



55th Anniversary
since 1969

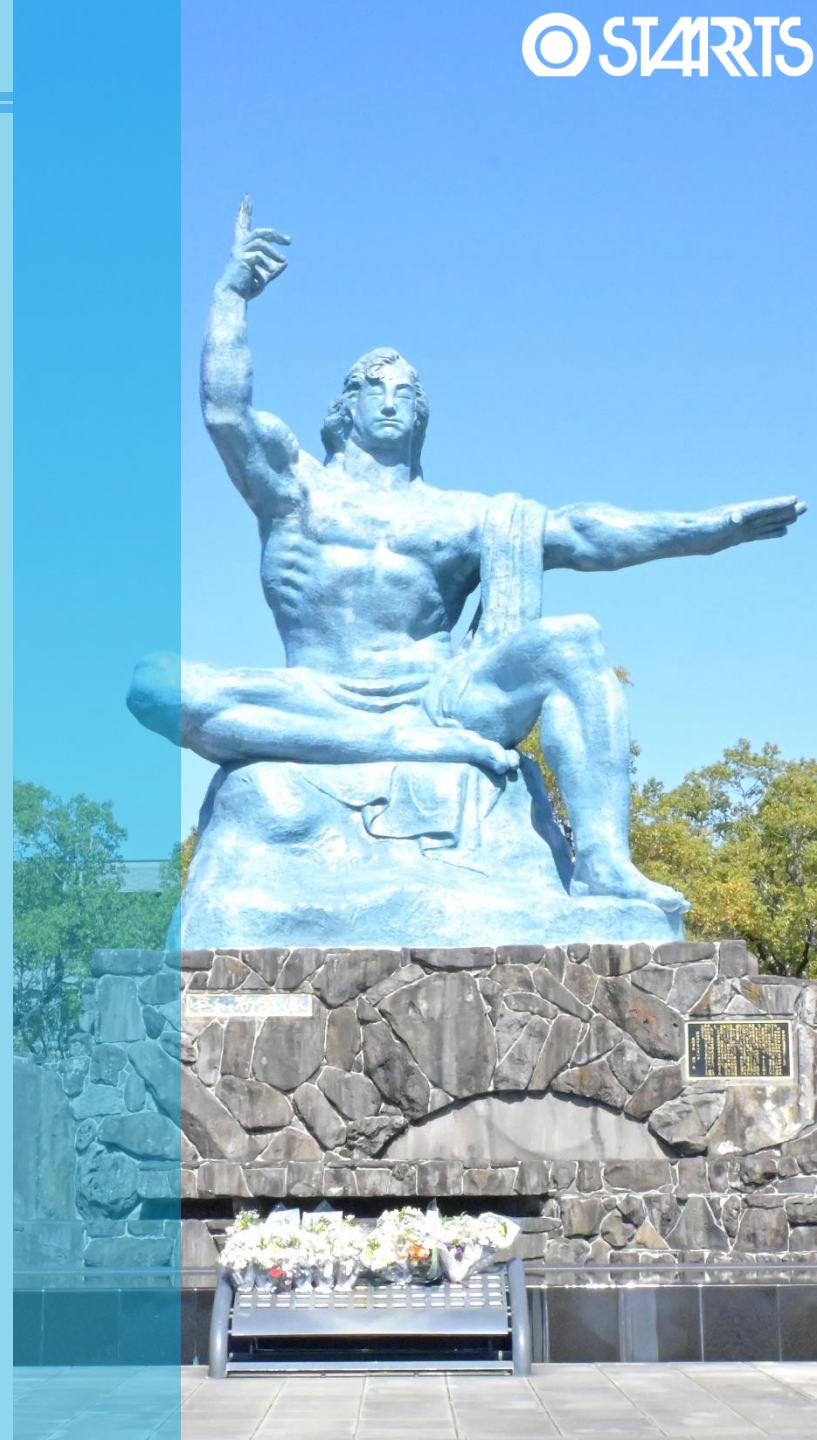
FINANCIAL REPORT FOR FISCAL YEAR MARCH 2024

Starts Corporation Inc.

Securities code : 8850

「Development of Profit accumulation business」

STARTS



Summary of Operating Results	P2	Overview by Segment	P22~35
		■ Construction Business	P22~24
Business Overview Group Organization Chart	P3~4	■ Real Estate Management Business	P25~26
		■ Real Estate Brokerage Business	P27~28
Overview of Operating Results	P6~11	■ Trend in the number of PITAT HOUSE real estate outlets	P29
		■ Real Estate Development Business	P30
Business Strategy of Starts Group	P13~20	■ Elderly Assistance and Childcare Business	P31
■ Growth strategy	P13	■ Hotel and Leisure Business	P32
■ Expansion of Starts' stock business	P14~18	■ Finance and Consulting Business	P33
■ Investment for Growth Projects	P19	■ Publishing Business	P34
■ Overseas Business	P20	■ Merchandising and Culture Business	P35
		Financial date	P37~44
		Corporate Philosophy	P45

FY2023 (23/4-24/3) Operating Results Summary

✓ Net Sales (100 m yen)	2,334 <down 4 YOY>
✓ Operating Profits (100 m yen)	304 <up 24 YOY>
✓ Ordinary Profit (100 m yen)	333 <up 33 YOY>
✓ Net Profit (100 m yen)	220 <up 18 YOY>
✓ Cash dividends(yen)	Annual dividend 105 <Year-end dividend 55>

FY2023 (23/4-24/3) Topics

✓ Construction	Operating income margin down 1.2% YOY due to soaring material prices and rising labor costs.
✓ December 2023	HOTEL Emion SAPPORO, the ninth hotel in Japan, opened.
✓ Hotel and Leisure	Recovery in domestic hotel demand has led to an increase in the average room rate.
✓ Net income	Record profits for four consecutive fiscal years.

FY2024 (24/4-25/3) Earnings Forecast Summary

✓ Net Sales (100 m yen)	2,280 <down 2.3% YOY>
✓ Operating Profit (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>



Construction



Real Estate Management



Real Estate Brokerage



Real Estate Development



Elderly Assistance and childcare



Finance and Consulting



Hotel and Leisure



Publishing



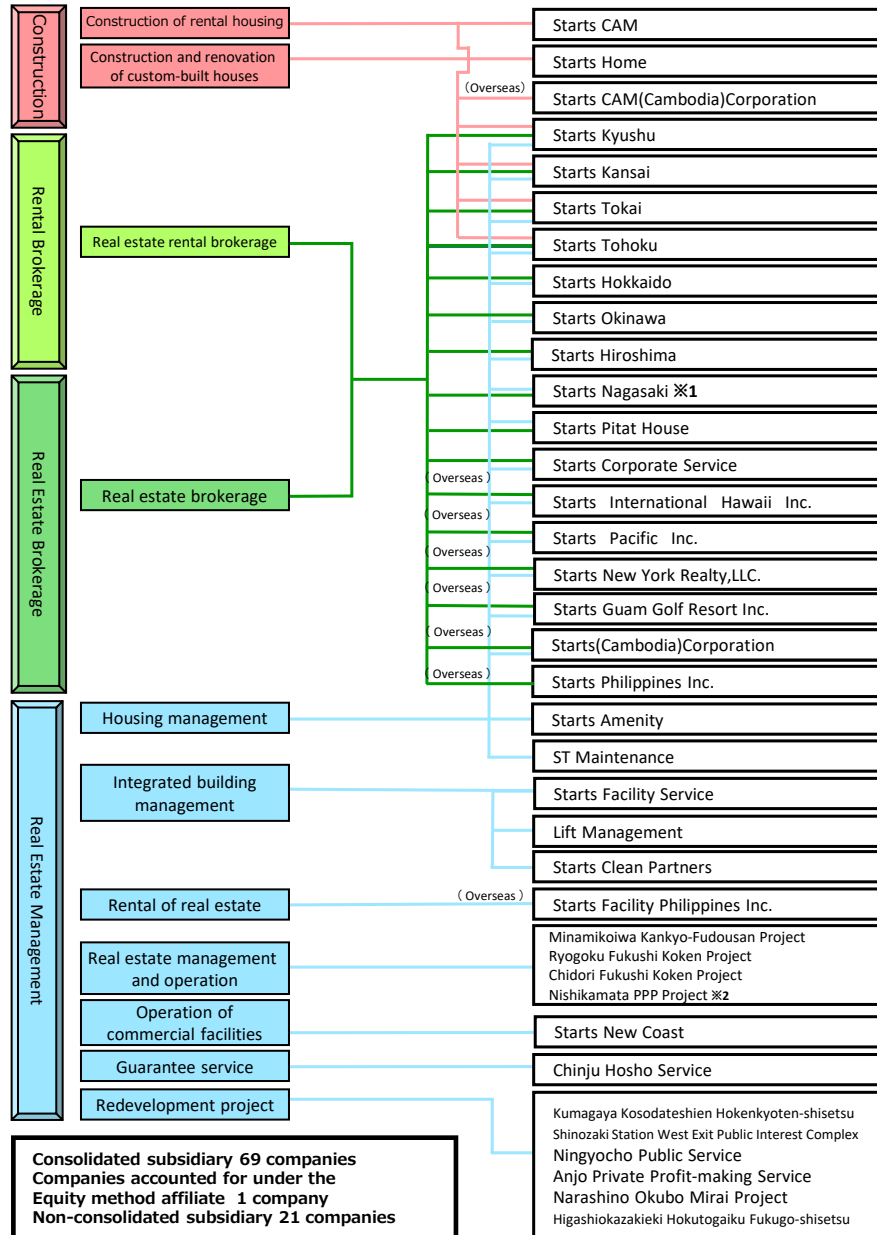
Merchandising and culture

◆ Group Organization Chart

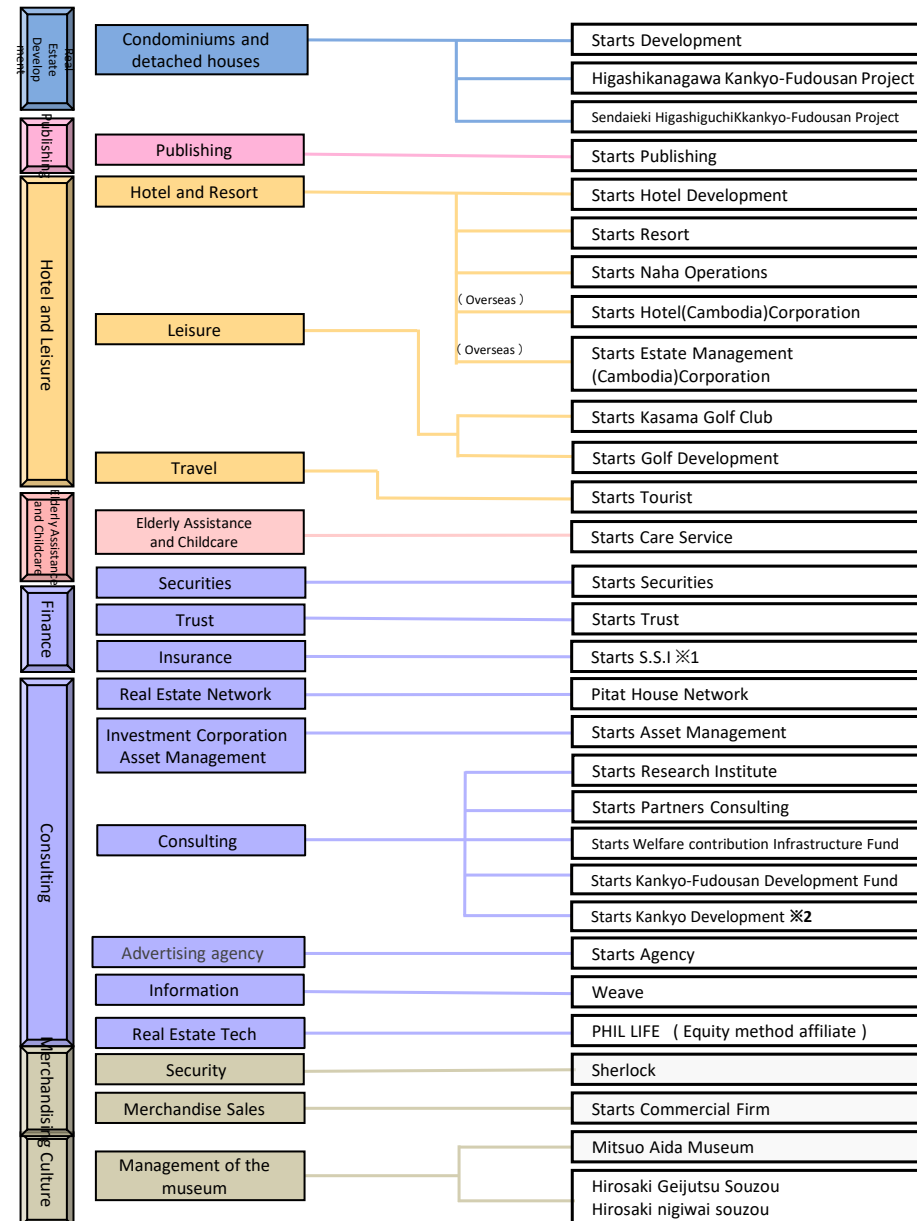
【Group Chart】

(Segment) (Main Business Activities)

Starts Corporation



(Segment) (Main Business Activities)



Overview of Operating Results

Consolidated financial results for the fiscal year ended March 31, 2024

(Millions of yen)

	FY2022 (22/4-23/3) Results	FY2023 (23/4-24/3) Results	YOY		FY2024 (24/4-25/3) Plan	YOY	
			Amounts	Change		Amounts	Change
Net Sales	233,871	233,408	(463)	(0.2%)	228,000	(5,408)	(2.3%)
Operating Profit	28,095	30,498	+2,402	+8.6%	30,700	+201	+0.7%
Ordinary Profit	30,002	33,396	+3,393	+11.3%	30,700	(2,696)	(8.1%)
Net Profit attributable to the parent	20,218	22,095	+1,877	+9.3%	22,400	+304	+1.4%
EPS (Yen)	407.07	444.84	+37.77	+9.3%	450.97	+6.13	+1.4%

◆【 Consolidation 】 Overview of Operating Results II

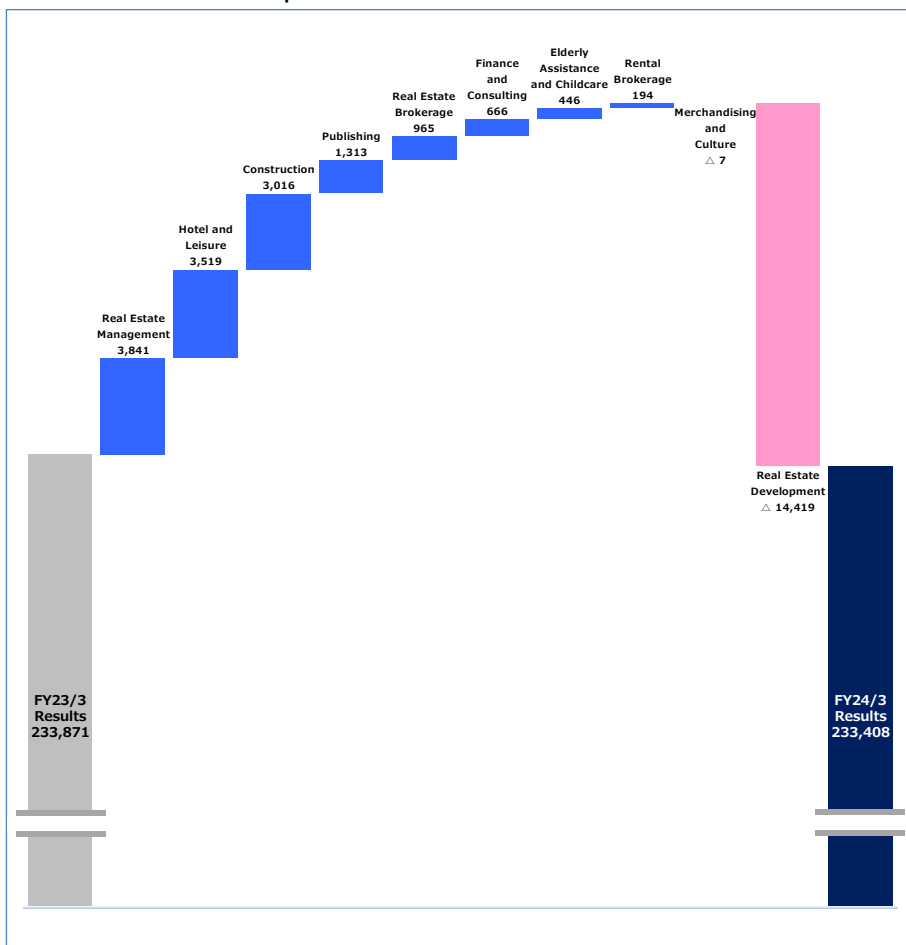
(Millions of yen)

	Net Sales		
	FY2022 (22/4-23/3) Results	FY2023 (23/4-24/3) Results	FY2024 (24/4-25/3) Plan
Construction	74,191	77,208	69,000
Rental Brokerage	7,684	7,879	8,500
Real Estate Brokerage	6,701	7,666	8,100
Real Estate Management	86,668	90,510	95,000
Real Estate Development	23,373	8,954	2,600
Hotel and Leisure	9,076	12,595	15,000
Elderly Assistance and Childcare	11,170	11,616	12,000
Consulting	7,512	8,179	9,000
Publishing	6,572	7,885	8,000
Merchandising and Culture	919	911	800
Elimination/Corporate	-	-	-
Total	233,871	233,408	228,000

	Operating Profit		
	FY2022 (22/4-23/3) Results	FY2023 (23/4-24/3) Results	FY2024 (24/4-25/3) Plan
Construction	7,449	6,925	5,500
Rental Brokerage	2,482	2,495	2,900
Real Estate Brokerage	1,847	2,830	3,100
Real Estate Management	11,303	12,553	12,800
Real Estate Development	1,615	491	(200)
Hotel and Leisure	195	1,222	1,800
Elderly Assistance and Childcare	587	593	600
Consulting	1,242	1,709	2,000
Publishing	1,534	2,221	2,300
Merchandising and Culture	148	175	200
Elimination/Corporate	(310)	(721)	(300)
Total	28,095	30,498	30,700

◆ 【 Consolidation 】 Overview of Operating Results Ⅲ

✓ Net Sales comparison to PY

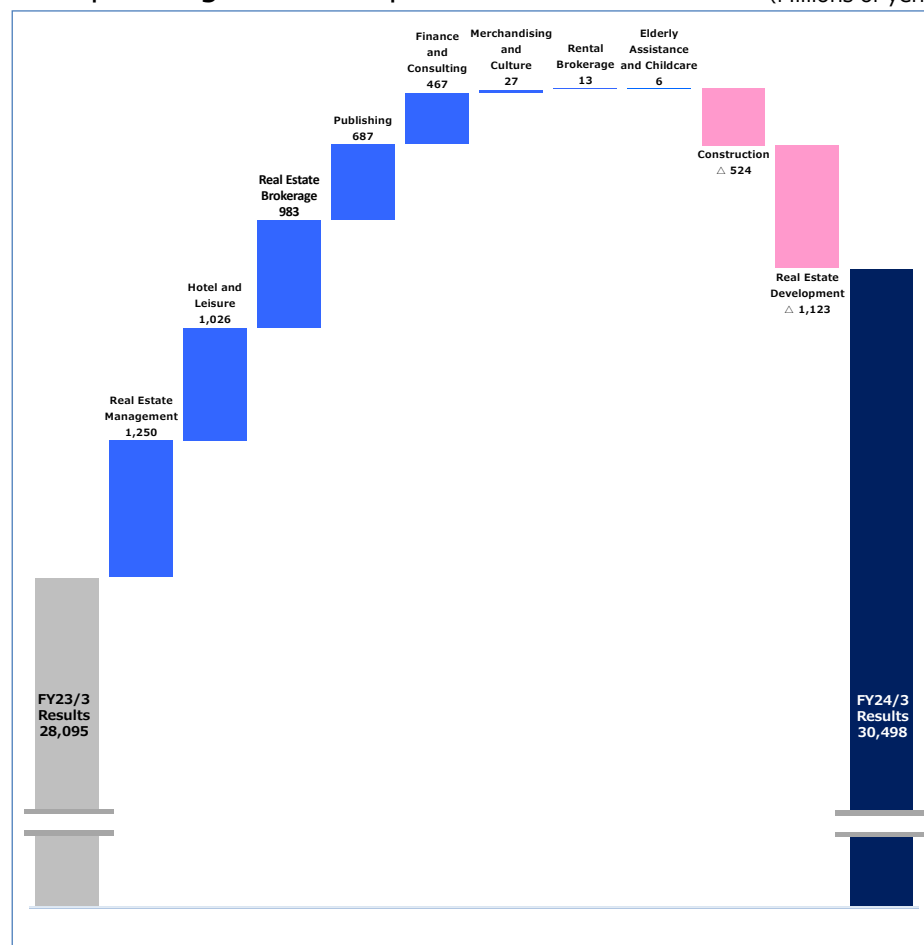


【 Major fluctuation factors 】

- Real Estate Management : Maintenance Sales +1,865
Due to an increase in large-scale long-term repair works
Hourly Parking Sales +859
- Hotel and Leisure : Domestic Hotel Occupancy up 11.0% YOY
Room Unit Price up 27.1% YOY
- Construction : Sales of mid-to-high-rise rental housing +3,420
Due to large-scale construction
- Real Estate Development : Completion and delivery of Alpha Grande Narita Hachibangai in FY23/3 (5,813)
The sales of rental housing buildings to Starts Proceed Investment Corporation (9,852)

✓ Operating Profit comparison to PY

(Millions of yen)



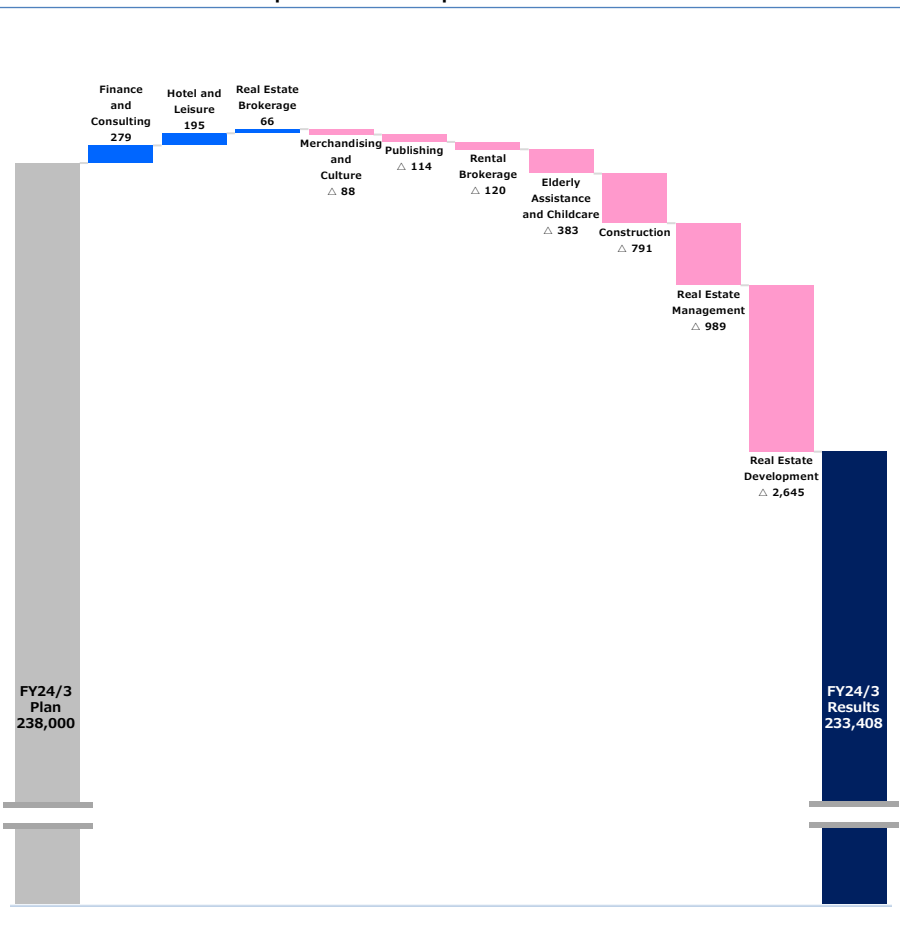
【 Major fluctuation factors 】

(Notes) Exclude the adjustments

- Real Estate Brokerage : Increase in brokerage of business properties such as hotel beneficiary rights
- Publishing : Strong sales of hit novels and comics such as
“ Ano Hana ga Saku Oka de Kimi to Mata Deaetara ”
- Construction : Gross profit on sales decreased by 1.5% YOY
Due to higher material prices and higher labor costs

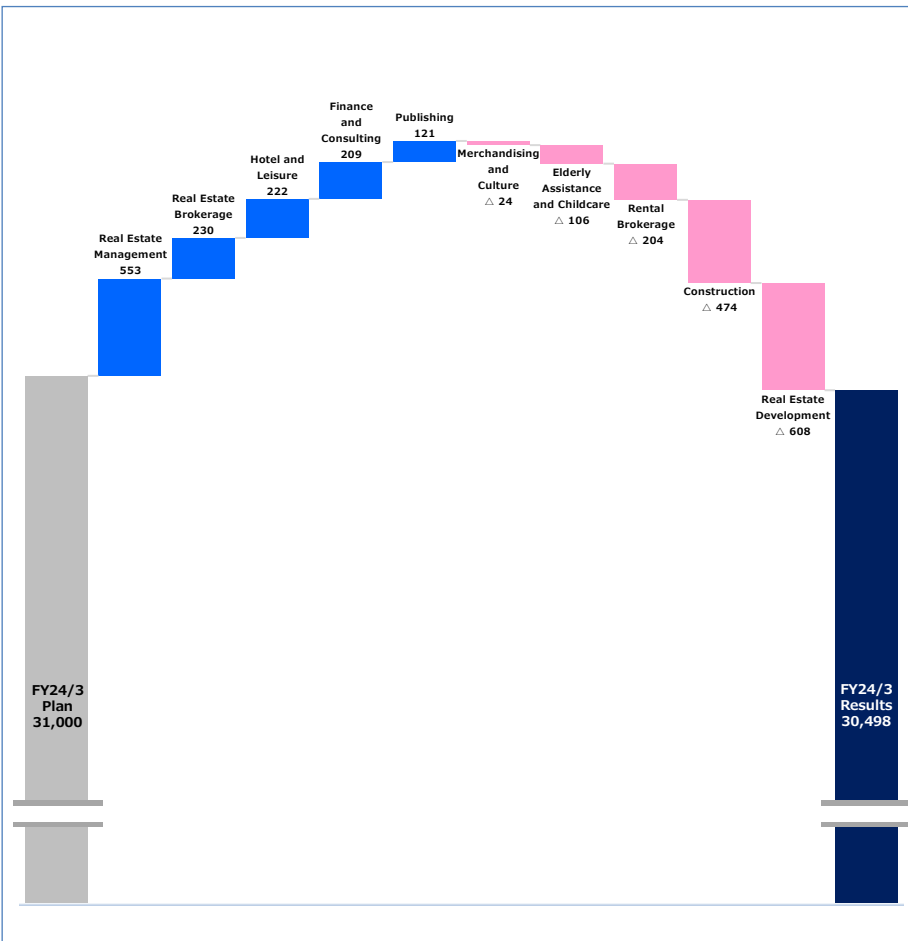
◆ 【 Consolidation 】 Overview of Operating Results IV

✓ Net Sales comparison to plan



✓ Operating Profit comparison to plan

(Millions of yen)



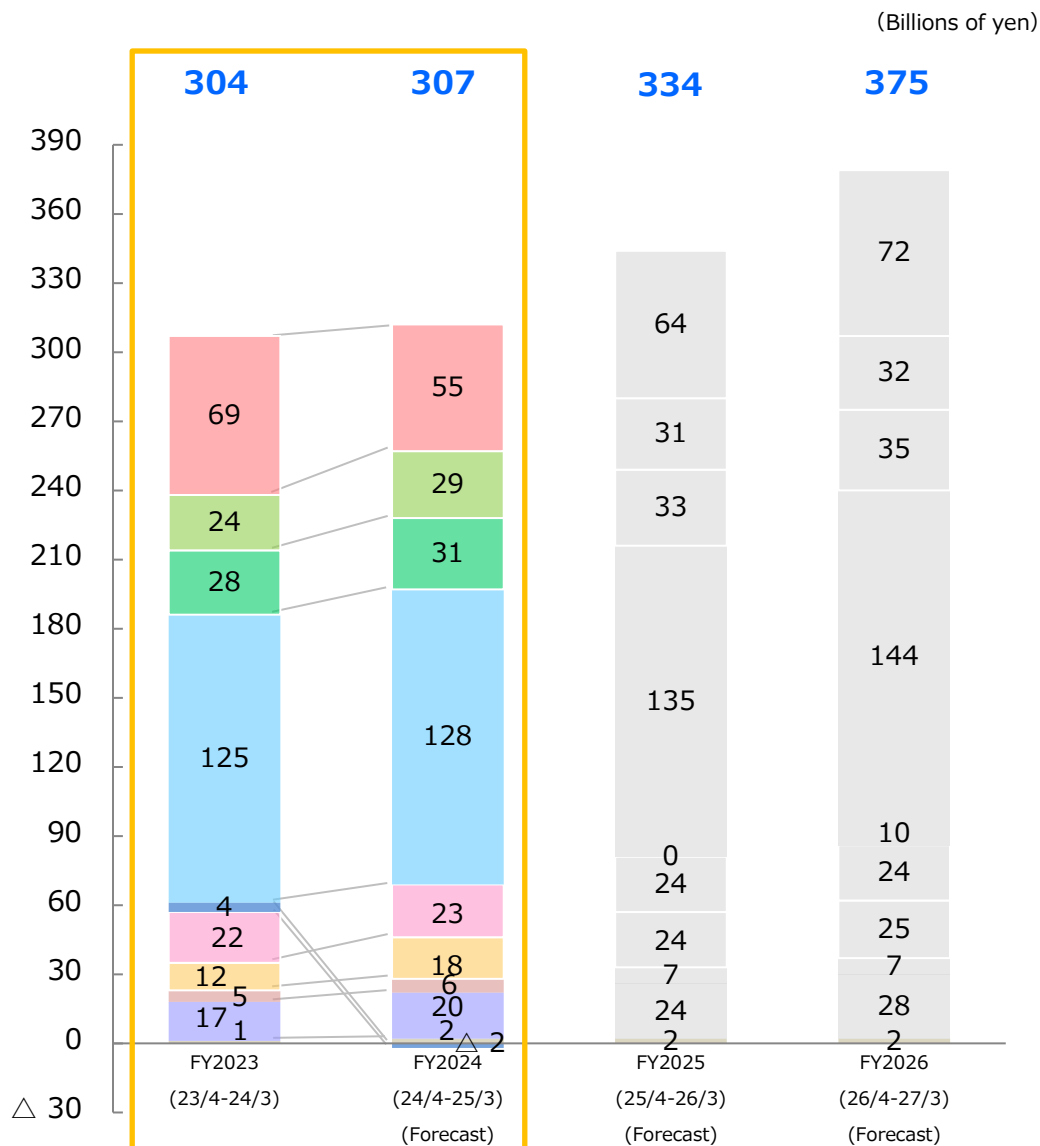
【 Major fluctuation factors 】

- Construction : The review of the construction plans has delayed the starts of construction, which has reduced the sales on a percentage of completion basis
- Real Estate Management : Maintenance Sales (1,163)
The work period has been extended due to the larger size of the properties for which orders have been received
Hourly Parking Sales : + 197
- Real Estate Management : Change in real estate development plan for sale (2,800)

【 Major fluctuation factors 】

(Notes) Exclude the adjustments

- Real Estate Management : Hourly Parking Sales +396
Due to lower utility costs
Bulk Leasing (Whole-building leasing) sales +234
Due to 0.2% YOY decrease in vacancy rate
- Real Estate Brokerage : Acquisition costs lower than planned +75
Due to a decrease in the purchase and resale of condominiums
Review the timing of commercials and ads +55
- Construction : Gross profit margin down 0.7% compared to Plan
Due to higher material prices and labor costs



【FY2024(24/4-25/3) Forecast】

☑ Construction

➡ Orders received for the FY2023 reached a record high

On the other hand, sales on a percentage of completion basis are expected to decline due to sluggish orders in the first half of the fiscal year, which will reduce sales revenue and operating income.

☑ Rental Brokerage ・

Real Estate Brokerage ・

Real Estate Management

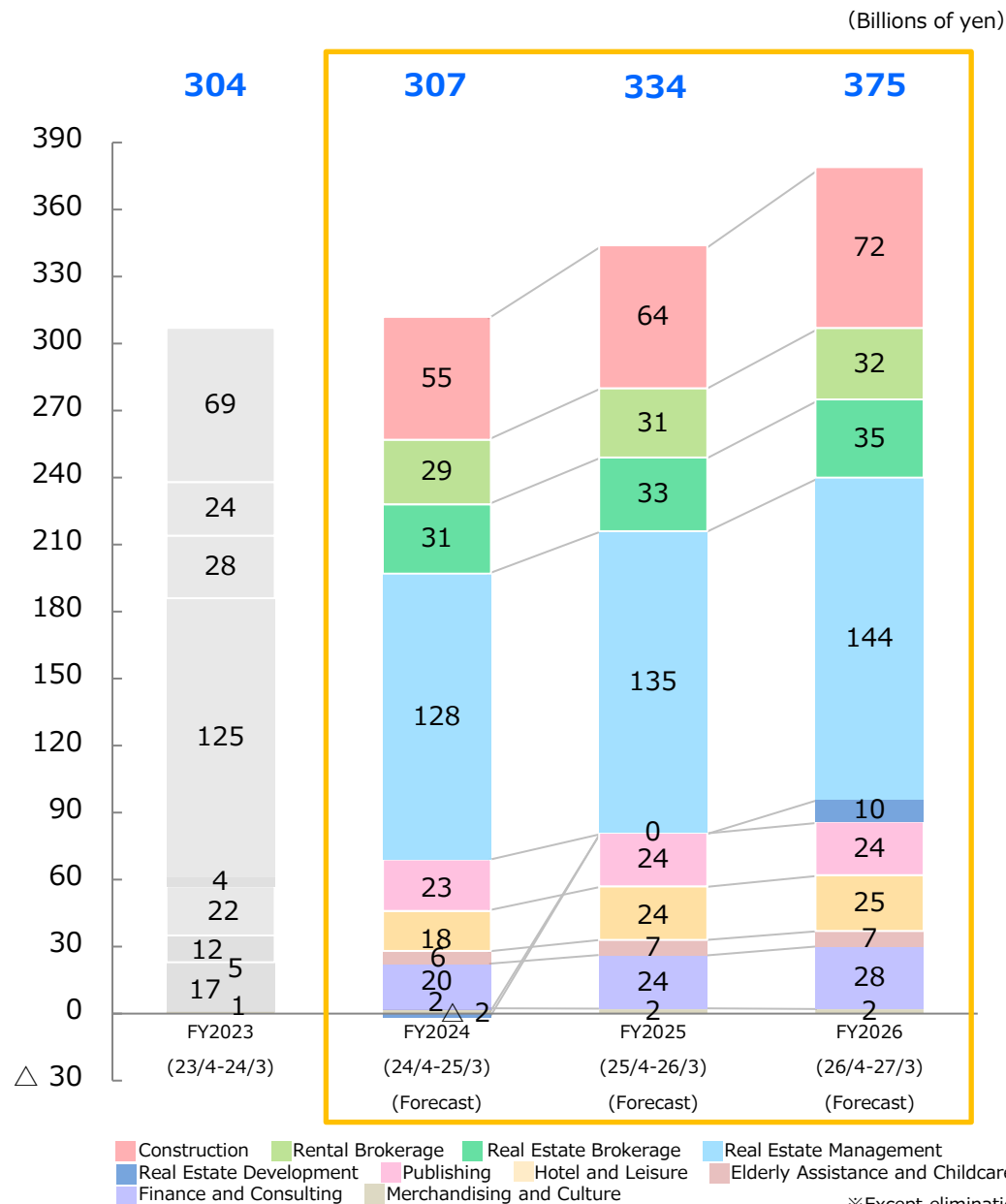
➡ Both sales and profits are expected to increase due to the expansion of the business base, including an increase in the number of properties under management.

☑ Hotel and Leisure

➡ From the FY2024, high capacity utilization and high unit prices are expected to continue, and sales and profits are expected to increase.

■ Construction
 ■ Rental Brokerage
 ■ Real Estate Brokerage
 ■ Real Estate Management
 ■ Real Estate Development
 ■ Publishing
 ■ Hotel and Leisure
 ■ Elderly Assistance and Childcare
 ■ Finance and Consulting
 ■ Merchandising and Culture

※Except elimination



【FY2025(25/4-26/3)- FY2026(26/4-27/3) Forecast】

☑ Construction

➡ Both sales and profits are expected to increase due to the progress of construction orders received in the FY2023.

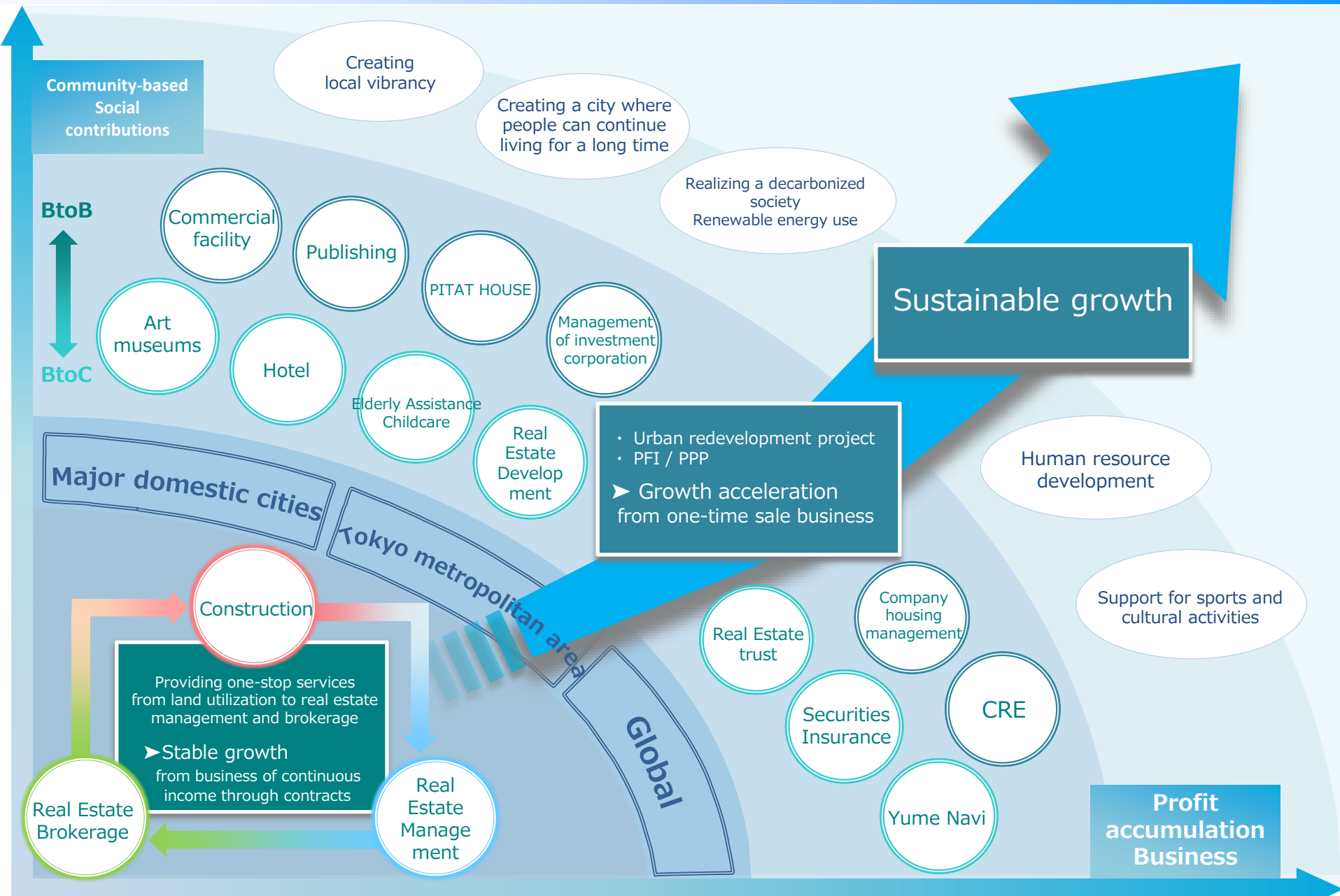
※A new company was established to coordinate the relocation of residents and provide neighborhood countermeasures in response to an increase in reconstruction projects in central Tokyo.

☑ Real Estate Management ・ Real Estate Development ・ Hotel and Leisure

➡ Growth investment projects progressing
Income from real estate operations and sales are expected to increase.

Business Strategy of Starts Group

◆ Our growth strategy



Cumulative orders for seismically isolated buildings 619 buildings
Supply About 17,000 Units

※As of April 2024



Starts' Seismic Isolation Technology: Providing Safety through Seismic Isolation

For 25 years, we have been providing seismically isolated buildings to protect the lives and the property values, and the number of people living there has reached approximately 50,000.

We are contributing to the disaster-resistant communities rooted in local communities through the spread of seismically isolated buildings.

※Calculated as 25 m² per person from the total floor area of the property to be supplied

Seismic Isolation Technology for Homes and Historic Buildings



Seismically isolated rental housing with owner's room

Safe and secure quake-absorbing structure at home



Large-scale distribution warehouse x seismic isolation



Head Office Building ・ Employee Dormitory x Seismic Isolation

Corporate BCP measures using seismically isolated buildings



Seismic Retrofit x BIM

Seismic isolation of historic buildings Culture of the city ・ Succession of history



Seismic isolation of wooden mixed-structure buildings

Construction cost equivalent to that of earthquake-resistant RC structure is realized by absorbing the cost increase due to quake-free construction^{※1}

Reduce CO₂ emissions by approximately 30%
(140t/CO₂ ^{※2})

※1: Construction costs as of construction start in 2021
※2: Include the amount of carbon stored

■ Long life retrofit construction ... Seismic retrofitting of existing buildings and adding new value



Appearance



Museum tour

Hirosaki Museum of Contemporary Art
(Hirosaki City, Aomori Prefecture)

Yoshino cho , Hirosaki City Greenbelt Area Development PFI Project

A brick-built sake brewery constructed about 100 years ago was reconstructed into an art museum while preserving its exterior and interior by seismic reinforcement using prestressed concrete steel bars.

February 2023 BELCA Award
Awarded for Best Renovation

■ Renovation of corporate dormitories



Appearance



Share kitchen



Cafeteria

Renovation of existing facilities at over 30 years old due to the retirement of corporate dormitories.

Renovation of common areas to revitalize employee communication, such as shared kitchens

Newly occupied corporate employees have appreciated the dormitory, and the original 30% or more dormitory exit rate has now dropped to less than 10%.

◆Expansion of Starts' stock business – Renovating and longer life②～◎STARTS

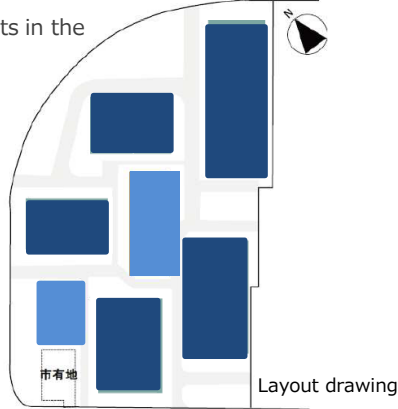
■ Renovated Apartments～PATIQUE Shin-Urayasu～

Acquired seven former corporate housing properties and invested 1.3 billion yen in renovations.

Provided buildings with low environmental impact while achieving high occupancy and high income. Rents 20% higher than apartments in the same area and age.

【Property Overview】

- Location : Hinode, Urayasu City, Chiba
- Site area : 13,675.84㎡
- Total floor area : 11,686.62㎡ (total of 7 buildings)
- Building structure : Reinforced concrete construction
- Building Use: Apartment Complex
- Occupancy rate : 93.9% (as of the end of March 2024)
(Built 15 years ago, 2 buildings, 24 households; built 36 years ago, 5 buildings, 107 households)



■ Management and operation of public facilities ・ ・ ・ Not only managing facilities, but also providing opportunities for community interaction to create a vibrant city.

・ STARTS OTAKANOMORI HALL (Nagareyama City, Chiba)



Appearance



Large hall

We had completed the construction of the hall, hotel, and residential complex in the Nagareyama-Otakanomori Station redevelopment project, and we were also entrusted with the management and operation of the hall, for which we have had naming rights since its completion.※

Equipped with a large hall, music studio, and conference rooms, it contributes to local cultural and artistic activities such as concerts, musicals, and talk shows.

※Management and operation by the Starts Theater Workshop Consortium, represented by Starts Facility Service Co., Ltd.

・ platz narashino city (Narashino City, Chiba)



Appearance



Civic hall

As part of the Project for Revitalization of Public Facilities in the Okubo District, existing public facilities were reconstructed as a life-long learning complex with a variety of facilities.

In addition to managing and operating libraries and civic halls, we also have built and operated rental housing for students.

Creating a lively community as a place for interaction between local residents and students.



Various events



Rental housing for students



■ Management and operation of commercial facilities ・ ・ ・ Consistent in-house operations from initial tenant leasing to facility management

- NEW COAST Shin-Urayasu (Urayasu City, Chiba)



Starts Group acquired land and buildings in conjunction with the withdrawal of existing retail facilities. We have handle everything from leasing to management and operation with our own groups.

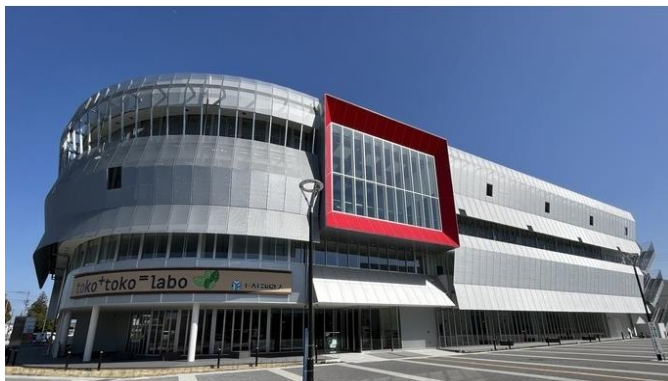
- HOTEL Emion KYOTO (Kyoto City , Kyoto)



Kyoto City Central Wholesale Market No. 1 "Nigiwai Zone" Utilization Project
We have built managed and operated a complex of hotel and commercial facilities that contributes to the revitalization of the western area of Kyoto City.

• toko+toko=labo

Hotei Station East Public Facility Development Project (Konan City, Aichi)



We have constructed a public complex and a private facility and have managed both facilities, as well as leased and operated the private facility.

- Chiryu Nishishinchi District Type 1 Urban Redevelopment Project (Chiryu City, Aichi)



We will participate in the redevelopment project as a constituent member and mainly acquire the commercial facility, rental apartments and parking lots. We will also handle tenant leasing and manage and operate the facility and rental buildings.



Under construction

Minami-koiwa Environmental Real Estate Project
Edogawa-ku, Tokyo
Rental housing · Tenant 37 units
Scheduled completion FY25/5



Under construction

Higashi-Kanagawa Environmental Real Estate Project
Yokohama city, Kanagawa pref.
Rental housing 121 units
Scheduled completion FY26/2



Planning

KannaiEkimaeMinatomachi District Category 1 urban area redevelopment Projects
Yokohama city, Kanagawa pref.
Commercial facility · Office · Rental housing
Scheduled completion FY30/3



Planning

Chiryu Nishishinchi District Type 1 Urban Area Redevelopment Project
Chiryu City, Aichi
Commercial facility · Rental housing · Housing for sale
Scheduled completion FY31/3

FY25/3

FY26/3

FY27/3

Since FY28/3



In operation

Yokohama City Cultural Gymnasium Redevelopment Project
HOTEL COMENTO YOKOHAMA KANNAI
Yokohama city, Kanagawa pref.
Guest rooms 116
Opening 4/1/24



Under construction

Tokyo Institute of Technology Staff Housing Development and Operation Project
Ota-ku, Tokyo
Staff housing · Rental housing 125 units
Scheduled completion FY25/3



Under construction

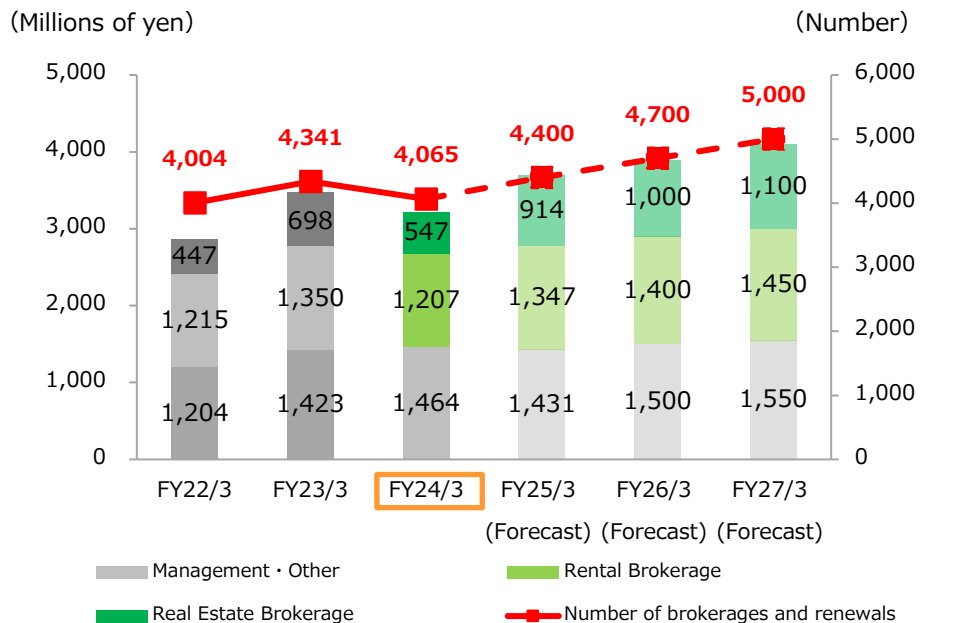
Sendai Station East Exit Environmental Real Estate Project
Sendai city, Miyagi pref.
Rental housing 175 units
Scheduled completion FY26/2



Planning

Project to effectively utilize the former Fukuoka College of Technology
Fukuoka city, Fukuoka pref.
Community center · Public facility · Rental housing
Scheduled completion FY27/2

■ 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.

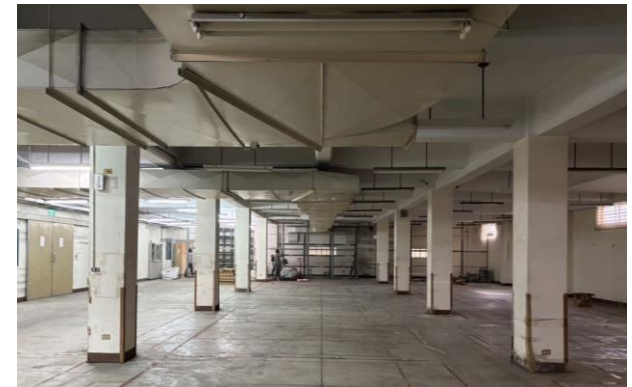
■ Examples of Business Activities



【Ho Chi Minh / Serviced office Many non-Japanese companies are also moving in.】



【Guam / Sale of SGGR's land and buildings】



【Taiwan / Warehousing Sales of real estate owned by Japanese companies】

■ Leasing Business trends

(Review of the Previous Fiscal year and Policy for the Current)

(Changes in the roles of Japanese expatriates)

Demand for Japanese-owned rental housing is declining due to the spread of remote work and the localization of Japanese companies

- ➡ Expand business with foreign local companies in addition to business support for Japanese companies.
- ➡ Make effective use of the data accumulated through the intermediary business with Japanese companies to continue to be requested by Japanese companies.

■ Trading business trends

(Review of the Previous Fiscal year and Policy for the Current)

(Weaker yen reduces demand for overseas investment)

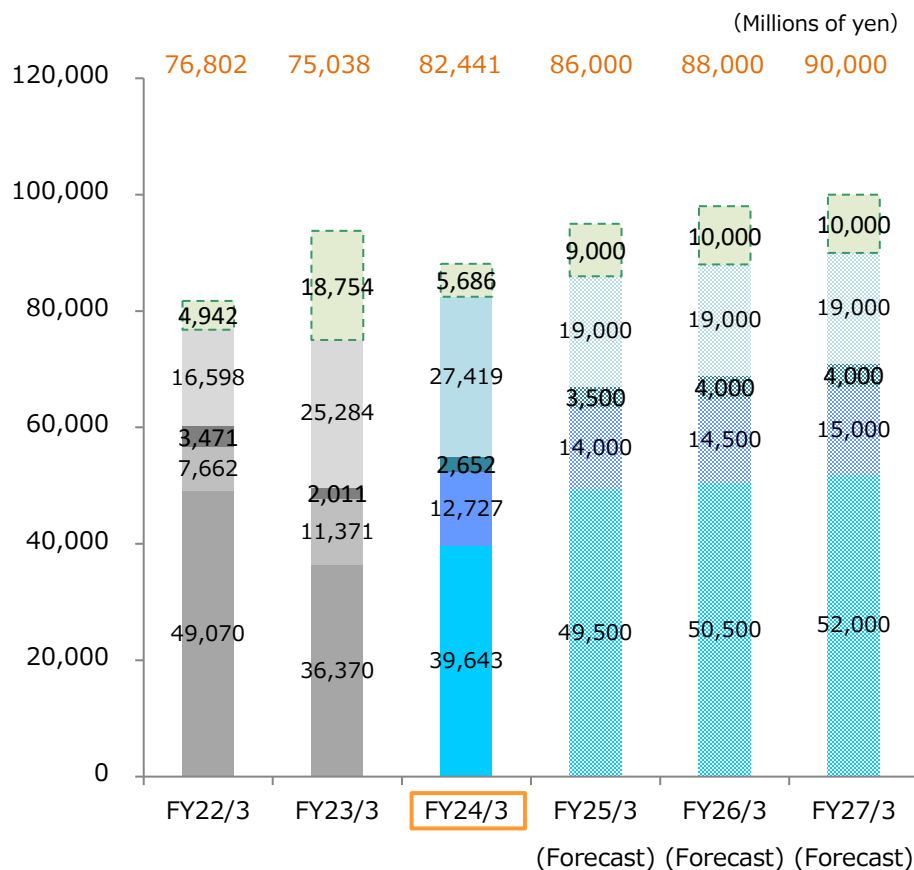
Both Japanese companies and Japanese individual investors continue to wait for the right time to invest

- ➡ The International Business Division serves as a hub for gathering trading information and stimulating trading between cities around the world.
- ➡ Expand a buying and selling business with Japanese companies and foreign investors who see the weak yen as an opportunity.

Overview by Segment

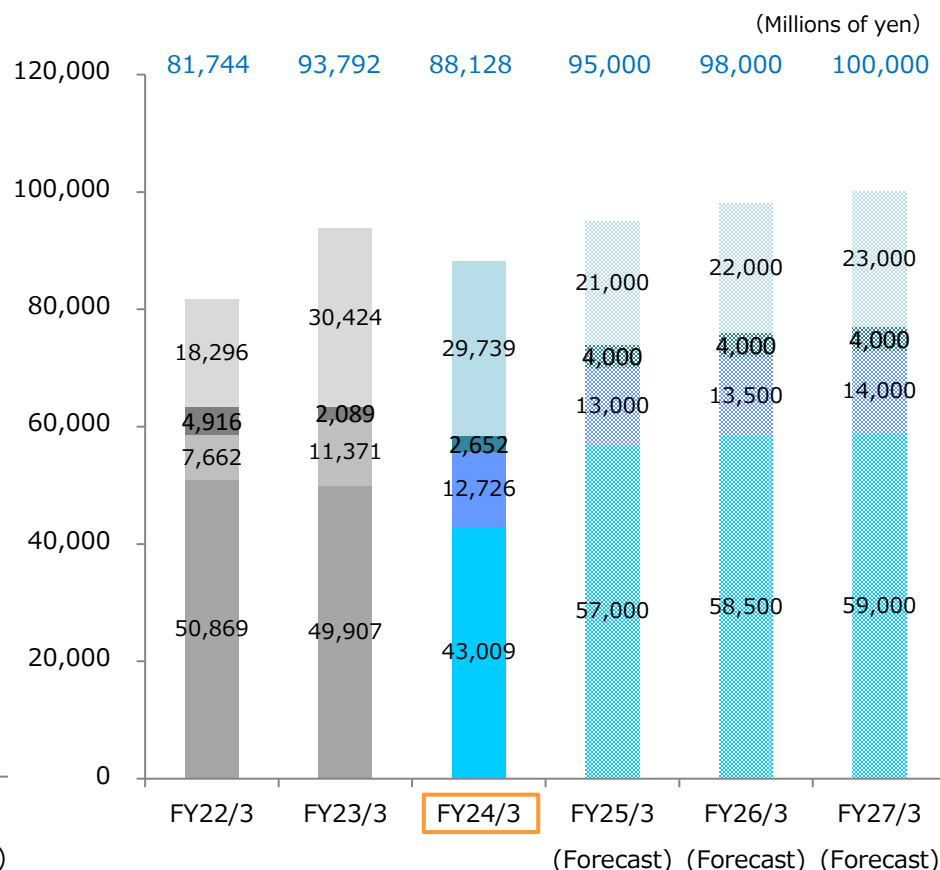
◆ Overview by Segment【 Construction Business I 】

◆ Orders received 82.441 billion yen



- Mid- and high-rise rental
- General housing
- Other
- Low-rise rental
- Internal sales

◆ Orders Received including intercompany Sales 88.128 billion yen



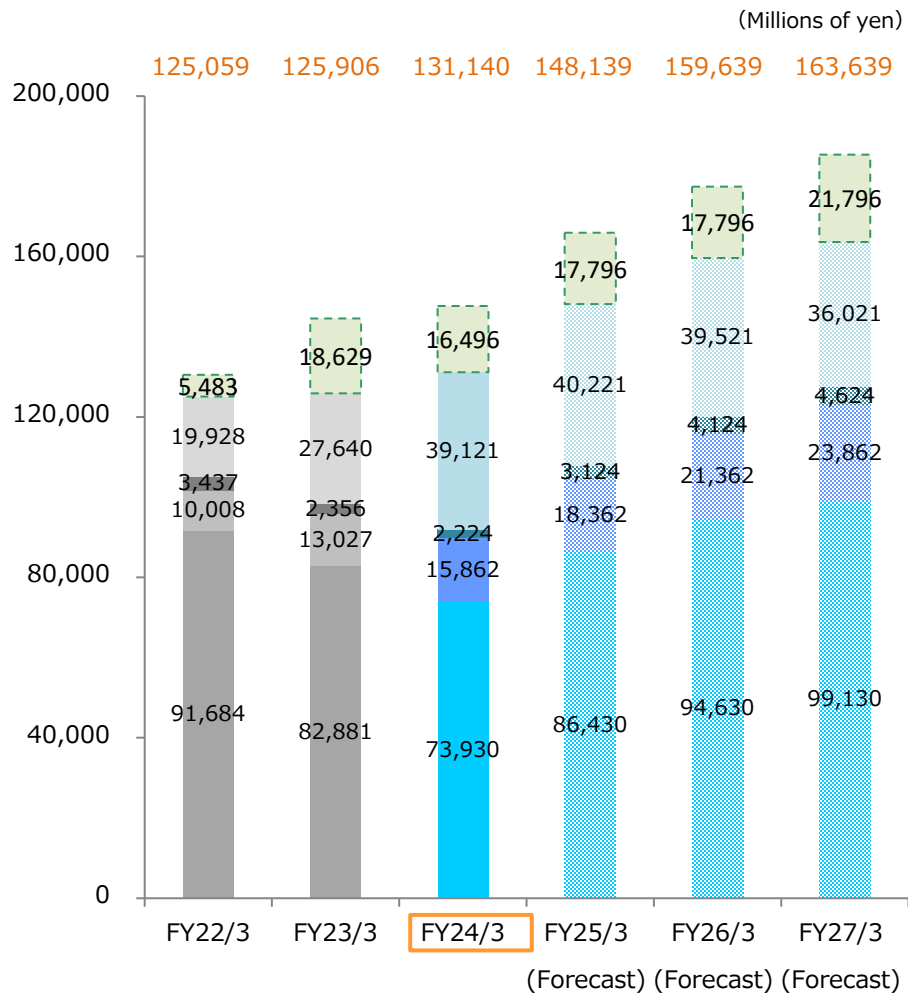
- Mid- and high-rise rental
- General housing
- Other
- Low-rise rental

- ✓ Mid-to-high-rise rental Net Sales 39,643 m yen (Up 3,272 m yen YOY) Other orders received 27,419 m yen (Up 2,135 m yen YOY)
 - ➡ Due to an increase in the unit price of orders for reinforced concrete rental housing and orders for public works from Miura City and Chiyoda Ward
- ✓ FY24/3 Orders received in the first half 32,626 m yen (Up 1,051 m yen YOY) Second half orders 49,815 m yen (Up 6,352 m yen YOY)

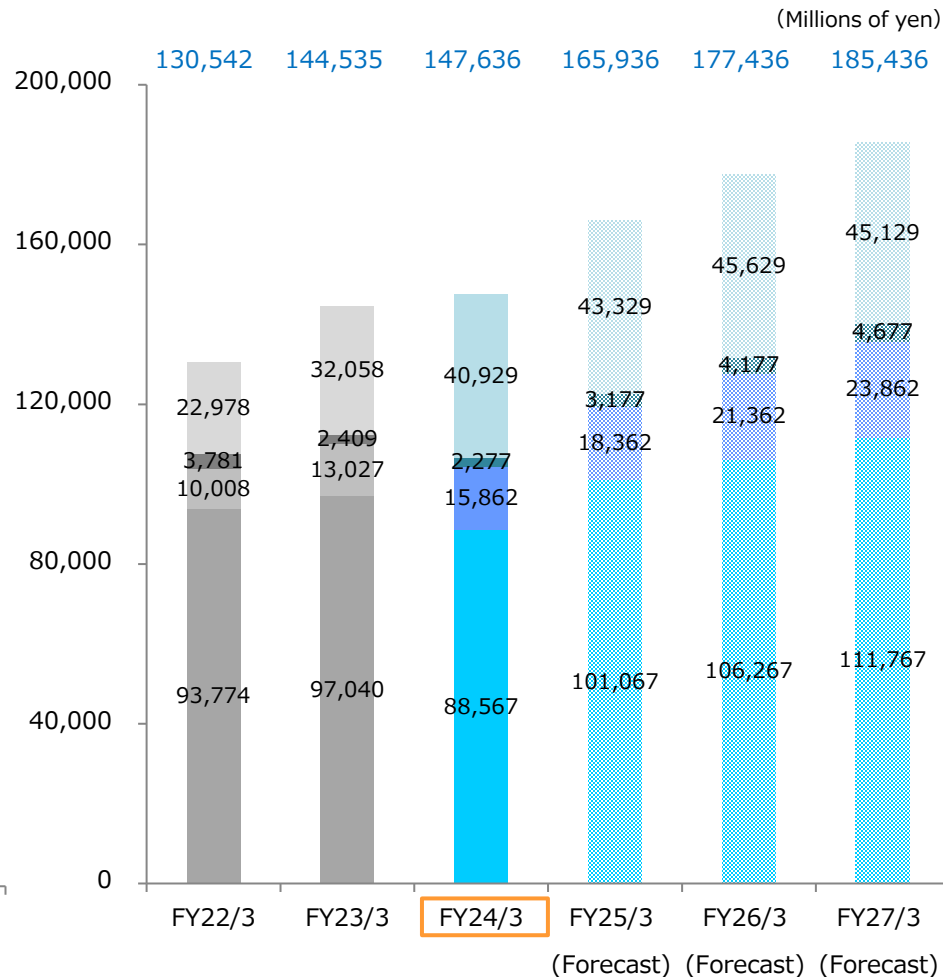
◆ Overview by Segment 【 Construction Business II 】

◆ Order Backlog 131.140 billion yen

◆ Order Backlog including intercompany Sales 147.636 billion yen



■ Mid- and high-rise rental
 ■ Low-rise rental
 ■ General housing
 ■ Other
 ■ Internal sales

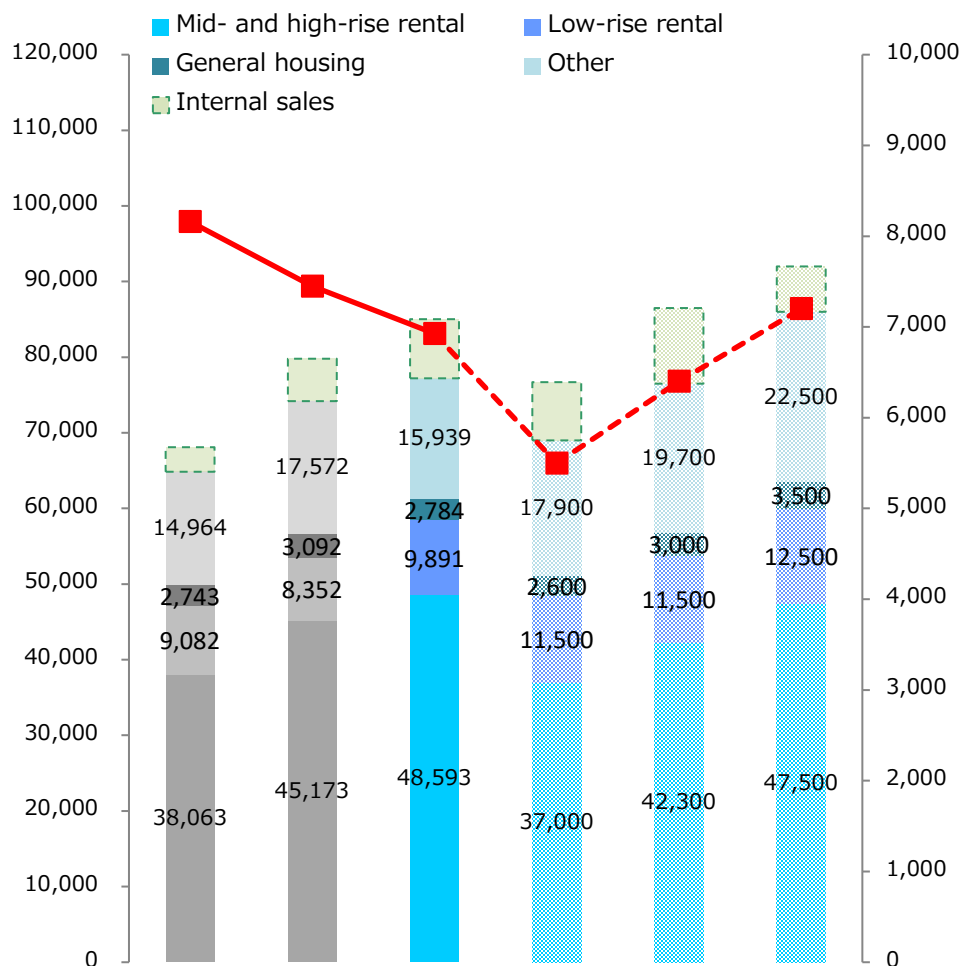


■ Mid- and high-rise rental
 ■ Low-rise rental
 ■ General housing
 ■ Other

◆ Overview by Segment 【 Construction Business III 】

(Sales : Millions of yen)

(Operating Profit : Millions of yen)



FY2023 (23/4-24/3) results

- ✓ Mid-to-high-rise rental Sales up 3,420 million YOY
➡ Sales increased due to large-scale construction
- ✓ Low-rise rental Sales up 1,538 million YOY
➡ Number of completed buildings Up 10 YOY
- ✓ Operating Profit margin down 1.2% YOY
➡ Impact of rising material and labor costs
➡ Increase in sales of mid-to-high-rise rental

Business Activities

- ✓ Sales and profit are expected to decline in the FY March 2025.
However, with the progress of construction projects for which orders have already been received, sales and profit are expected to increase from the FY March 2026.
- ✓ Promotion of orders for seismically isolated buildings
➡ Clarify targets such as combined use of owner's rooms and corporate BCP measures, to differentiate from other companies

	FY22/3	FY23/3	FY24/3	FY25/3 (Forecast)	FY26/3 (Forecast)	FY27/3 (Forecast)
Segment sales	64,854	74,191	77,208	69,000	76,500	86,000
Internal sales	3,245	5,608	7,819	7,700	10,000	6,000
Total sales	68,100	79,799	85,027	76,700	86,500	92,000
Operating profit	8,160	7,449	6,925	5,500	6,400	7,200
Operating profit margin	12.0%	9.3%	8.1%	7.2%	7.4%	7.8%

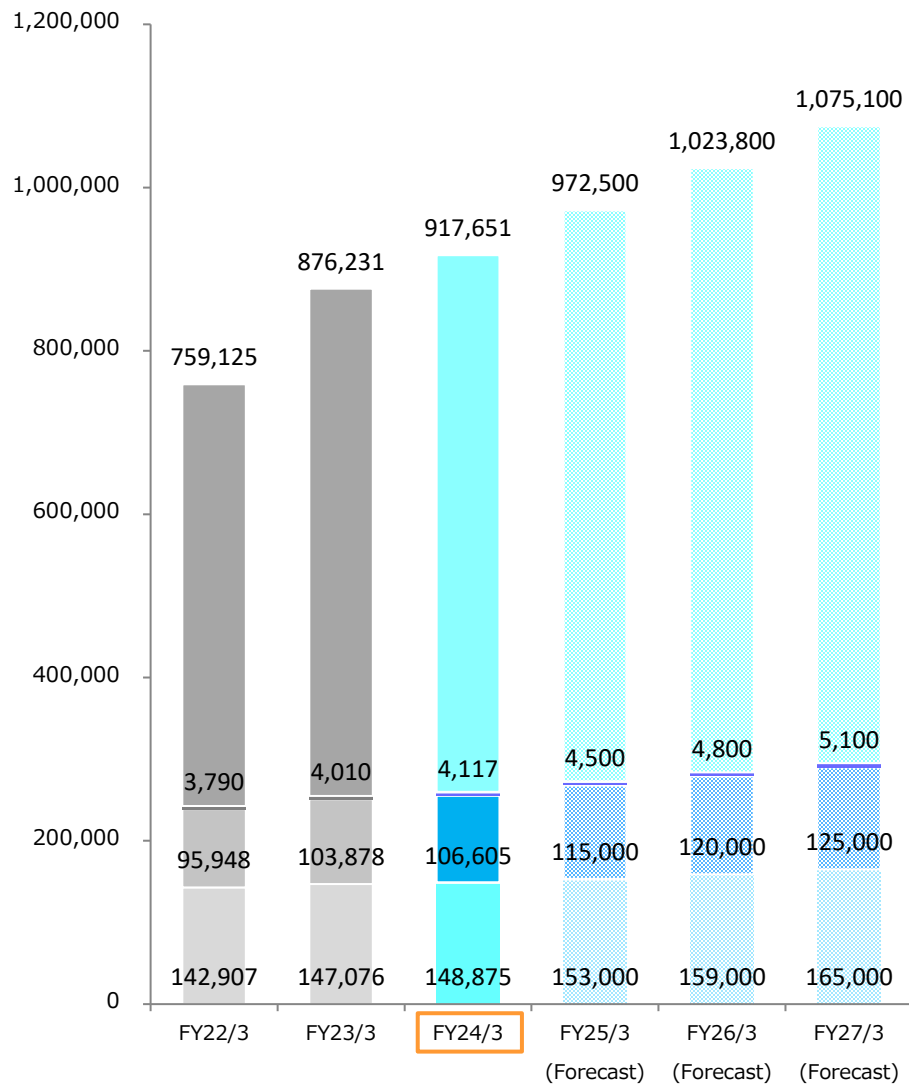
※Internal sales . . . Intersegment sales within the Group

※Operating profit margin . . . Operating Profit / Total Sales

◆ Overview by Segment [Real Estate Management Business I]

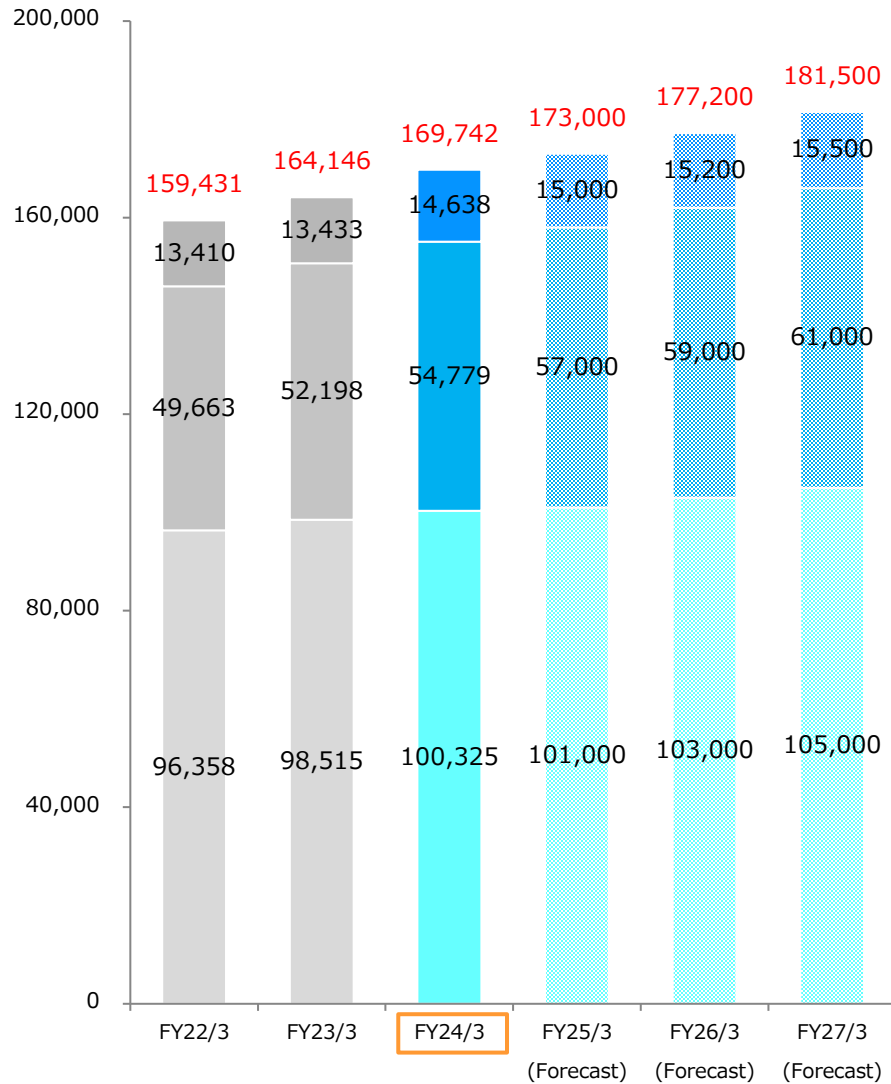
【Dwelling】

(Number of housing units)



【Parking lot】

(Number of parking spaces)



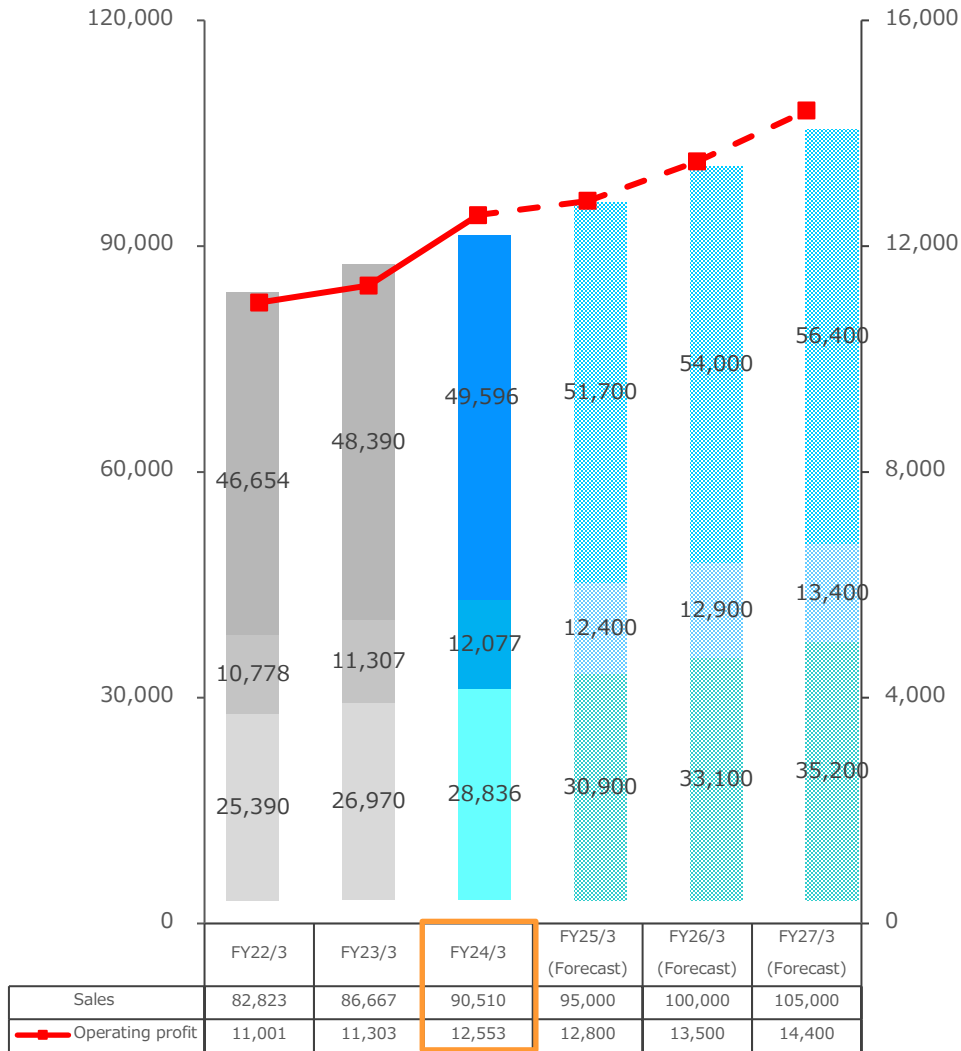
Access 24 Condominium Company housing management Rental housing

Managed parking spaces Hourly parking spaces Corporate parking spaces

◆ Overview by Segment [Real Estate Management Business II]

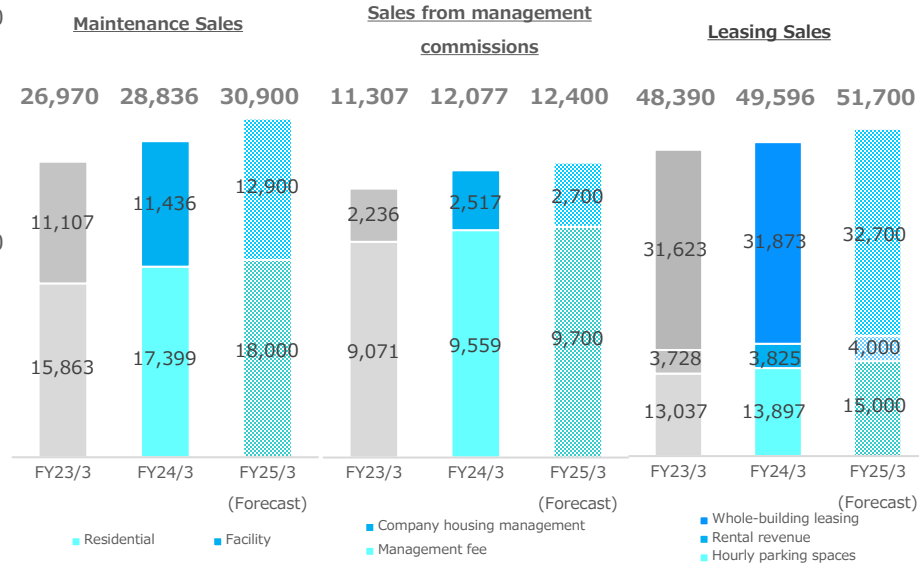
(Sales : Millions of yen)

(Operating Profit : Millions of yen)



Real Estate Management Business Sales

(Millions of yen)



Business Activities

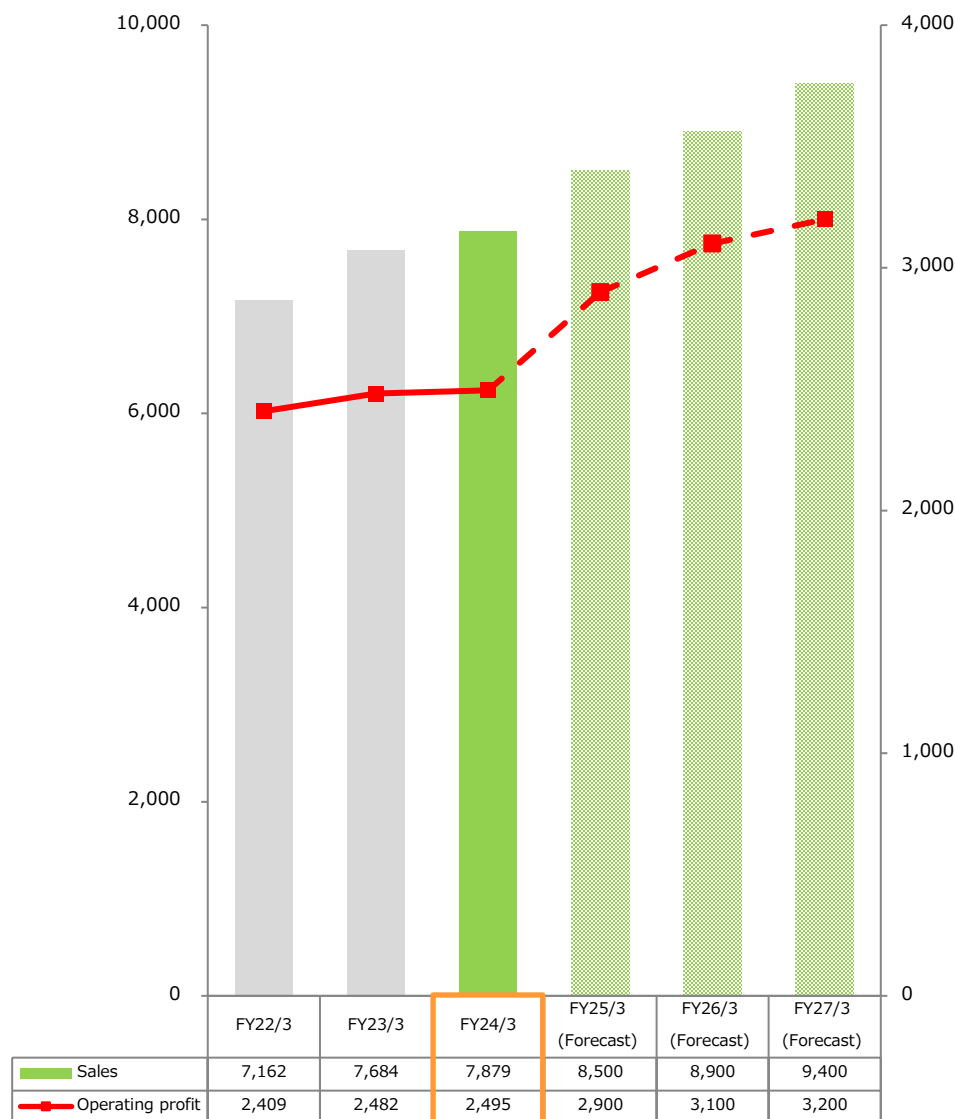
- ✓ A stable business model through an increase in the number of properties under management
 - ➡ In addition to an increase of sales from management commissions and leasing sales, there is also an increase in tenant move-out repairs and various repair work
- ✓ Opened the Starts Technical Training Center
 - ➡ Promote in-house production of operations and improve employees' technical skills and management service quality
- ✓ Promotion of DX in tenant move-out repair and renovation work
 - ➡ Accumulate indoor measurement data at the time of move-out confirmation with the aim of operating renovation proposals using BIM

■ Maintenance sales ■ Sales from management commissions ■ Leasing sales

◆ Overview by Segment 【 Rental brokerage Business 】

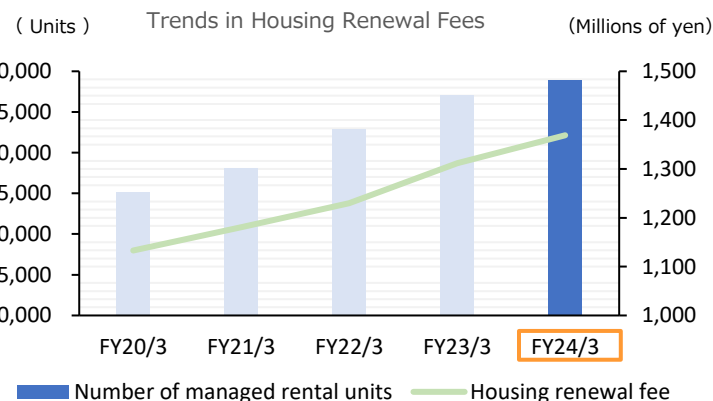
(Sales : Millions of yen)

(Operating Profit : Millions of yen)



FY2023 (23/4-24/3) results

- ✓ Completion of corporate head office relocation
 - ➡ Total support from property introduction to cost management by unifying the contact with Starts
- ✓ Continued increase in number of units under management
 - ➡ Steady growth in housing renewal fees



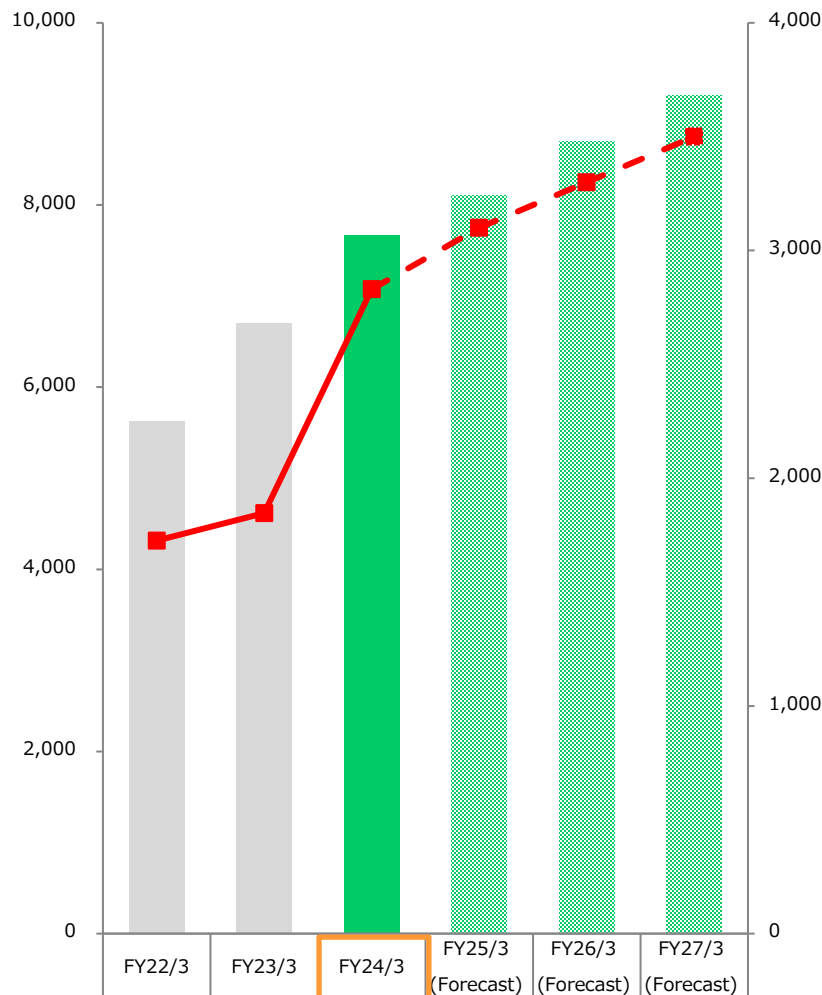
Business Activities

- ✓ Strengthen rental business support division
 - ➡ Expansion of departments specializing in contract work Focusing on sales activities and providing high-quality reception services

◆ Overview by Segment 【 Real Estate Brokerage Business 】

(Sales : Millions of yen)

(Operating Profit : Millions of yen)

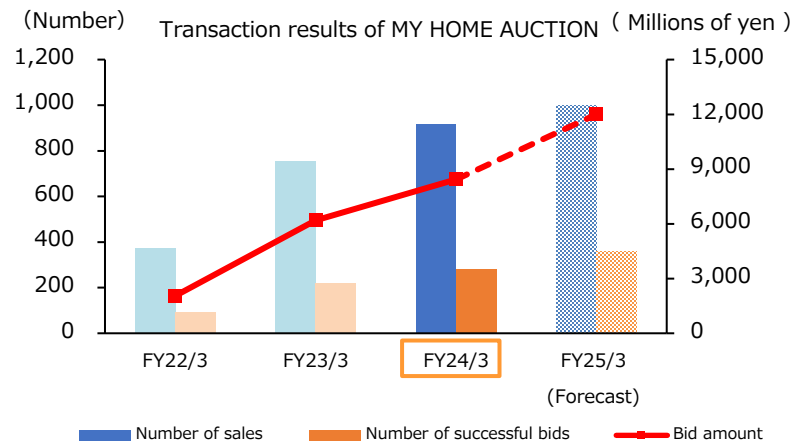


FY2023 (23/4-24/3) results

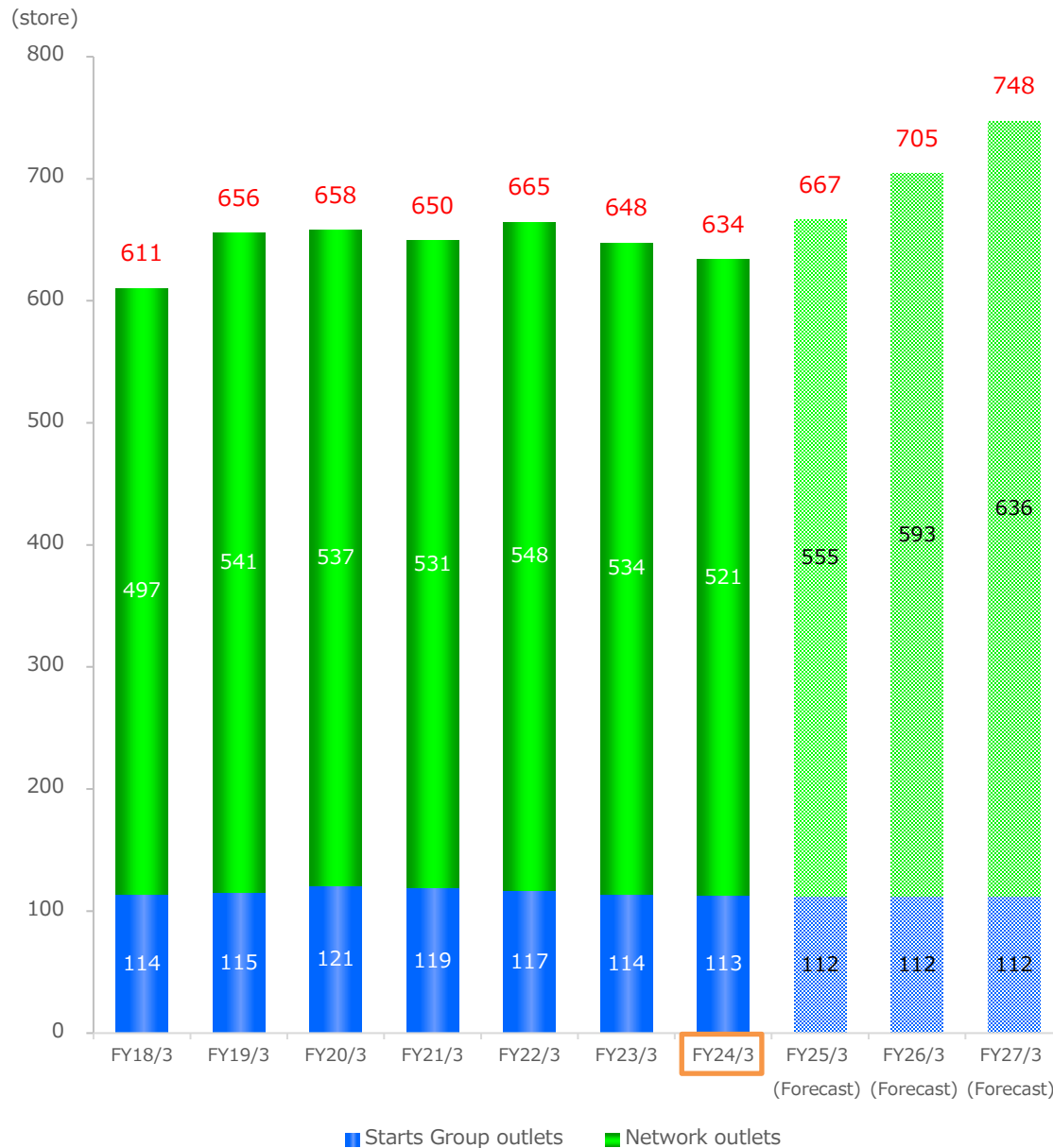
- ✓ Increased in real estate transaction value
➡ Brokerage fee unit price increased 22% YOY
- ✓ Concluded hotel trust beneficiary rights sales transactions in major cities in cooperation with the International Business Division

Business Activities

- ✓ Expansion of MY HOME AUCTION
➡ Scheduled to be held four times in FY25/3
➡ Promotion of fair and transparent real estate transactions



◆ Trend in the number of PITAT HOUSE real estate 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 Auctions, and developing Business systems for franchisees.

Starts Group outlets (Real Estate Brokerage Business)

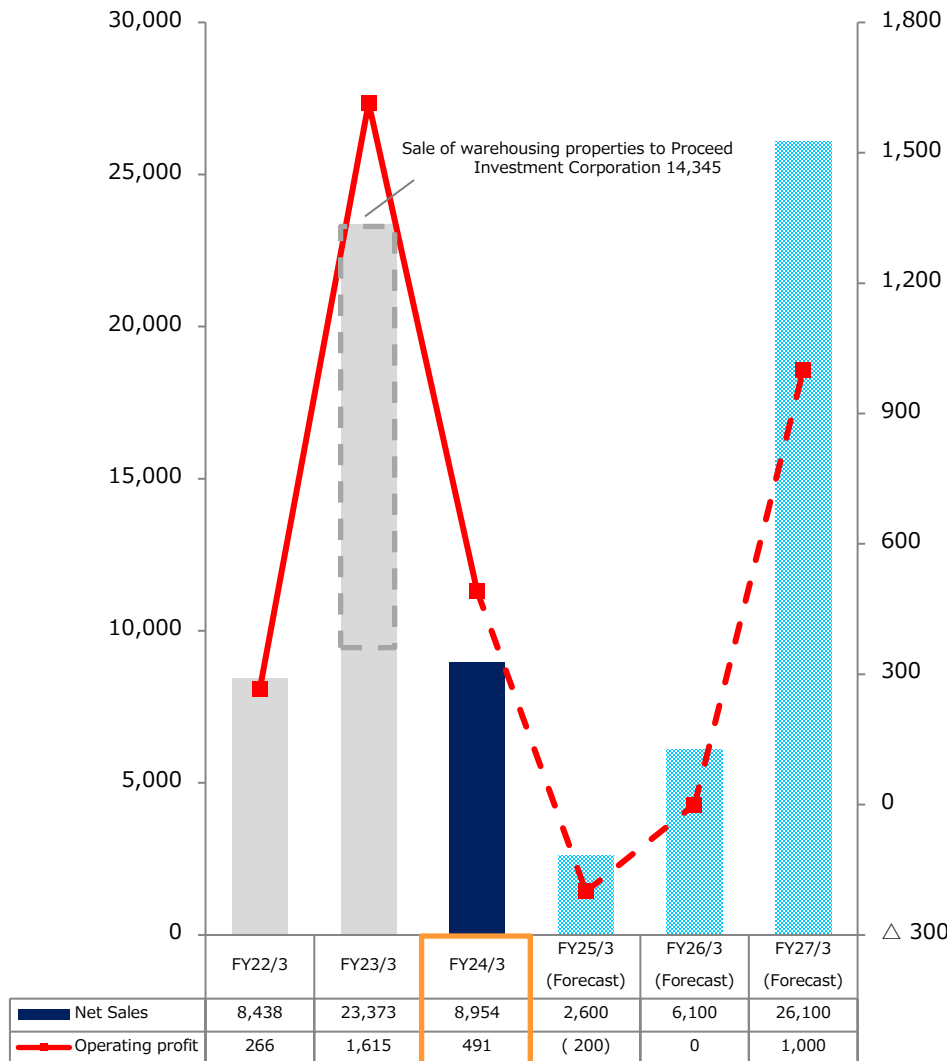
Centered on the Tokyo metropolitan area and the major metropolitan areas of Sapporo, Sendai, Nagoya, Osaka, and Fukuoka, the Company will develop proposals and strengthen services nationwide by leveraging the comprehensive strengths of the Starts Group, while opening new branches in urban centers and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

【Most recent store openings】
April 2024 Kita-Hiroshima station branch
(Starts Hokkaido)

◆ Overview by Segment [Real Estate Development Business I]

(Net Sales : Millions of yen)

(Operating Profit : Millions of yen)



FY2023 (23/4-24/3) results

- ✓ Detached houses for sale 4,409 millions of yen
➡ In March 2024, Alpha Grande Nippori was completed and delivered
- ✓ Rental housing 4,493 millions of yen
➡ Transferred 5 warehousing properties to Starts Proceed Investment Corporation

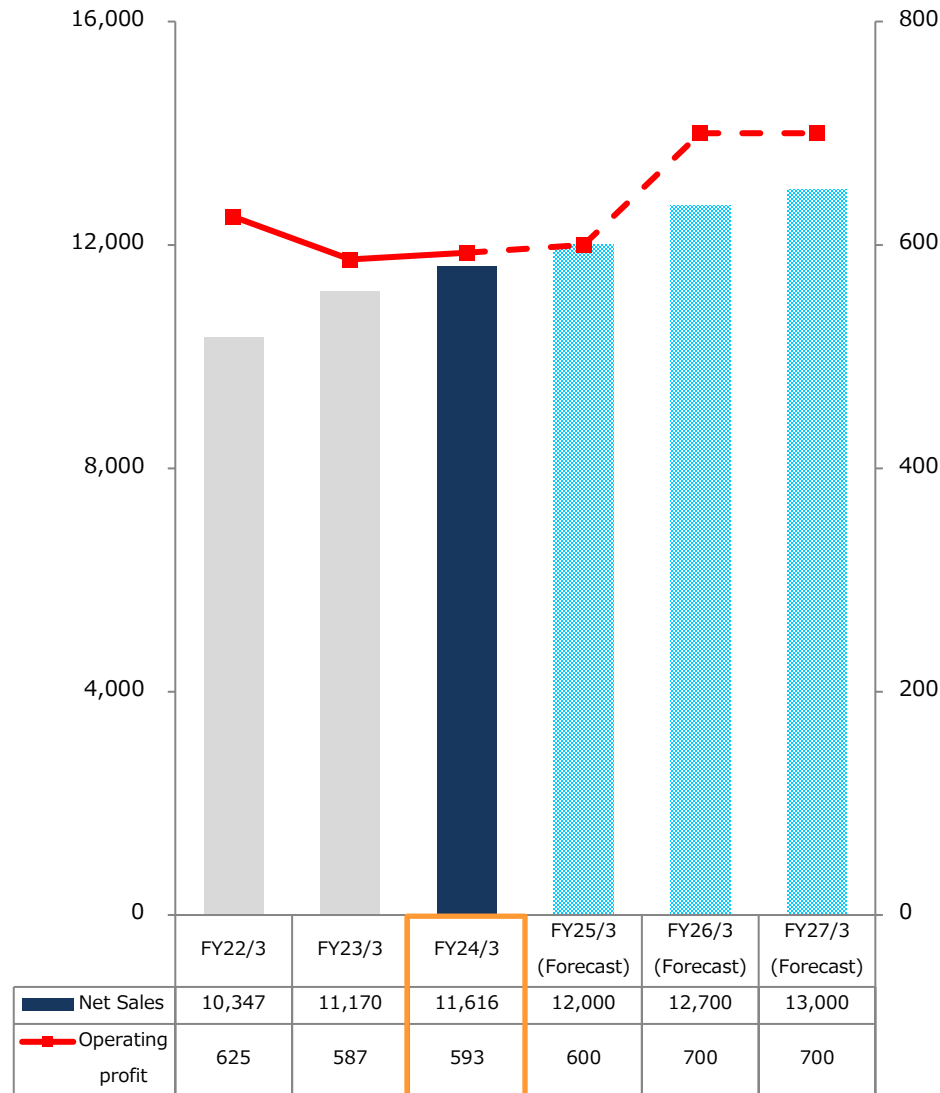
Business Activities

- ✓ Alpha Grande Koshigaya-Laketown is scheduled to be completed in March 2025
- ✓ Strengthen procurement of land for condominiums and detached houses, mainly in central Tokyo
- ✓ For the FY27/3, sales and profit are expected to increase due to the completion and sale of the Higashikanagawa / Sendaieki Higashiguchi kankyo-fudousan Project and the land purchased for development

◆ Overview by Segment [Elderly Assistance and Childcare Business]

(Net Sales : Millions of yen)

(Operating Profit : Millions of yen)



FY2023 (23/4-24/3) results

- ✓ Operate 126 business sites
(as of the end of March 2024)
Five facilities opened in the FY2023
- ✓ 63 technical intern trainees and specified skilled workers from overseas

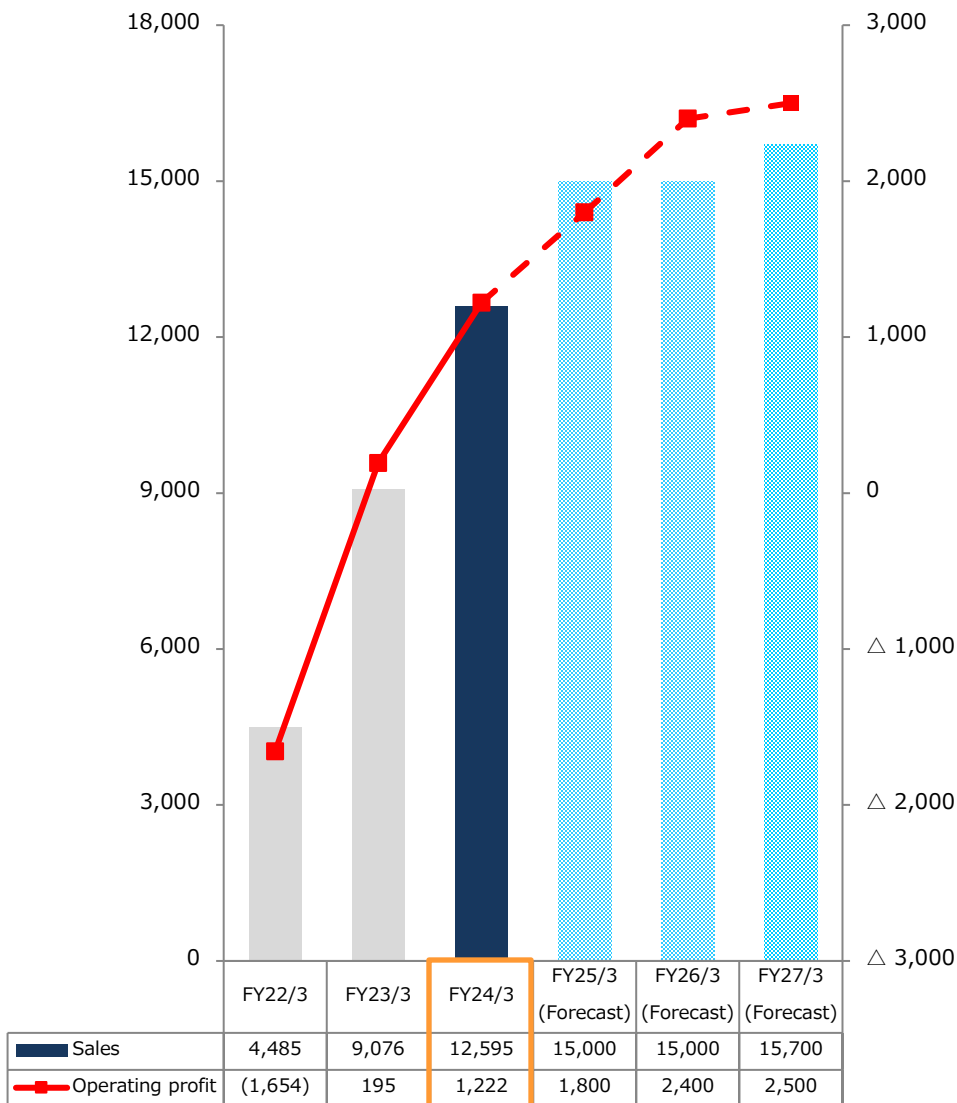
Business Activities

- ✓ Plan to open five new sites
 - November 2024 Group Home Kirara Funabashi Hasama
 - June 2025 Group Home Kirara Itabashi Tokumaru
Small-scale multifunctional Kirara Itabashi Tokumaru
 - July 2025 Group Home Kirara Nishiogiminami
Small-scale multifunctional Kirara Nishiogiminami
- ✓ Continue to recruit overseas human resources
- ✓ Start of introduction of medication support system
 - ➡ Ensure the safety of customers and improve the efficiency of medicine administration to improve the quality of care-services

◆ Overview by Segment [Hotel and Leisure Business]

(Sales : Millions of yen)

(Operating Profit : Millions of yen)



FY2023 (23/4-24/3) results

- ✓ Domestic leisure demand has been strong due to the transition to Category 5 of the COVID-19 infection
 - ➡ Room unit prices have increased compared to before the COVID-19 pandemic
- ✓ HOTEL Emion TOKYO BAY
JTB "2022 Comprehensive Evaluation Excellent Ryokan / Hotel Award" (12 consecutive years)
Rakuten Travel "Rakuten Travel Award 2023 Hotel & Ryokan of the Year" 5th
- ✓ Opened HOTEL Emion SAPPORO in December 2023

Business Activities

- ✓ New hotel brand
"HOTEL comento YOKOHAMA KANNAI " in April 2024



Exterior

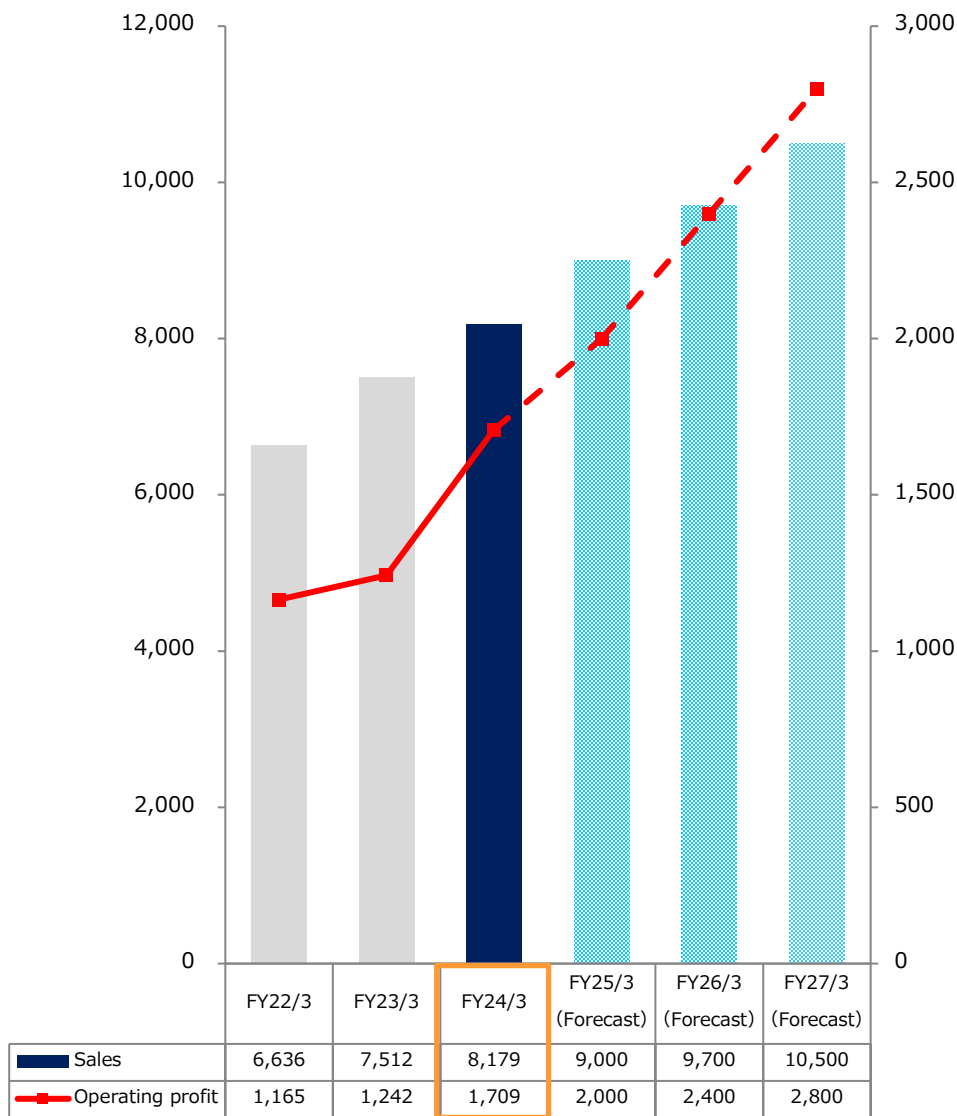


Room

◆ Overview by Segment [Finance and Consulting Business]

(Sales : Millions of yen)

(Operating Profit : Millions of yen)



FY2023 (23/4-24/3) results

- ✓ Increase in fees for housing loans
 - ➡ Increased demand due to rising real estate prices and low interest rates
- ✓ Increase in small-amount short-term insurance
 - ➡ Increase in the number of properties under management and leasing brokerage contracts

Business Activities

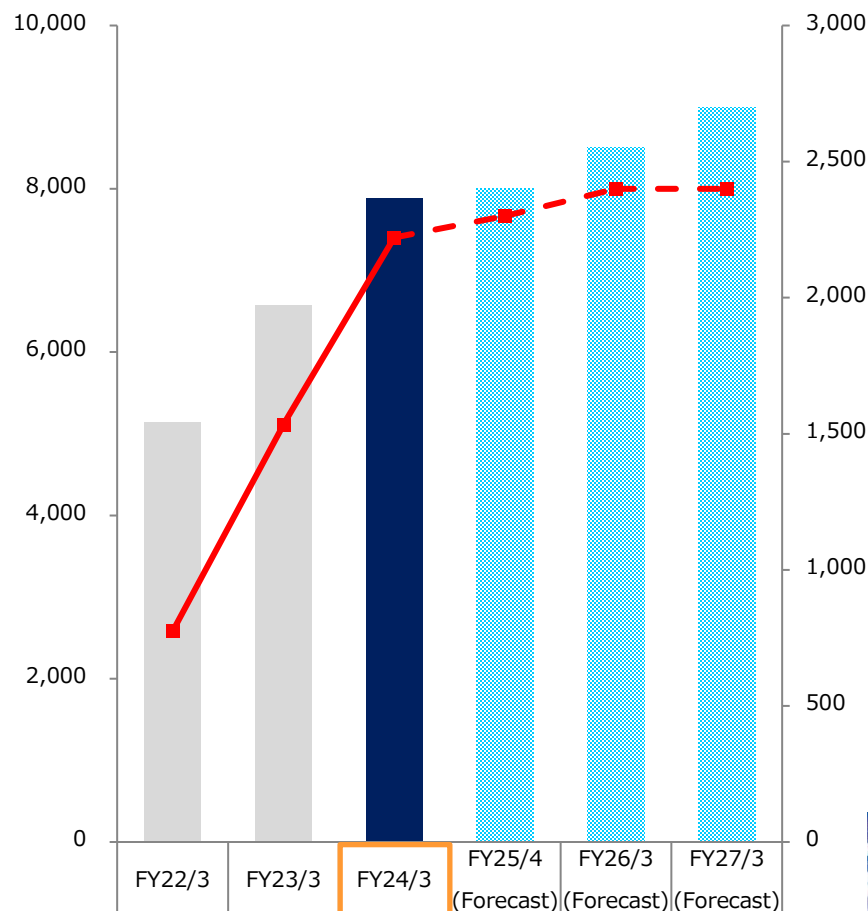
- ✓ Expand services for Pitat House network outlets
 - ➡ Utilize the Group's expertise, including Starts Securities Co., Ltd. , to provide inheritance and asset consulting sales and management operations efficiency services

Line of Business	Revenue base	FY23/3	FY24/3	FY25/3 (Forecast)
PITAT HOUSE Franchise Business	Number of PITAT HOUSE real estate outlets	648	634	667
Securities Business	Income from financial asset management, securities insurance and other agencies (100 m yen)	18	21	22
Investment corporation asset management Business	Starts Proceed Investment Corporation's assets under management (100 m yen)	978	1,015	974
Insurance Business	Number of small-amount insurance transactions	75,812	89,516	92,600
Trust Business	Cumulative number of contracts Assets under management (100 m yen)	313 1,296	341 1,644	384 1,761

◆ Overview by Segment 【Publishing Business】

(Sales : Millions of yen)

(Operating Profit : Millions of yen)



FY2023 (23/4-24/3) results

- ✓ Increase in sales of books such as e-books and comics
"Ano Hana ga Saku Oka de Kimi to Mata Deaetara"
The original book was a million-seller hit.
- ✓ "OZ Premium Reservation" reached 1.42 million reservations per year, which was the highest record.

Business Activities

- ✓ Thorough marketing and segmentation of reader targets
➡ Create works that resonate with Gen-Z through social media.
- ✓ Support for advertising and sales promotion as a "Tokyo community-based company"
➡ Focus on Planning and managing events using brands such as OZ Magazine

- 「Ano Hana ga Saku Oka de kimi to mata Deaetara」 Series have sold more than 1.25 million copies
- 「OZ Premium Reservation」 Ozmall Awards2024



野いちごジュニア文庫



スタート出版文庫

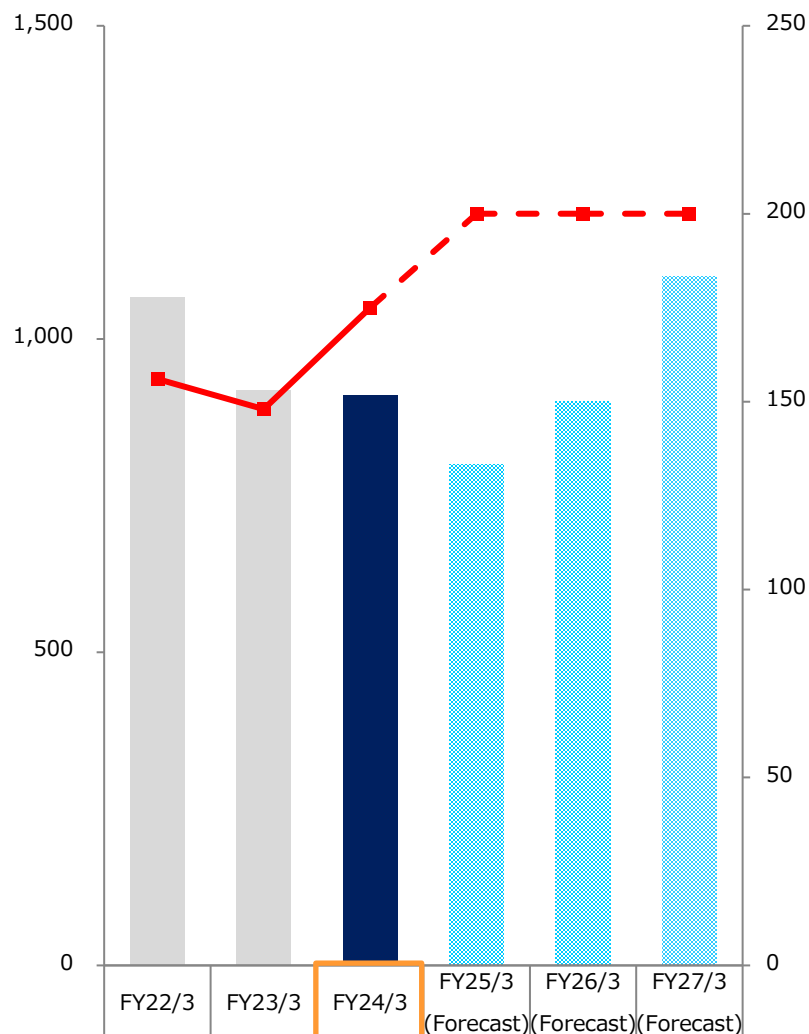


スタ文単行本



(Sales : Millions of yen)

(Operating Profit : Millions of yen)



FY2023 (23/4-24/3) results

- ✓ Closed Mitsuo Aida Museum in January 2024
 - ➡ Original goods mail-order business continues
 - Events such as local stores are planned for the 100th anniversary of the birth in the March FY 2025

Business Activities

- ✓ Hirosaki Museum of Contemporary Art 2024
Exhibition [Spring / Summer]
Mika Ninagawa with EiM :
Where Humanity Meets Nature in session

• Hirosaki Museum of Contemporary Art



本展会場風景 ©Lucky Star Co.,Ltd

Mika Ninagawa with EiM :
Where Humanity Meets Nature
(Period of the event : April 6 – September 1, 2024)

徳川実花《花、瞬く光》2022年
©mika ninagawa, Courtesy of Tomio Koyama Gallery



Financial data

◆ Consolidated Statements of income

(Millions of yen)

	FY2023 (23/4-24/3) Results	FY2022 (22/4-23/3) Results	YOY	FY2023 (23/4-24/3) Plan	Achievement rate
Net Sales	233,408	233,871	(463)	238,000	98.1%
Cost of sales	159,889	165,686	(5,797)	164,000	97.5%
Gross Profit	73,518	68,184	+5,334	74,000	99.3%
Expense	43,020	40,089	+2,931	43,000	100.0%
Operating Profit	30,498	28,095	+2,402	31,000	98.4%
Non-operating income	3,317	2,271	+1,046	800	414.7%
Non-operating expenses	419	363	+55	500	83.8%
Ordinary Profit	33,396	30,002	+3,393	31,300	106.7%
Extraordinary gains	68	730	(661)	-	-
Extraordinary losses	184	505	(320)	300	61.7%
Tax provision	11,184	10,009	+1,174	10,000	111.8%
Net income attributable to owners of the parent	22,095	20,218	+1,877	21,000	105.2%

◆ Non-operating income

Interest income	185
Dividend income	494
Foreign exchange gains	1,741 ※
Subsidy income	266
Other	628
	3,317

◆ Non-operating expenses

Interest expenses	233
Provision of allowance for	44
Customer service costs	59
Other	80
	419

◆ Extraordinary gains

Gain on sale of non-current assets	20
Gain on sale of investment securities	31
Other	15
	68

◆ Extraordinary losses

Loss on sale of non-current assets	2
Loss on retirement of non-current assets	154
Loss on sale of investment securities	11
Other	16
	184

※Exchange rate

FY2022 \$=133.53 → FY2023 \$=151.41 (Expected rate 132.00)

◆ Consolidated Balance Sheets

(Millions of yen)

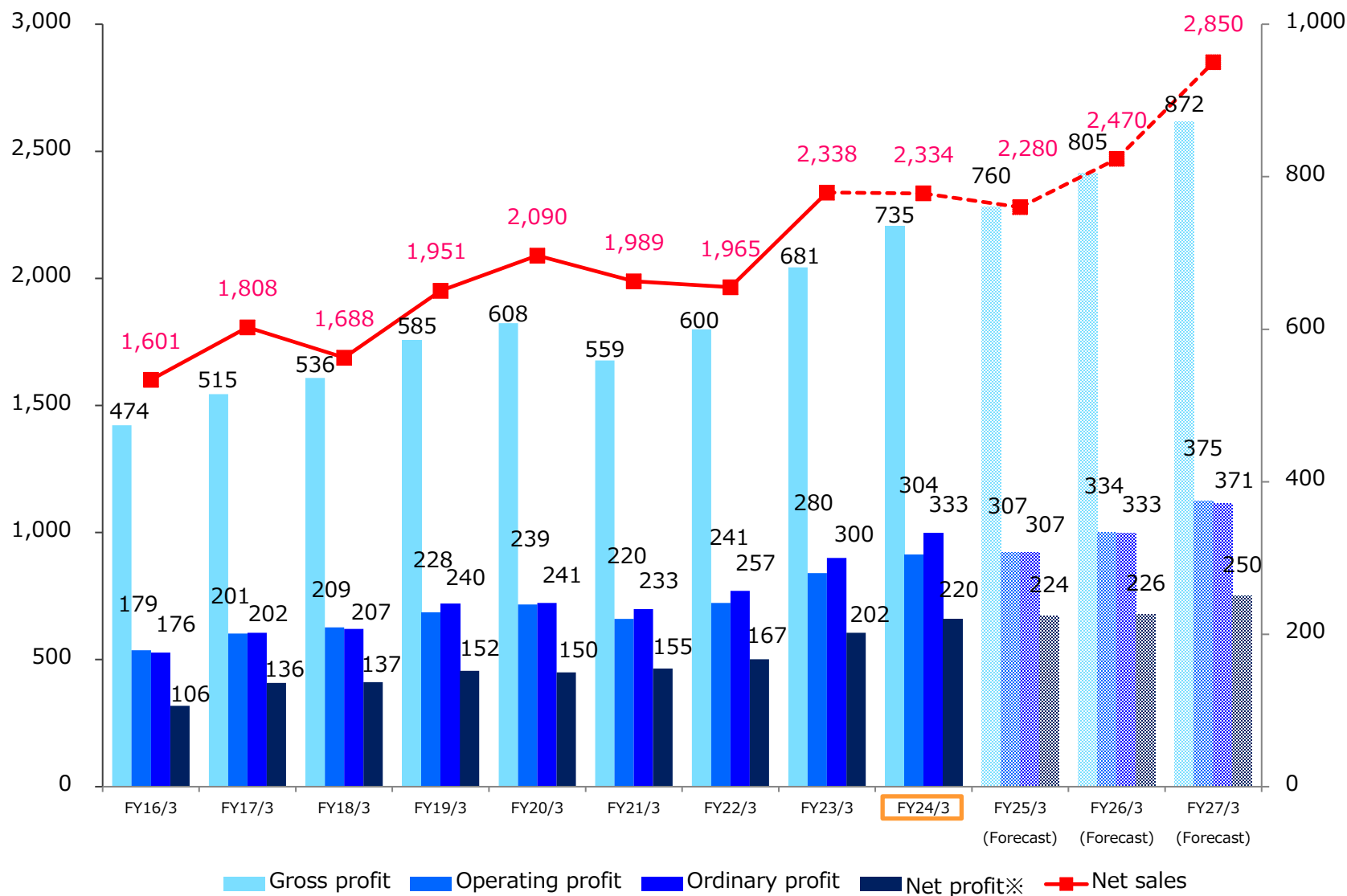
	FY2023 (Mar.31,2024)	FY2022 (Mar.31,2023)	YOY
(Assets)			
Cash and cash equivalents	94,037	85,225	+8,811
Accounts receivable and contracts assets	20,410	16,174	+4,235
Real estate for sale	3,563	1,503	+2,060
Real estate for sale in process	11,967	10,362	+1,605
Costs on construction contracts in progress	2,022	1,987	+35
Other	15,539	12,309	+3,229
Total current assets	147,540	127,562	+19,978
Property, plant and equipment	138,172	134,297	+3,875
Intangible assets	5,038	4,171	+866
Investments and other assets	33,356	27,068	+6,288
Total non-current assets	176,568	165,537	+11,030
Total assets	324,109	293,100	+31,008

	FY2023 (Mar.31,2024)	FY2022 (Mar.31,2023)	YOY
(Liabilities)			
Accounts payable - trade and accounts payable for constructions contracts	22,198	22,801	(603)
Short-term borrowings	22,635	23,197	(561)
Other	48,781	45,820	+2,960
Total current liabilities	93,615	91,818	+1,796
Long-term borrowings	50,797	42,452	+8,345
Other	14,377	13,742	+635
Total non-current liabilities	65,175	56,195	+8,980
Total liabilities	158,790	148,013	+10,776
(Net assets)			
Common stock	11,039	11,039	-
Capital surplus	6,545	6,417	+128
Retained earnings	144,836	127,700	+17,135
Treasury shares	(8,173)	(8,173)	(0)
Other	11,071	8,101	+2,969
Total net assets	165,318	145,086	+20,232
Total liabilities and net assets	324,109	293,100	+31,008

◆ Consolidated Results transition

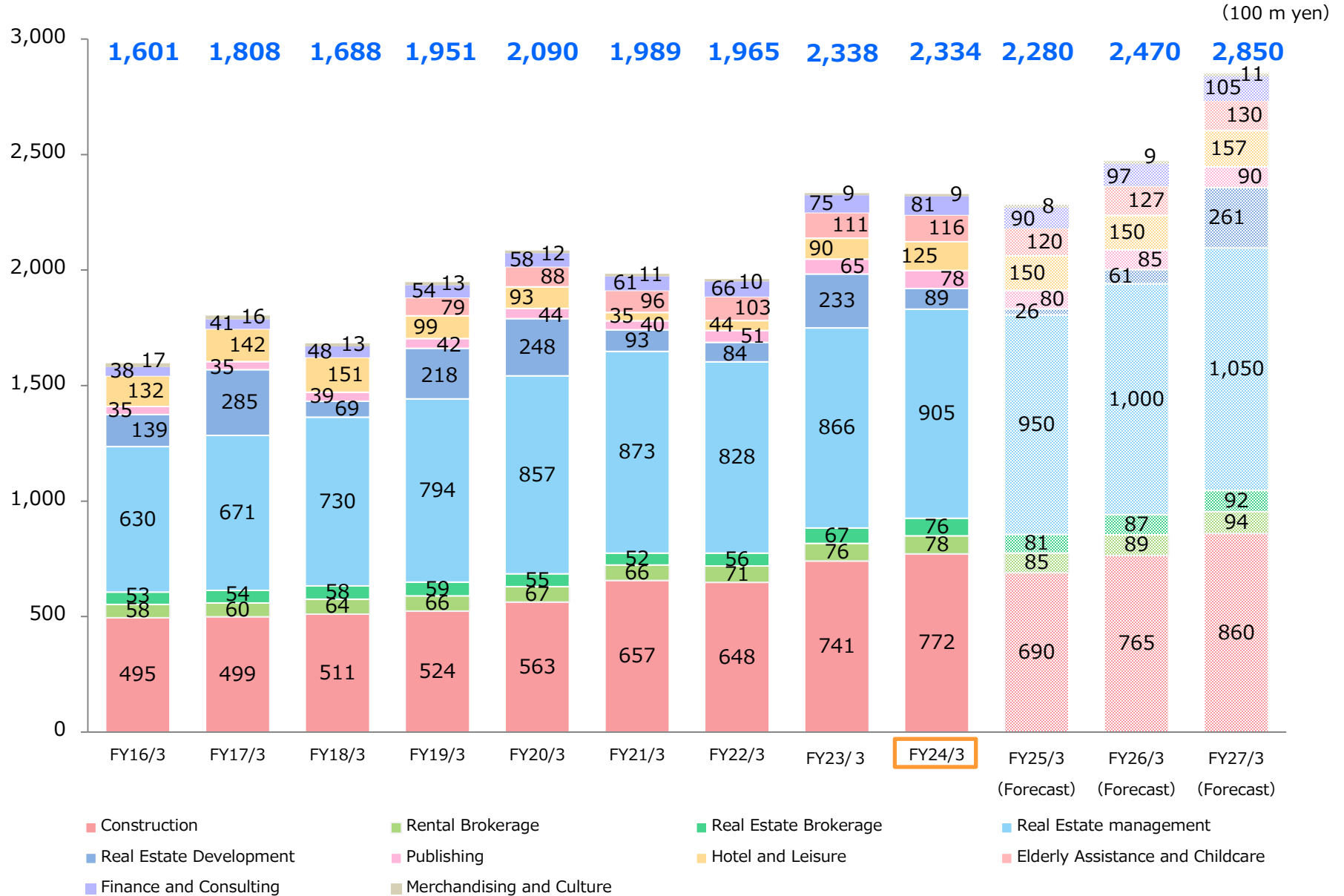
(Net sales : 100 m yen)

(Profit : 100 m yen)



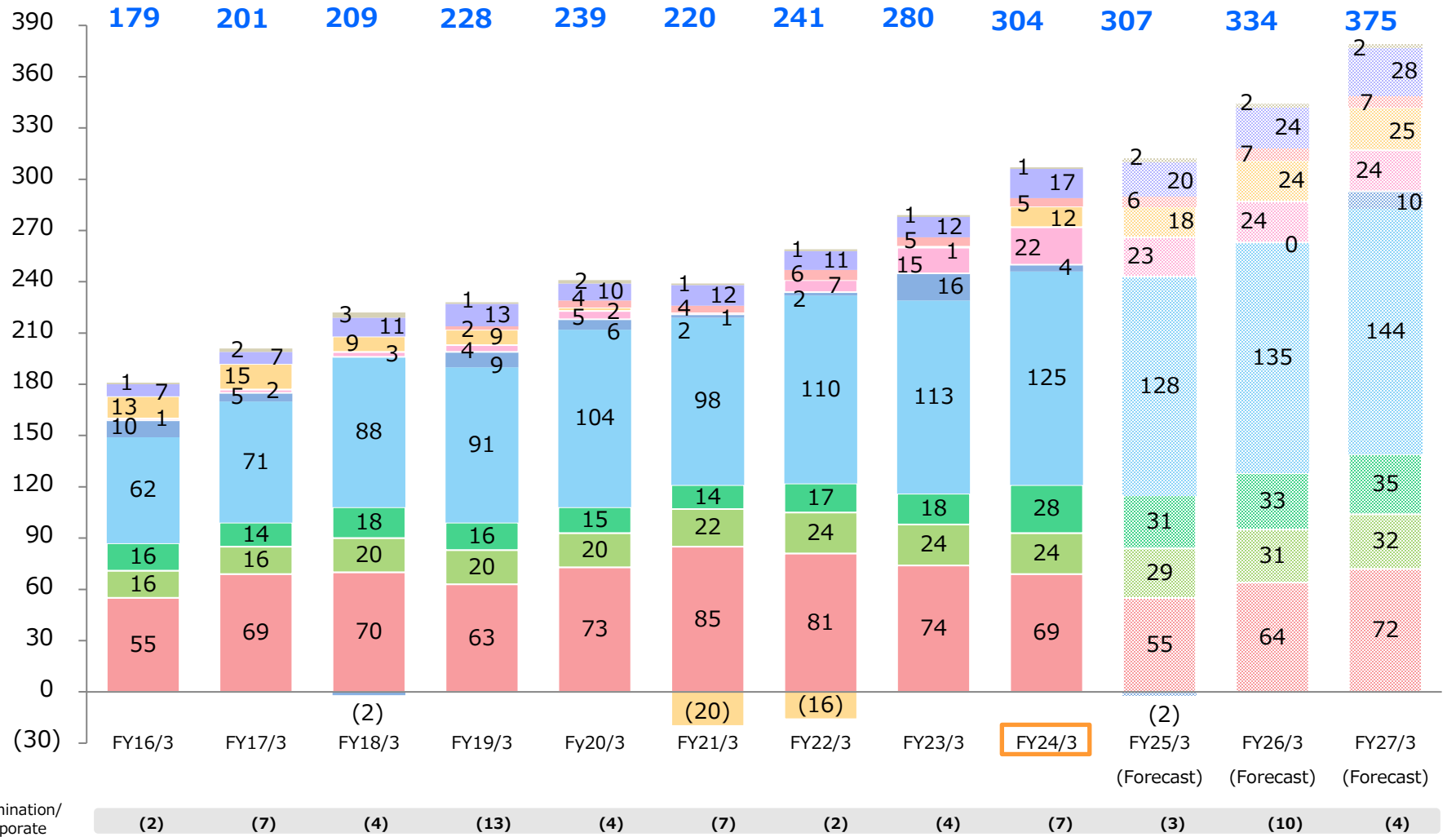
※Net income attributable to owners of the parent

◆ Consolidated Net Sales by Segment



◆ Consolidated Operating Profit by Segment

(Millions of yen)



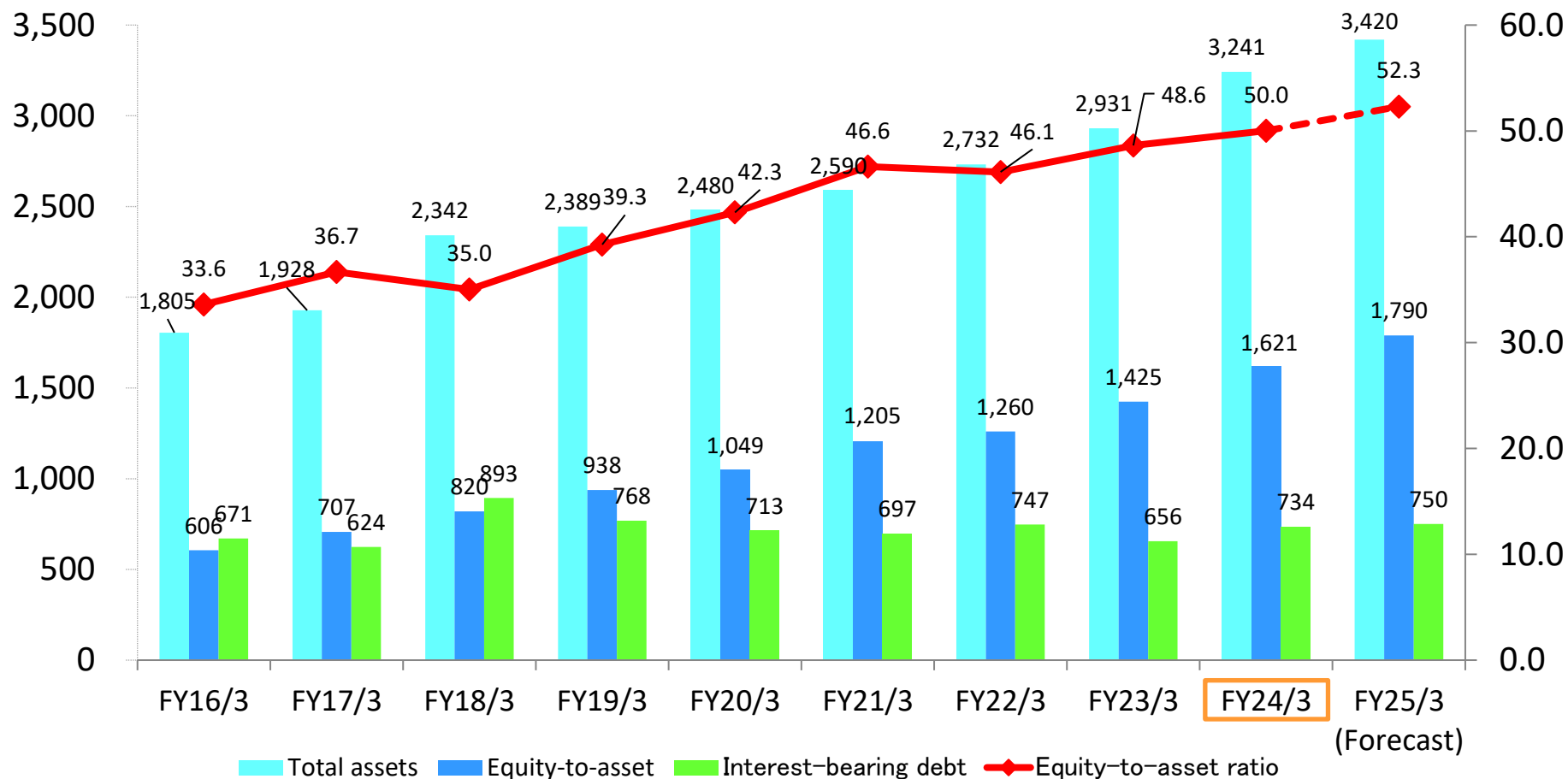
Elimination/
Corporate

- Construction
- Real Estate Development
- Finance and Consulting
- Rental Brokerage
- Publishing
- Merchandising and Culture
- Real Estate Brokerage
- Hotel and Leisure
- Real Estate Management
- Elderly Assistance and Childcare

◆ Consolidated Total Assets, Shareholders' Equity and Interest-Bearing Debt

(100 million of yen)

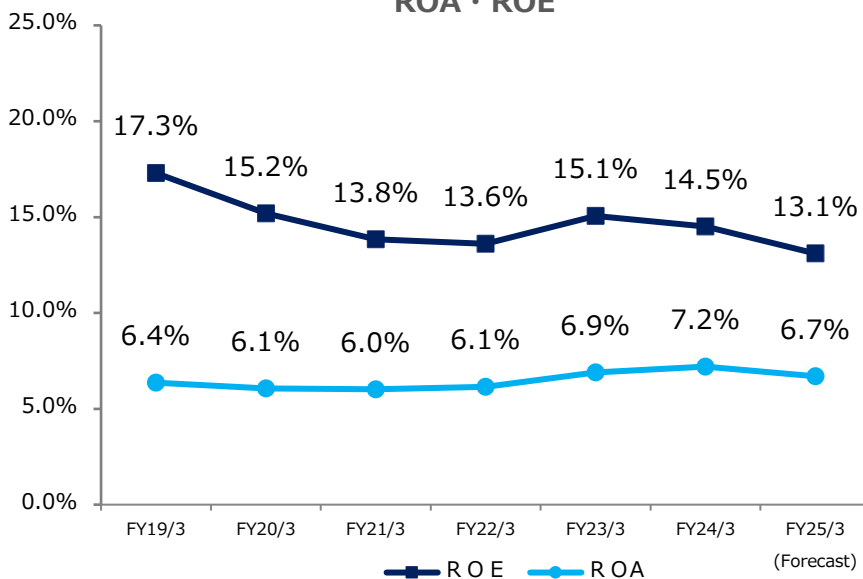
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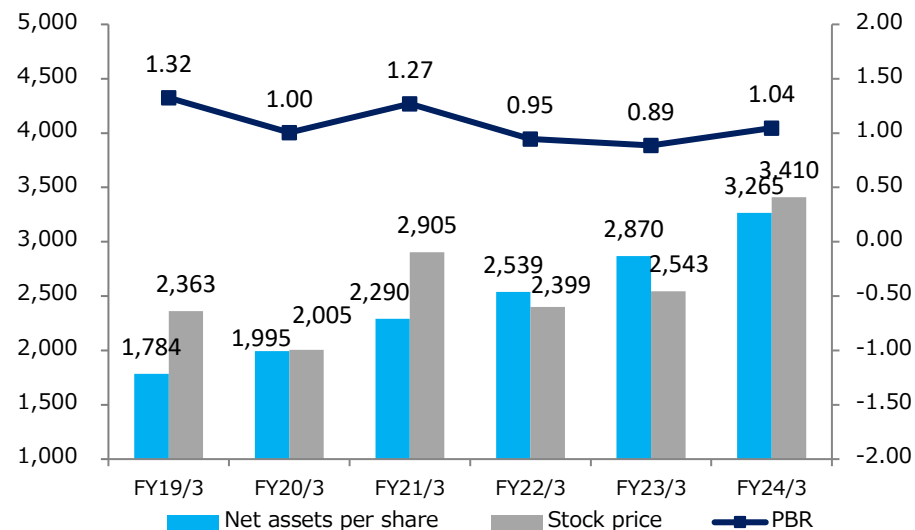
	FY15/3	FY16/3	FY17/3	FY18/3	FY19/3	FY20/3	FY21/3	FY22/3	FY23/3	FY24/3	FY25/3 (Forecast)
Operating Profit (100 m yen)	164	179	201	209	228	239	220	241	280	304	307
EBITDA (100 m yen)	198	214	238	243	270	285	268	293	335	319	373
Net profit (100 m yen)	106	106	136	137	152	150	155	167	202	220	224
Number of 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)	44円	47円	55円	60円	69円	65円	62円	73円	93円	105円	110円
Payout ratio	21.2%	23.2%	21.2%	23.0%	23.8%	22.7%	20.9%	21.9%	22.8%	23.6%	24.4%
D / E ratio	1.4	1.1	0.9	1.1	0.8	0.7	0.6	0.6	0.5	0.5	0.4
Net D / E ratio	0.6	0.3	0.1	0.5	0.3	0.1	(0.02)	0.00	(0.14)	(0.12)	(0.14)
Interest-bearing debt	3.7	3.1	2.6	3.7	2.8	2.5	2.6	2.5	2.0	2.0	2.0
Equity-to-asset ratio	30.1%	33.6%	36.7%	35.0%	39.3%	42.3%	46.6%	46.1%	48.6%	50.0%	52.3%
ROA	6.0%	5.9%	7.0%	5.8%	6.4%	6.1%	6.0%	6.1%	6.9%	7.2%	6.7%
ROE	23.9%	18.7%	20.7%	17.9%	17.3%	15.2%	13.8%	13.6%	15.1%	14.5%	13.1%
EPS	207.5yen	203.0yen	259.4yen	260.9yen	290.1yen	286.2yen	296.2yen	332.8yen	407.1yen	444.8yen	450.9yen
Stock price (End of period)	1,827yen	2,504yen	2,324yen	2,893yen	2,363yen	2,005yen	2,905yen	2,399yen	2,543yen	3,410yen	-

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)

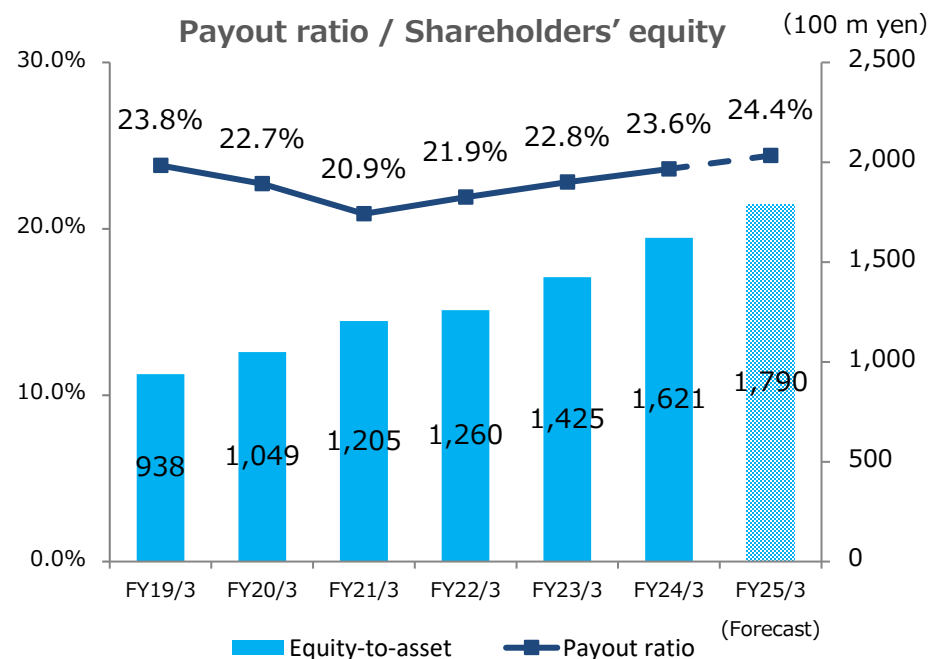
ROA · ROE



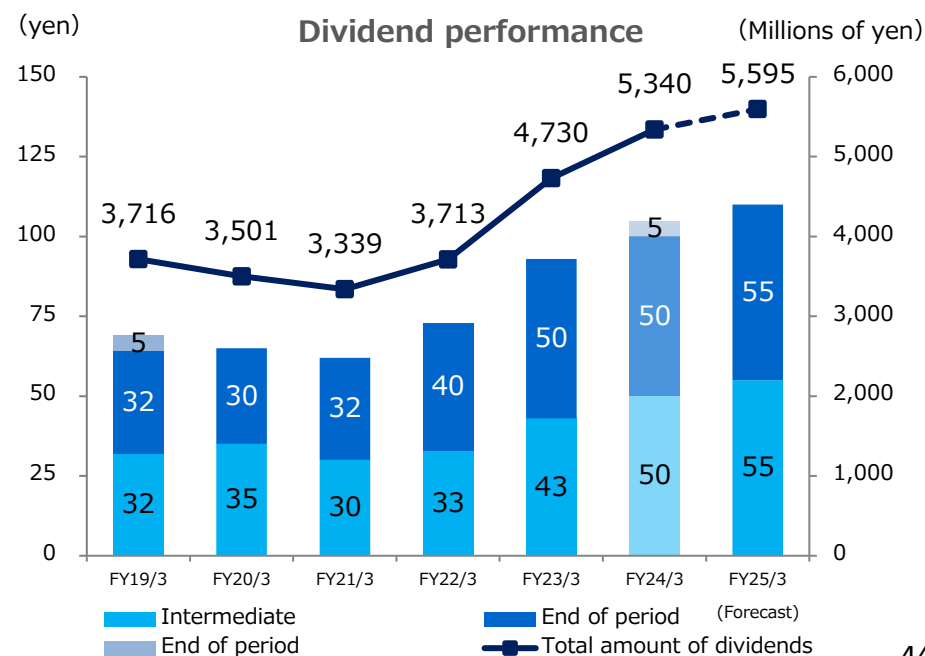
PBR / Net assets per share / Stock price (times)



Payout ratio / Shareholders' equity



Dividend performance





“People are everything, the heart is all”

Since its foundation, Starts has diligently created wide-ranging Businesses 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 more than 90 companies with about 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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【Contact Us】

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