

August 12, 2025

To whom it may concern

Company Name: &Do Holdings Co., Ltd.  
Representative: Masahiro Ando, Chairman and CEO  
(Code No.3457/PRIME of the Tokyo Stock Exchange)  
Contact Person: Kazuaki Tomita, Vice Chairman and CFO  
(Tel:81+3-5220-7230)

## **Announcement Regarding Formulation of Medium-Term Management Plan**

&Do Holdings Co., Ltd. (headquarters: Chiyoda-ku, Tokyo; Chairman and CEO: Masahiro Ando; hereinafter, “&Do HLD” or the “Company”), which operates a nationwide real estate business under the HOUSE DO brand, hereby announces the formulation of a new medium-term management plan (FY6/2026– FY6/2030) ending in FY6/2030.

### **1. Medium-Term Management Plan Overview**

Under the previous medium-term management plan ending FY6/2025, the Group concentrated its management resources on its growth-driving Franchisee, House-Leaseback, Finance, and Real Estate Buying and Selling businesses while actively investing in human resources and advertising to generate further expansion and promoting closer collaboration among its businesses in an effort to upgrade its real estate and financial services and facilitate the establishment of a highly profitable business structure. Based on this policy, its business performance expanded steadily, supported by factors such as strong growth in the Real Estate Buying and Selling Business. However, in FY6/2025, the final year of the plan, results fell below initial targets due to a decline in the amount transferred to HLB Funds.

Under these circumstances, the Group has newly formulated a five-year medium-term management plan ending in FY6/2030, with the goal of enhancing return on equity and building a foundation for the sustainable improvement of corporate value. By concentrating resources on high-growth, high-profitability businesses, it will restructure its business portfolio by shifting emphasis toward priority businesses. Through improvements in capital turnover and profit margins, the Group will strive to generate stable and robust cash flow.

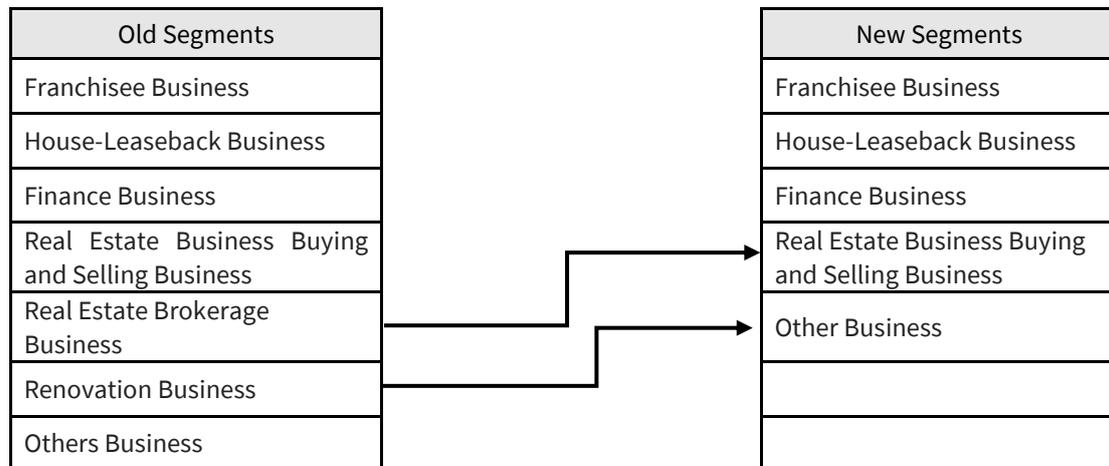
### **2. Numerical Targets**

unit : million yen	FY6/2025 Revised forecast	FY6/2030 Plan	Changes
Net sales	64,735	80,000	+ 23.6%
Ordinary profit	2,943	8,000	+ 171.8%
Profit attributable to owners of parent	2,341	5,300	+ 126.4%
Profit margin (%)	4.5%	10%	—
Shareholder's equity ratio	25.6%	Over 30%	—
ROIC	2.6%	Over 6%	—
Dividend payout ratio	Over 30%	Over 30%	—

### 3. Changes in Business segments

#### (1) Overview of Changes

As part of the business portfolio restructuring under the above-mentioned medium-term management plan, the Group will integrate the downsized Real Estate Brokerage Business into the Real Estate Buying and Selling Business. In addition, the Renovation Business, which is scheduled to be transferred during the current fiscal year, will be reclassified under the Other Business.



(2) Effective date of change: First quarter of fiscal year ending June 2026

(Note) This English translation is reference only. This English version is not an official translation of the original Japanese document. In case where any differences occur between the English and the original Japanese version, the Japanese version shall prevail. This translation is subject to change without notice. &Do Holdings Co., Ltd. and its subsidiaries shall individually or jointly accept no responsibility for this translation or for direct, indirect or any other form of damage arising from the translation.

Medium-term management plan  
FY6/2026 - FY6/2030

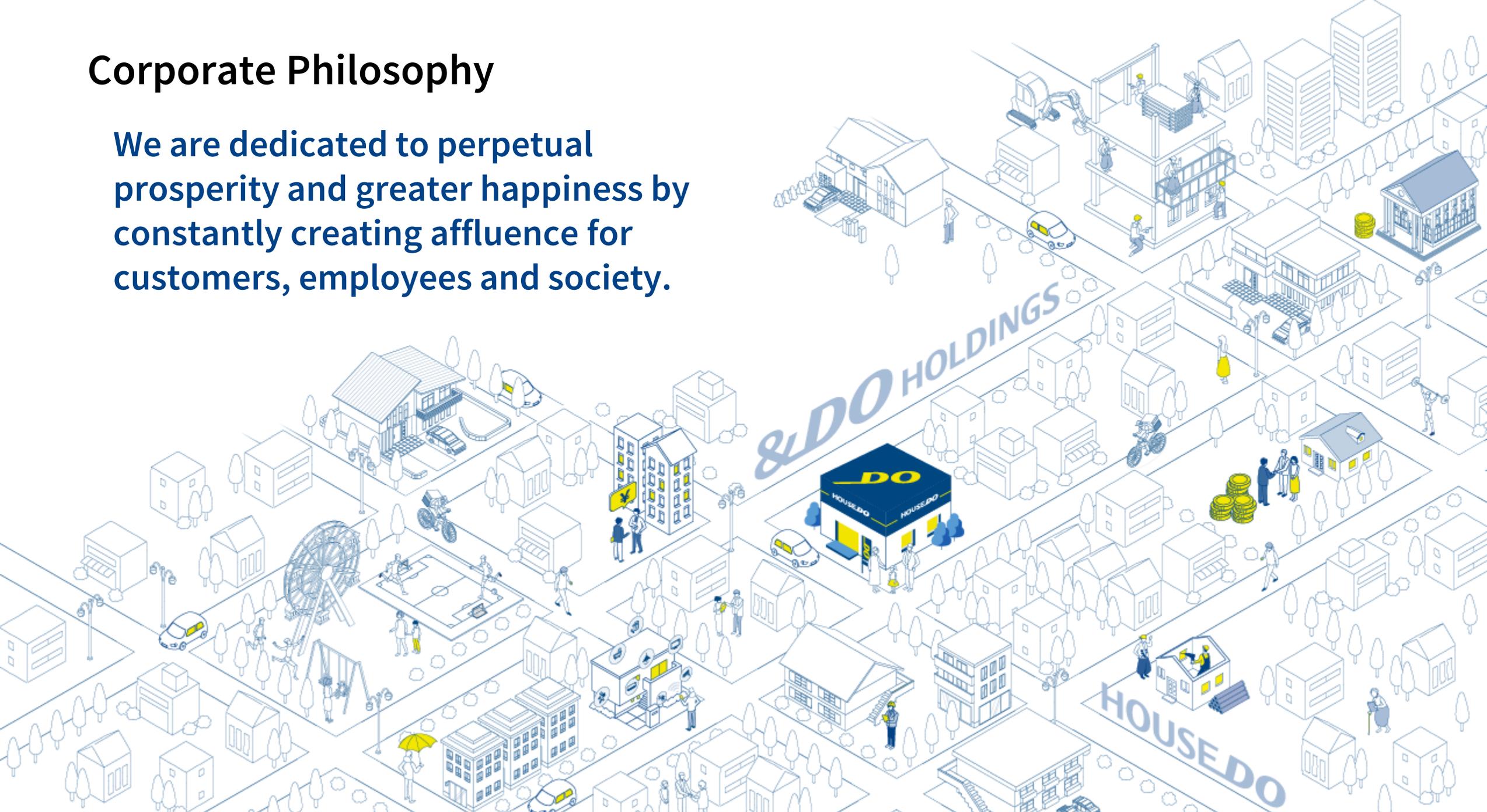
August 12, 2025

&Do Holdings Co., Ltd  
【3457】



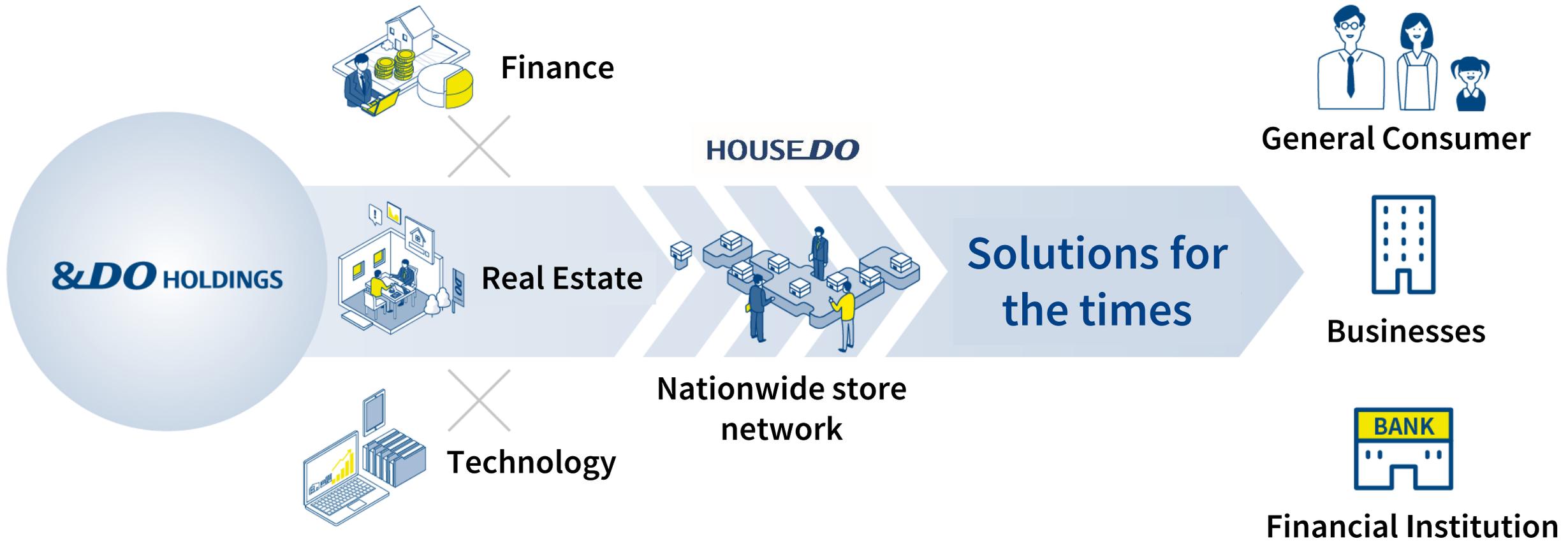
# Corporate Philosophy

We are dedicated to perpetual prosperity and greater happiness by constantly creating affluence for customers, employees and society.



# Value Creation and Role of &Do

Providing consumers, businesses, and financial institutions with primarily real estate-based solutions that fulfill present-day needs



## Contribute to the resolution of various social issues through enhanced real estate distribution

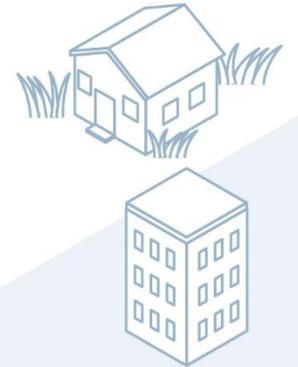
### Stimulation of the existing home market

Stimulating the existing home market by increasing the availability of information and Strengthening the purchase and resale of pre-owned homes through the establishment of a nationwide network



### Curbing Vacant homes

Contribute suppressing the increase in vacant houses by re-energizing real estate distribution and providing inheritance solutions through property liquidation



### Securing of retirement funds

Enabling financing through the use of real estate assets with our House-Leaseback and Reverse Mortgage Guarantee Businesses



### Extending the life of residential housing

Revitalizing existing homes through renovation, conducting inspections when renovations are fully completed, and extending the lives of homes through seismic reinforcement



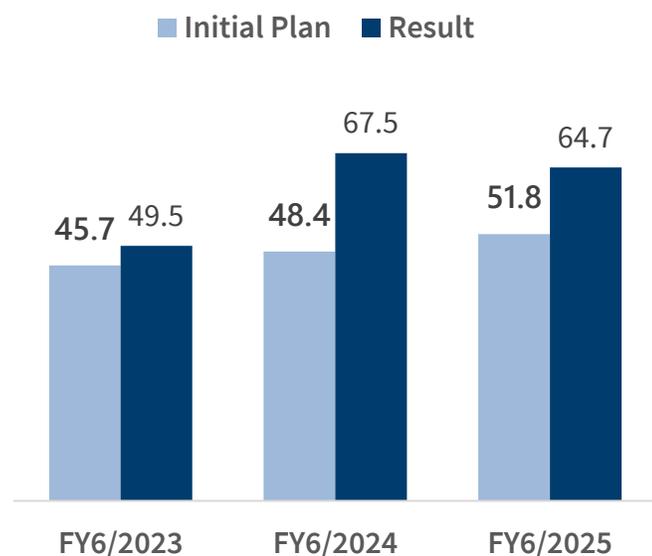
- 1. Review of Previous Medium-Term Management Plan**
- 2. Overview of New Medium-Term Management Plan**
- 3. Breakdown of Strategies by Business Segment**

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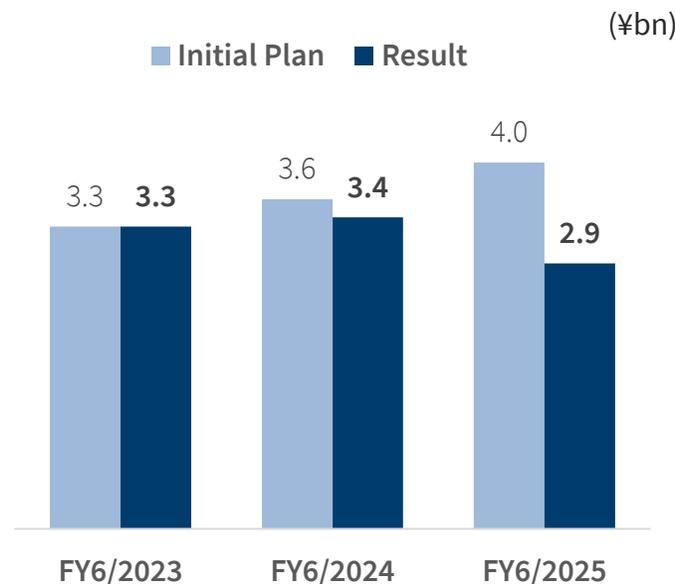
# Review of Previous Medium-Term Management Plan (1)

- Net sales significantly exceeded the initial plan, driven by expansion in the Real Estate Buying and Selling Business
- Sales of large properties acquired during the COVID-19 pandemic led to a reduction in non-current assets, contributing to improved financial soundness
- Entered into a capital and business alliance with Dai-ichi Life Holdings
- While SG&A expenses were reduced through organizational streamlining, relative contributions from high-margin segments—such as the Franchisee Business—declined, resulting in lower profit margins and capital efficiency

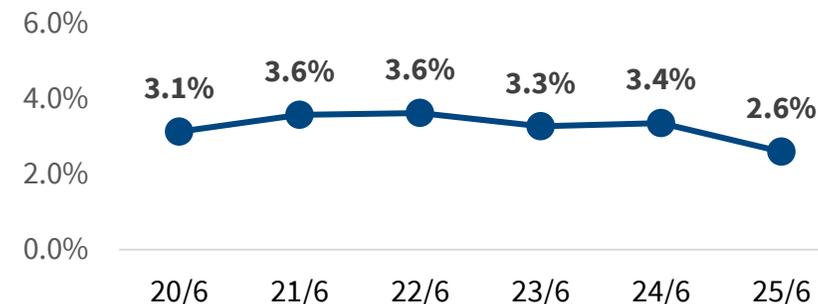
## Net Sales



## Ordinary Profit



## ROIC



	FY6/2022	FY6/2025
Profit Margin	7.1%	4.5%
Shareholder's equity Ratio	21.1%	25.6%

\*The results for the fiscal year ending June 2025 in this document are the revised forecasts disclosed in the “Announcement of Revision to Earnings Forecasts” released on August 12, 2025.

# Review of Previous Medium-Term Management Plan (2) (Growth-Driving Businesses)

- Franchisee : Earnings were affected by an increase in contract terminations due to the COVID-19 pandemic, as well as a delayed recovery in the pace of net growth in franchised stores
- House-Leaseback : Although the number of purchase contracts expanded steadily, volume was weighed down in the final year due to reputational impact from media coverage and concerns about the sustainability of fund schemes amid rising interest rates
- Finance : While initial targets were not met, steady growth was recorded; the gradual start of property sales also began to highlight the business's strong profitability
- Real Estate Buying and Selling : Purchasing activities—including the acquisition of pre-owned houses—expanded steadily, driving substantial growth

Previous Mid-term Management Plan  
Growth Strategy

KPIs for Growth-driving business



Further expansion of Growth-driving Businesses



Deepening Real Estate x Financial Services



Promotion of a highly profitable structure

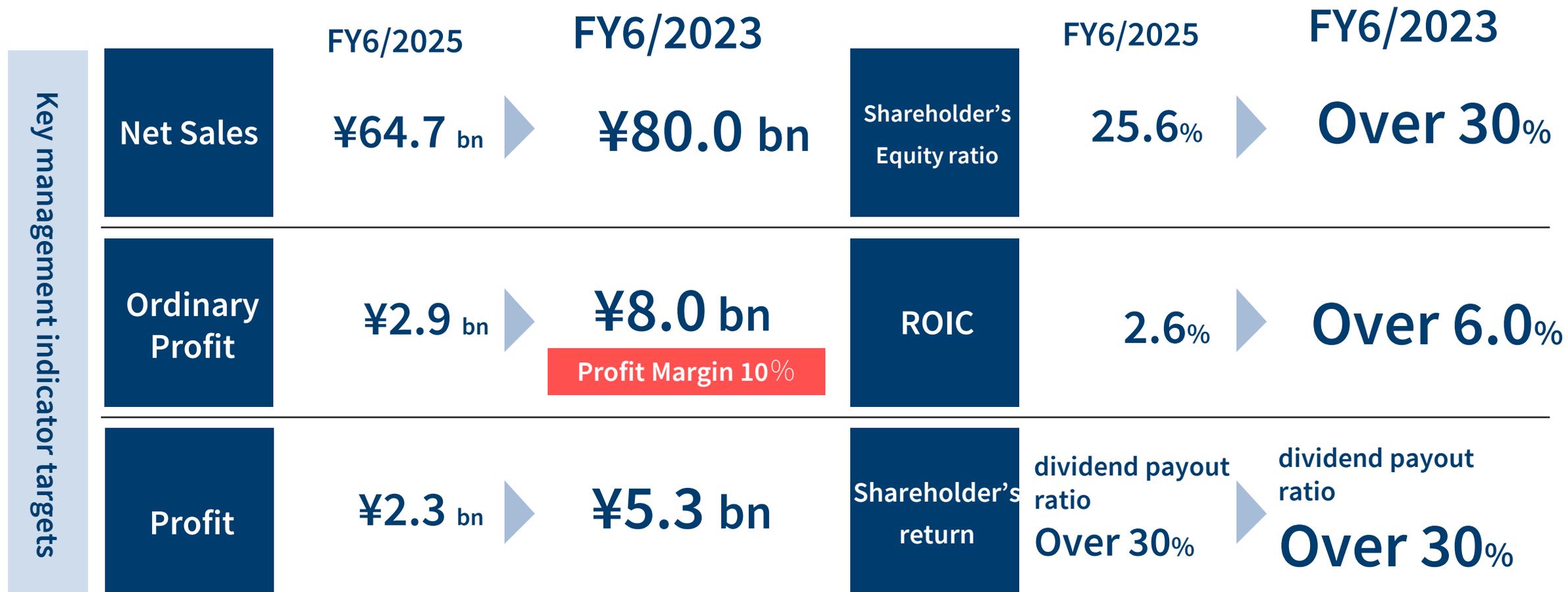
	FY6/2022	FY6/2025
Total no. of Stores	683 stores	725 stores
No. of Annual purchase contract for HLB	1,090 case	798 case
Guarantee balance	¥8.8 bn	¥28.1 bn
Inventory balance	¥15.3 bn	¥33.1 bn

1. Review of Previous Medium-Term Management Plan
- 2. Overview of New Medium-Term Management Plan**
3. Breakdown of Strategies by Business Segment

# New Medium-Term Management Plan (FY6/2026–FY6/2030)

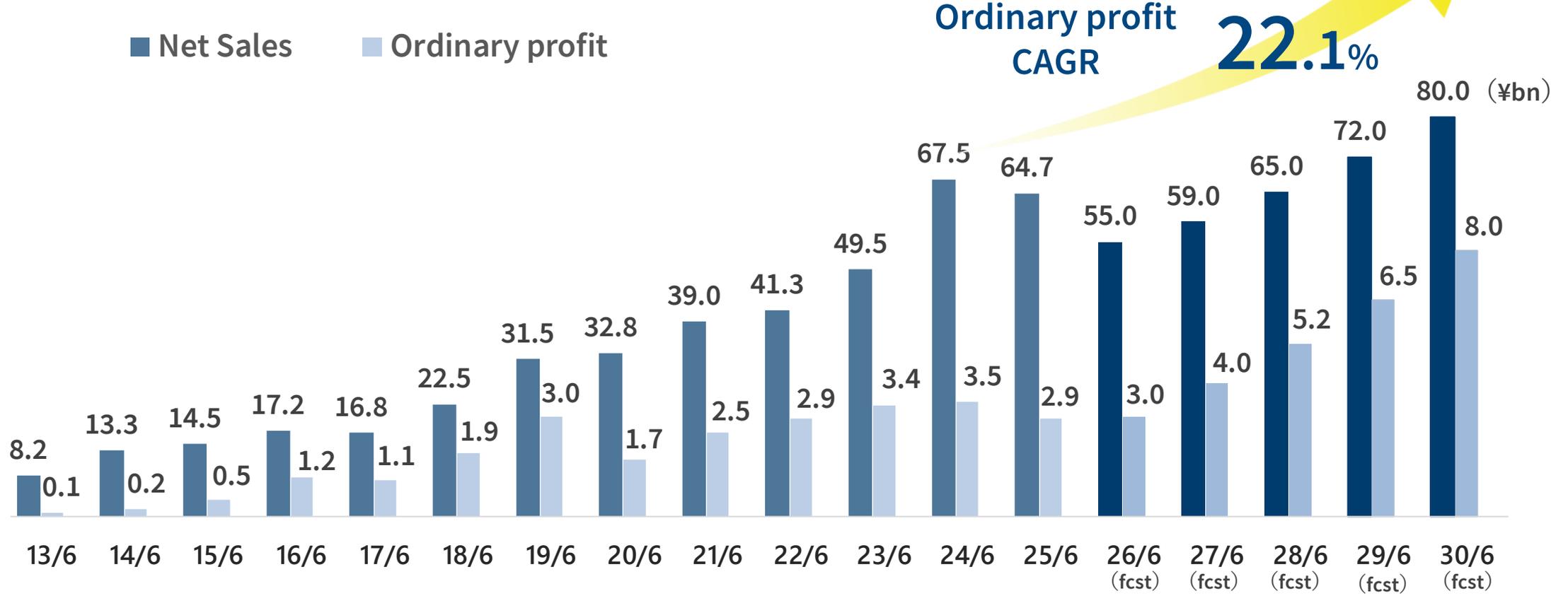
## Basic Policy & Key Management Indicators

- Restructure the business portfolio by shifting the emphasis toward priority businesses
- Generate stable and high levels of cash flow by improving capital turnover and profit margins
- Enhance return on equity and establish a foundation for the sustainable improvement of corporate value



# Financial Performance and New Medium-Term Management Plan (FY6/2026–FY6/2030)

- Position FY6/2026 as a transition period, with a strategic shift in emphasis toward downsizing the House-Leaseback Business and strengthening the Real Estate Buying and Selling Business, while maintaining profit at the same level as in FY6/2025
- Target a CAGR of 22.1% in ordinary profit
- Seek additional upside by leveraging outcomes from the collaboration with Dai-ichi Life Holdings



- On December 18, 2024, entered into a capital and business alliance agreement with Dai-ichi Life Holdings, Inc.
- On June 4, 2025, disposed of treasury shares through a third-party allotment, resulting in the Company becoming an equity-method affiliate of Dai-ichi Life Holdings



**Dai-ichi Life Holdings** × **HOUSEDO**

[Collaboration under the business alliance]

- Mutual utilization of management resources and services between the two companies
- Development of senior-oriented services, including reverse mortgage guarantees and House-Leaseback
- Promotion of initiatives to expand and develop real estate-backed financial services
- Collaboration in other areas related to real estate, finance, and lifestyle-related services

1. Review of Previous Medium-Term Management Plan
2. Overview of New Medium-Term Management Plan
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Concentrate resources on businesses with strong growth potential and profitability



Establish a robust three-pillar structure

## Franchisee

### ■ Infrastructure that underpins services

- Invest in advertising and personnel, focusing on urban areas with development potential
- Develop new franchised stores and enhance support for existing ones by strengthening recruitment

【 Total no. of franchised Stores】

960 stores



725 stores

As of end of June 2025

## Real Estate Buying and Selling

### ■ Earnings growth drivers

- Further strengthen the purchase and resale of pre-owned houses
- Strengthen the workforce through enhanced recruitment  
Sales personnel: 59.3 → 250
- Improve profit margins and asset turnover

【 Sales of pre-owned homes · ratio】

¥37 bn (54%)



¥8.8 bn (29%)

As of end of June 2025

## Finance (Reverse Mortgage guarantees)

### ■ Expand steady income and future earnings opportunities

- Increase the number of partner financial institutions
- Create business synergies by securing opportunities to dispose of properties

【 Outstanding Balance】

¥125 bn



28.1 bn

As of end of June 2025

2030 targets

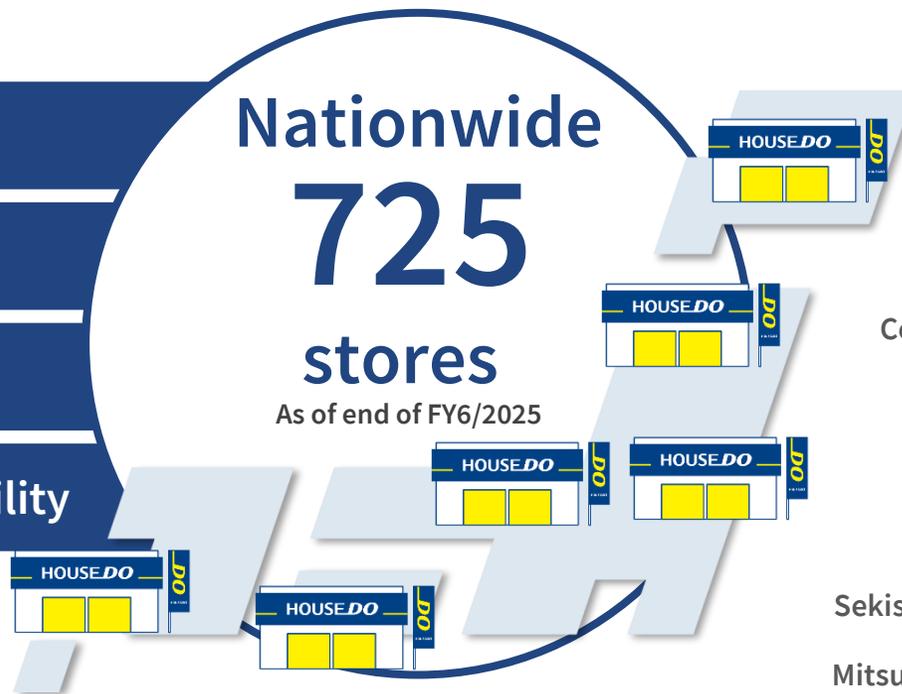
# Franchisee Business

- Group synergies, service delivery infrastructure, and steady income
- A nationwide store network and industry-leading transaction volume—equating to a robust information base—form the foundation of HOUSE DO Group’s competitive advantage
- Promote open information, and establish reliable, convenient service access points for customers nationwide

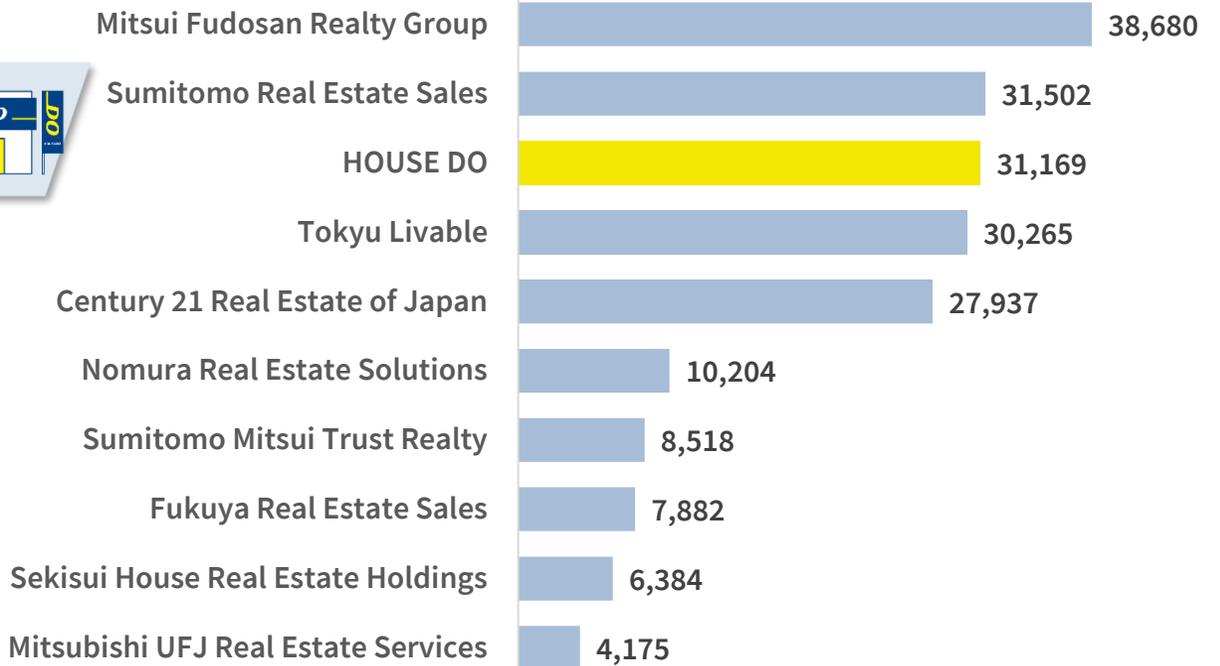
Nationwide coverage  
 Transactions record  
 Appraisal capability  
 Sales capability

Nationwide  
**725**  
 stores

As of end of FY6/2025



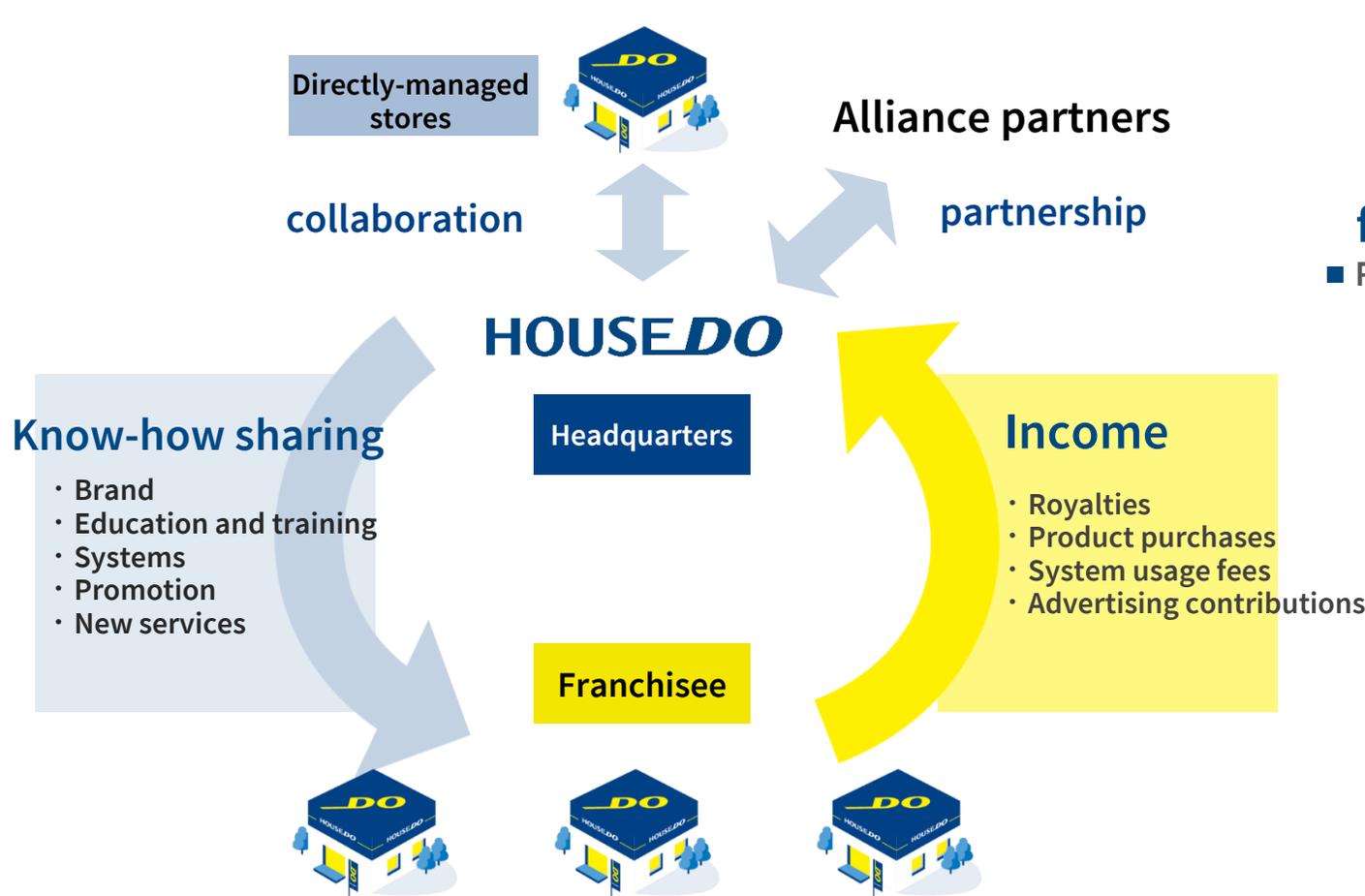
No. of transactions brokered by major brokerage company



Source: The Real Estate Transaction Promotion Center, 2025 Real Estate Industry Statistics (Revised Mar.)  
 Figures for "HOUSE DO" are totals for the HOUSE DO chain for July 2024–June 2025. In-house research.

# Franchisee Business

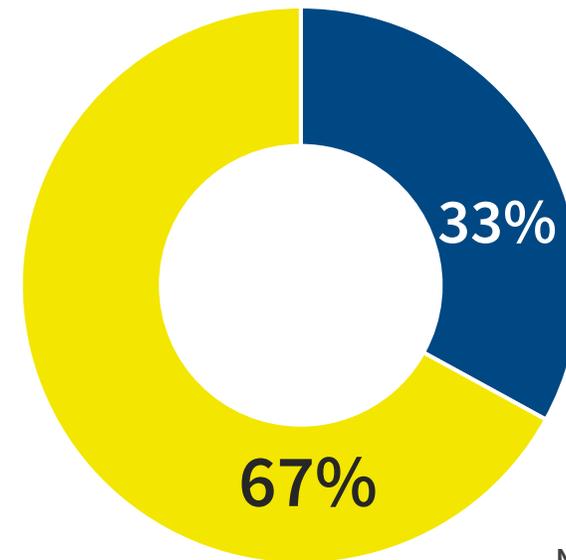
- Share know-how developed at directly-managed stores with franchised stores; support the acquisition of a diverse range of franchise partners through a system that enables success not only for real estate businesses but also for entrants from other industries
  - Strengthen personnel responsible for developing new franchised stores in anticipation of a certain level of contract terminations as the number of stores increases
- An upward trend in contract numbers is driving net growth



**Breakdown of franchise partners by industry**

**Approx. 70% entered from outside the real estate industry**

■ Real estate business    ■ Non-real estate business

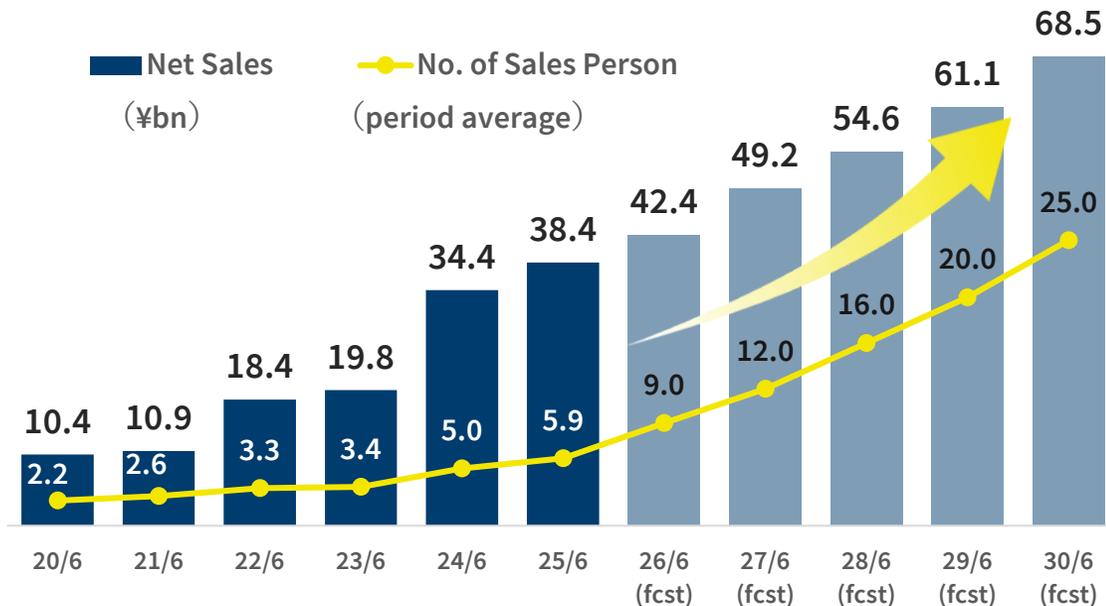


Note :As of end of June

- Achieved significant growth through active property acquisitions during the COVID-19 pandemic
- Aim to expand coverage area—focusing on regional cities with high liquidity—while simultaneously strengthening personnel
- Prioritize purchase and resale of pre-owned houses, while offering properties aligned with market needs

## Net Sales trends and forecast

Continue to position the business as a growth driver, targeting a sales CAGR of 12.3%

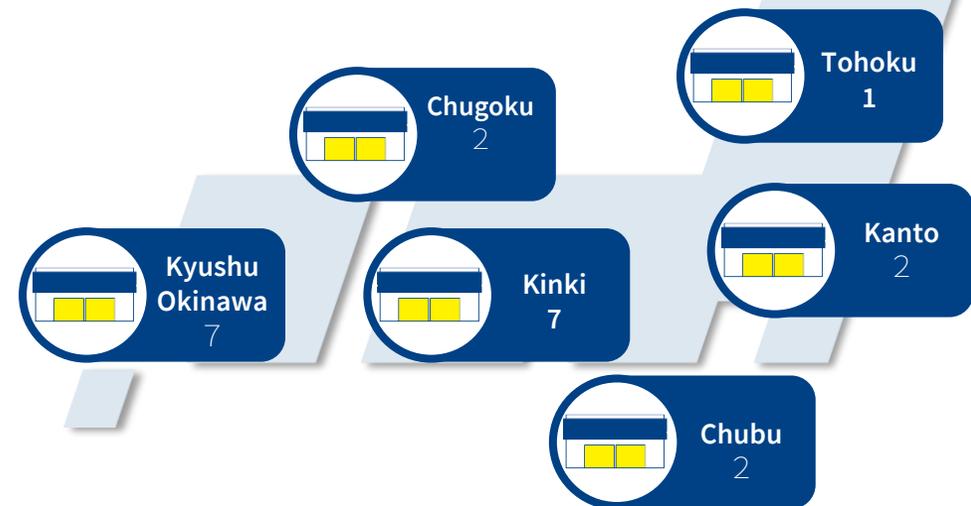


## Coverage area

Directly managed

**21** stores

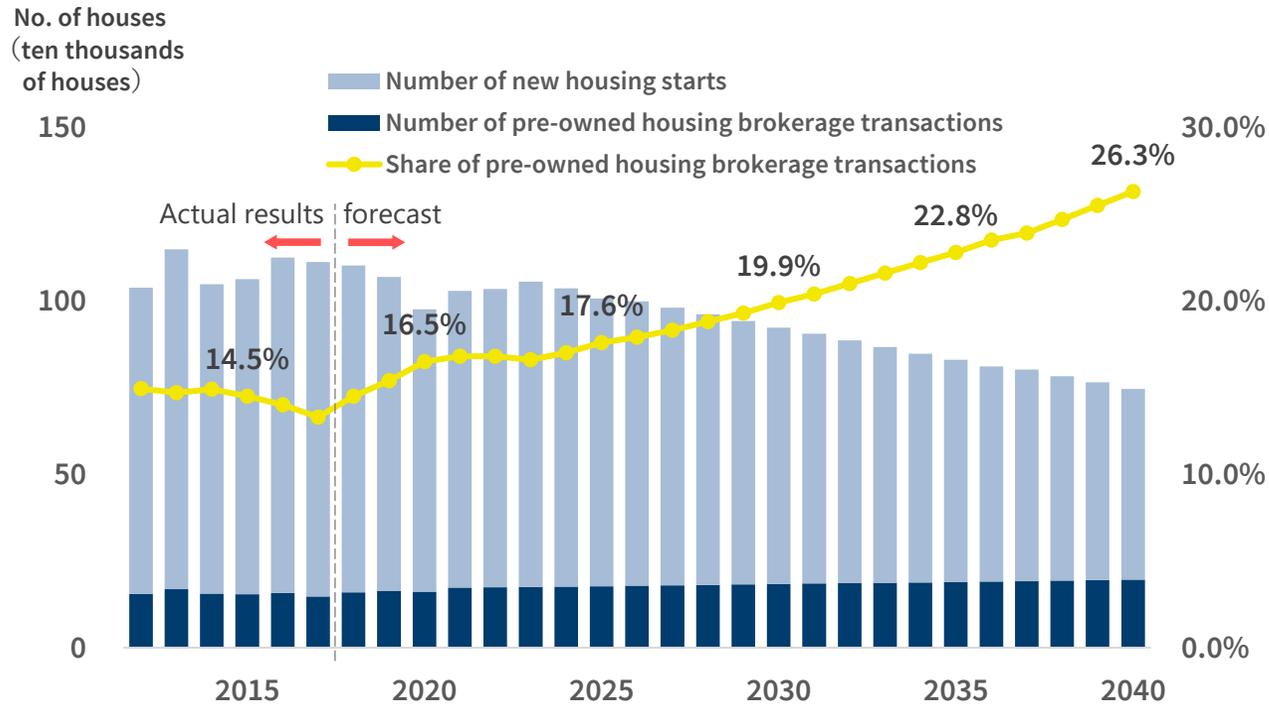
Note : As of July 1, 2025



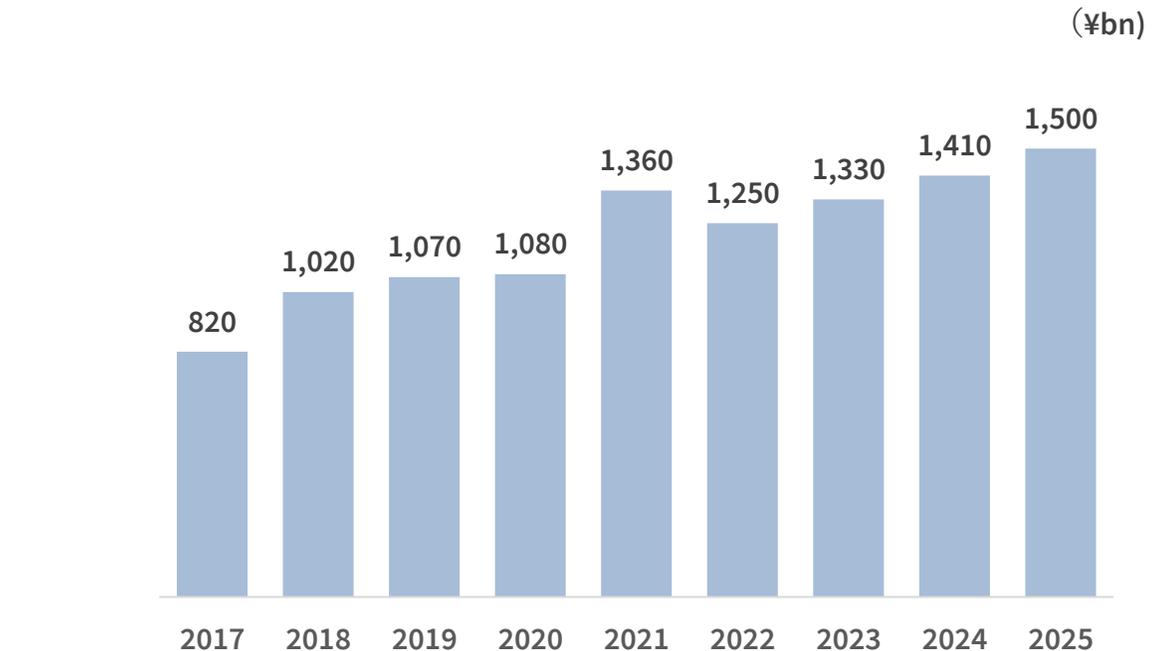
# Pre-Owned Housing Purchase-and-Resale Market

- The share of the pre-owned housing brokerage market is expected to continue expanding in the future, with the purchase-and-resale segment also showing a growth trend
- Contribute to the promotion and revitalization of Japan’s low-liquidity pre-owned housing market

Changes in the share of the used housing market



Changes in the size of the buyback and resale market

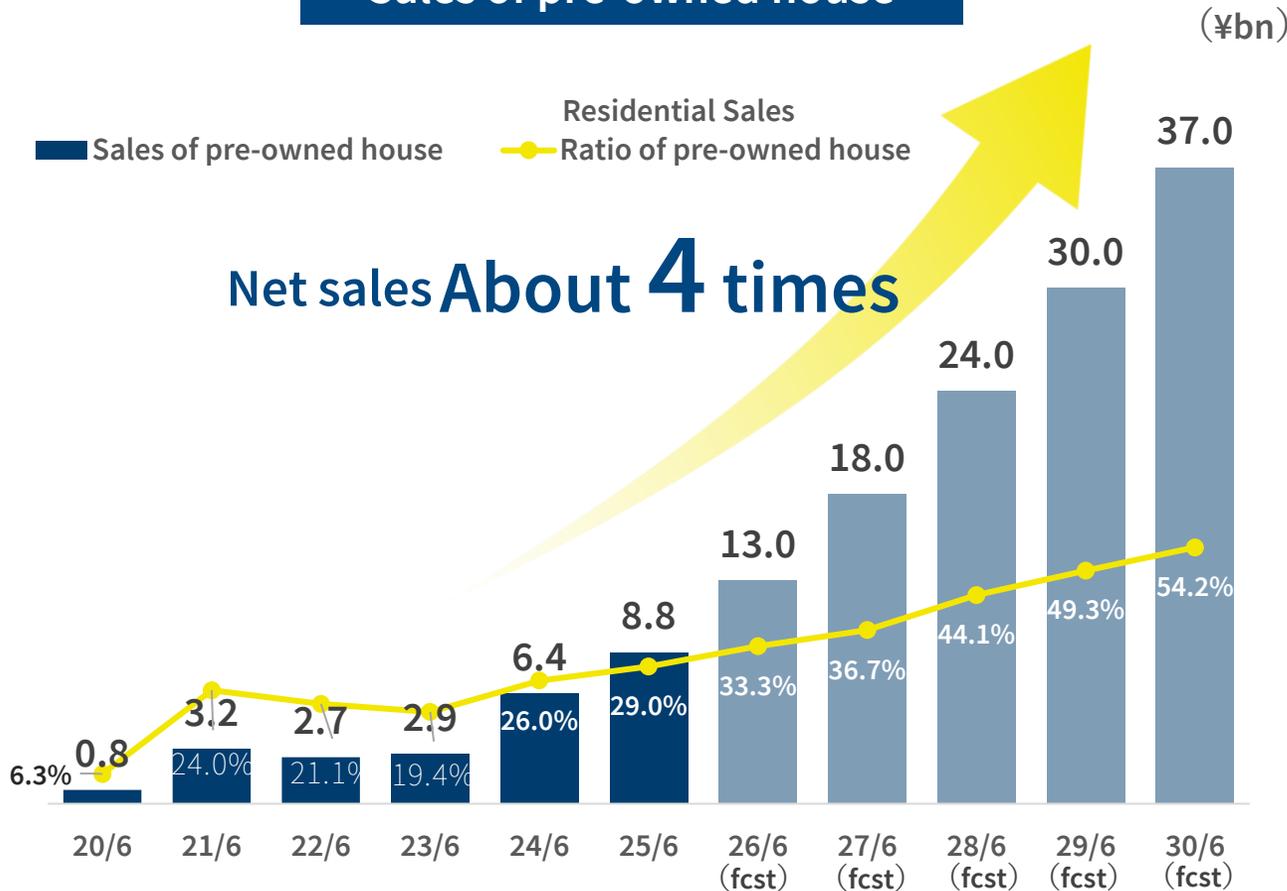


Source: Compiled by the Company based on “Pre-Owned Housing, Purchase and Resale, and Renovation Market Data Book 2024–2025” by the Japan Journal of Remodeling

# Five-Year Plan for Pre-Owned Housing Purchase-and-Resale Operations

- The ratio of pre-owned houses in housing-related net sales is expected to rise from 29.0% in FY6/2025 to roughly 54% in FY6/2030
- The higher ratio of pre-owned houses should improve capital turnover and contribute to enhanced return on equity

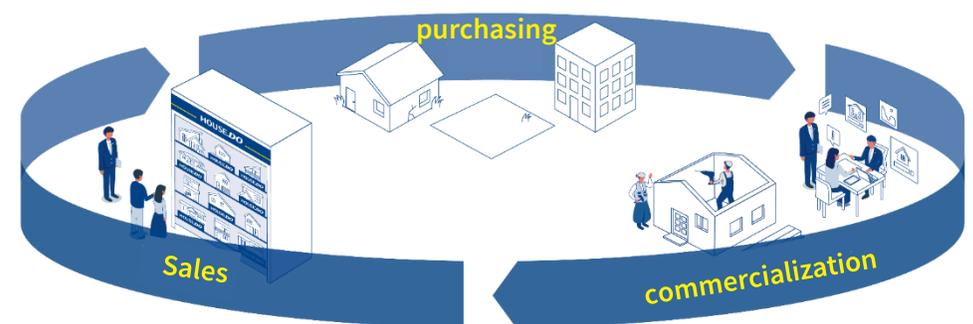
## Sales of pre-owned house



## SPA Strategy

- Nationwide network including franchised stores
- Deliver products aligned with market needs, leveraging extensive information volume and strong sales capabilities

### One-stop solution from purchasing to sales



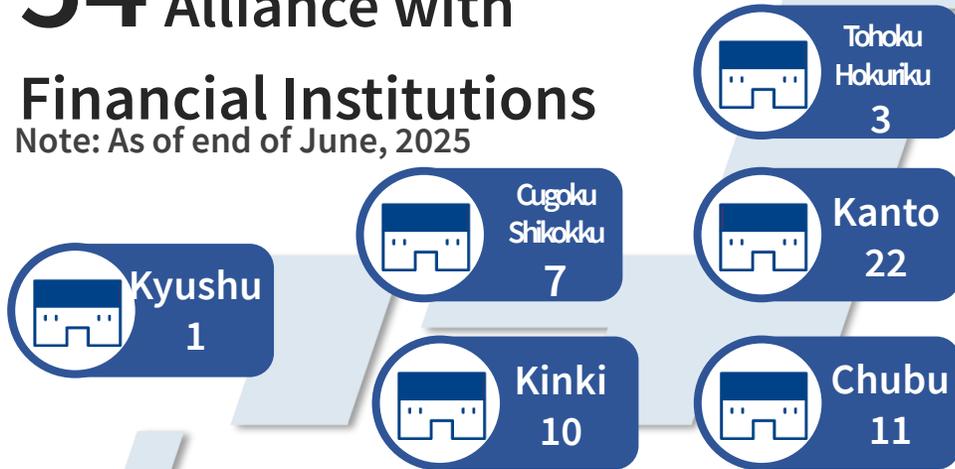
# Five-Year Plan for Reverse Mortgage Guarantee Business

- Cultivate new partners and strengthen touchpoints with existing partners with a focus on urban areas with high real estate value
- In addition to building up guarantee balances, build a receiving platform structure in anticipation of increased earnings opportunities arising from property disposals

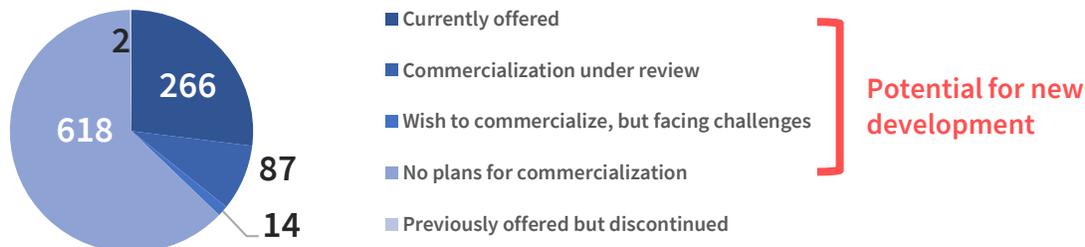
## Reverse Mortgage Partner Financial Institutions

**54 Alliance with Financial Institutions**

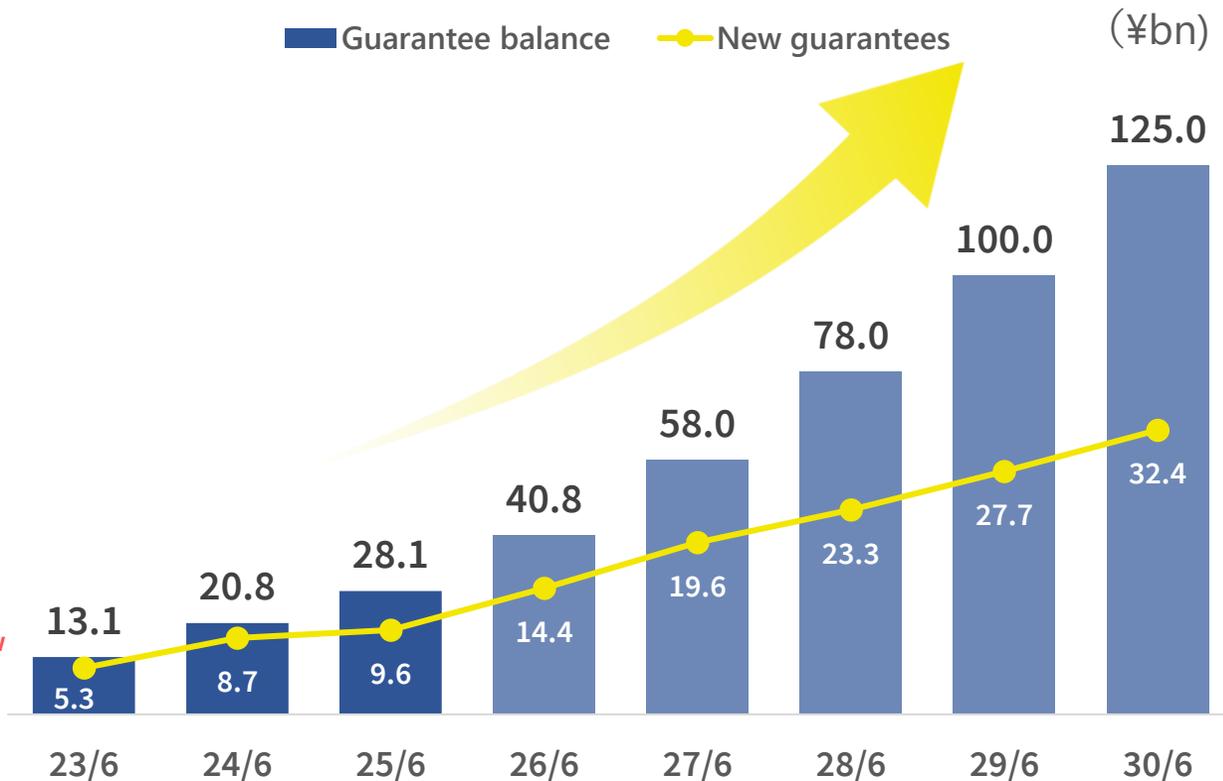
Note: As of end of June, 2025



## Reverse mortgage handling status of financial institutions



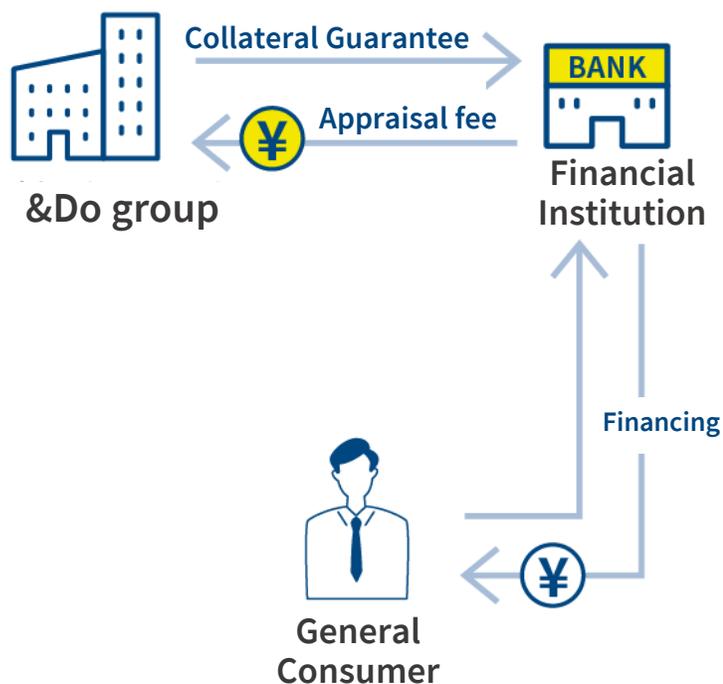
## Reverse mortgages: New guarantee amount and guarantee balance



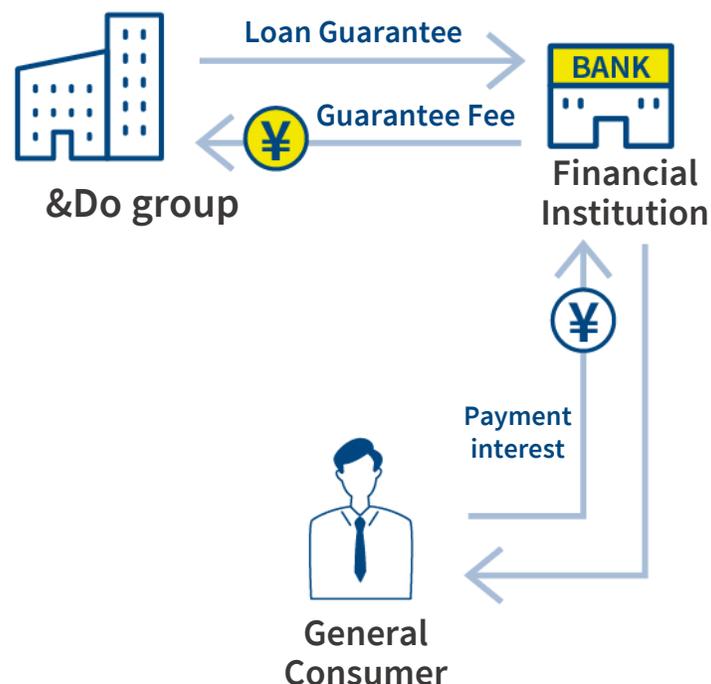
Source: Compiled by our company based on the "Report on the Results of a Survey on the Actual Conditions of Private Housing Loans in Fiscal Year 2024."

- Reverse mortgages provide a one-stop support solution—from accurate valuation of real estate holdings to property sales
- Establishment of a high-profitability, capital-efficient business model that does not rely on the balance sheet

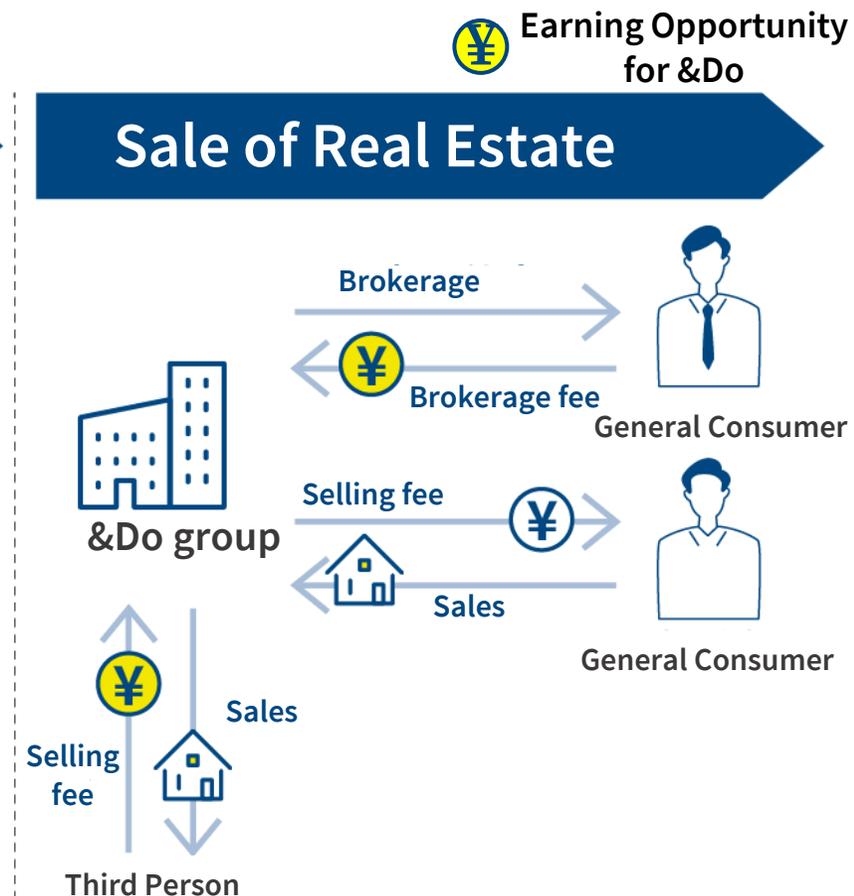
## Contracts



## Contracts Fulfillment



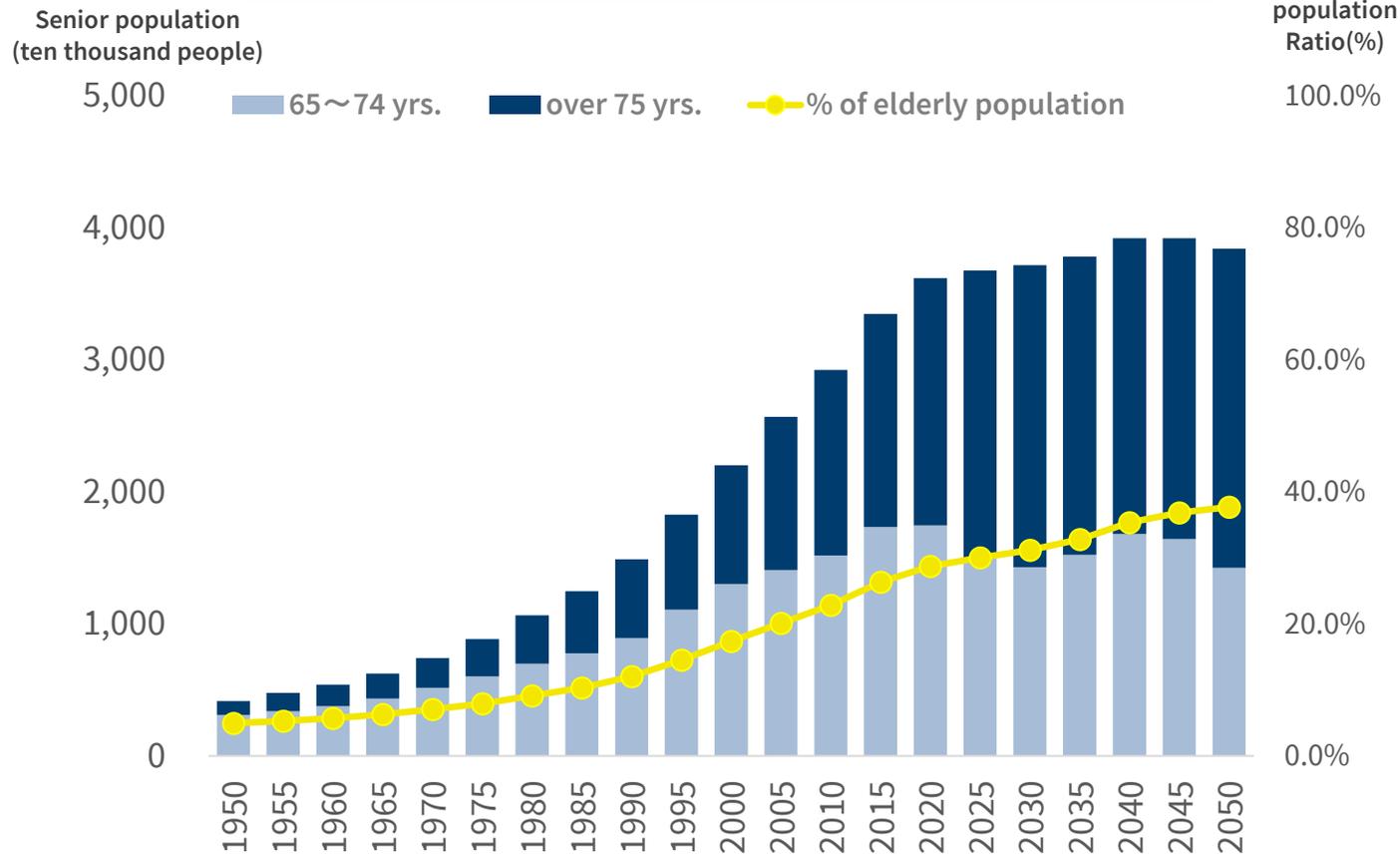
## Sale of Real Estate



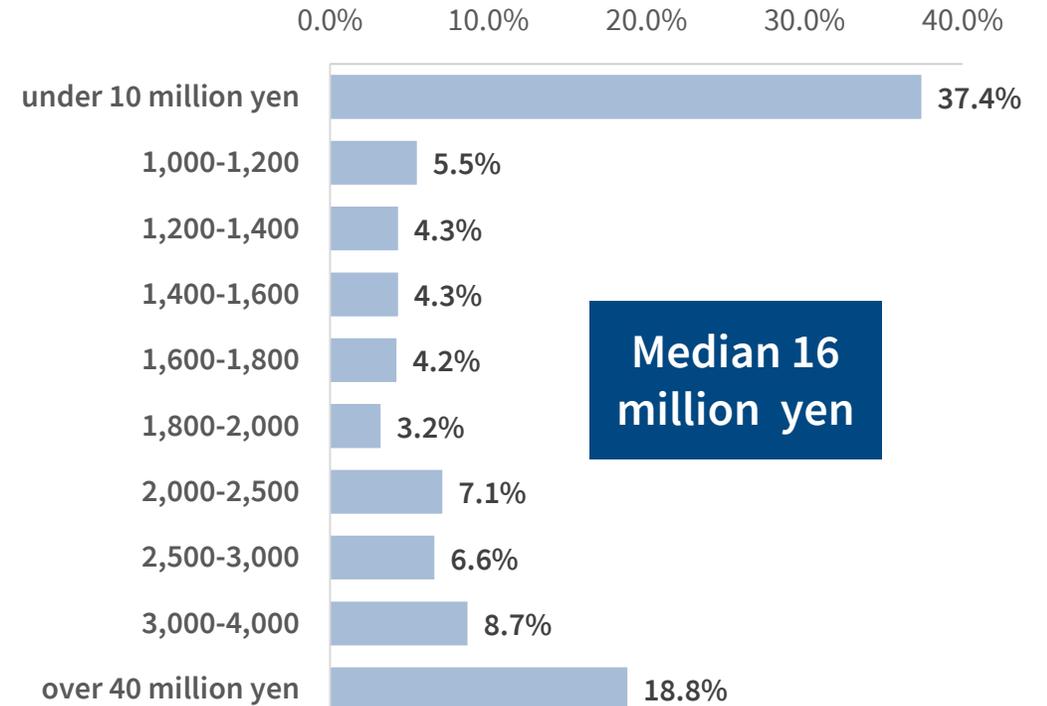
# Financial Needs of Senior Citizens

■ While the share of senior citizens continues to rise, many such households lack sufficient savings to cover post-retirement expenses

## Share of senior citizens in Japan

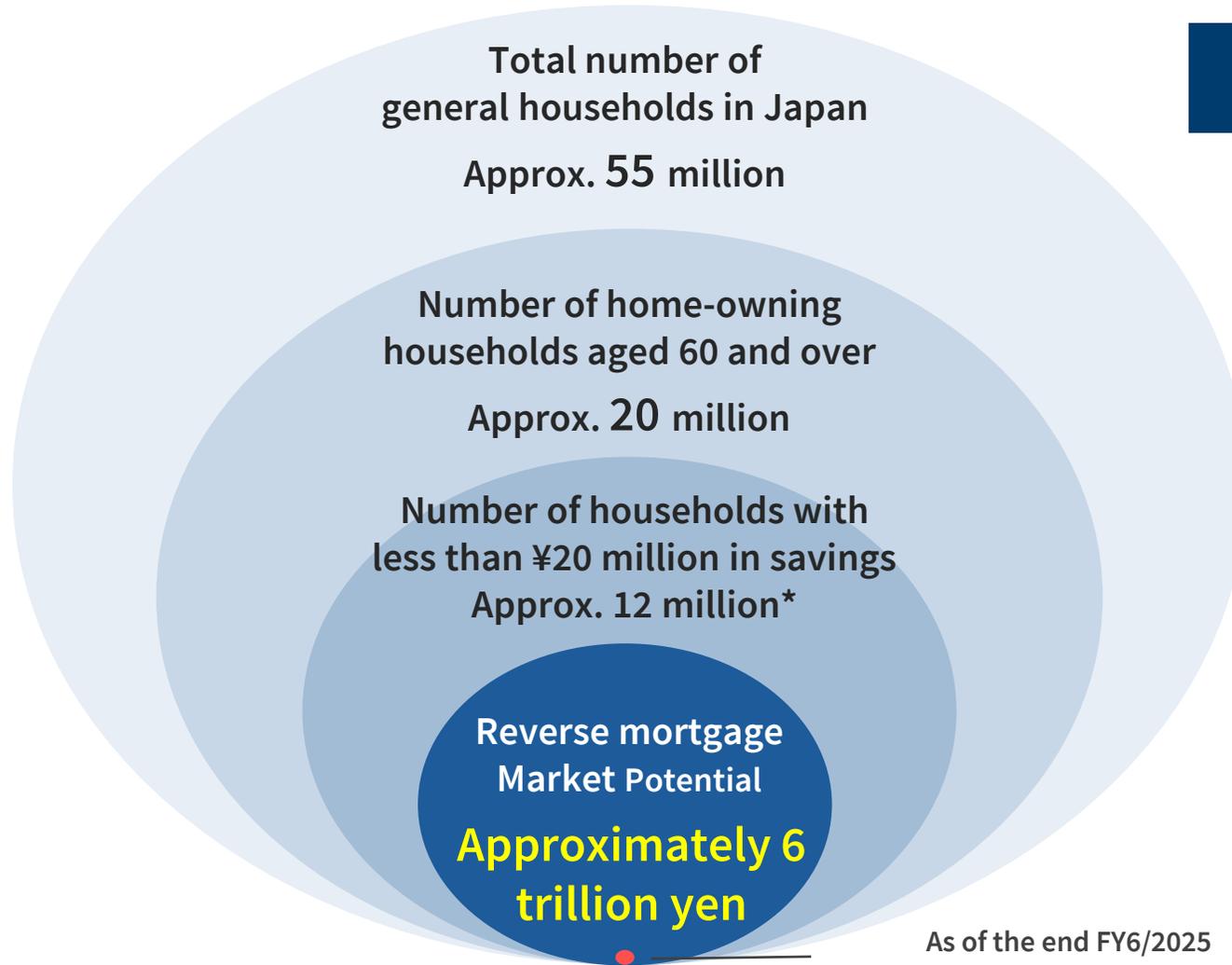


## Distribution of current savings among households headed by persons aged 65 or older



Source: Population Census; "Population Projections for Japan" by the National Institute of Population and Social Security Research

Source: Compiled by the Company based on the "White Paper on the Aging Society (FY2025)"



Homeownership rate among individuals aged 60 and over: approx. 80% ※



**The potential market for real estate-backed, unrestricted-use financing is enormous**

- Post-retirement living expenses
- Refinancing of home loans
- Inheritance planning
- Business-related funding, etc.

As of the end FY6/2025

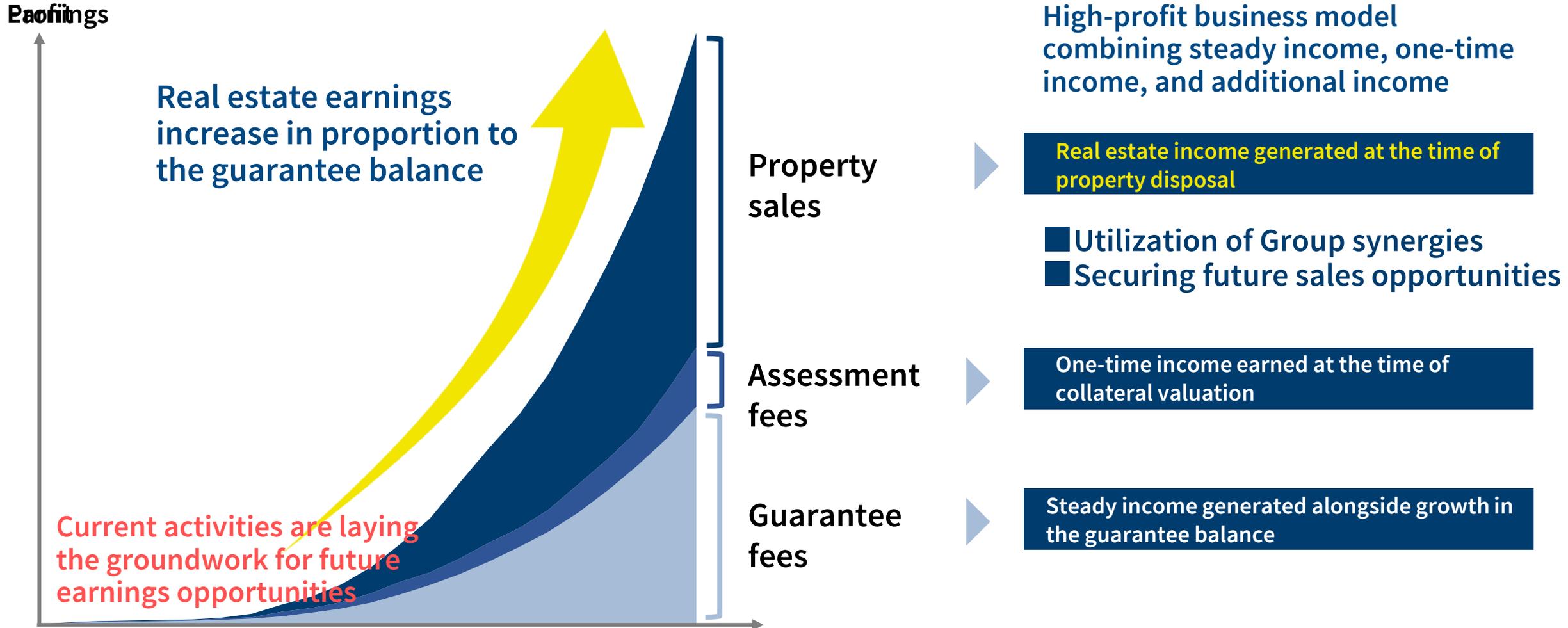
Guarantee amount approx. 28.5 billion yen

\* Assumes a similar distribution to the current savings levels of households aged 65 and over.

\* Source: "White Paper on the Aging Society (FY2025)"

# Earnings Opportunities in the Reverse Mortgage Guarantee Business

■ In addition to guarantee fee income from growth in the guarantee balance, earnings are expected from property disposals



Cumulative contracts 7,000 over



House-Leaseback Business

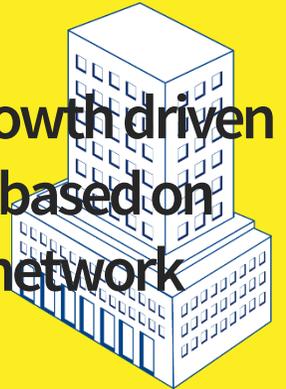
Finance Business



Guarantee Business  
About ¥28 bn

Case

**Aim for sustainable growth driven  
by business synergies based on  
our nationwide store network**



**Dai-ichi Life HD**

Alliance

Assessment

Case

Assessment

Information

Information

Real Estate  
Assessment Team

Information

Real Estate  
Buying and Selling Business  
Brokerage Business

Know-how

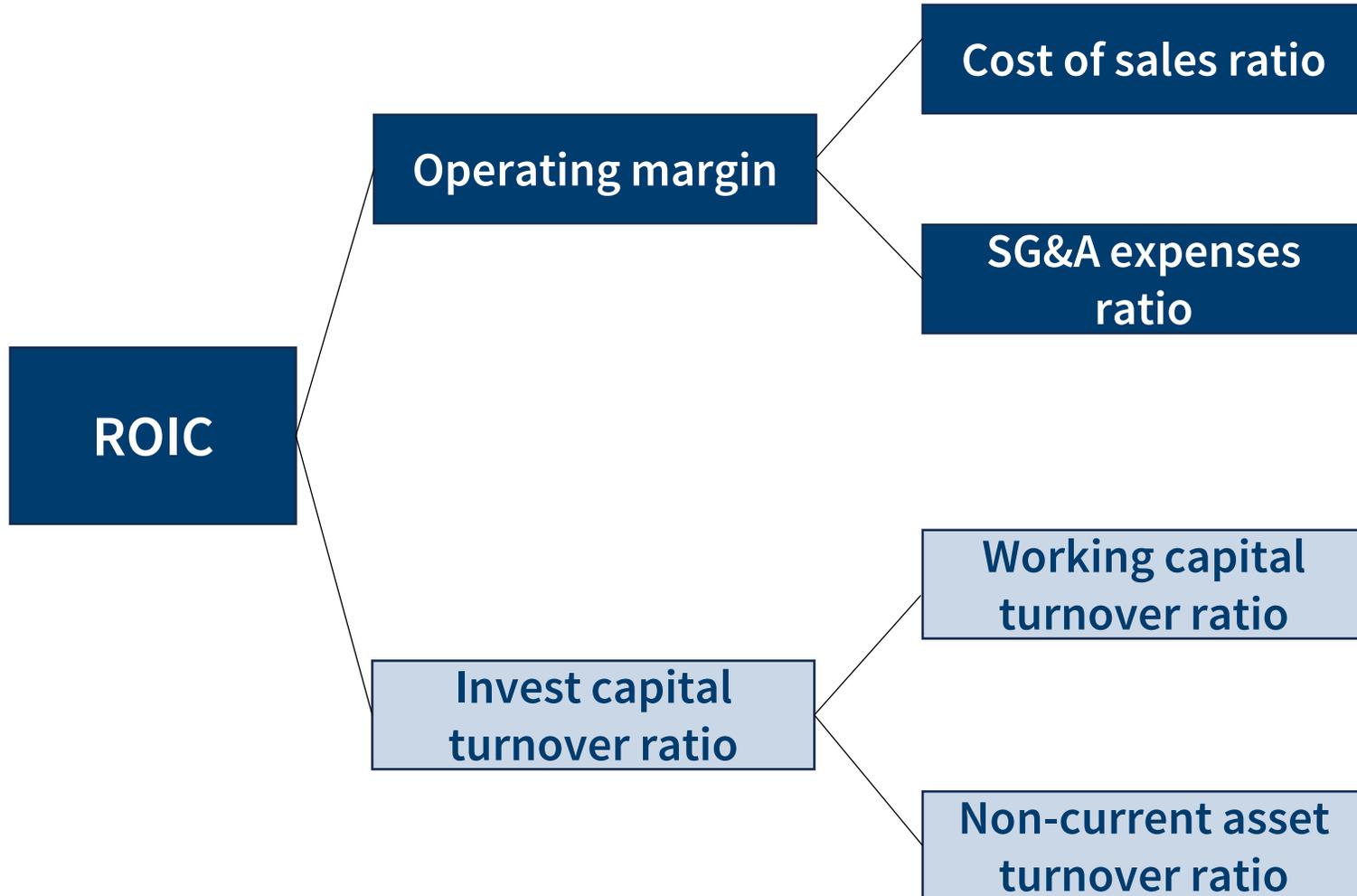
Know-how

Nation-wide about  
700 store

Franchisee Business



# Improving ROIC

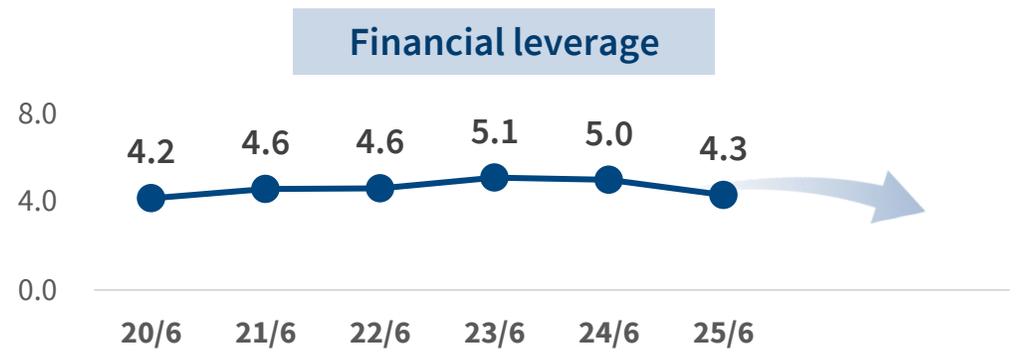
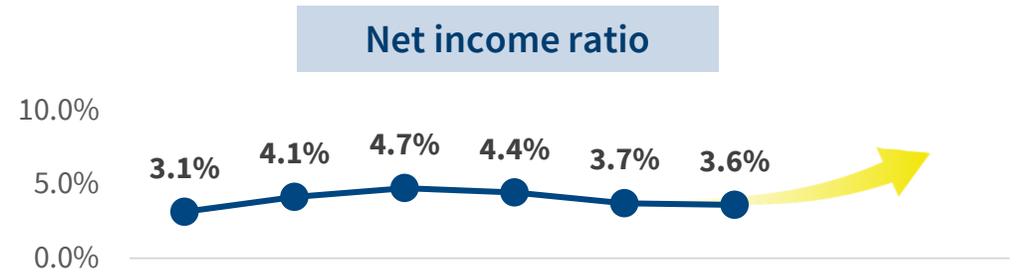
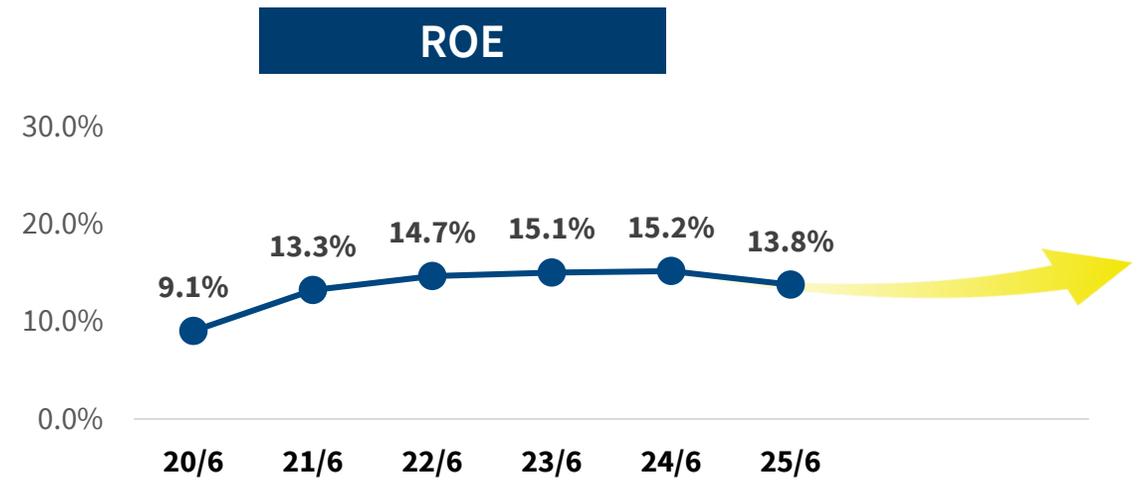
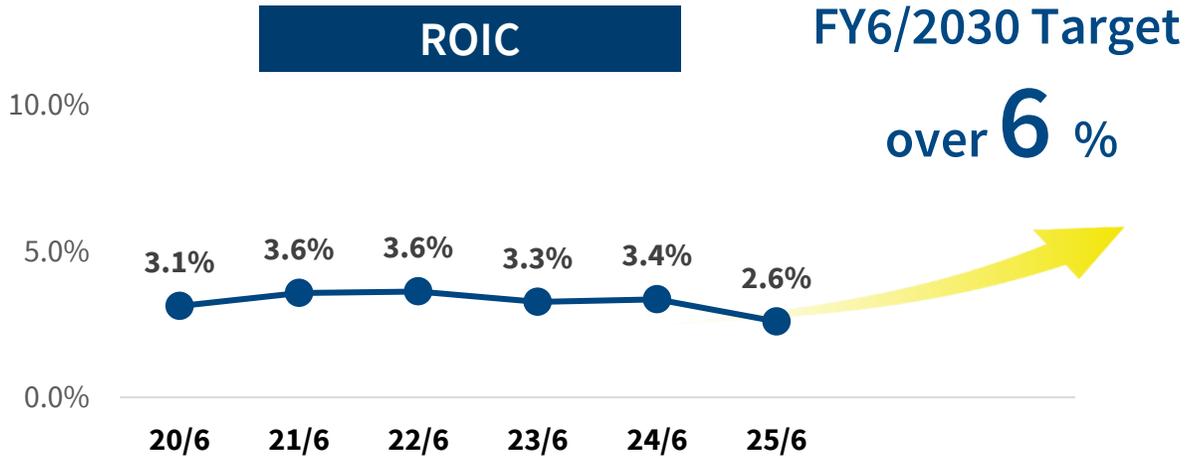


## Initiatives for improvement

- Growth of high-margin businesses
- Improve gross margin through enhanced purchasing accuracy in the Real Estate Buying and Selling Business
- Reduce costs in indirect functions through business selection and focus, and greater operational efficiency
- Improve inventory turnover by strengthening pre-owned house purchase-and-resale operations
- Dispose of non-current assets

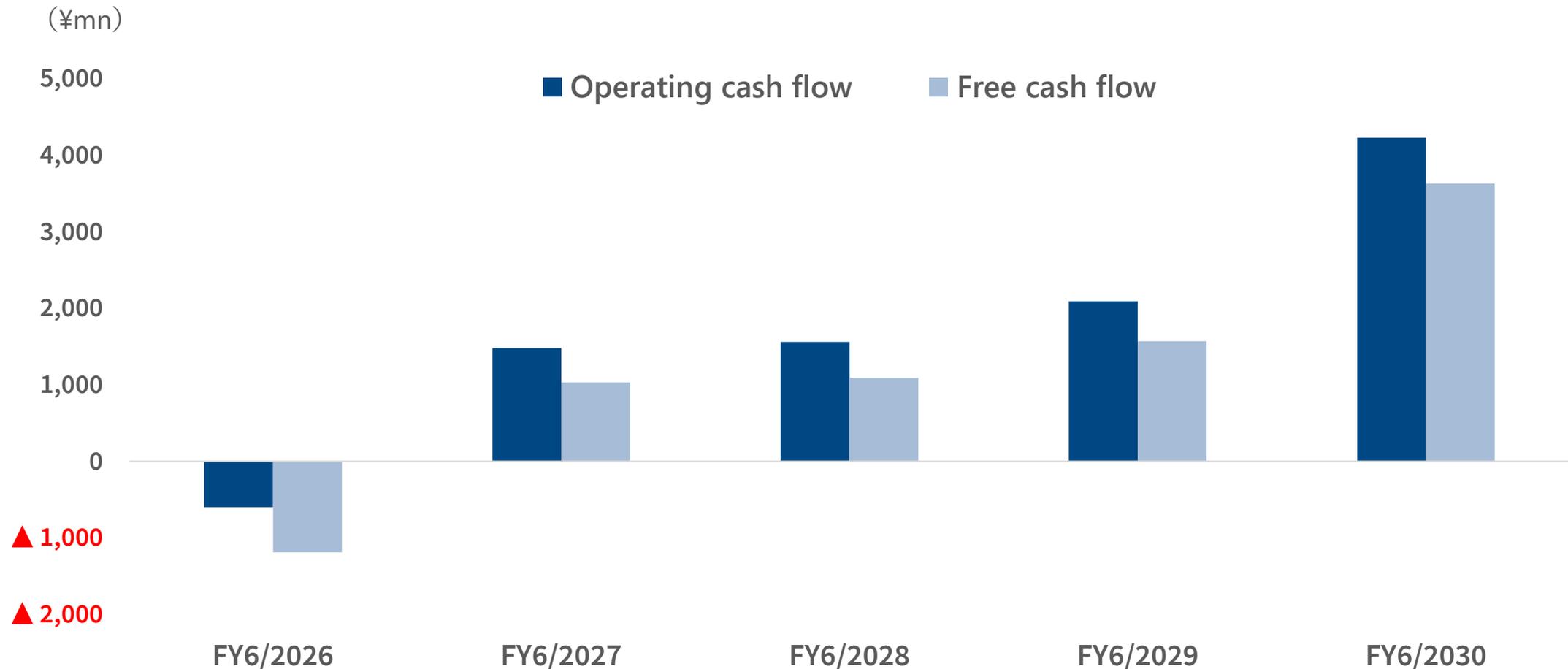
# Toward Improved Capital Efficiency

- Strive to maintain control over financial leverage, which peaked in FY6/2023, by improving asset turnover
- Improve profitability by curbing SG&A expenses and supporting the growth of high-profit businesses
- Enhance inventory turnover and capital efficiency by increasing the ratio of pre-owned houses



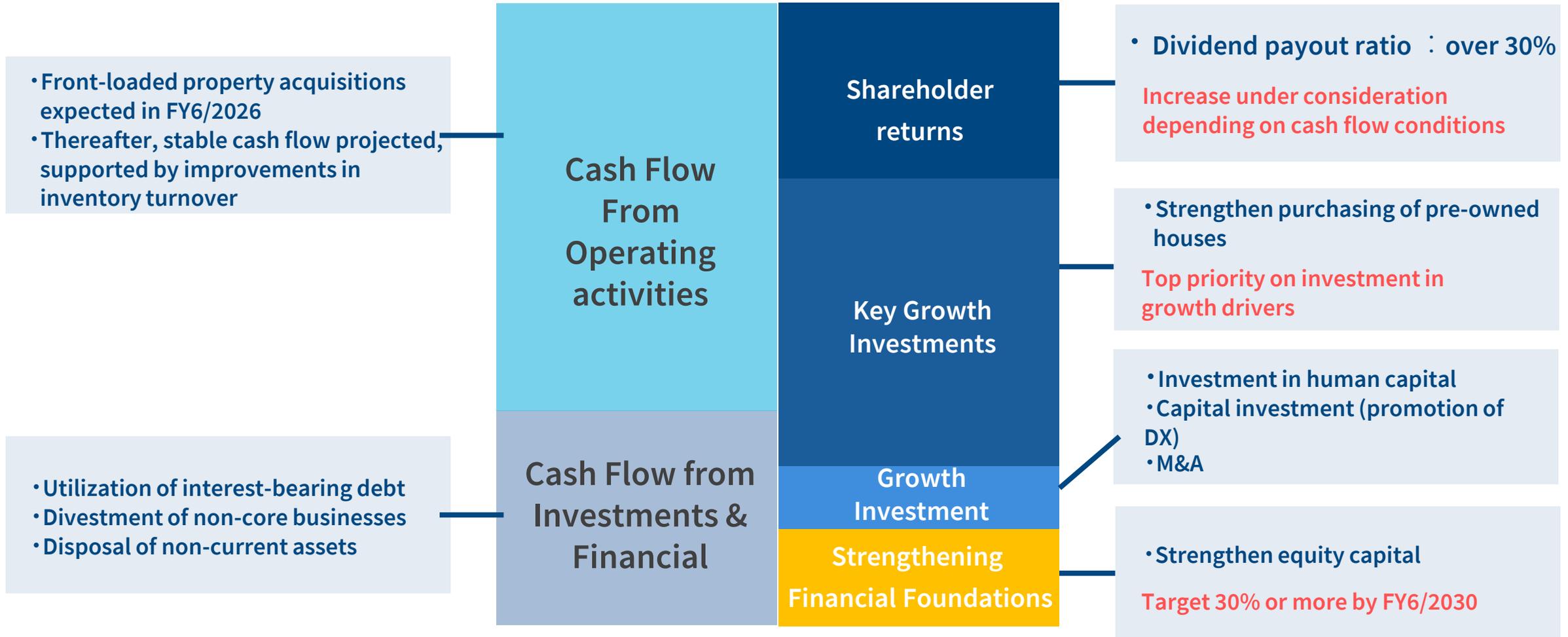
# Cash Flow

- Free cash flow is projected to temporarily turn negative in FY6/2026 due to front-loaded property acquisitions in the Real Estate Buying and Selling Business
  - ➡ As inventory is sold, free cash flow is expected to return to positive territory from FY6/2027
- Aim to maximize cash flow through portfolio restructuring



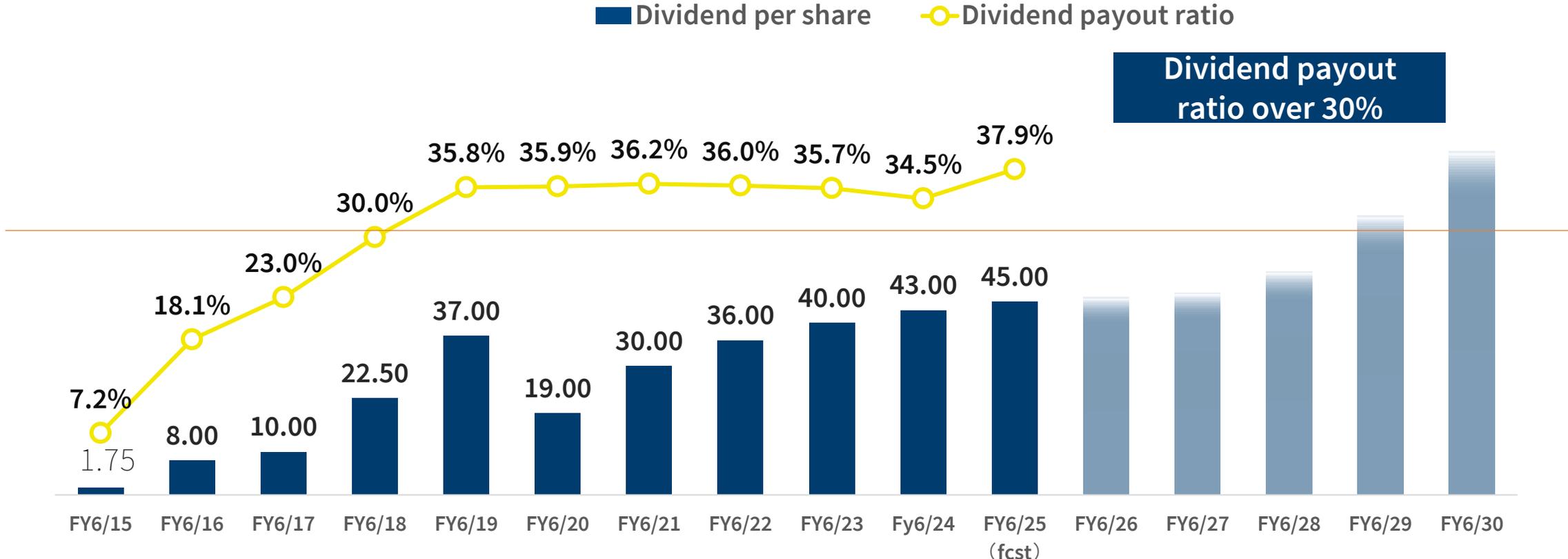
# Capital Allocation

- Growth investments will be allocated with top priority to property acquisitions in the Real Estate Buying and Selling Business
- Interest-bearing debt will be utilized, while profit will be retained to strengthen equity capital, thereby reinforcing financial soundness



# Shareholder's dividend (dividend)

- Set a baseline dividend payout ratio of 30% or more, while taking into account the balance with future growth investments
- Considering increase in dividend payout ratio, based on progress with medium-term management plan and cash flow conditions



Note: Figures have been retroactively adjusted to reflect the 5-for-1 stock split carried out on July 1, 2015, as well as 2-for-1 stock splits on April 1, 2016 and July 1, 2018.  
 Note: The year-end dividend for the fiscal year ending June 2025 will be submitted for approval at the regular general meeting of shareholders scheduled to be held in September 2025.

# Approach and Initiatives Related to Sustainability

- Contribute to the sustainable development of society as a whole, thereby achieving long-term growth and enhanced corporate value for the Group
- Address ESG-related challenges through business activities and contribute to their resolution

## 【 Corporate Philosophy 】

We are dedicated to perpetual prosperity and greater happiness by constantly creating affluence for customers, employees and society.

### E nvironment

- Reduce CO<sub>2</sub> emissions primarily through the revitalization of the pre-owned housing brokerage market
- Measure CO<sub>2</sub> emissions from business activities
- Expand scope of disclosure

### S ocial

- Address the financial needs of an aging society through the use of real estate
- Revitalize the pre-owned housing brokerage market
- Curb the increase in vacant housing
- Open up the housing market
- Create safe and convenient customer touchpoints

### G overnance

- Strengthen corporate governance
- Enhance risk management
- Promote compliance
- Disseminate information and promote dialogue through investor and shareholder relations



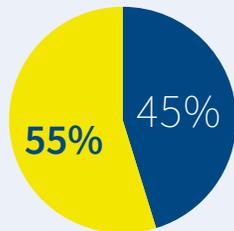
- As operations grows, human-driven services will play an increasingly central role, making talent the most critical management resource
- As part of the human resource strategy to enhance corporate value over the medium to long term, securing diversity—particularly in the appointment of core personnel—is recognized as a key issue, and efforts are underway to strengthen both recruitment and talent development

## Talent recruitment

In addition to recruiting new graduates with high potential, actively hiring mid-career professionals

### FY6/2024 hiring results

- New graduates
- Mid-career employment



Mid-career employment ratio : 55.0%

## Talent development and training

Aim to create a workplace where employees can thrive based on their aptitudes, abilities, and personal growth

- New employee training
- Post-hire follow-up training
- Training for next-generation management candidates
- Support for acquisition of professional qualifications
- Compliance training
- Various e-learning programs, etc.

## Engagement

Promote initiatives that support both individual fulfillment and a comfortable working environment

- Promotion of women's participation and advancement
- Health management
- Flexible work arrangements
- Use of engagement surveys
- Restructuring of evaluation and compensation systems, etc.