)



Kyoto Central Wholesale Market Project to utilize "Bustling Zone"
(HOTEL Emion KYOTO)

Office



Support for relocation of large offices



Operation of commercial facilities
(NEW COAST SHIN-URAYASU)



Yokohama Cultural Gymnasium reconstruction project
Private profit center
(HOTEL comento YOKOHAMA KANNAI)



Yoshinocho, Hirosaki-shi, Aomori
PFI projects such as the development of green areas

Residence



Hybrid wooden seismic isolation building



Former Company Housing, Refine Architecture
(PATIQUE Shin-Urayasu)



Chiyoda-ku Kandahigashimatsushitacho Plan
Private housing development project
(Alpha Grande Chizakura Tower)

Individual customer

Corporate customer

Local government

Under construction

Tokyo Institute of Technology(Nishikamata)
Staff Housing Development and Operation Project:Ota Ward, Tokyo



Scheduled completion in 2025

Site area: Approx. 3,750 m²
Total floor area: Approx. 8,580 m²
Scale: Eight floors above ground
Use: Apartment house (staff housing and rental apartment)
Business period: 50 years (fixed-term lease period)
Project cost: Approx. 3,500 million yen

Under construction

Kumagaya City Child Care Support and Health Center
Facility Improvement Project: Kumagaya City, Saitama



Scheduled to open in 2026

Site area: Approx. 27,000 m²
Total floor area: Approx. 7,400 m² (total of five functions, as indicated in the application guidelines)
Use: Child welfare facilities, nurseries, clinics, squares, parking lots, etc.
Project period: 15 years (designated management period)
Project cost: Approx. 6,300 million yen which includes design, construction, maintenance, operation, etc.
(The amount stated in the application guidelines)

Planning

Miura City Citizens' Interaction Site
Project: Miura City, Kanagawa



Scheduled completion in Mar.2026

Site area : Approx. 27,500 m²
Total floor area: Approx. 7,380 m²
Use: City Hall, Library, Welfare Facilities (Public)
Private profit-making facilities, parking lots, etc.
Project period: Approx. 20 years (fixed-term lease period of private facilities)
Project cost: Approx. 3,800 million yen

Planning

Former Fukuoka Technical High School
Site Utilization Project
:Fukuoka City, Fukuoka

Scheduled completion in Feb.2027



Courtesy of Shigeru Aoki
Architecture Studio

Site area: Approx. 3,300 m²
Total floor area: Approx. 17,000 m²
Scale: 14 floors above ground
Use: Apartment Office, Meeting rooms and shops
Project period: 70 years
(Fixed Term Land Lease)
Project cost: approx. 6,000 million yen

Planning

Kandanishikicho 3-chome Facility
Improvement: Chiyoda Ward, Tokyo

Scheduled to open in Mar.2027



Pre-existing photo

Site area: Approx. 690 m²
Total floor area: Approx. 3,800 m²
Use: Support Facility for Persons with Disabilities
Facilities for the elderly
Shared facilities (community interaction space, etc.)
Project period: Approx. 10 years
(Designated management period for common facilities)
Project cost: approx. 5,000 million yen

Planning

Kannai Station District Type 1 Urban Area
Redevelopment Project: Yokohama City, Kanagawa



Scheduled completion in 2029

<Port Town District>

Site area: Approx. 7,700 m²
Total floor area: Approx. 97,000 m²
Scale: 32 floors above ground and 2 basement floors
Application: Office, Rental House, Store, Nightlife bases, parking lots, etc.

<North Exit District>

Site area: Approximately 2,700 m²
Total floor area: Approximately 33,700 m²
Scale: 21 floors above ground and 1 basement floor
Use: Office, Rental residence
Commercial facilities, Parking lots, etc.

Planning

Chiryu Nishishinchi District Type 1 Urban Area
Redevelopment Project :Chiryu City, Aichi

Scheduled completion in 2029



Site area
: Approx. 9,450 m²
Gross floor area
: Approx. 56,000 m²
Scale
: 29 floors above ground (Condominiums)
12 floors above ground (Commercial, Public Interest, Rental Housing)
Use
: condominiums, public utilities, commercial facilities, rental housing, parking lots, dashi warehouses, etc.

*The perspective used in the material is the current image.

◆Ongoing projects II

Toyohashi City, Aichi Prefecture

"Multipurpose Indoor Facilities and Toyohashi Park East Area Development and Operation Project"

Scheduled completion in March 2029



Image of multi-purpose indoor and outdoor facilities (This is an image at the planning stage, so it may be changed)

A consortium represented by Starts was selected as a successful bidder in May 2024, and a specific business agreement was concluded in September 2024.

The arena and park facilities were rebuilt in an integrated manner and developed as a place for the development of professional sports and entertainment and as a disaster prevention base. Planning, design, construction, maintenance and management are integrated, and it will be operated for 30 years after completion.

Site area: Approx. 14,049 m²

Total floor area: Approx. 21,188 m²

Use: Main Arena, Sub Arena, Martial Arts Field, Archery and Archery Field

Multipurpose ground, tennis court, Sumo wrestling area, parking lot, etc.

Business period: Approx. 30 years

Project cost: Approx. 23,000 million yen

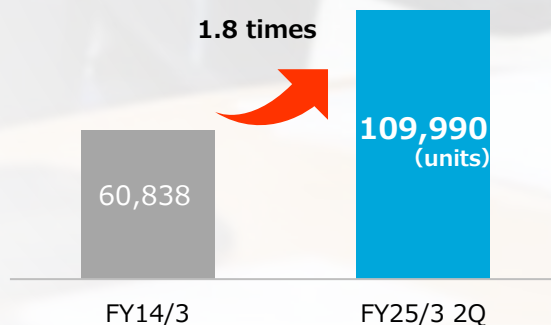
"The growth of the Starts Group is in the corporate market."

Change From passive "Corporate handling" to requests from companies,
To "Corporate sales" as a partner for all corporate real estate needs

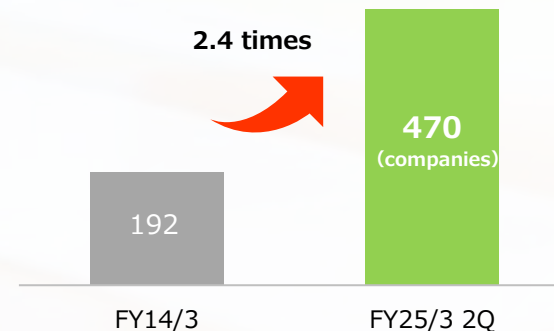


The number of corporate housing units and companies contracted as corporate housing management, which are the foundation of the "Stock Business" in the corporate market, has approximately doubled in 10 years

Number of corporate housing management units



Number of companies contracted as corporate housing management



◆Corporate Sales of Starts Group II

Expand from "housing" to "non-housing" by leveraging our strength in one stop services in corporate sales centered on personnel and general affairs, with a focus on corporate housing management

Corporate housing management



Office relocation



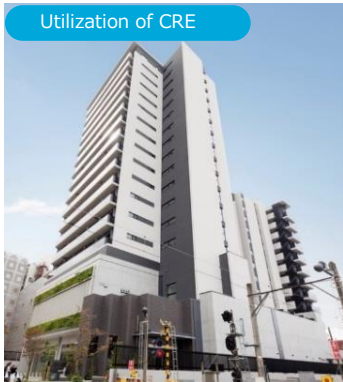
Bulk dormitory brokerage



Logistic warehouse



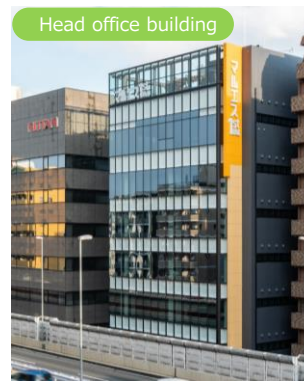
Utilization of CRE



Construction of enterprise dormitory



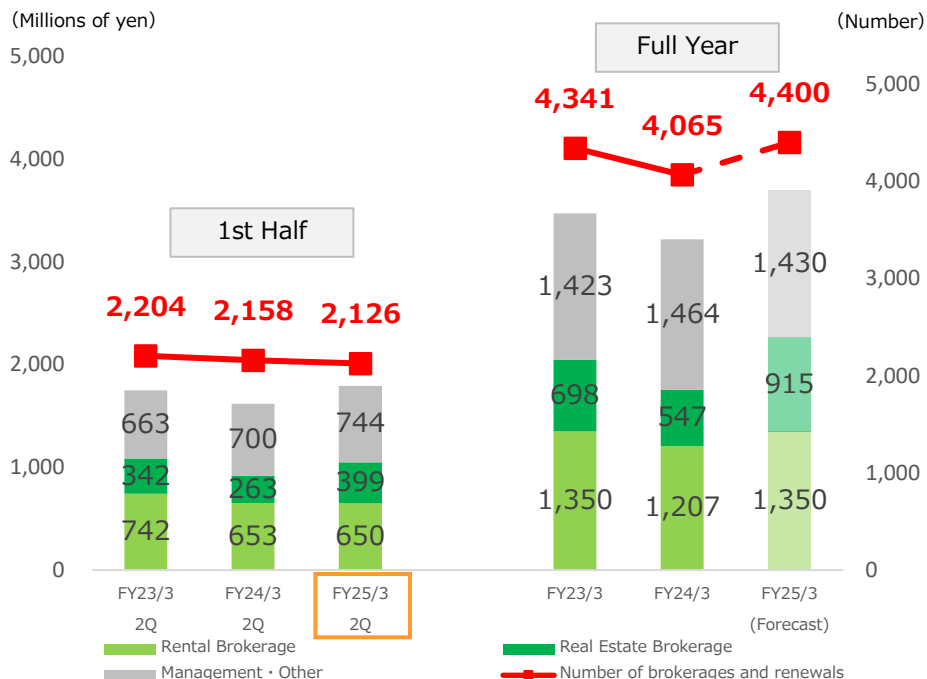
Head office building



Office building



■ Overseas Business Sales and brokerage/renewal numbers



※Sales figures for each fiscal year are calculated based on the yen exchange rate at the end of March 2024.

■ Examples of Business Activities



[India / Gurgaon, Office purchase brokerage]



[Philippines / Laguna, Warehouse sale brokerage]

■ FY25/3 2Q(24/4-9) results

【Rental Brokerage】

Number of brokerage and renewals

Residential: 97.3% YoY

Non-residential: 120.0% YoY

➡ Capturing the demand for office space saving and relocation due to the spread of remote work and the decrease in the number of overseas posting

【Real Estate Brokerage】

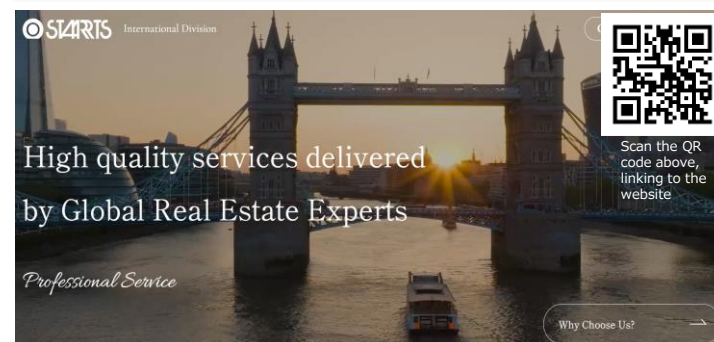
Increase in the number of contracts for sales of commercial real estate such as offices and warehouses owned by local Japanese companies

■ Business Activities

Further expansion of network with local Japanese companies

➡ Aim to create large-scale leasing and CRE trading projects

■ Website renewal



Renewal of overseas corporate website in October 2024, which links Real estate information for cities around the world

Overview of Operating Results

◆ 【Consolidation】 Overview of Operating Results I

(Millions of yen)

	FY24/3 2Q (23/4-9) Results	FY25/3 2Q (24/4-9) Results	YOY		FY25/3 2Q (24/4-9) Plan	vs . Plan	
			Amounts	Change		Amounts	Change
Net Sales	104,983	108,851	+3,868	+3.7%	105,800	+3,051	+2.9%
Operating Profit	12,662	15,071	+2,409	+19.0%	12,700	+2,371	+18.7%
Ordinary Profit	14,583	14,857	+274	+1.9%	12,700	+2,157	+17.0%
Net Profit attributable to the parent	9,517	12,027	+2,510	+26.4%	10,300	+1,727	+16.8%
E P S (yen)	191.62	242.14	+50.52	+26.4%	207.36	+34.78	+16.8%

◆ 【Consolidation】 Overview of Operating Results II

(Millions of yen)

	Net Sales		
	FY24/3 2Q (23/4-9) Results	FY25/3 2Q (24/4-9) Results	FY25/3 2Q (24/4-9) Plan
Construction	32,922	31,904	30,000
Rental Brokerage	3,330	3,796	3,400
Real Estate Borkerage	4,022	3,832	3,700
Real Estate Management	43,913	46,370	46,300
Real Estate Development	1,502	555	700
Hotel and Leisure	5,696	7,206	7,300
Elderly Assistance and Childcare	5,722	6,054	6,000
Finance and Consulting	3,706	4,279	4,200
Publishing	3,784	4,461	3,800
Merchandising and Culture	382	390	400
Elimination / Corporate	-	-	-
Total	104,983	108,851	105,800

	Operating Profit		
	FY24/3 2Q (23/4-9) Results	FY25/3 2Q (24/4-9) Results	FY25/3 2Q (24/4-9) Plan
	2,045	3,095	1,800
	669	942	800
	1,688	1,366	1,200
	6,184	6,573	6,000
	(72)	(160)	(100)
	470	748	800
	264	290	300
	626	897	900
	1,056	1,455	1,100
	49	37	100
	(319)	(138)	(200)
	12,662	15,071	12,700

FY25/3 2Q Financial Summary by Segment

Construction

- ✓ Construction has progressed smoothly ahead of the initial plan
Despite the impact of rising construction material prices and labor costs, operating profit exceeded both the previous results and the plan due to the revision of sales prices.

Publishing

- ✓ Book sales, including Starts Publishing Bunko, remained strong as in the previous fiscal year
Dividends from the investment in the production committee of the film, “Ano Hana ga Saku Oka de Kimi to Mata Deaetara ” also contributed to business results.

Real estate management

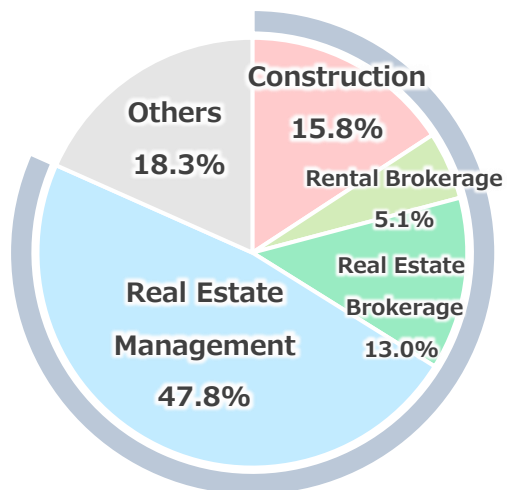
- ✓ Stable business model based on managed properties
Steadily rising sales from management commissions and leasing business as well as maintenance sales from various repair works due to an increase in the number of properties under management.

▶ Results in each segment on track, No revision to full-year plan

◆ 【Consolidation】 Operating Profit

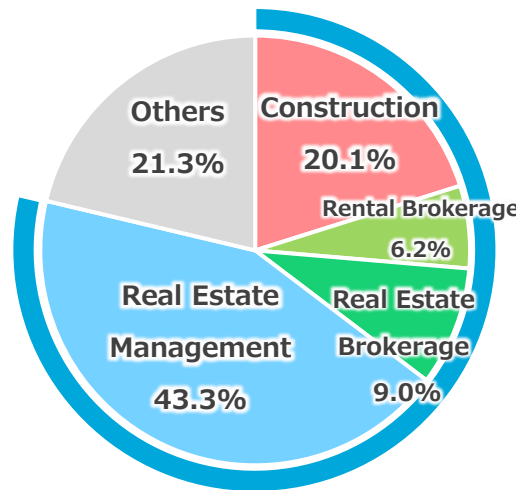
- ✓ Stable Operating profit form the stook businesses of construction, Rental and Real Estate Brokerage, and Real Estate Management.

FY24/3 2Q (Results)



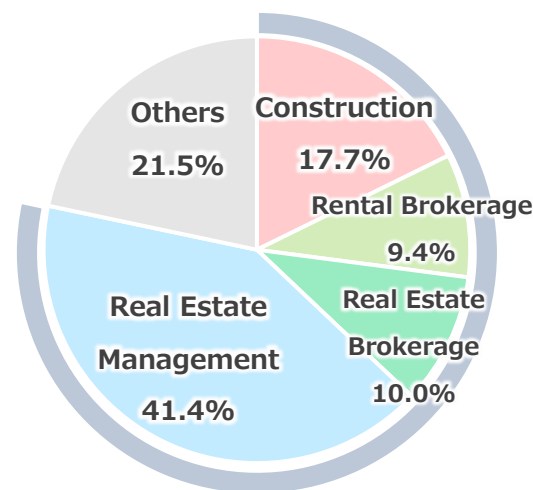
Total of four major segments
81.7%

FY25/3 2Q (Results)



Total of four major segments
78.7%

FY25/3 (Forecast)

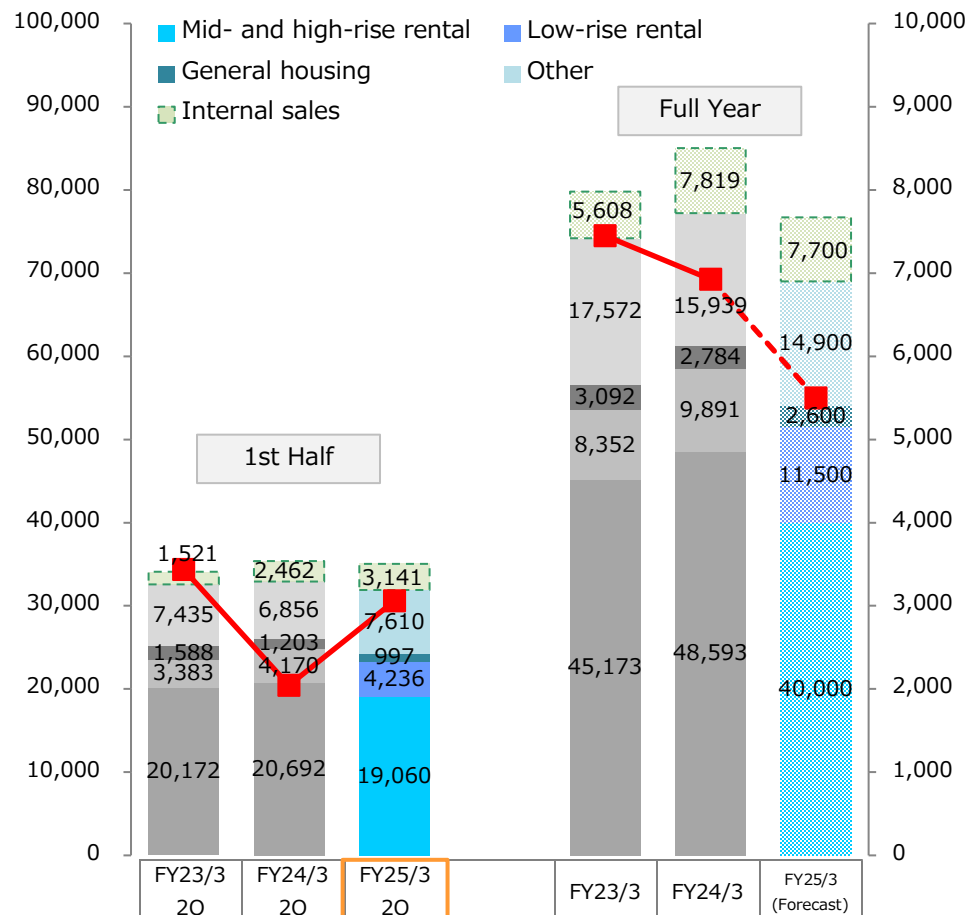


Total of four major segments
78.5%

Overview by Segment

◆ Overview by Segment [Construction Business I]

(Sales : Millions of yen) (Operating Profit : Millions of yen)



FY25/3 2Q (24/4-9) results

- ✓ Operating profit ratio up 2.9% YOY
➡ Due to sales price revision
- ✓ Financial institutions rebuilding orders for effective branch utilization, etc.
Mid-and high-rise rental orders received up 2,152million yen YOY

Business Activities

- ✓ Expand lineup of concept rental housing
➡ Development of new passive design housing products utilizing courtyards
Providing quality rental housing, and differentiation in the market



image

- ✓ Proposal for environmentally friendly housing
➡ Standardization of ZEH Oriented
➡ Increased orders for wooden rental housing with solar power generation equipment as standard equipment

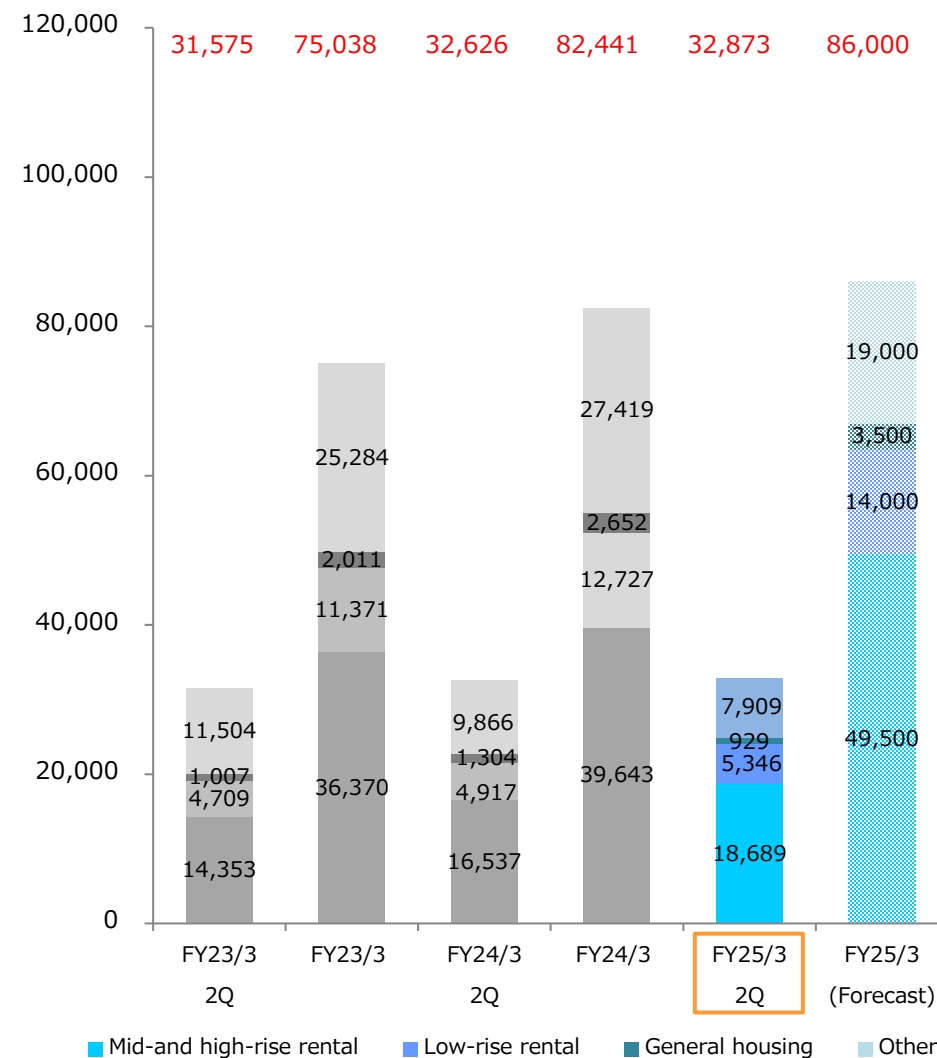
※Internal sales...Intersegment sales within the consolidated group

※Operating profit ratio... Operating profit / Total Sales

◆ Overview by Segment [Construction Business II]

◆ Orders Received 32,873 million yen

(Millions of yen)



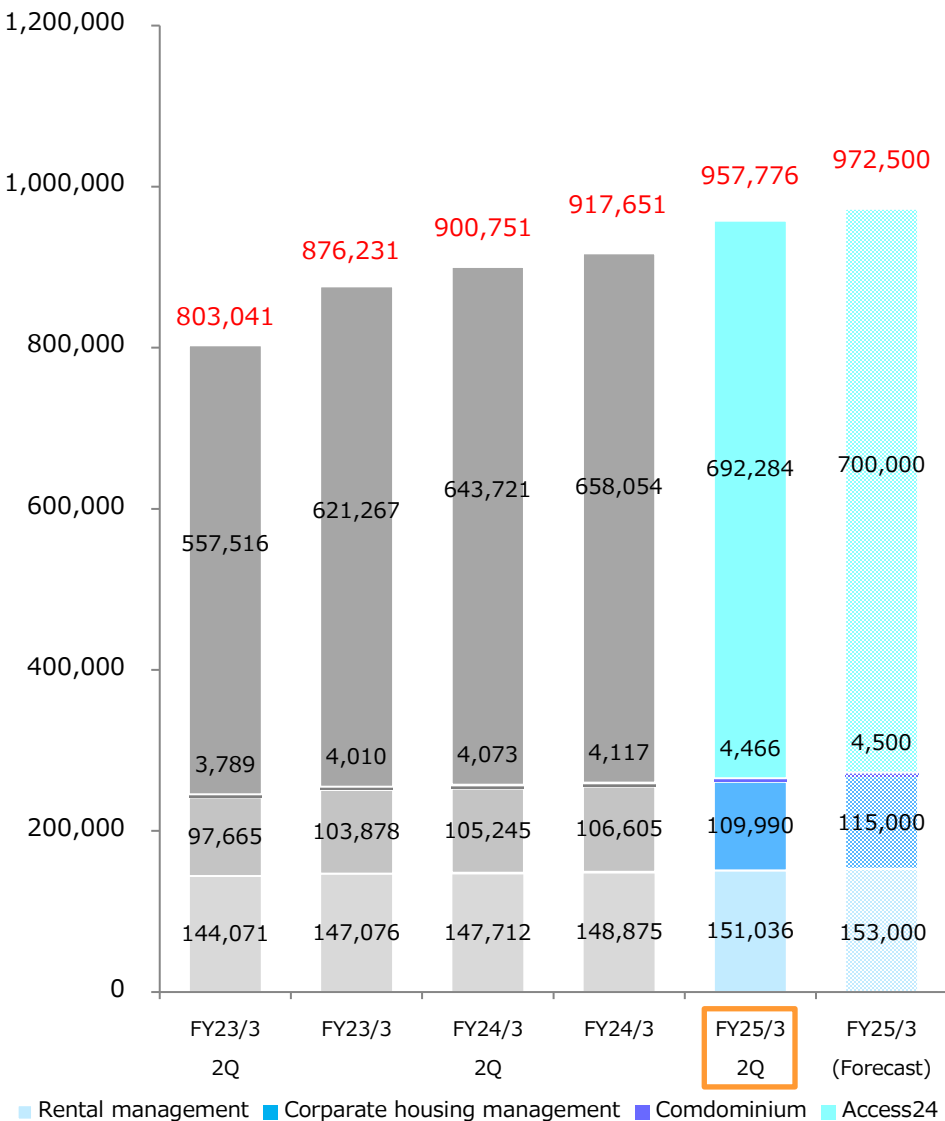
◆ Order Backlog 132,109 million yen

(Millions of yen)



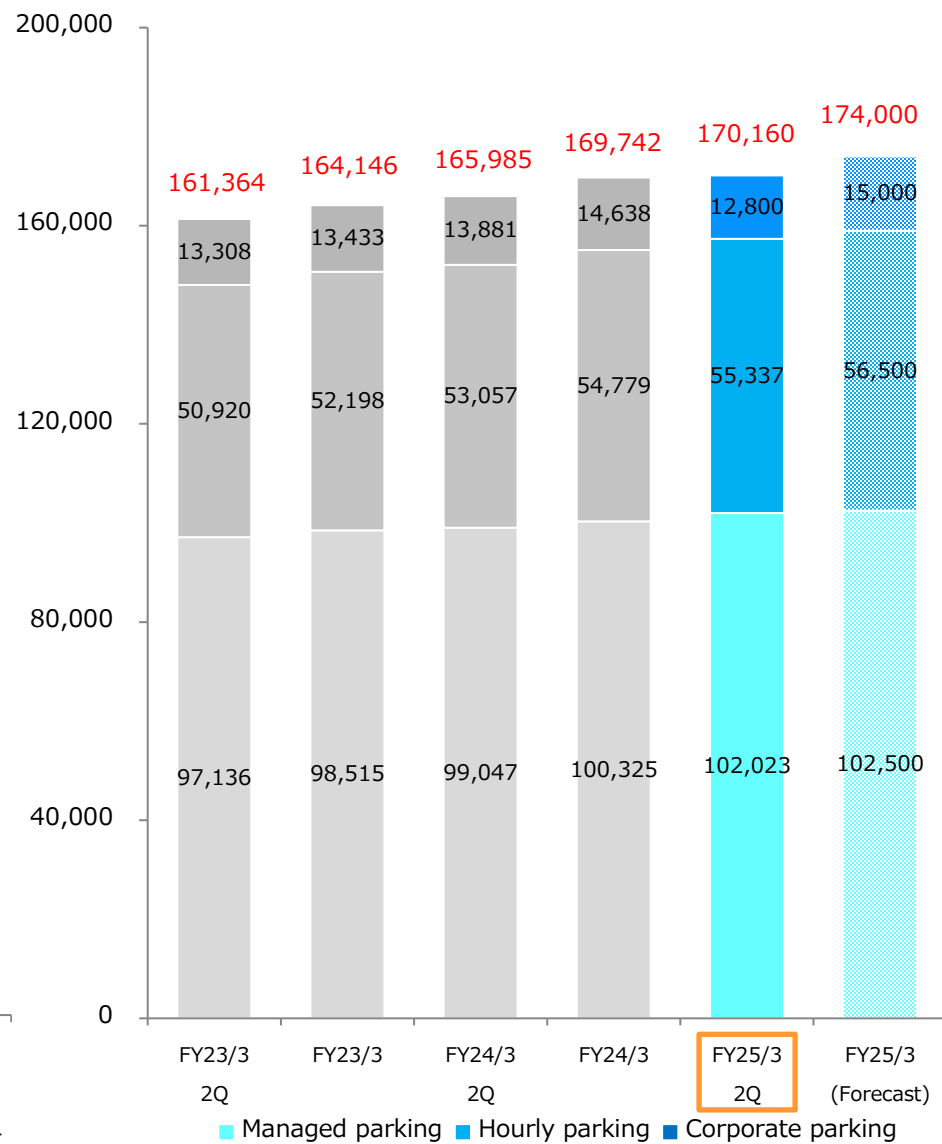
【Dwelling】

(Number of housing units)



【Parking lot】

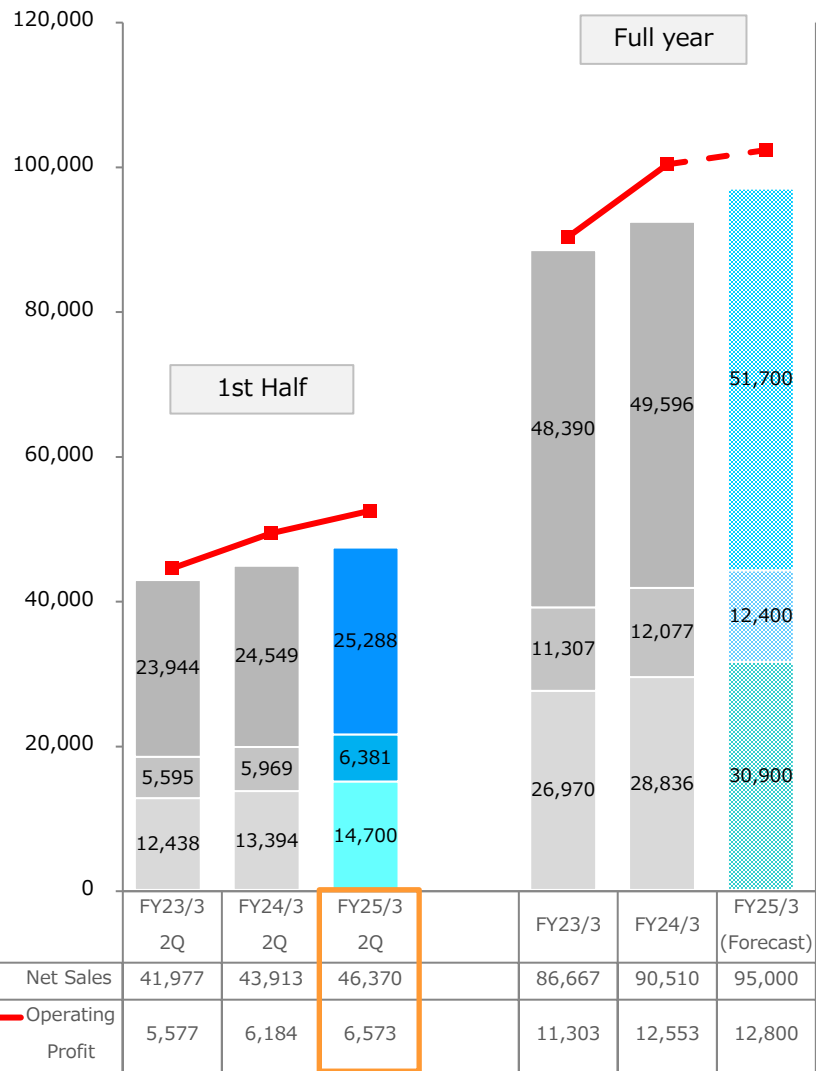
(Number of parking lots)



[Real estate management sales]

(Net Sales : Millions of yen)

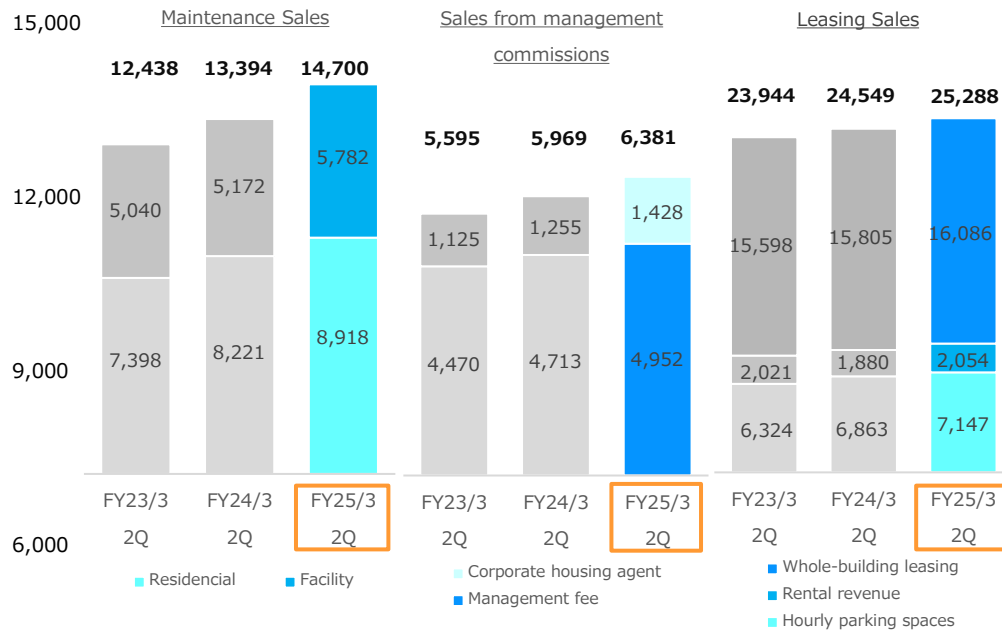
(Operating Profit : Millions of yen)



■ Maintenance sales ■ Management commissions ■ Leasing sales

[Real estate Management Business Sales by type]

(Millions of yen)



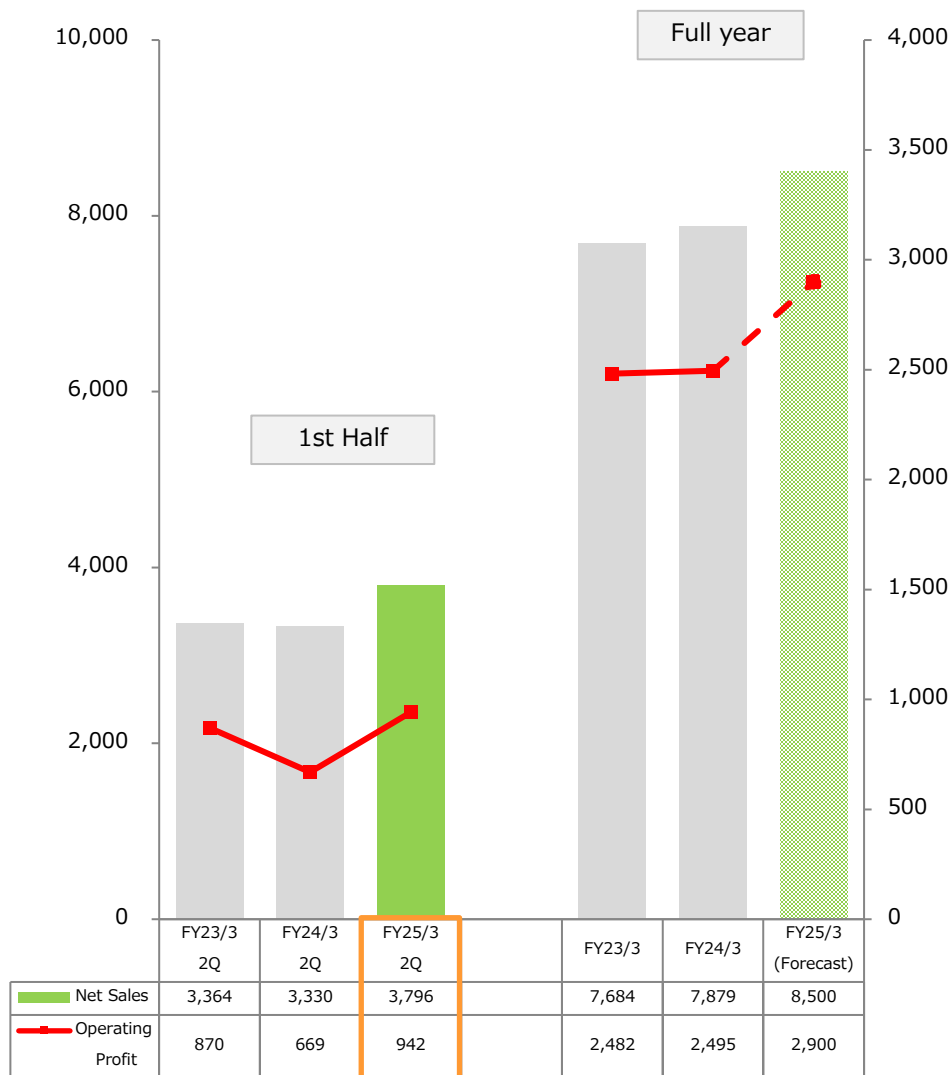
Business Activities

- ✓ Electronic contract function for repair work released
➡ Improved customer convenience and reduced environmental impact through paperless operations
- ✓ Navi Park Smartphone Application
➡ Linking with Yume-navi points service in October 2024, making it possible to "use and save" points when paying usage fees.

◆ Overview by Segment [Rental brokerage Business]

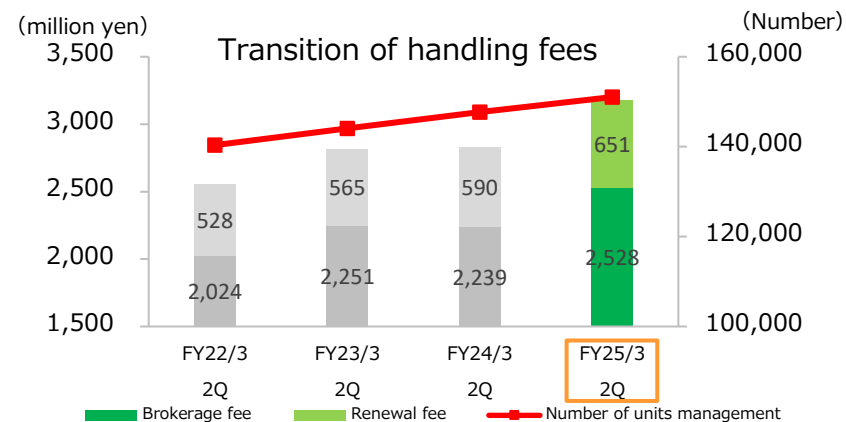
(Net Sales : Millions of yen)

(Operating Profit : Millions of yen)



FY25/3 2Q (24/4-9) results

- ✓ Continued increase in rental units under management
- ➡ Brokerage commissions and renewal commissions remained steady



Business Activities

- ✓ Produced a new commercial featuring Ryohei Suzuki and Reia Yonekura, and have utilized transit and digital advertising to raise awareness of our service.

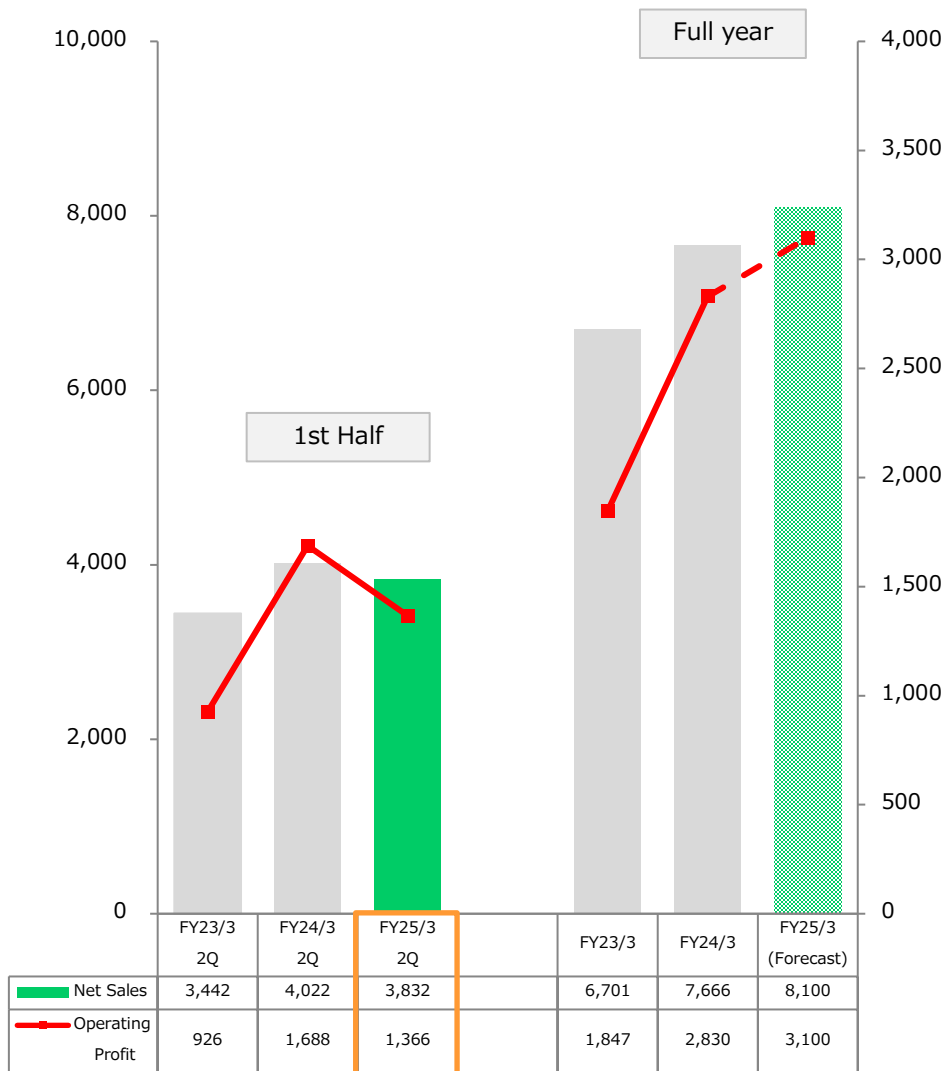


New commercial to start airing on July 25, 2024 : Our service fits your heart and yourselves

◆ Overview by Segment [Real Estate Brokerage Business]

(Net Sales : Millions of yen)

(Operating Profit : Millions of yen)

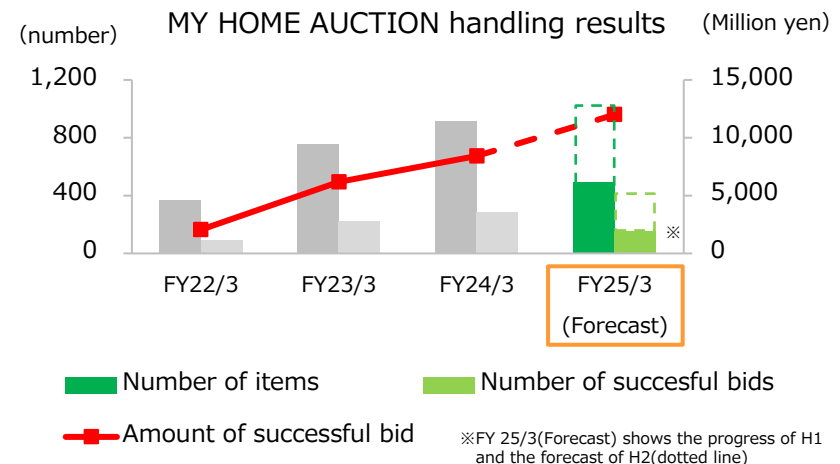


FY25/3 2Q (24/4-9) results

- ✓ In PY, handled a large trust beneficiary right transaction brokerage, the amount of which 353 million yen
- ✓ Transaction volume was 108% of that of the same period of the previous year

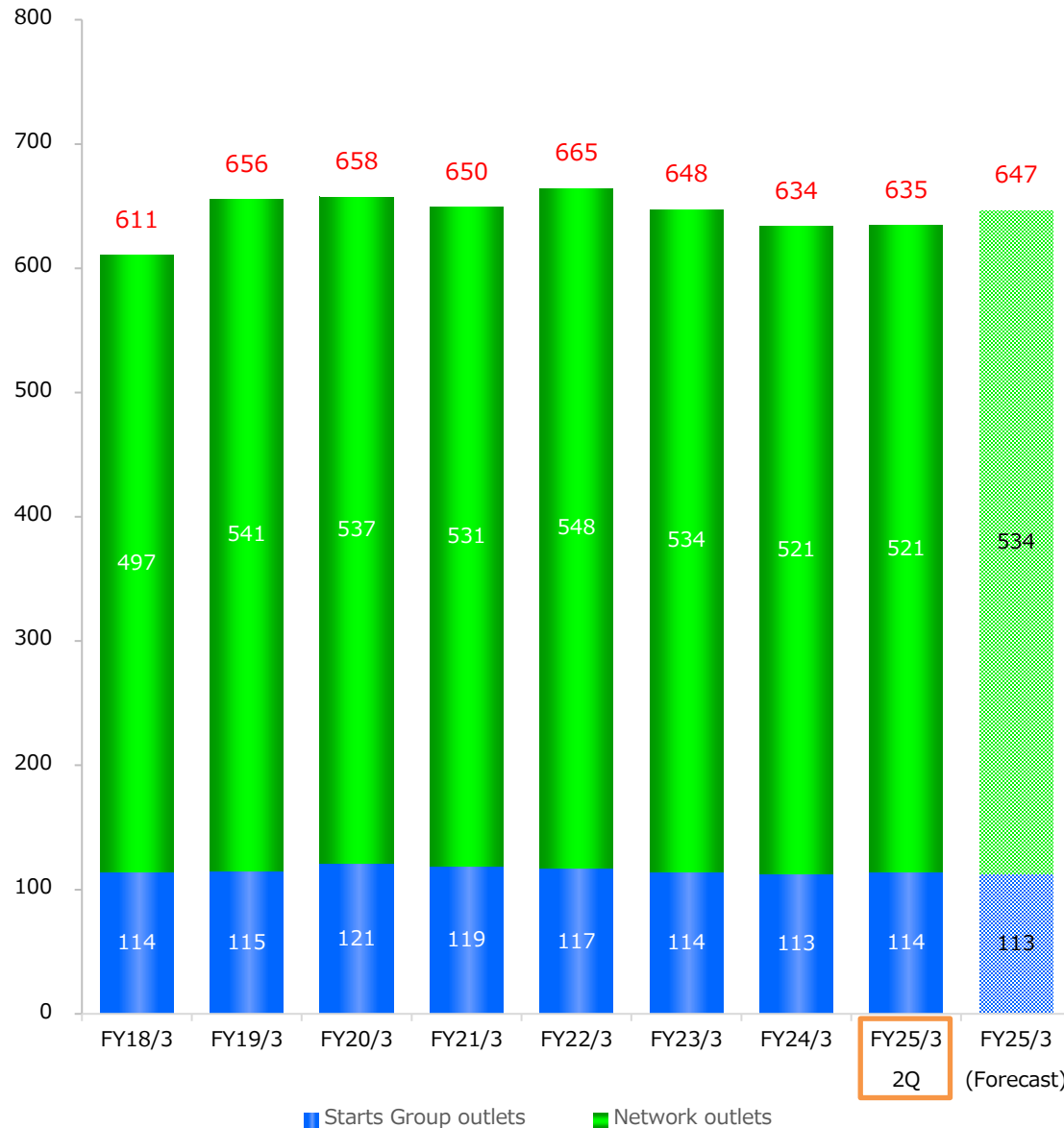
Business Activities

- ✓ Regularly held MY HOME AUCTION
 - ➡ Promoting fair, transparent and secure real estate transactions
 - ➡ Differentiation from the competitors as the industry's first real estate auction



◆Trend in the number of PITAT HOUSE real estate outlets

(Number of Outlets)



Network outlets (Consulting Business)

As well as developing the PITAT HOUSE network nationwide, We are focusing on "human resource development" to help franchisees grow and improve services to customers by holding customer service contests for franchisees nationwide, holding simultaneous nationwide MY HOME AUCTION, and developing Business systems for franchisees.

Starts Group outlets (Real Estate Brokerage Business)

Centered on the Tokyo metropolitan area and the major metropolitan areas of Sapporo, Sendai, Nagoya, Osaka, and Fukuoka, the Company will develop proposals and strengthen services nationwide by leveraging the comprehensive strengths of the Starts Group, while opening new branches in urban centers and consolidating branches in existing areas.

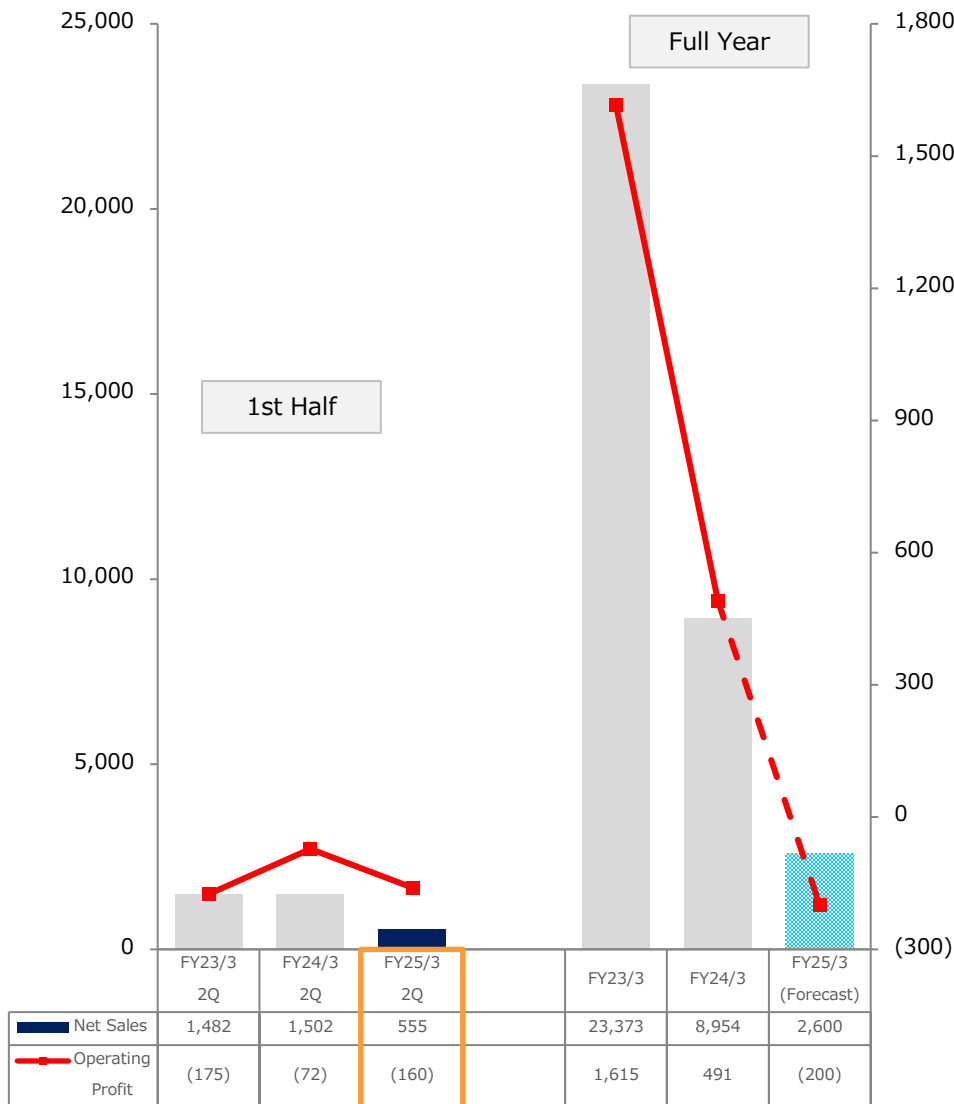
What's New

Nov. 2024, Higashi-Kawaguchi branch merged into Shin-Koshigaya branch

◆ Overview by Segment [Real Estate Development Business]

(Net Sales : Millions of yen)

(Operating Profit : Millions of yen)



FY25/3 2Q(24/4-9) results

✓ Sales of QUWON GARDEN Todoroki

Business Activities

- ✓ Alpha Grande Koshigaya Lake Town
Scheduled for completion and delivery in Mar. 2025
➔ Contract balance at the end of Oct. 2024 was 1,306 million yen
- ✓ Seven buildings worth approximately 6,700 million yen are planned for investment properties in the 23 wards of Tokyo, Fuchu City, and Nagoya City, Aichi Prefecture.

■ QUWON GARDEN Todoroki



Building A / B



Building C

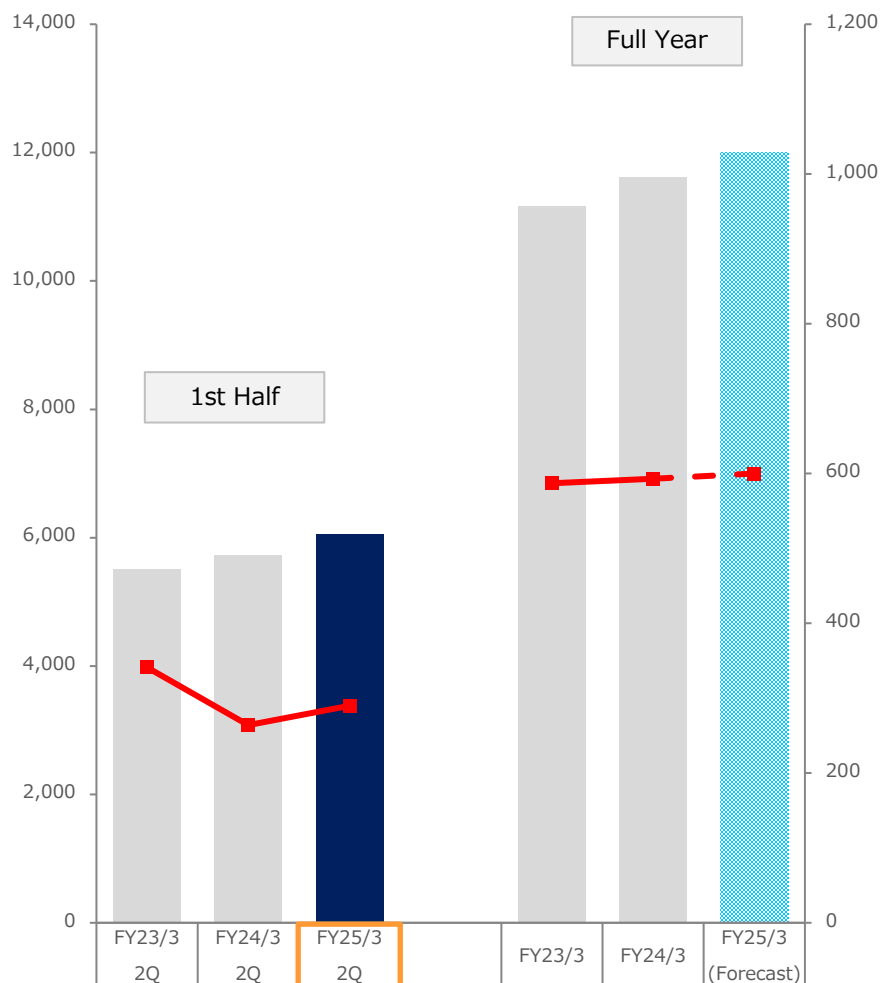
[Property Overview]

- Location:
Nakamachi,
Setagaya-ward,
Tokyo
- Structure:
Building A, 3-
story wooden
building, Building
B and Building C,
2-story wooden
building
- House layout:
Arrangement
2~3 bedrooms

◆ Overview by Segment [Elderly Assistance and Childcare Business]

(Net Sales : Millions of yen)

(Operating Profit : Millions of yen)



FY25/3 2Q(24/4-9) results

- ✓ Operated 126 business sites
(as of the end of September 2024)
- ✓ Group Homes, Retirement Homes, and Nursery Schools were operating steadily

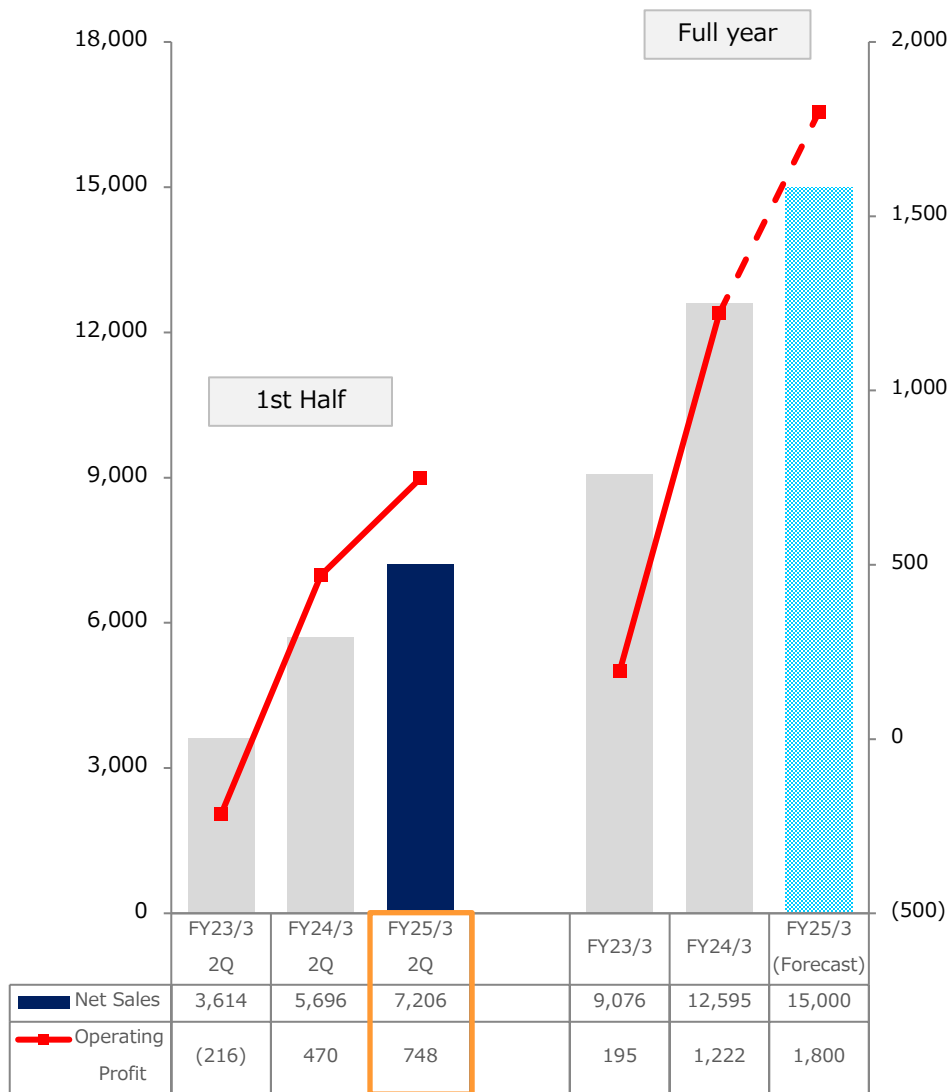
Business Activities

- ✓ Plans to open six new facilities
 - Nov. 2024 Group Home Kirara Funabashi Hasama
 - Jul. 2025 Group Home Kirara Nishiogiminami
Small-scale multifunctional Kirara Nishiogiminami
 - Dec. 2025 Group Home Kirara Omori Beach Park
 - Feb. 2026 Group Home Kirara Itabashi Tokumaru
Small-scale multifunctional Kirara Itabashi Tokumaru
- ✓ Continue to hire overseas human resources
 - ➡ Technical intern trainees and specified skilled workers from overseas to 80 people at the end of the year
- ✓ Introduction of nursery school attendance management application
 - ➡ Responding to the changing needs of parents and reducing the burden of communication

◆ Overview by Segment [Hotel and Leisure Business]

(Net Sales : Millions of yen)

(Operating Profit : Millions of yen)



FY25/3 2Q (24/4-9) results

- ✓ HOTEL comento YOKOHAMAKANNAI Opened in April 2024
 - ➡ Together with HOTEL Emion SAPPORO which had opened in December 2023, net sales increased by 1,030 million-yen YOY
- ✓ Increase in room rates due to increased demand for lodgings
 - ➡ 20% increase compared to September 2019 before COVID-19
- ✓ HOTEL Emion TOKYO BAY
 - FY2023 JTB Customer Survey Evaluation "Overall Rating Excellent Ryokan・Hotel Award" Awarded for 13 consecutive years
 - 2023 JTB's Choice for Large Hotels in Eastern Japan
 - Received the "Ryokan/Hotel Award for Service Excellence."

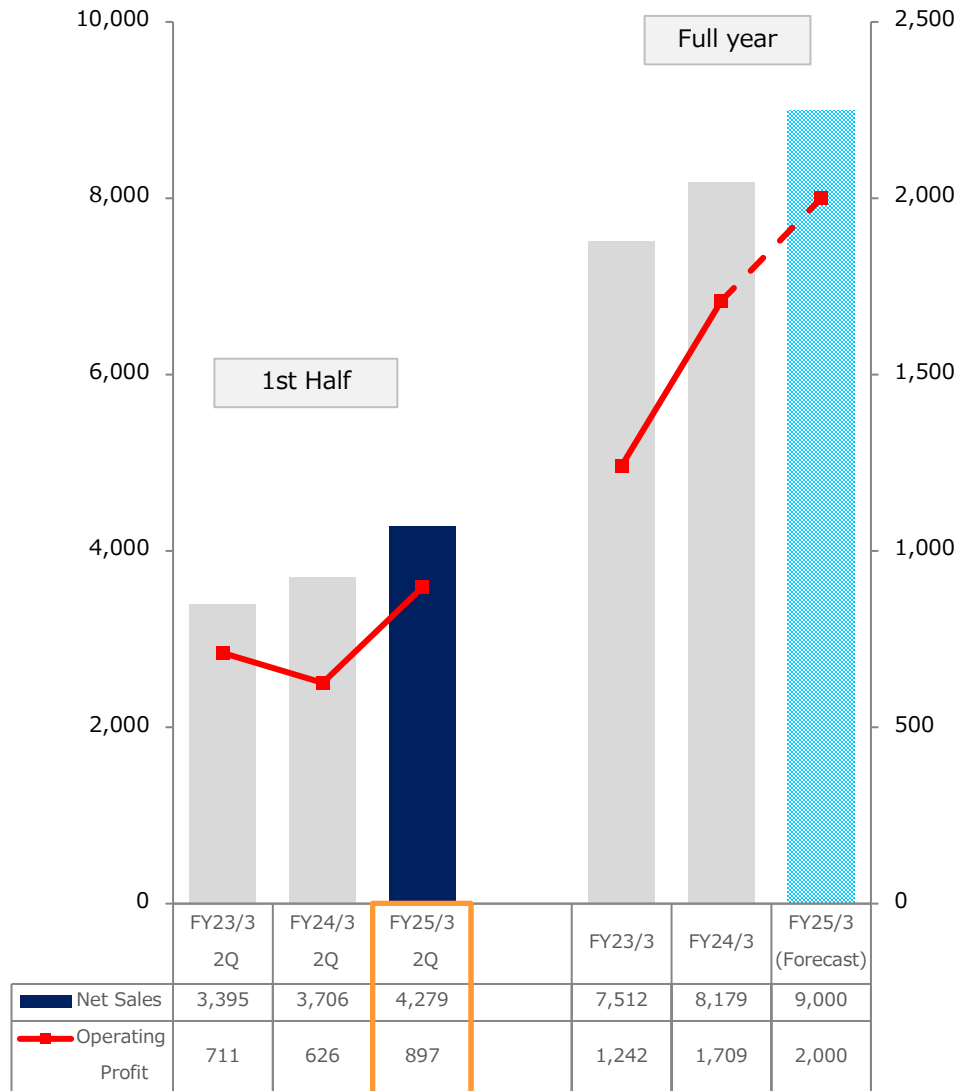
Business Activities

- ✓ HOTEL comento YOKOHAMAKANNAI
 - "GOOD DESIGN AWARD 2024"
 - "66th Kanagawa Prefecture Architectural Competition, Excellence Award"
 - ➡ A hotel chosen by customers for both intangible and tangible elements

◆ Overview by Segment [Finance and Consulting Business]

(Net Sales : Millions of yen)

(Operating Profit : Millions of yen)



FY25/3 2Q (24/4-9) results

- ✓ Increase in mortgage agency commissions
➡ Due to increase in real estate prices
- ✓ increase in small-amount short-term insurance premium income
➡ Number of insurance policies handled 109% YOY

Business Activities

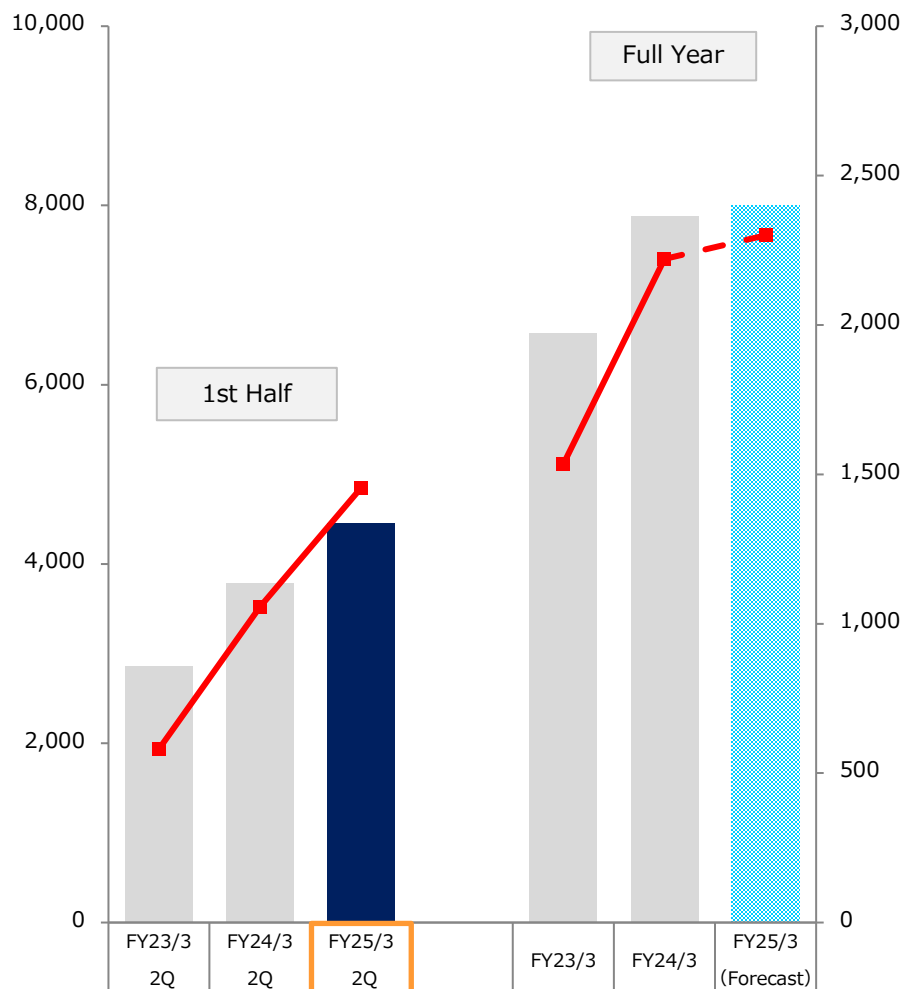
- ✓ Securities business : Started handling fund wrap compatible with the new NISA
➡ Strengthened asset management support for customers
- ✓ Trust business : Entered into a trust agency agreement with Hamamatsu Iwata Shinkin Bank

Business	Revenue base	FY24/3 2Q	FY25/3 2Q	FY25/3 (Forecast)
Pitat House Franchise Business	Pitat House Number of franchisees	639	635	647
Securities Business	Financial Management, Securities Insurance, etc. Agency income (100 m yen)	9	13	25
Investment corporation asset management business	"Starts Proceed Investment Corporation" Asset under management (100 m yen)	976	979	946
Insurance business	Number of small amount insurance policies handled	41,341	44,873	94,800
Trust business	Total number of assets under management Assets under management (100 m yen)	328 1,371	355 1,704	384 1,761

◆Overview by Segment [Publishing Business]

(Net Sales : Millions of yen)

(Operating Profit : Millions of yen)



FY25/3 2Q(24/4-9) results

- ✓ “Ano Hana ga Saku Oka de Kimi to Mata Deaetara”
Movie box office revenues of 4.5 billion yen
Cumulative total of 1.4 million books published
The spin-off published in June 2024 Strong sales
- ✓ “OZ Premium Reservations”
OZ Mall Membership topped 4.5 million

Business Activities

- ✓ OZ’s Private and Large Group Reservations service started
➡ Aim to increase commission income through large-scale reservations
- ✓ Plans to launch a new label to attract new readers
- ✓ Collaboration Event of Media and Corporate, Local Government
➡ Creating a bustling city especially in Tokyo

“Hajimemashite Konnitiwa, Rikon Shite Kudasai”
Drama broadcast began in November 2024.



“Seishun gestalt Houkai”
Film adaptation to be made in 2025



“Oz-no-Tabi Expo 2024”
Held in September 2024

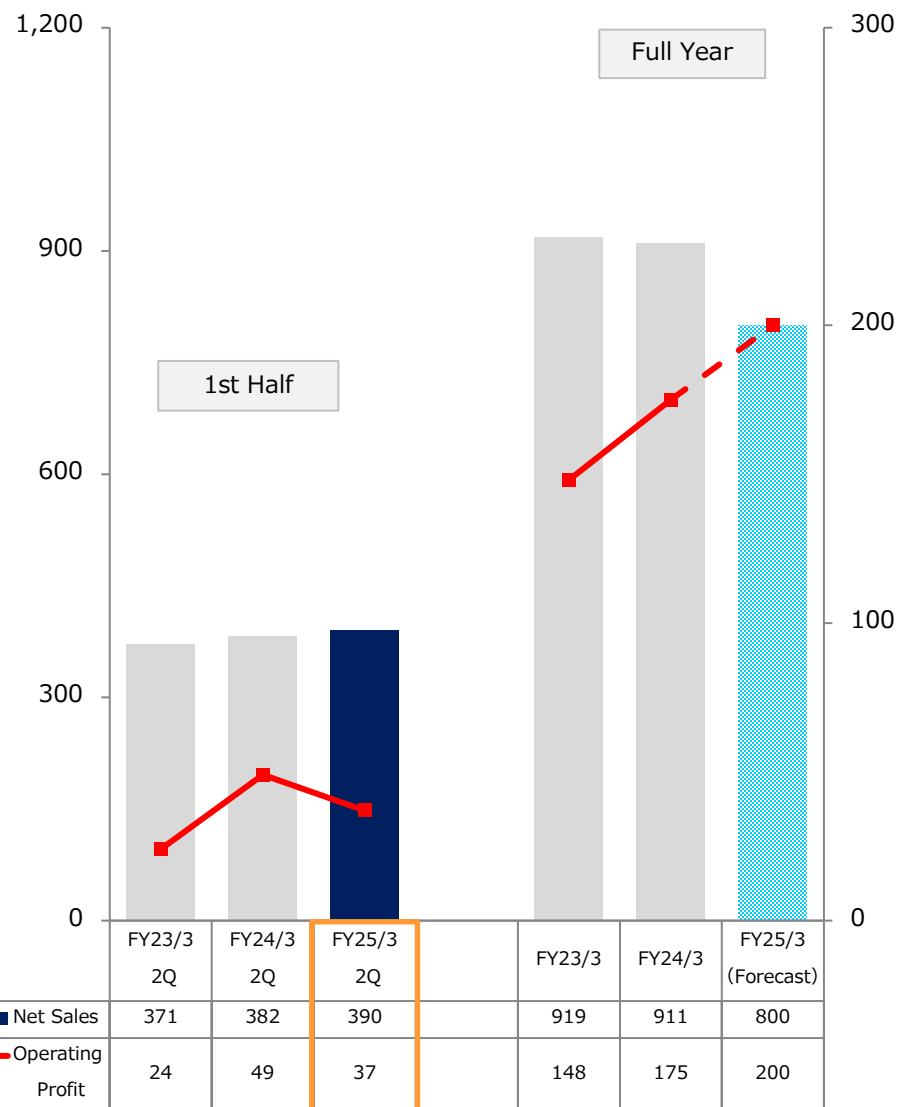


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◆ Overview by Segment [Merchandising and Culture Business]

(Net Sales : Millions of yen)

(Operating Profit : Millions of yen)



FY25/3 2Q(24/4-9) results

- ✓ Closed Mitsuo Aida Museum in January 2024
➔ Local exhibition was held in Ashikaga City to commemorates 100th anniversary of birth
- ✓ Hirosaki Museum of Contemporary Art
Recorded number of visitors since its opening

Business Activities

- ✓ Hirosaki Museum of Contemporary Art
2024 Fall / Winter Program
Event "How Did You Come into the World?" going on

• Hirosaki Museum of Contemporary Art



How Did You Come into the World?
(Date September 27, 2024 - March 9, 2025)



• Rock tea house 「33 1/3」 Reproduction display Collection of Yoshitomo Nara Foundation
Yoshitomo Nara: The Beginning Place Kokokara
(Aomori Museum Of Art, 2023-2024) View of the venue
Photo: Keizo Kioku

Financial data

Overview

In early September 2024, we received notice from Toyosu Co., Ltd., our largest and major shareholder, that it intended to sell 1,500,000 shares (ownership ratio: 2.95%) representing a portion of our common shares held by it. Considering the impact on the liquidity and market price of our common shares in the event of a significant number of shares being temporarily released into the market, as well as our financial position, we decided to acquire the shares as treasury shares.

We have determined that the acquisition of treasury shares and the implementation of the Tender Offer as a specific acquisition method are expected to avoid a temporary deterioration in the supply-demand relationship of our shares and contribute to the improvement of capital efficiency such as our Earnings per Share (EPS) and Return on Equity (ROE), leading to the return of profits to shareholders. In addition, we have determined that the tender offer method is appropriate from the perspective of equality among shareholders and transparency of transactions. Therefore, we decided to acquire treasury shares and implement the tender offer as a specific acquisition method at the Board of Directors meeting held on November 8, 2024.

Class of share certificates	Number of shares to be purchased	Purchase price	Acquisition cost	Period of Purchase, etc.
Common stock	1,650,000 shares	3,271 yen	5,397 million yen	From November 11, 2024 to December 9, 2024

■ Effect on financial information

	Equity-to-asset ratio	Earnings per Share	ROA	ROE
Forecast for the FY 2025/3	52.3%	450.96 yen	6.7%	13.1%
Expected after share buyback	51.5%	454.47 yen	6.8%	13.3%
Change	(0.8%)	+3.51 yen	+0.1%	+0.2%

◆ Consolidated Statements of income

(Millions of yen)

	FY2025/3 2Q Results	FY2025/3 2Q Plan	Achievement rate for plan	FY2024/3 2Q Results	YOY
Net sales	108,851	105,800	102.9%	104,983	+3,867
Cost of sales	72,210	70,800	102.0%	71,813	+396
Gross profit	36,641	35,000	104.7%	33,170	+3,471
Expcence	21,569	22,300	96.7%	20,507	+1,062
Operating income	15,071	12,700	118.7%	12,662	+2,409
Non-operating income	871	850	102.5%	2,109	(1,238)
Non-operating expenses	1,085	850	127.6%	188	+897
Ordinary income	14,857	12,700	117.0%	14,583	+273
Extraordinary income	3,090	2,700	114.4%	0	+3,090
Extraordinary losses	128	200	64.0%	64	+64
Intermediate net benefits before tax	17,819	15,200	117.2%	14,520	+3,298
Income taxes	5,791	4,900	118.2%	5,002	+788
Net profit attributable to the parent	12,027	10,300	116.8%	9,517	+2,510

◆ Non-operating income

Interest income	211
Dividend income	241
Subsidy income	281
Rent income	18
Other	117
	871

◆ Non-operating expenses

Interest expense	173
Foreign exchange losses	837
Customer service expenses	11
Other	62
	1,085

◆ Extraordinary gains

Gain on sales of fixed assets	2,999
Gain on sales of investment securities	91
	3,090

◆ Extraordinary losses

Loss on disposal of fixed assets	125
Other	3
	128

※Exchange rate

End of Mar. 2024 \$=151.41 → End of Sep. 2024 \$=142.73 (Expected rate 145.41)

◆ Consolidated Balance Sheets

(Millions of yen)

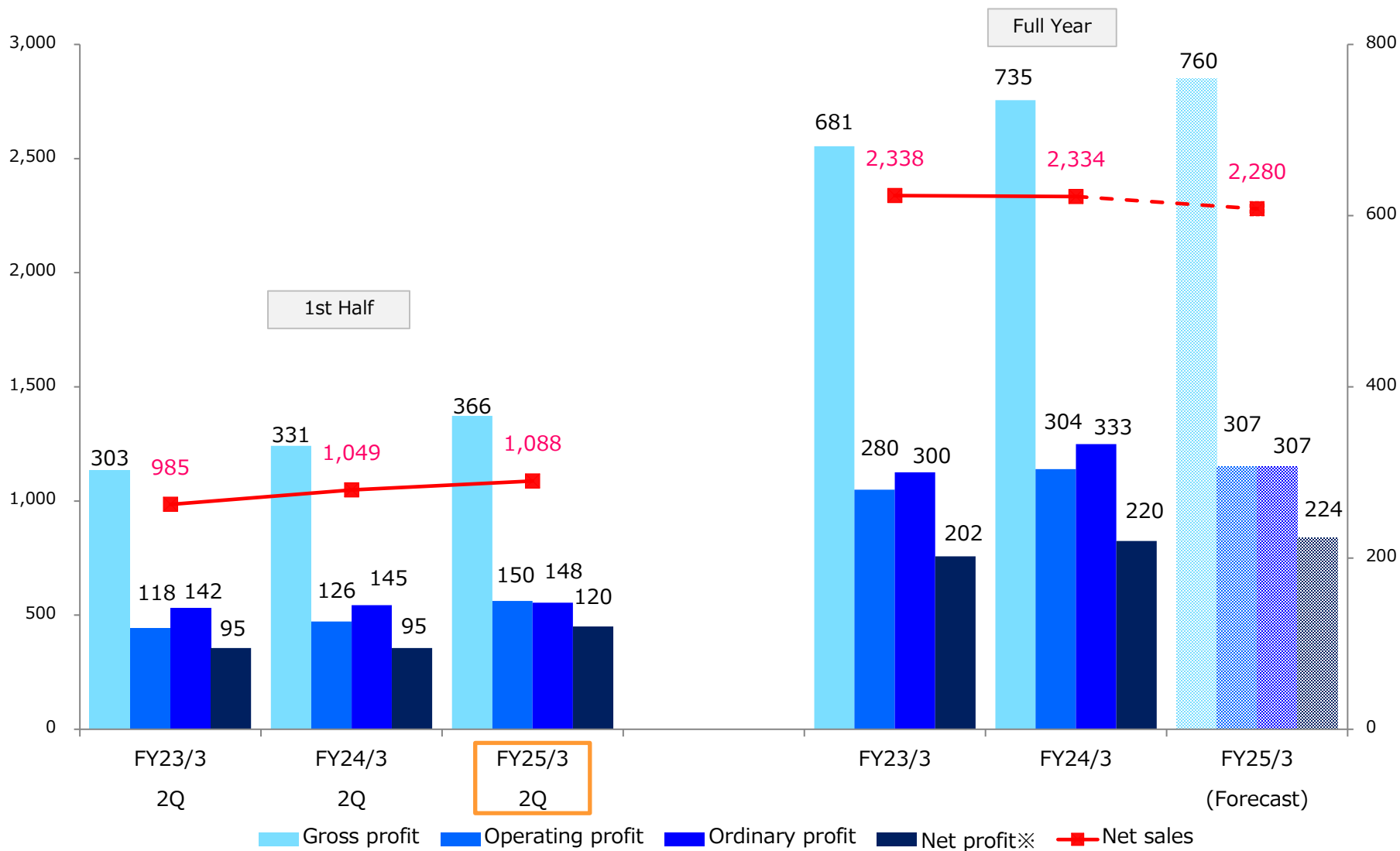
	FY2025/3 2Q (Sep.30,2024)	FY2024/3 (Mar.31,2024)	Change
(Assets)			
Cash and cash equivalents	97,176	94,037	+3,139
Accounts receivable and contracts assets	13,920	20,410	(6,489)
Real estate for sale	5,811	3,563	+2,247
Real estate for sale in process	14,483	11,967	+2,516
Costs on construction contracts in progress	2,495	2,022	+472
Other	8,575	15,539	(6,963)
Total current assets	142,464	147,540	(5,076)
Property, plant and equipment	137,896	138,172	(276)
Intangible assets	5,394	5,038	+355
Investments and other assets	32,378	33,356	(977)
Total non-current assets	175,669	176,568	(898)
Total assets	318,133	324,109	(5,975)

	FY2025/3 2Q (Sep.30,2024)	FY2024/3 (Mar.31,2024)	Change
(Liabilities)			
Accounts payable - trade and accounts payable for constructions contracts	16,218	22,198	(5,979)
Short-term borrowings	20,254	22,635	(2,381)
Other	44,924	48,781	(3,856)
Total current liabilities	81,397	93,615	(12,217)
Long-term borrowings	47,869	50,797	(2,928)
Other	14,070	14,377	(306)
Total non-current liabilities	61,939	65,175	(3,235)
Total liabilities	143,336	158,790	(15,453)
(Net assets)			
Common stock	11,039	11,039	-
Capital surplus	6,572	6,545	+26
Retained earnings	154,134	144,836	+9,298
Treasury shares	(8,174)	(8,173)	(0)
Other	11,224	11,071	+153
Total net assets	174,796	165,318	+9,478
Total liabilities and net assets	318,133	324,109	(5,975)

◆ 【Consolidation】 Results transition

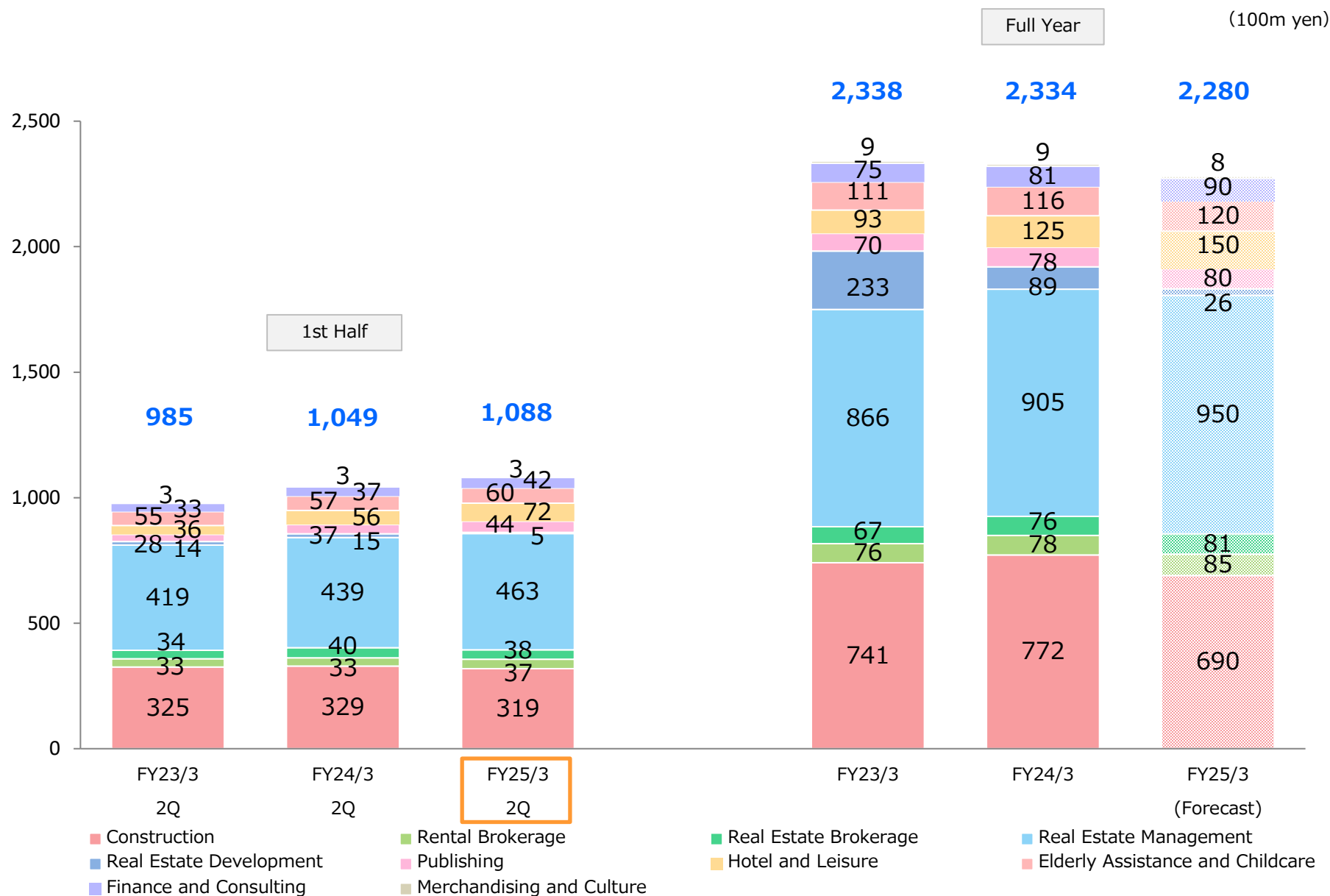
(Net Sales : 100m yen)

(Profit : 100m yen)

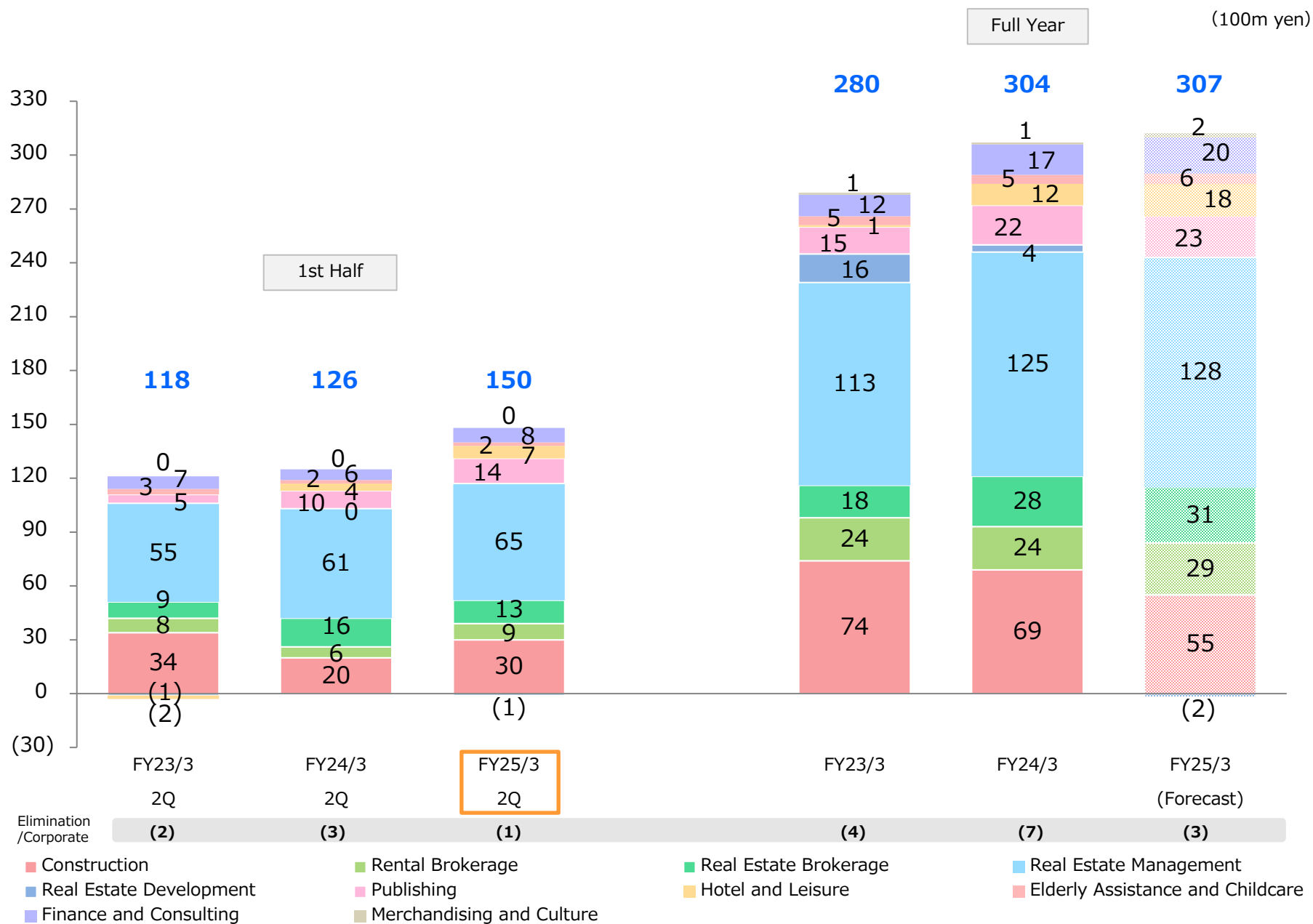


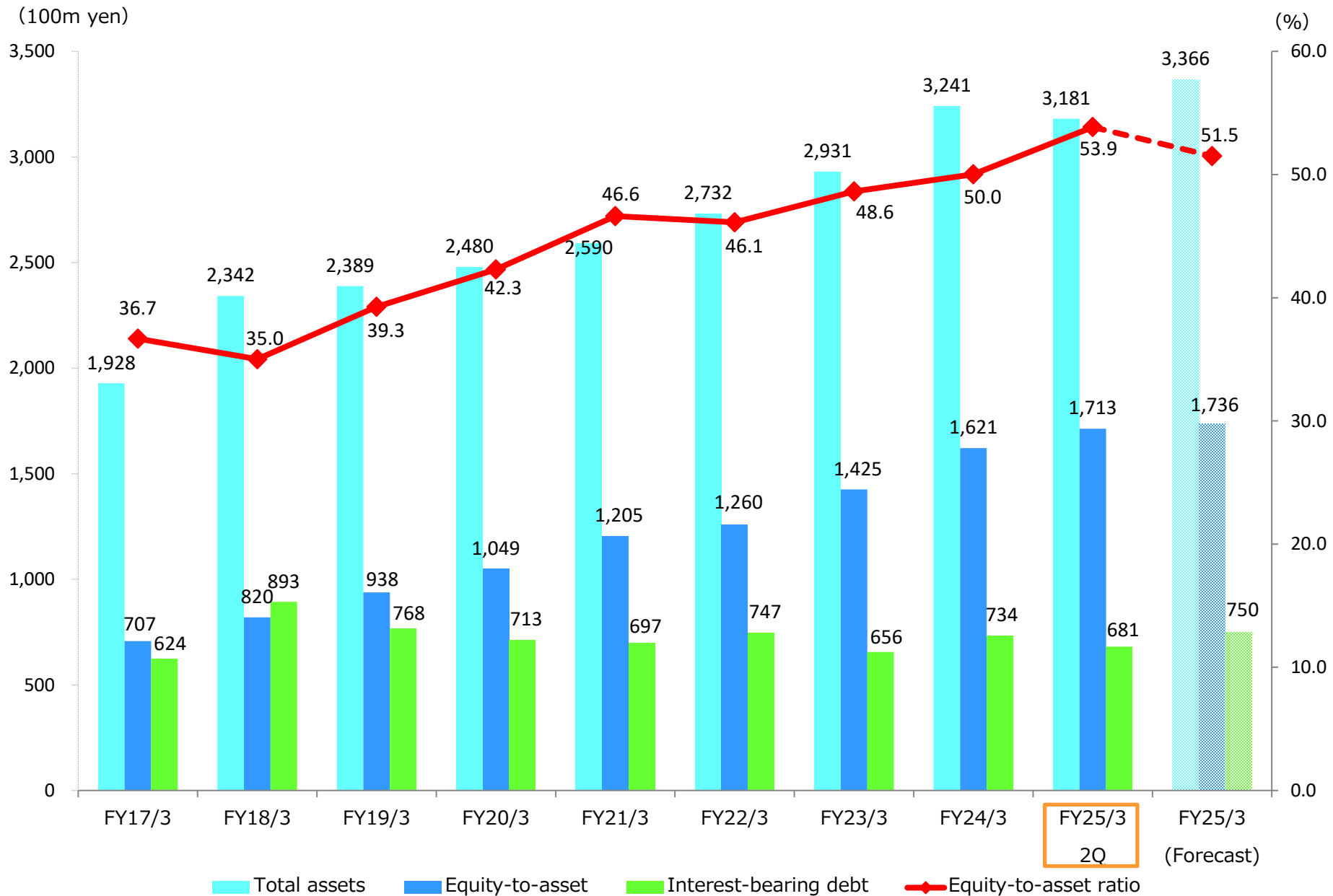
※Net Profit attributable to the parent

◆ 【Consolidation】 Net Sales by Segment



◆ 【Consolidation】 Operating Profit by Segment



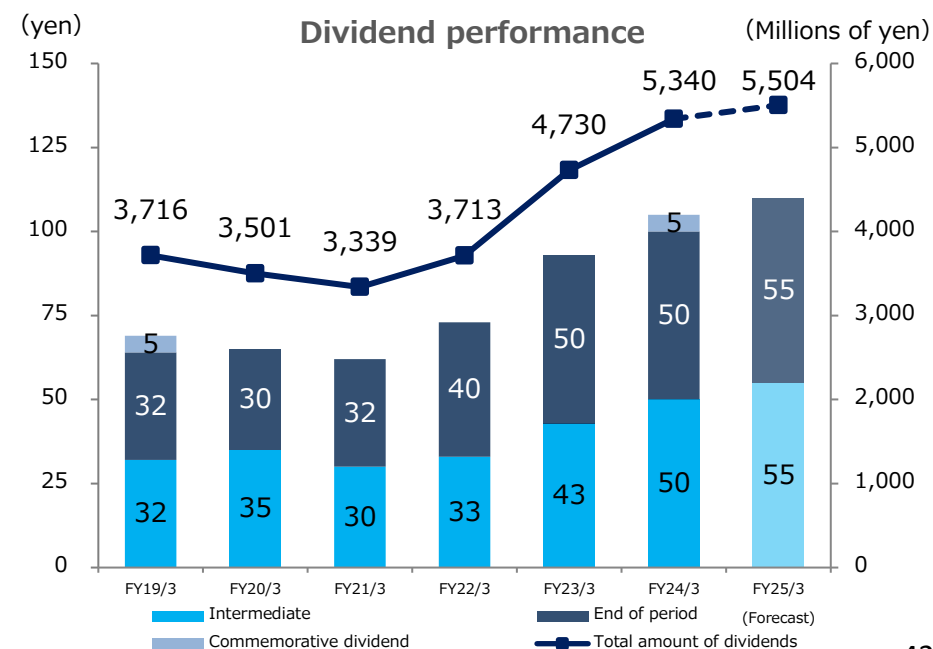
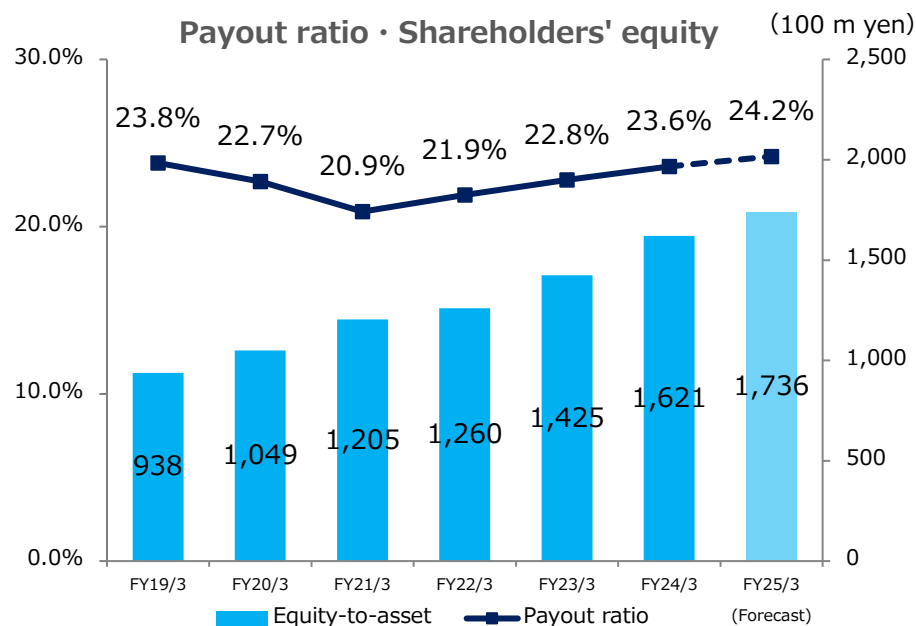
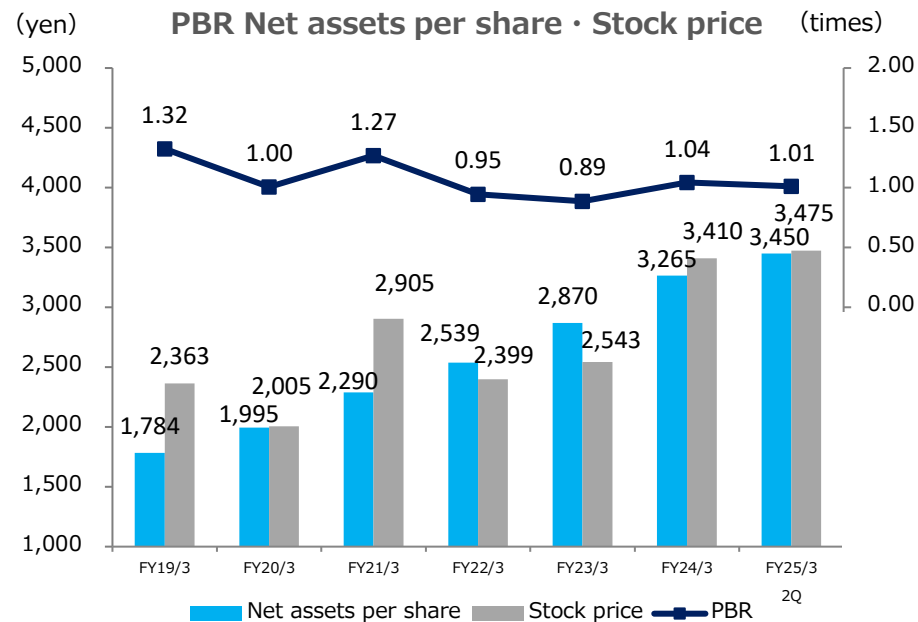
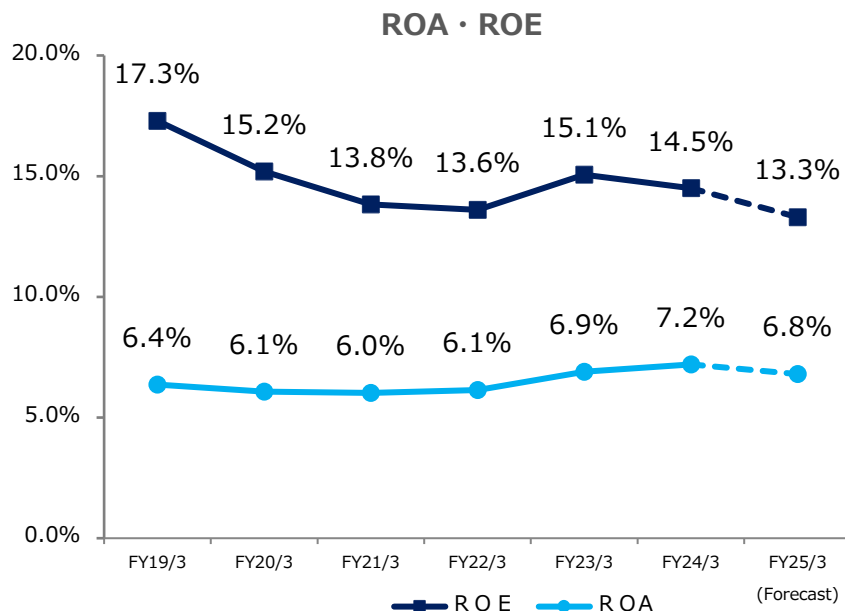


◆ 【Consolidation】 Financial data

	FY16/3	FY17/3	FY18/3	FY19/3	FY20/3	FY21/3	FY22/3	FY23/3	FY24/3	FY25/3 2Q	FY25/3 (Forecast)
Operating Profit (100 m yen)	179	201	209	228	239	220	241	280	304	150	307
EBITDA (100 m yen)	214	238	243	270	285	268	293	335	319	183	373
Net Profit (100 m yen)	106	136	137	152	150	155	167	202	220	120	224
Number of shares issued	53,998,205	53,998,205	53,998,205	53,998,205	53,998,205	53,998,205	53,998,205	53,998,205	53,998,205	53,998,205	53,998,205
Dividend amount (Per share)	47yen	55yen	60yen	69yen	65yen	62yen	73yen	93yen	105yen	55yen	110yen
Payout ratio	23.2%	21.2%	23.0%	23.8%	22.7%	20.9%	21.9%	22.8%	23.6%	-	24.2%
D / E ratio	1.1	0.9	1.1	0.8	0.7	0.6	0.6	0.5	0.5	0.4	0.4
Net D / E ratio	0.3	0.1	0.5	0.3	0.1	(0.02)	0.00	(0.14)	(0.12)	(0.17)	(0.17)
Interest-bearing debt	3.1	2.6	3.7	2.8	2.5	2.6	2.5	2.0	2.0	-	2.0
Equity-to-asset ratio	33.6%	36.7%	35.0%	39.3%	42.3%	46.6%	46.1%	48.6%	50.0%	53.9%	51.5%
ROA	5.9%	7.0%	5.8%	6.4%	6.1%	6.0%	6.1%	6.9%	7.2%	-	6.8%
ROE	18.7%	20.7%	17.9%	17.3%	15.2%	13.8%	13.6%	15.1%	14.5%	-	13.3%
EPS	203.01yen	259.41yen	260.94yen	290.16yen	286.26yen	296.26yen	332.83yen	407.07yen	444.84yen	-	454.47yen
Stock price (End of period)	2,504yen	2,324yen	2,893yen	2,363yen	2,005yen	2,905yen	2,399yen	2,543yen	3,410yen	3,475yen	-

EBITDA	・ ・ ・ Operating Profit + Depreciation expense
Net Debt	・ ・ ・ Interest-bearing debt — Cash and cash equivalents (Actual amount of debt)
D / E ratio	・ ・ ・ Interest-bearing debt ÷ Equity capital (Debt-to-equity ratio)
Net D / E ratio	・ ・ ・ (Interest-bearing debt— Cash and cash equivalents) ÷ Equity capital
Interest-bearing debt / EBITDA	・ ・ ・ An indicator that shows how many times interest-bearing debt is EBITDA
ROA	・ ・ ・ Return on Assets (Net Profit ÷ Total assets)
ROE	・ ・ ・ Return on Equity (Net Profit ÷ {(Shareholders' equity at the end of period + Shareholders' equity at end of period) ÷ 2 })
EPS	・ ・ ・ Earnings per Share (Net Profit ÷ Number of shares issued and outstanding excluding treasury stock)

◆ 【Consolidation】 Changes in financial indicators





“People are everything, the heart is all”

Since its foundation 55 years ago, Starts has diligently created wide-ranging Businesses as <the Comprehensive Life and Culture Company> while striving to grow each customer interaction into lasting relationships.

We strongly believe in <people> power since that is the primary reason we, as a corporate group of 93 companies with more than 9,000 employees, have been able to energetically pursue a variety of Business opportunities without restructuring or streamlining.

The finest hospitality we provide to our customers is guaranteed by our personnel policy which adamantly refuses extreme rationalism in today's competitive corporate world where <cutting staff> is rampant, and we put the right person to the right position so they can make the best use of their individual characters, talent, and good nature.

This fundamental spirit of Starts has never and will never fade away.
As we conduct our Business, we are always hoping to be <people> who can produce a lasting impression in the hearts of our customers.

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