COLUMBIA WORKS

FY2026 Q1 Earnings Presentation

In Q1, the Company prioritized acquisitions for growth from next year onward, while sales progressed as planned
Operating profit, the Company's key metric, grew 51.2% year on year, tracking well

Columbiaworks Inc. (TSE Standard: 146A)

Investment Highlights

Growth drivers and results

- Operating profit rose 51.2% year on year on sales of in-house development properties in rising-rent areas
- Advancing larger deals in central Tokyo while improving asset efficiency via fund-backed development
- AUM* grew steadily; the Real Estate Operations Business rose 56.8% year on year on more managed units

Changes in the external environment

- Rent growth in central Tokyo varies by area; investors are increasingly selective on areas and properties
- Rent growth outpaces cost increases from higher rates, preserving central Tokyo's appeal
- Amid Middle East tensions, the rate-hike outlook is unclear; central Tokyo yields show slight upward pressure, not a sharp rise (FY2026 assumes two hikes and rising yields)

*AUM: Assets under management at Columbia Asset Management

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Executive Summary

Sales progressed as planned, and operating profit came in up 51.2% year on year (30.5% above plan). In Q1, the Company prioritized acquisitions, settling 9 deals including 2 in the central three wards (Minato-ku). The Shibuya hotel site was taken off balance sheet, and AUM expanded.

Revenue (P8)

¥10,140mn

+87.0% YoY

The Real Estate Development Business grew 89.7%; 4 of 4 planned deals were settled

Real Estate Development

¥9,447mn

+89.7% YoY

Real Estate Operations *1

¥693mn

+56.8% YoY

Stock-type GP share 31.3%

Operating profit (Key metric)

¥1,288mn

+51.2% YoY

Operating profit rose sharply year on year; although interest expense increased with rising rates, ordinary profit was up 51.3% year on year

Net income

¥616mn

+20.6% YoY

In the prior-year Q1, ¥59mn of negative goodwill was recorded; income tax adjustments also had an effect

Average size per deal *2 (P13)

¥2,325mn

Prior year: ¥1,198mn

Investment amount *3 (P32)

¥21,430mn

Inventories (P17)

¥55,891mn

Prior-year period: ¥41,116mn

Units under rental management (P21)

2,877 units

+58.9% YoY

Properties sold (P14)

4 / 24

(Plan)

Properties acquired (P15)

9

Total assets + AUM (P31)

¥139,404mn

Prior-year period: ¥63,959mn

RevPAR

¥13,534

Prior-year period: ¥15,716

TOPIC❶ (P9)

Sales were as planned, while operating profit came in 30.5% above plan

TOPIC❷ (P20)

[Fund-backed development] Formed a development SPV to advance hotel development in Okinawa

TOPIC❸ (P21)

[Rental property management] A large external mandate is expected in H2

TOPIC❹ (P15)

[Acquisitions] Acquired large properties in the central three wards (Nishi-Azabu and Mita, Minato-ku)

*1 Rental income, Columbia Community (Rental Property Management Business), Columbia Asset Management (AM Business), Columbia Hotels & Resorts (Hotel Operations Business)

*2 Columbiaworks non-consolidated *3 Acquisition cost + investment in held properties

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Management Overview

FY2026 assumes two rate hikes (~0.5% total); higher costs and lower selling prices (rising yields) are in the forecast. Sales on plan; acquisitions on track.

		Current situation	Outlook and the Company's response
1) Macro environment	**Interest rates & financing**	● At the Bank of Japan's April 2026 Monetary Policy Meeting, the policy rate was left unchanged. ● Banks' lending attitudes stay accommodative and proactive toward the Company's projects, though some have raised lending rates.	● Medium-to-long-term Middle East impact is unclear, but inflation has taken hold; gradual rate rises assumed. FY2026 already includes higher costs from ~+0.5% inflation-driven hikes. ● While monitoring the environment, the Company cuts market risk via off-balance-sheet fund-backed development.
	Real estate market	● In central Tokyo, investors still favor deals anticipating future NOI gains from rising rents, but property/area selectivity is rising. ● Construction-cost increases stay elevated; material costs high and construction periods long, as before.	● Polarization expected between central Tokyo (sharp rent rises) and the suburbs; areas with higher rental-income prospects stay favorable. ● When inflation outpaces interest rate increases, the Company judges the impact on earnings to be positive. ● Focusing on short-cycle renovation projects and prioritizing asset turnover. ● The Company sees the construction-cost uptrend as structural and within assumptions; conservative cost estimates have worked.
2) Business environment	**Sales**	● Q1 sale properties were sold as planned. ● Three properties whose sale timing was adjusted from the prior year are scheduled for sale in FY2026. ● As of May 2026, no notable change in investor appetite from Middle East or other factors; cap rates show slight upward signs on higher rates.	● **Rising yields (and lower selling prices) from higher rates are in the plan (~0.5%).** ● Risks: investor-sentiment shift from prolonged Middle East tensions and rising yields (falling prices) on higher rates; monitoring closely.
	Acquisition	● In Q1, 9 deals were settled, progressing well. ● The pipeline for Q2 onward has also been expanded.	● Using the raised funds, the Company targets properties driving high growth from FY2027, while watching rent trends by area. ● Focusing on short-cycle renovation projects. ● Real estate development projects are assessed cautiously given their longer construction periods. ● Continuing to pursue larger deal sizes.

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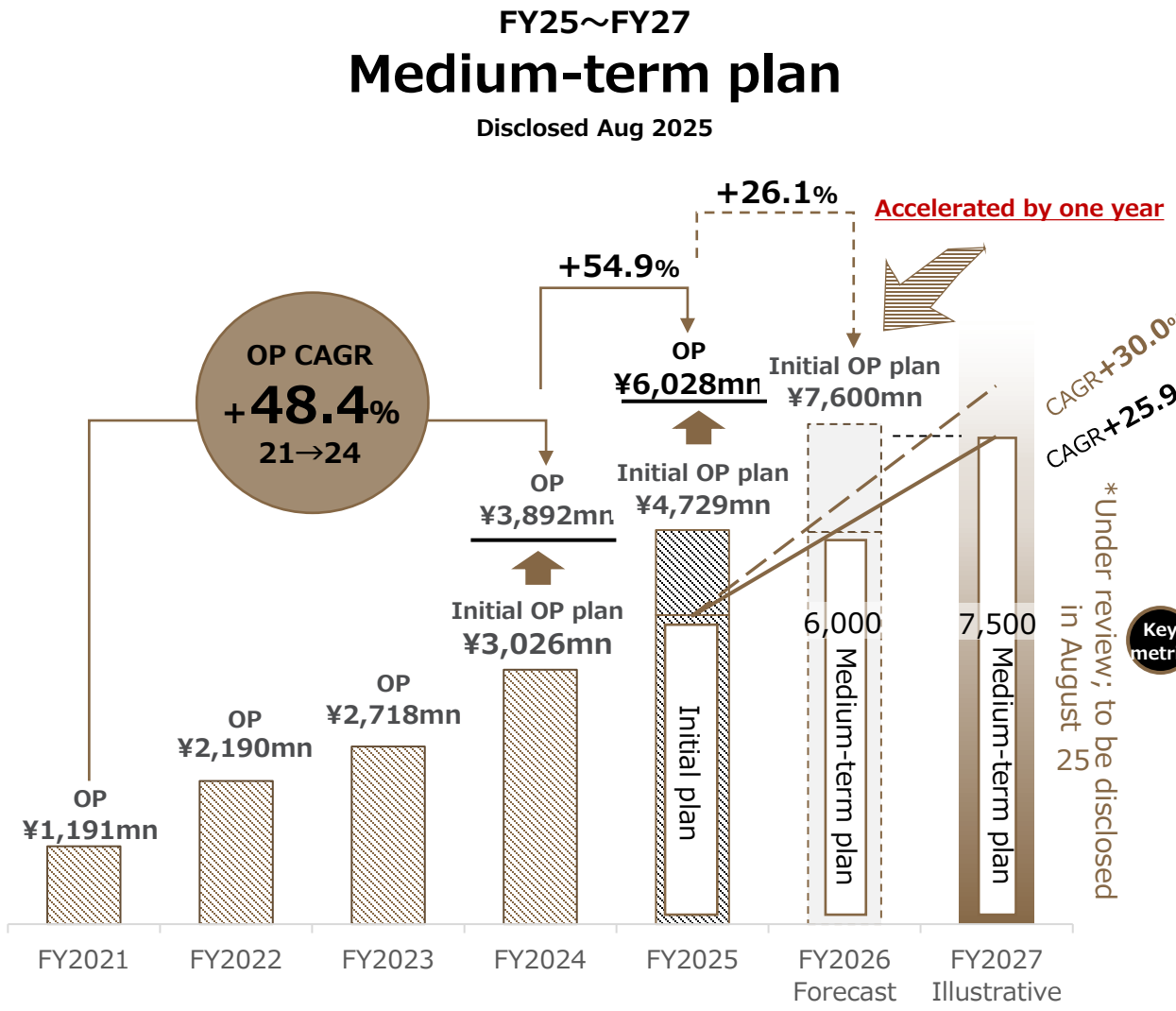
FY2026 Earnings Forecast (reposted)

The medium-term management plan disclosed in August 2025 is expected to be accelerated by one year.



(¥mn)	FY2025 Initial forecast	FY2025 Actual	FY2026 Medium-term plan (disclosed Aug 2025)	FY2026 Forecast (disclosed Feb 2026)	FY2027 Medium-term plan (disclosed Aug 2025)
Revenue	**39,618**	**37,084**	**49,000**	**55,400**	62,400
Real Estate Development (Flow)	37,827	34,771	46,500	52,500	59,000
Real Estate Operations (Stock)	1,791	2,313	2,500	2,900	3,400
Gross profit	**7,275**	**8,656**	**9,800**	**11,600**	12,000
GP margin	18.4%	23.3%	20.0%	20.9%	19.2%
SG&A	2,546	2,627	3,800	4,000	4,500
Operating profit	**4,729**	**6,028**	**6,000**	**7,600**	**7,500**
Key metric OP margin	11.9%	16.3%	12.2%	13.7%	12.0%
YoY	+21.5%	+54.9%	+26.9%	+26.1%	+25.0%
Business profit	-	**6,028**	-	**7,737**	-
Net income	**2,750**	**3,464**	**3,200**	**4,200**	4,000
Net margin	6.9%	9.3%	6.5%	8.9%	6.4%
EPS	**395.97** *1	**496.56** *2	**460.61** *1	**544.28** *3	575.76 *1
Total assets + AUM	**100,000**	**112,521**	**160,000**	**160,000**	250,000
Ordinary profit to total assets	**7.3%**	**8.6%**	**7.3%**	**9.0%**	7.2%

*1: Forecast EPS before the offering (6,944,800 shares)
*2: Actual EPS based on weighted-average shares (6,977,076 shares)
*3: Forecast EPS after the offering (7,716,600 shares)

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Contents

1 FY2026 Q1 Results Overview ..... P 07

2 Subsidiary Status ..... P 19

3 Toward a Prime Market Listing ..... P 24

Shareholder Return Policy ..... P 27

4 Trends in Management Indicators ..... P 29

5 Appendix ..... P 33

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1. FY2026 Q1 Results Overview

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P&L: FY2026 Q1 vs. Prior-Year Period

Average deal size increased, and the Real Estate Development Business grew steadily, up 89.7% year on year. With a sale to a development SPV, the Asset Management Business received an upfront fee and achieved growth of more than 3x year on year.

(¥mn)			FY2025 Q1 actual	FY2026 Q1 actual	YoY
Revenue			5,421	10,140	+87.0%
Real Estate Development			4,979	9,447 *3	+89.7%
In-house	Real Estate Development		2,003	910	▲54.6%
	Renovation		-	-	-
Fund-backed	Real Estate Development		-	1,050	-
	Renovation		2,533	-	-
	Partnership development		446 *2	7,342 *2	+1,546.2%
Real Estate Operations			442	693	+56.8%
	Rental income		253	283	+12.1%
	Hotel Operations	COLUMBIA HOTEL&RESORTS	64	46	▲28.1%
	Rental management	COLUMBIA COMMUNITY	83 *1	210	+150.4%
	AM fees	COLUMBIA ASSET MANAGEMENT	41	151	+269.8%
Gross profit			1,486	1,996	+34.3%
Gross profit margin			27.4%	19.7%	▲7.7pt
SG&A expenses			633	707	+11.7%
Operating profit			**852**	**1,288**	**+51.2%**
Operating profit margin			15.7%	12.7%	▲3.0pt
Net income			511	616	+20.6%
Net income margin			9.4%	6.1%	▲3.3pt

Key metric

*1 Outsourcing service fees

■ Revenue +87.0%

[Real Estate Development Business] +89.7%

- Higher number of deals and average deal size

[Real Estate Operations Business] +56.8%

- Rental management and AM surged on larger development scale and external mandates

■ Gross profit margin -7.7 pt

[Real Estate Development Business] - Advancing fund-backed development under a capital-efficiency-focused strategy. A higher revenue share from lower-margin joint-development deals reduced the gross margin year on year (a mix effect; no issue with the business structure)

- In the prior-year Q1, higher-margin properties were sold

[Real Estate Operations]

- Rental management: larger development scale and more external mandates

- AM: the Asset Management Business launched in earnest (from Q2 2025); this Q1 includes an upfront fee

- Hotel operations: the Akihabara hotel was closed for rebranding

■ SG&A expenses

- Subsidiary personnel costs rose, but not as much as revenue and gross profit

- Taxes and dues increased with development scale (a variable item)

■ Operating profit margin

- The operating margin declined year on year on the lower gross margin

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P&L: FY2026 Progress vs. Plan

The number and unit price of sales in the Real Estate Development Business progressed broadly as planned. With cost control over development costs and an upfront fee recorded on a sale to a development SPV, gross profit progressed ahead of plan.

(¥mn)	FY2026 Initial forecast	Progress vs. FY2026 initial forecast	FY2026 1Q Actual	FY2026 Q1 plan	vs. initial Q1 achievement rate
Revenue	55,400	18.3%	10,140	10,407	97.4%
Gross profit	11,600	17.2%	1,996	1,840	108.5%
Gross profit margin	20.9%	-	19.7%	17.7%	+2.0pt
SG&A expenses	4,000	17.7%	707	852	83.0%
Key metric **Operating profit**	7,600	17.0%	**1,288**	987	**130.5%**
Operating profit margin	13.7%	-	12.7%	9.5%	+3.2pt
Business profit	7,737	16.6%	1,288	987	130.5%
Net income	4,200	14.7%	616	442	139.4%
Net income margin	7.6%	-	6.1%	4.3%	+1.8pt

A solid start to Q1

■ Revenue

Both the number of deals and unit price were broadly as planned
- 1 in-house development property
- sold to a development SPV
- 2 joint-development properties (low gross margin)

■ Gross profit margin

Investment was below the cushioned cost estimate; impact of lower-margin joint-development deals; includes an upfront fee from forming a development SPV

■ SG&A expenses

About ¥145mn unspent - taxes and dues, fees paid, recruiting costs, advertising

■ Operating profit

Effect of higher gross profit and lower SG&A

■ Business profit

No properties sold via a development SPV (as planned)

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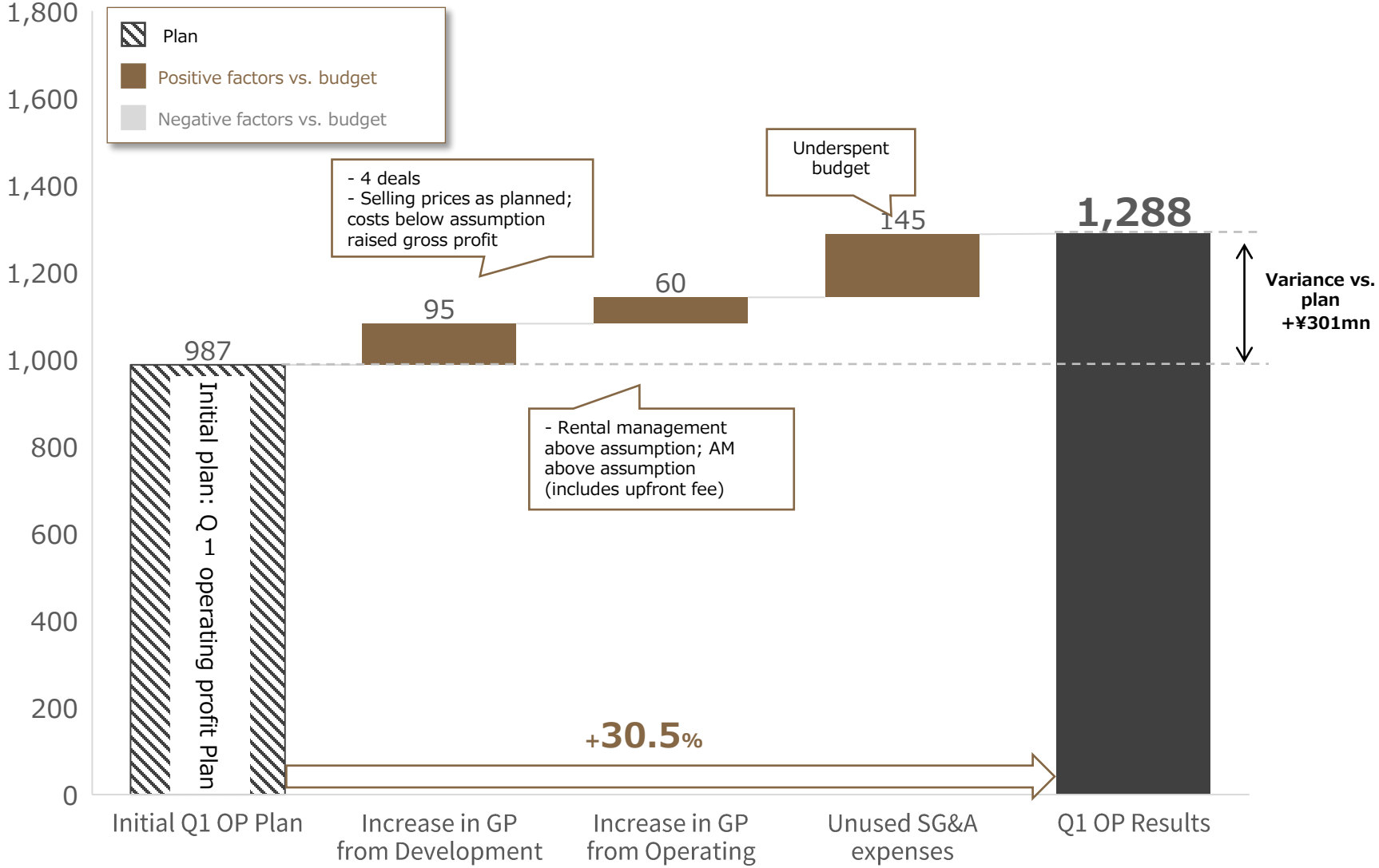
Operating Profit Variance Analysis

Both the Real Estate Development and Real Estate Operations Businesses are off to a solid start. Cost control was effective, and both gross profit and operating profit came in above Plan.



Cost control was effective

- Operating profit was ¥301mn above the initial plan

- Factors behind the upside vs. the Q1 plan

[Real Estate Development Business]

・Upside in development gross profit
Cost control was effective

・Upside in operations gross profit
Higher number of units under rental management
Upfront fee from forming a development SPV

- Conservatively budgeted SG&A was underspent; the unspent portion is to be used from Q2 onward

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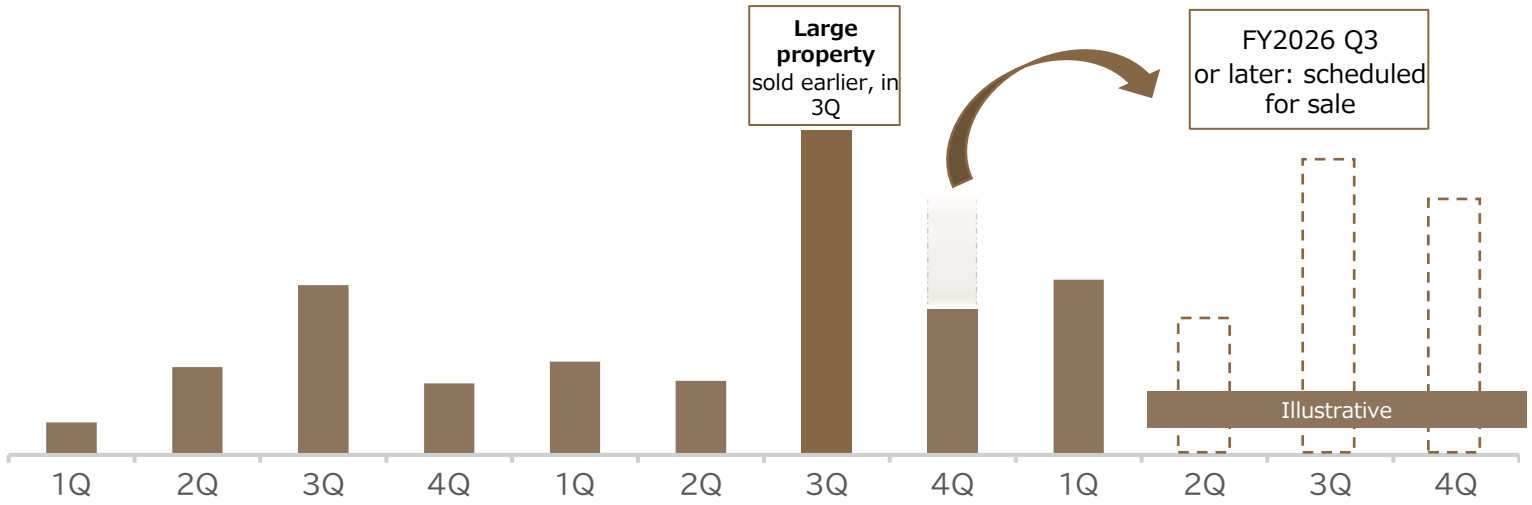
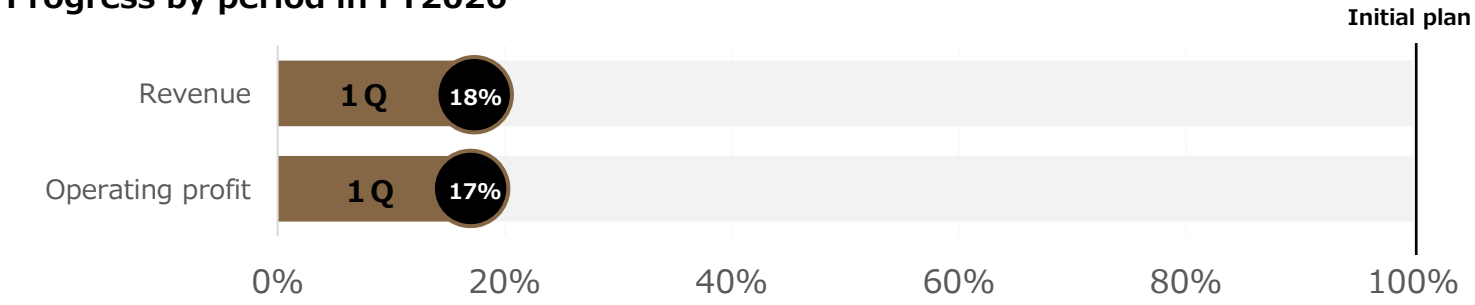
FY2026 Revenue Trend Outlook

The timing of sales for three properties were adjusted from the prior year that is scheduled for sale within FY2026 at the timing expected to maximize profit. For FY2026, the timing of sales for the properties planned for Q2 has been adjusted, and the year is expected to be weighted toward the second half of the fiscal year.

Quarterly revenue trend



Progress by period in FY2026



Earnings are back-end loaded.

[Assumptions]

・The key metric is operating profit
・Achieving the full-year forecast is the top priority
・When the full-year forecast is highly likely to be met, the Company prioritizes maximizing property returns and controls sale timing

- Outlook as of Q1

- FY2026 has more development properties than 2025 - Large properties are expected to be weighted to H2

■ Adjustment of sale timing

- 3 properties planned for sale in FY2025 will be sold in FY2026 - Quarterly sale timing is planned to prioritize profit maximization

and adjusted accordingly (variances vs. plan disclosed separately)

■ FY2026 sales and acquisition policy
- Acquisition and sales plans that prioritize capital efficiency

■ Other notes
・No seasonality
・Property timing shifts can easily occur within quarterly plans

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Reference) Assumptions for the Earnings Forecast

1) Impact of the macro environment

Interest rates	・FY2026 already factors in two rate hikes of around 0.5% (interest burden and higher yields at sale)

2) Assumptions for the earnings forecast

Stance	・Disclosed within a range of high achievement certainty ・Emphasizes operating profit growth rather than revenue growth
Revenue	・Includes only properties already acquired with ample headroom in completion and sale plans ・Properties that may slip to the next period are not included in the forecast ・Quarterly sales plans are prone to shifts and could mislead, so quarterly forecasts are not disclosed ・Within-period acquisitions are, in principle, planned for sale in the following period or later (within-period acquisition and sale is possible)
Costs	・Estimated conservatively given monetary policy uncertainty, construction cost trends, and lengthening construction periods
Investment	・Total new investment (acquisition cost and construction cost for acquired properties) is not disclosed as it could mislead ・Number of acquisitions and unit prices are not disclosed as property scale, etc., is fluid
Earnings	・The top priority is achieving the full-year forecast ・When the full-year forecast is highly likely to be met, properties are sold at the timing that secures better terms *Sale timing may be controlled where selling in the current period or later is preferable *Properties planned for sale in a later period may be sold in the current period if more profitable ・Given high per-deal prices and the flow-type business, quarterly forecasts are not disclosed

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FY2026: KPIs

The basic policy is to raise the renovation development ratio, focus on fund-backed development structures using development SPVs, and increase average deal size. This year's plan has a high proportion of real estate development deals.

KPI			FY2024	FY2025	FY2026	FY2026 Q1
	Development Type	Real Estate Development	61%	30%	74%	100%
		Renovation	39%	70%	26%	0%
	Development Structure	In-house	-	40%	72%	9.8%
		Fund-backed	-	60%	28%	62.3%
	Properties sold		16	16	24	4 *1
	Average deal size		1,198	2,100	2,115	2,325
	Stock-type gross profit share		19.8%	28.1%	18.7%	31.6%
	AUM		-	48,360	100,000	62,890
	Units under rental management		1,426	2,841	3,500	2,877

*1 Thanks Okinawa is excluded as it is a condominium sales business

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Q1 Sale Properties

Location	Asset type	Development type	Development structure
Higashi-Yukigaya, Ota-ku, Tokyo	Residence	Real Estate Development	In-house
Meguro, Meguro-ku, Tokyo	Residence	Real Estate Development	Partnership
Kouri Island, Okinawa	Hotel	Real Estate Development	Fund-backed
Maruyama-cho, Shibuya-ku, Tokyo	Hotel	Real Estate Development	Partnership

Higashi-Yukigaya, Ota-ku, Tokyo

Meguro, Meguro-ku, Tokyo

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Q1 Acquired Properties

Location	Asset type	Development type	Development structure
Nishi-Azabu, Minato-ku, Tokyo	Residence	Real Estate Development	In-house
Kita-Shinjuku, Shinjuku-ku, Tokyo	Residence	Real Estate Development	In-house
Chitosedai, Setagaya-ku, Tokyo	Residence	Renovation	In-house
Iriya, Taito-ku, Tokyo	Residence	Renovation	In-house
Mita, Minato-ku, Tokyo	Residence	Renovation	In-house
Hakone-machi, Ashigarashimo-gun, Kanagawa (Lake Ashi)	Hotel	Real Estate Development	Fund-backed
Nikko City, Tochigi	Hotel	Real Estate Development	Fund-backed
Naha City, Okinawa	Hotel	Renovation	In-house
Kakogawa City, Hyogo	Commercial	Real Estate Development	Partnership

Iriya, Taito-ku, Tokyo

Chitosedai, Setagaya-ku, Tokyo

Naha City, Okinawa

Hakone (Lake Ashi)

Nikko City

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BS

The Company sets a floor of 20% for its equity ratio at each period-end, while reviewing the appropriate level in line with the financial environment.

(¥mn)

Assets	76,514
Current assets	63,018
Cash and deposits	5,731
Inventory balance	55,891
Real estate for sale	11,193
Real estate for sale in process	44,698
Non-current assets	13,495
Property, plant and equipment	11,791

Liabilities	59,053
Current liabilities	26,001
Short-term borrowings	12,216
Current portion of long-term borrowings	12,221
Non-current liabilities	33,052
Long-term borrowings	32,235

Net assets	17,460
Shareholders' equity	17,432

Inventory for;

Residence brands

・LUMIEC

・LUMIEC un

Office brand

- BIASTA

Hotel brands

・NOCTIS

Rental income

Rental retail
Rental residences, etc.

¥283mn (Q1)

Liabilities for;

Project finance for property acquisition and development

Equity ratio

22.8%

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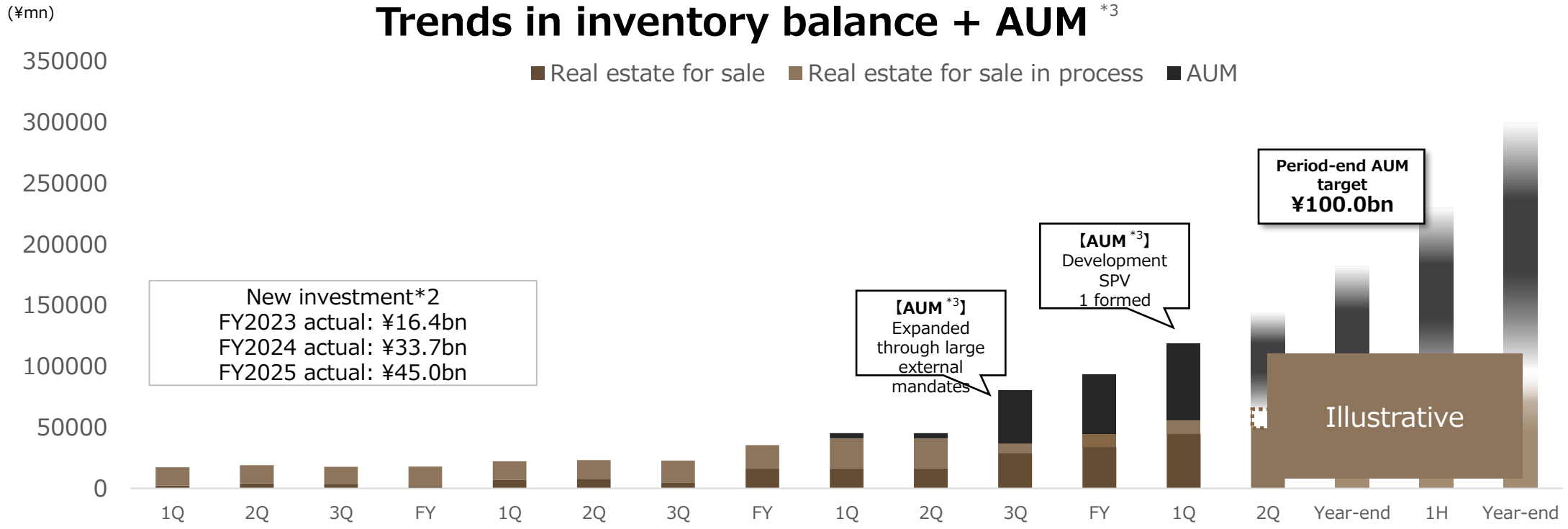
Trends in Managed Assets (Inventories + AUM*3)

Inventories that will be the source of FY2026 earnings are already secured. In Q1, 9 acquisitions were made, expected to contribute to earnings from next year onward.

Trends in inventory balance + AUM *3



	1Q	2Q	3Q	FY	1Q	2Q	3Q	FY	1Q	2Q	3Q	FY	1Q	2Q	Year-end	1H	Year-end
Inventory balance	**17,276**	**18,957**	**17,570**	**17,933**	**22,253**	**23,197**	**22,694**	**35,363**	**41,116**	**44,232**	**36,745**	**44,890**	**55,891**				
Real estate for sale in process	2,280	4,114	3,686	1,729	7,012	7,943	4,778	16,083	16,588	17,964	28,750	33,892	44,698				
Real estate for sale	14,996	14,843	13,884	16,204	15,241	15,254	17,916	19,280	24,528	26,268	7,995	10,998	11,193				
AUM									4,110	4,110	43,790	48,360	62,890				

Illustrative

*1 Inventory balances from 2026 onward are not disclosed; the chart above is illustrative. *2 New investment is the net acquisition amount of investment deals, excluding decreases from sales. *3 Includes both development-fund AUM and externally mandated AUM

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Anticipated Questions and Answers Following the Results Announcement

Anticipated question	Answer
- Could Middle East developments push up construction material prices and make procurement difficult, affecting earnings?	We recognize concerns over rising construction-material prices, but the FY2026 impact is limited. We treat the cost rise as structural and built a buffer into the initial forecast; longer construction periods are likewise covered, so there is no cause for concern. Plans for 2027 onward follow after we assess conditions.
- Has there been any change in investor appetite?	As of May 2026, we believe investment demand remains strong. That said, cap rates (yields) could rise with higher interest rates, and we have reflected this in our plan.
- I have seen news of falling condominium prices and am concerned about earnings. Is this a problem?	We are aware the secondary market for central Tokyo condominiums had overheated and that prices have fallen. But because our residence buyers are institutional investors, prices form rationally on a medium-to-long-term view. A cooling of that overheating is not necessarily negative; the market is normalizing.
- You assume two interest rate hikes. What is the sensitivity if increases exceed that?	For FY2026 we assume the policy rate rises ~0.5%. If it exceeds that, higher interest costs and rising yields could pressure selling prices; however, we can absorb this via NOI gains from rising rents, sale-timing adjustments, and off-balance-sheet treatment through fund-backed development.
- Investments assume rising rents, but rent growth is slowing in some areas. Is this a problem?	Strong-rent-growth and slowing-growth areas are polarizing, so area selection matters more. Rents also track wages, so we keep monitoring; but our plan is conservative and we view the impact as limited.
- Inventories seem insufficient relative to this year's forecast. Is this all right?	For FY2026, real estate development is ~70% of the mix. Development properties recognize 60-80% of construction costs at completion, so the period-end balance looks small but is sufficient. We also made ¥21.4bn of new investment in Q1 and keep focusing on acquisitions for growth.
- Inventories are building up. How large is the risk of valuation losses if market conditions reverse?	Our inventories are mainly properties tied to realistic sales plans, and the sources of FY2026 earnings are already secured. We estimate costs and selling prices conservatively, assuming higher rates and changing conditions. We view valuation-loss risk as limited.
- The FY2026 forecast aims to achieve the medium-term plan one year ahead of schedule. How confident are you in this?	The FY2026 plan is built mainly on projects already acquired. On sale timing, achieving the initial forecast is the top priority, but we retain flexibility for favorable timing. The plan also carries a buffer for environmental change and rests on no optimistic assumptions, so our confidence is high.
- FY2026 operating profit is forecast to grow 26.9% year on year. Is growth of 30% or more achievable?	Within the range we can commit to as of February 2026, operating profit is forecast to grow 26.9% year on year, and we will manage the business to meet expectations. Our ordinary profit forecast, which reflects interest costs, represents 30.2% growth.

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2. Subsidiary Status

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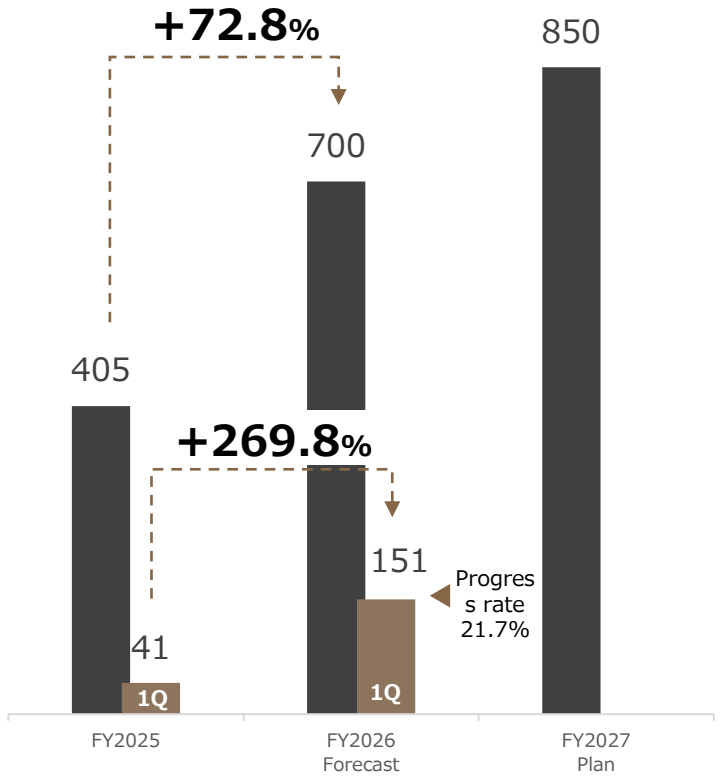
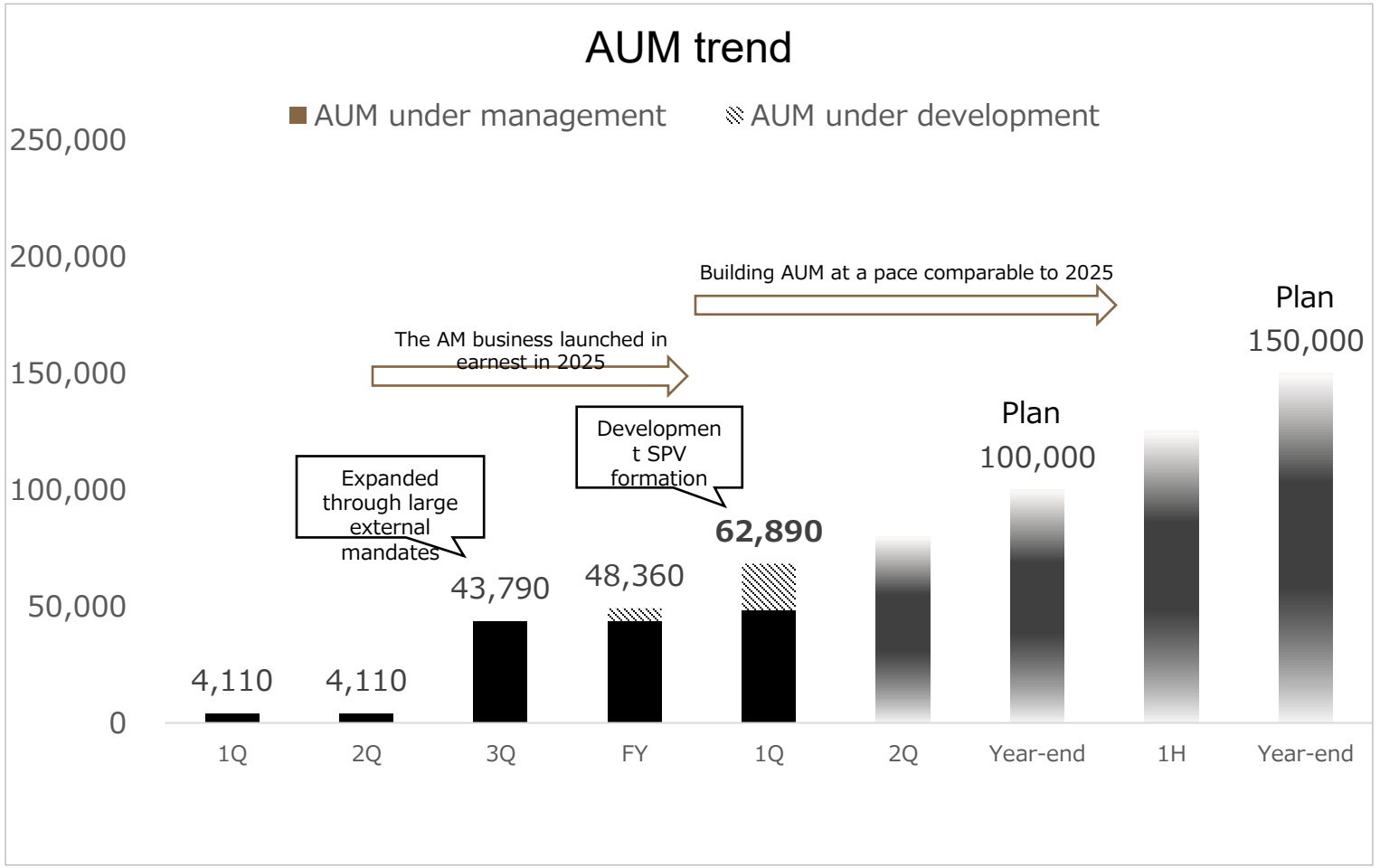
CAM: AUM Trend

The Company sold a hotel development site in Okinawa to a development SPV (fund-backed development) and a hotel site in Maruyama-cho, Shibuya-ku to a JV (partnership development), increasing AUM by ¥14.5bn quarter on quarter.

COLUMBIA ASSET MANAGEMENT [Asset Management Business]

Formed a development SPV





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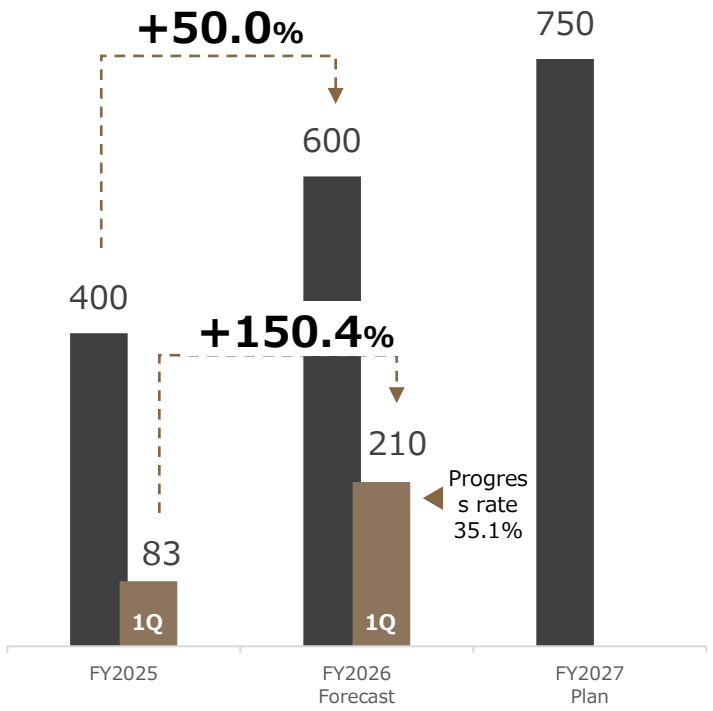
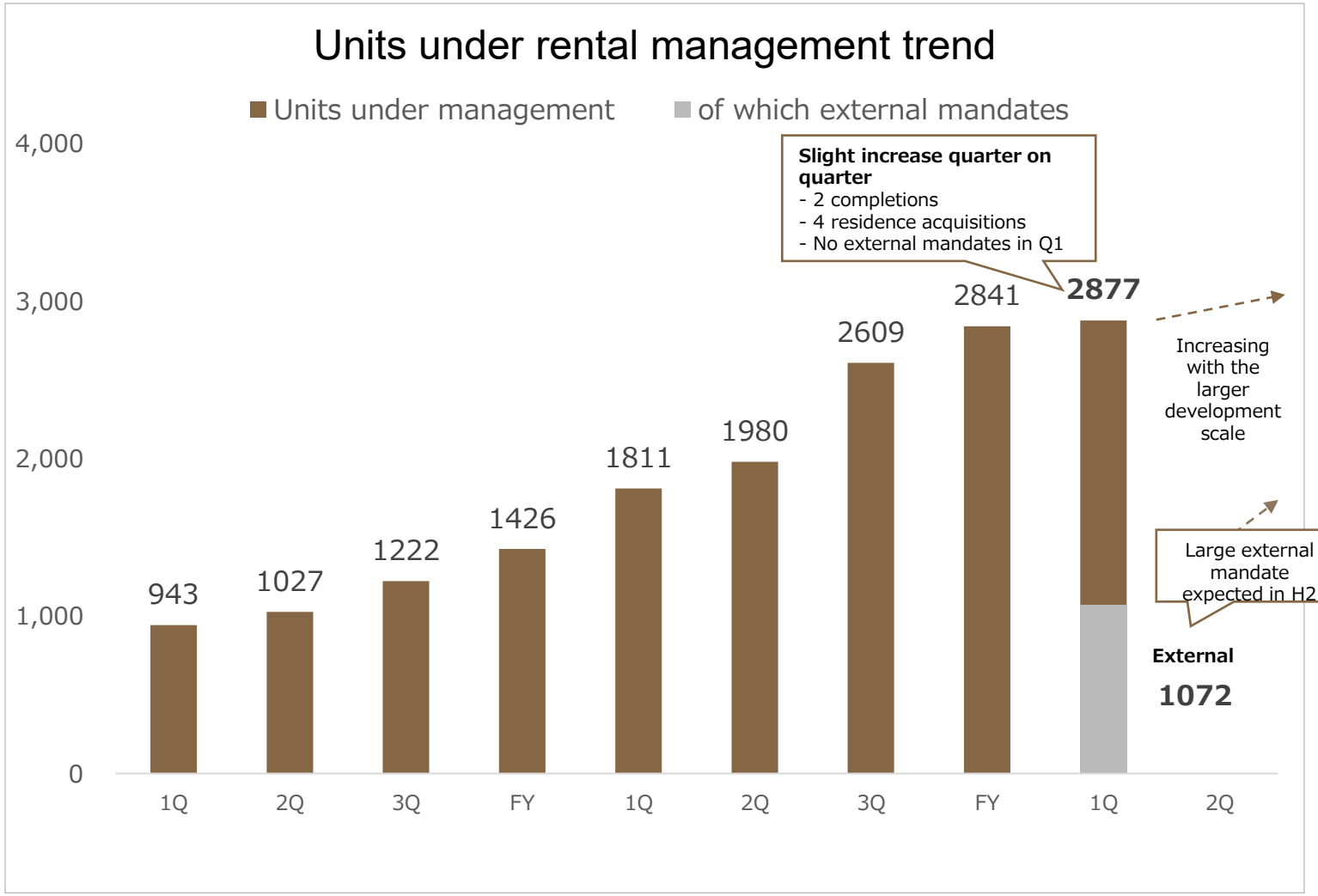
CC: Units Under Rental Management Trend

The Rental Property Management Business is expected to progress at a pace above the values in the medium-term management plan disclosed in August 2025. In Q1, units under management increased on completed residences and 4 renovation acquisitions. A large external mandate is expected in H2.

COLUMBIA COMMUNITY **[Rental management]**

Units under management increased on residence completions and acquisitions





*For residential development, properties are sold on the premise that Columbia Community will be entrusted with rental management

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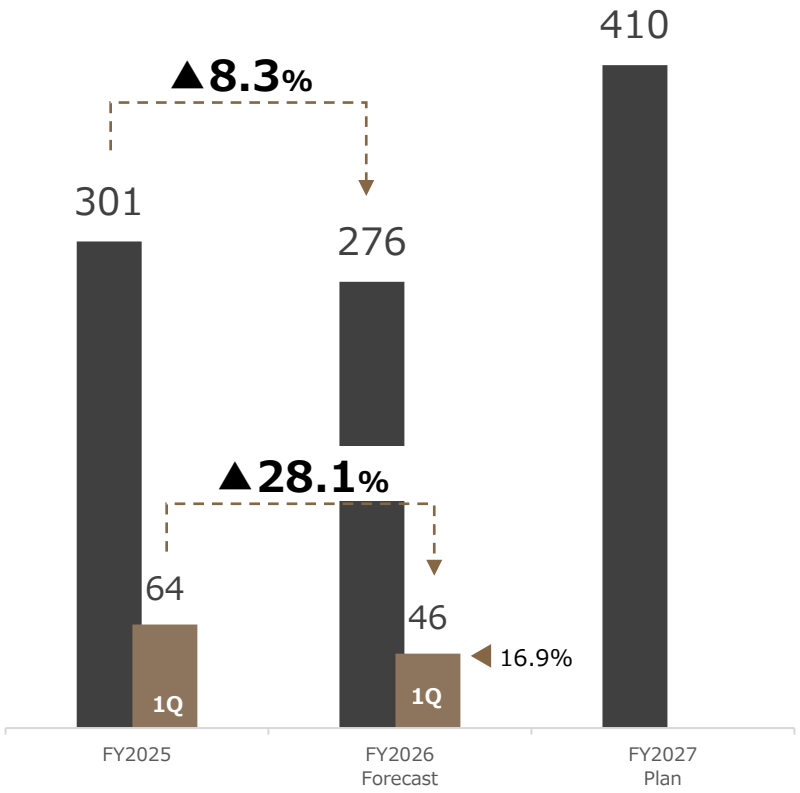
CHR: The Akihabara Hotel Is Being Rebranded to NOCTIS

The Hotel Operations Business declined 28.1% year on year due to the closure of an existing hotel for rebranding. Because the closed Akihabara hotel is scheduled to open from November, the impact on this year is minor.

COLUMBIA HOTEL&RESORTS [Hotel Operations Business]

The Akihabara hotel under rebranding is scheduled to open in November



NOCTIS

NOCTIS is a new lifestyle hotel brand offering a premium stay experience in central Tokyo.
It meets needs such as group travel and extended stays and is developed around the concept of 'a hotel where communication is born.' Every property will feature a bar as a place to foster interaction among guests, dialogue with hotel staff, and connections with the local community.

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Anticipated Questions and Answers Following the Results Announcement

Anticipated question	Answer
- Is the growth in AUM repeatable?	The main drivers of AUM growth are larger in-house development projects and an increase in externally mandated (third-party) deals. In particular, the expansion of external mandates, reflecting recognition of our ability to stay involved consistently from development through operations, is, we believe, a repeatable growth driver.
- Is the FY2026 AUM target of ¥100.0bn achievable?	Columbia Asset Management launched in earnest during FY2025 and secured about ¥50.0bn of AUM, including external mandates. We consider expanding at a similar pace in FY2026 to be realistic.
- Against the FY2026 target of 3,500 units under rental management, Q1 was 2,877 units, only a slight increase from the prior Q4. Is the target achievable?	A large external mandate is lined up for H2, and we believe the target is achievable.
- Please tell us the locations and opening timing of the hotels currently under development.	They are: Akihabara (November 2026), Shibuya (2028 or later), Moto-Azabu, Minato-ku (2029 or later), Taito-ku (2028 or later), Kouri Island, Okinawa (2028 or later), Naha City, Okinawa (2028 or later), Hakone (2028 or later), and Nikko (2030 or later).

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3. Toward a Prime Market Listing

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Advancing Management Conscious of Cost of Capital and Share Price

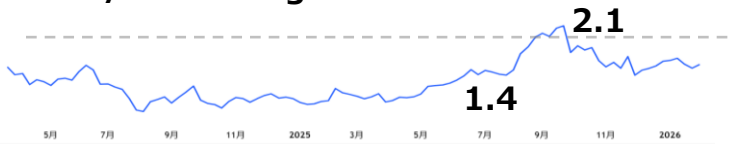
While the Company has earned some market recognition, it sees room for re-rating given its growth and future cash flows. By earning returns above its cost of capital while lifting its valuation, it pursues sustained growth in corporate value.

Current assessment

Given growth potential and future cash flow generation, there is room for further re-rating

PBR

P/B has ranged between 1.4x and 2.1x

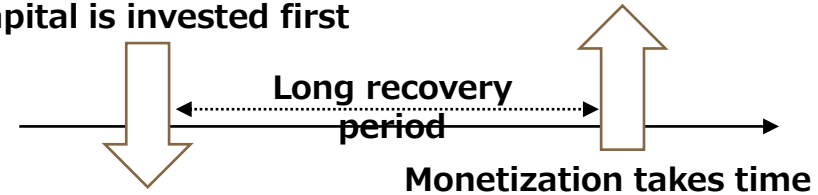


Referenc e) PBR ≒ ROE / r − g

*ROE: over 20% historically

Discount factors due to business characteristics

Capital is invested first



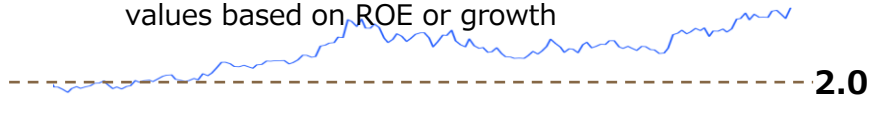
- Invested capital comes first and takes time to recover
- Cash flows tend to be back-loaded
- The market tends to apply a cautious discount on sustainability

Target

PBR

Stable P/B above 2.0x

A P/B of 2x is a reasonable level when sustainability is recognized, without overly pricing in theoretical values based on ROE or growth



Aiming to be not merely a high-ROE company, but one trusted by the market for growth and sustainability

Value creation process

Generating returns above the cost of capital

1. Investment discipline: decisions based on recovery period, CF, and risk

3. Financial discipline: maintaining appropriate leverage and financing with cost-of-capital awareness

Improving market valuation

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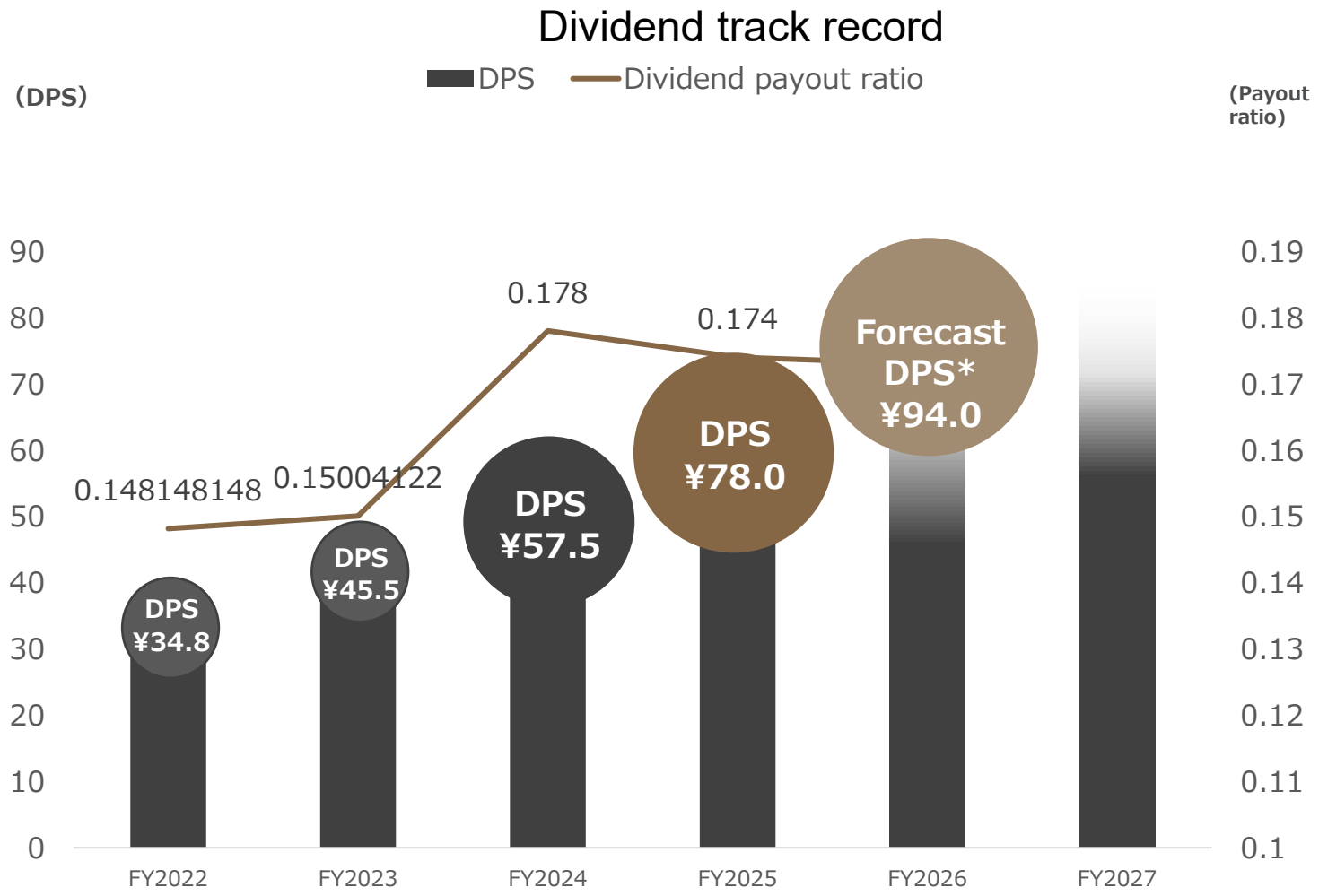
Shareholder Returns

For FY2026, based on a dividend payout ratio policy of 15-20%, the Company forecasts a dividend of ¥94.0 (payout ratio 17.3%). It will continue to set the dividend amount in line with profit growth.



	EPS	Dividend per share	Dividend payout ratio
FY2022	234.9	34.8	14.8%
FY2023	303.3	45.5	15.0%
FY2024	346.0	57.5	17.8%
FY2025	496.6	78	17.4%
FY2026	**544.3** (Forecast)	**¥94.0 (Forecast)**	**17.3% (Forecast)**

Shareholder benefit program

Not under consideration, from the standpoint of shareholder equality.

Share buyback

Not under consideration, from the standpoint of liquidity.

*DPS in the table is adjusted to post-split amounts

*Payout ratio = total dividends divided by net income

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Anticipated Questions and Answers Following the Results Announcement

Anticipated question	Answer
- When will you move to the Prime Market, and what is still lacking?	Following the December 2025 public offering, as of the end of April 2026 we meet each of the criteria, and we are advancing preparations ahead of schedule. We will, however, judge the listing timing carefully in light of market conditions and our own earnings progress.
- Please explain your future shareholder return policy.	As we are in a growth phase, we place importance on the balance with growth investment. Our policy is to maintain a dividend payout ratio of around 15-20% as a guide, while setting the dividend amount in line with profit growth. Depending on market conditions and our performance, we are also examining options such as revisiting the payout ratio or adopting DOE (dividend on equity). We are not currently considering share buybacks or a shareholder benefit program, but we recognize them as future options.
- Do you plan to disclose quantitative information on management that is conscious of the cost of capital?	We recognize the need to define our cost of capital (WACC) concretely, to codify internal investment discipline that exceeds the cost of capital, and to instill cost-of-capital awareness across the organization.

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4. Trends in Management Indicators

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P&L Trends

	FY2024								FY2025								FY2026	
	1Q (mix)		2Q (mix)		3Q (mix)		4Q (mix)		1Q (mix)		2Q (mix)		3Q (mix)		4Q (mix)		1Q	
Revenue	1,877		5,105		9,854		4,143		5,421		4,295		18,982		8,384		10,140	
Real Estate Development (flow)	1,506	80.2%	4,638	90.8%	9,430	95.7%	3,603	86.9%	4,979	91.8%	3,796	88.3%	18,192	95.8%	7,803	93.1%	9,447	93.2%
In-house – Development	-		1,437	28.1%	6,933	70.4%	3,320	80.1%	2,003	36.9%	291	6.8%	1,881	9.9%	-	-	910	9.0%
In-house – Renovation	-		1,301	25.5%	2,064	20.9%	284	6.9%	-		3,390	89.3%	2,138	11.3%	2,520	30.1%	-	
Fund-backed – Development	-		-		-		-		-		-		1,270	6.7%	-	-	1,050	10.4%
Fund-backed – Renovation	-		-		-		-		2,533	46.7%	-		12,903	68.0%	-	-	-	
Partnership development – Development	-		-		-		-		-		114	3.0%	-		5,283	63.0%	7,342	72.4%
Partnership development – Renovation	1,507	80.3%	1,901	37.2%	433	4.4%	-		446	8.2%	-		-		-	-	-	
Real Estate Operations (stock)	370	19.7%	467	9.1%	424	4.3%	540	13.0%	442	8.2%	499	11.6%	790	4.2%	580	6.9%	693	6.8%
Rental income	231	12.3%	279	5.5%	295	3.0%	378	9.1%	253	4.7%	300	7.0%	281	1.5%	273	3.3%	283	2.8%
Hotel Operations	63	3.4%	77	1.5%	64	0.6%	90	2.2%	64	1.2%	88	2.0%	57	0.3%	86	1.0%	46	0.5%
Rental management	75	4.0%	110	2.2%	64	0.6%	70	1.7%	84	1.5%	110	2.6%	171	0.9%	135	1.6%	210	2.1%
AM fees	-		-	-	-		-		41	0.8%	-	-	279	1.5%	83	1.0%	151	1.5%
Gross profit (margin)	320	17.1%	1,557	30.5%	2,443	24.8%	1,351	32.6%	1,486	27.4%	1,054	24.6%	4,210	22.2%	1,900	22.7%	1,996	19.7%
Development gross profit (margin)	115	7.6%	1,257	27.1%	2,190	23.2%	986	27.4%	1,112	22.3%	659	16.7%	3,546	19.5%	1,435	18.4%	1,350	14.5%
Operations gross profit (margin)	205	55.7%	299	64.0%	253	59.9%	364	67.6%	372	84.6%	395	79.8%	663	83.8%	465	80.0%	624	90.1%
SG&A (ratio)	410	21.9%	395	7.8%	485	4.9%	488	11.8%	633	11.7%	632	14.8%	594	3.1%	763	9.1%	707	7.0%
Operating profit (margin)	▲89	-	1,161	22.8%	1,958	19.9%	862	20.8%	852	15.7%	422	9.9%	3,616	19.1%	1,137	13.6%	1,288	12.7%
Net income (margin)	▲178	-	740	14.5%	1,132	11.5%	543	13.1%	511	9.4%	182	4.2%	2,296	12.1%	471	5.6%	616	6.1%

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Balance Sheet Trends

	FY2024				FY2025				FY2026
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Current assets	26,465	28,605	30,070	40,764	46,835	48,503	46,039	53,678	63,018
Cash and cash equivalents	3,321	4,636	6,493	4,293	4,726	3,482	8,380	7,892	5,731
Inventories	22,253	23,198	22,695	35,363	41,116	44,232	36,745	44,890	55,891
└ Real estate for sale	7,012	7,943	4,778	16,083	16,588	17,964	7,995	10,998	11,193
└ Real estate for sale in process	15,241	15,254	17,916	19,280	24,528	26,268	28,750	33,892	44,698
Non-current assets	10,848	11,304	11,651	11,422	13,013	12,830	12,963	13,198	13,495
Current liabilities	9,479	13,236	8,455	9,117	16,081	18,812	20,211	22,302	26,001
Short-term borrowings	4,816	7,586	3,261	2,255	6,590	8,915	9,424	9,928	12,216
Current portion of long-term borrowings	3,780	4,829	3,423	4,862	7,458	8,300	8,298	10,218	12,221
Non-current liabilities	18,569	16,250	21,711	30,967	31,552	30,118	24,082	27,135	33,052
Long-term borrowings	17,934	15,573	21,031	30,515	31,125	29,658	23,589	26,456	32,235
Net assets	9,265	10,421	11,553	12,101	12,215	12,403	14,708	17,439	17,460
Total assets	37,313	39,909	41,721	52,186	59,849	61,334	59,002	66,877	76,514
AUM					4,110	4,110	43,790	48,360	62,890
Total assets + AUM	-	-	-	-	63,959	65,444	102,792	115,237	139,404
Equity ratio				23.2	20.4	20.2	24.9	26.1	22.8

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KPI Trends

	FY2024				FY2025				FY2026	
	1Q	2Q	3Q	4Q	1Q Actual	2Q Actual	3Q Actual	4Q Actual	1Q Actual	Notes
Real Estate Development revenue (¥mn)	1,506	4,638	9,430	3,603	4,979	3,509	17,712	7,504	9,303	Columbiaworks non-consolidated
Average deal size (¥mn)	1,506	1,159	1,047	1,802	1,661	876	3,542	1,875	2,325	Development revenue ÷ properties sold
Properties sold	1	4	9	2	3	4	5	4	4	
In-house – Development	-	1	5	1	1	-	1	-	1	Acquire land and develop using own borrowings
In-house – Renovation	1	1	2	1		3	2	1	-	Acquire existing properties and add value using own borrowings
Fund-backed – Development	-	-	-	-	-	-	1	-	1	Develop from land using fund capital
Fund-backed – Renovation	-	-	-	-	1	-	1	-	-	Add value to existing properties using fund capital
Partnership development	-	2	2	-	1	1	-	3	2	Develop / add value jointly with other companies
Properties acquired	7	4	5	3	4	3	4	6	9	Includes 2 deals with an undetermined development structure, and others
In-house – Development	-	-	-	-	1	1	1	-	2	
In-house – Renovation	-	-	-	-	3	2	2	5	4	
Fund-backed – Development	-	-	-	-	-	-	1	-	-	
Fund-backed – Renovation	-	-	-	-	-	-	-	-	-	
New investment (¥100mn)	-	-	-	-	100	87	80	190	214	Acquisition cost + investment in held properties
Inventory balance (¥mn)	22,253	23,198	22,695	35,363	41,116	44,232	36,745	44,890	55,891	Real estate for sale + real estate for sale in process
Units under rental management	943	1,027	1,222	1,426	1,811	1,980	2,609	2,841	2,877	In-house developments + external mandates

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5.Appendix

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Multiple Development Frameworks

With a primary focus on the residential, hospitality, and office sectors.

Development type

Real Estate Development (Profitability **High**)

Acquire land and undertake new real estate development

└ Longer construction period, but higher gross margin

Roughly 2-3 years

Land Acquisition | Planning | Development | Completion | Sale

Renovation (Profitability **Low**)

Acquire an existing building and add value

└ Lower gross margin, but shorter construction period

Roughly up to 1 year

Property Acquisition | Planning | Development | Completion | Sale

Capital provider

Fund-backed type (Investment efficiency **High**)

Form a fund and develop within the real estate fund

└ Early off-balance-sheet treatment, high investment efficiency

└ Sale proceeds after completion vary by equity stake

Acquisition | Planning | Sale | Development fund (Development | Completion) | Sale

In-house type (Investment efficiency **Low**)

Develop on the Company's own balance sheet

└ On-balance-sheet until sale, low investment efficiency

└ The absolute profit amount is larger

Acquisition | Planning | Development | Completion | Sale

Partnership development (Investment efficiency **High**)

Develop jointly with other developers

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Case Study: Rent Premium Above the Local Market Through Theme-based Development

The Company's “LUMIEC MEGURO” commands a rent premium of about 30% over the surrounding market thanks to its added theme, enabling rents on par with tower condominiums near the station.

LUMIEC MEGURO

Meguro Station "7-min walk"

Floor area "avg. 37 sqm"

Rent per tsubo
¥22,200/tsubo

+30%

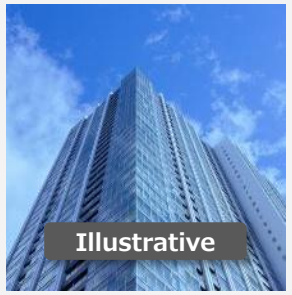
About +30% over the local market rent

Rental condo with comparable location

Rent per tsubo	Walk
15,340	7 min
15,430	8 min
18,150	6 min
18,940	9 min

Avg. rent per tsubo
¥16,965/tsubo

Well-located, near-station tower condo



Rent per tsubo	Walk
20,800	1 min
21,450	2 min
20,760	1 min
21,750	1 min

Avg. rent per tsubo
¥21,190/tsubo

On par with the rent market for well-located, near-station tower condominiums

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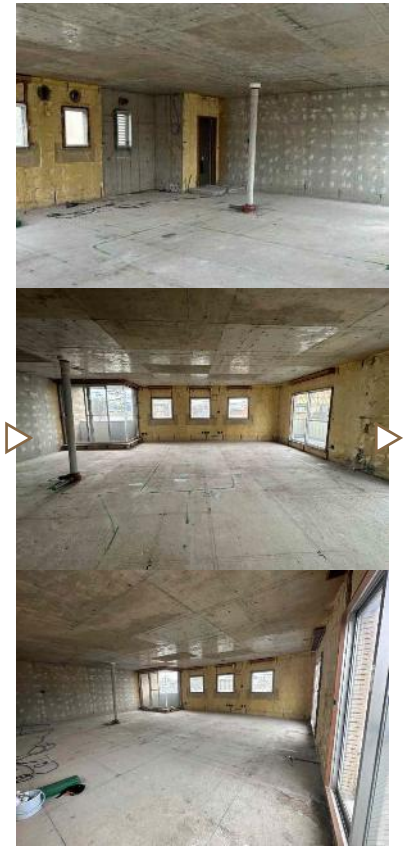
Case Study: Higher Rental Income Through Renovation

By upgrading interiors and exteriors, rental income doubled.

LUMIEC un SAKURASHIMMACHI

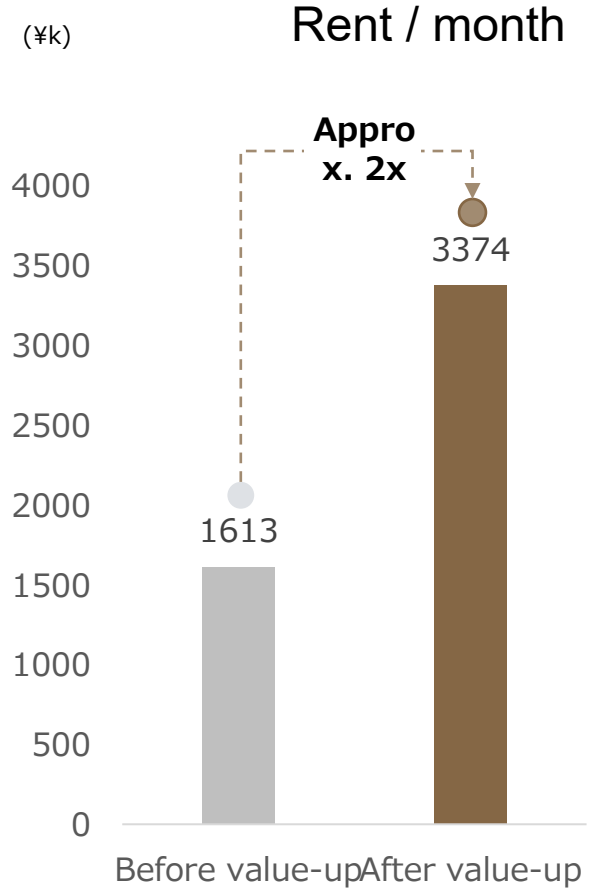
Before renovation

<Skeleton renovation>



After renovation

Rent / month



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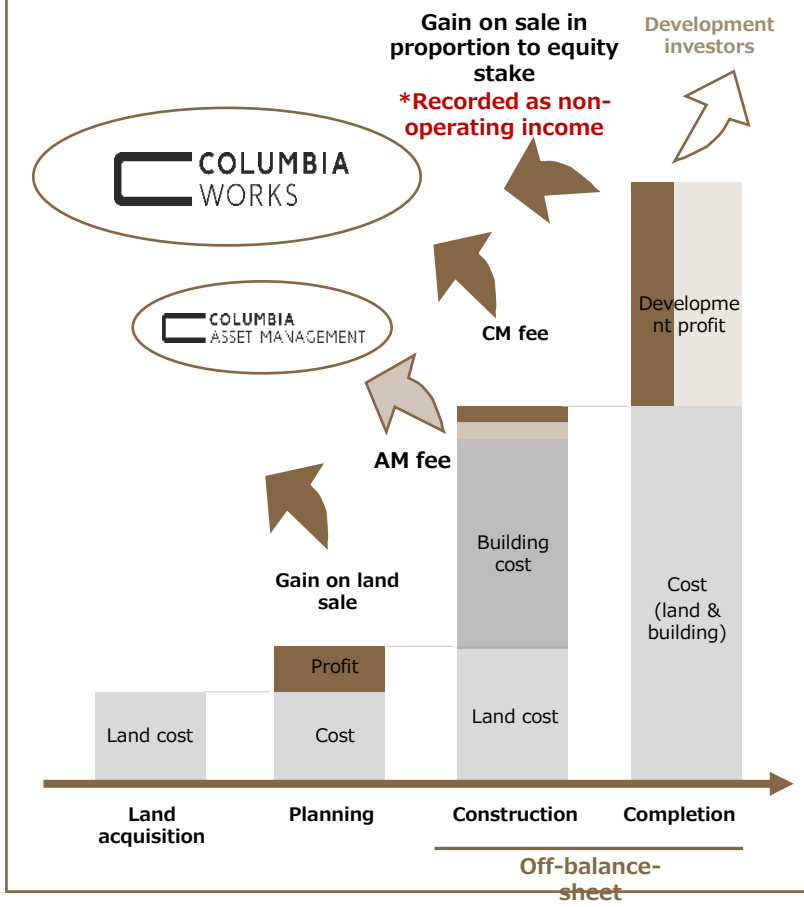
*About Business Profit: The Fund-backed Development Structure

From FY2025, the Company fully launched a development structure using funds (development SPVs). By achieving early off-balance-sheet treatment, investment efficiency improves versus in-house development.

The Company's fund-backed development structure



Business model

・The structure establishes a development SPV and develops using leverage on equity from the Company and development investors

・After the sale, the SPV receives the development profit, and the Company enjoys profit in proportion to its equity stake (up to 5% of total investment)

Revenue model

	At land sale	Development period	At property sale
COLUMBIA WORKS	Gain on land sale	Construction management fee	In proportion to equity stake, ~~gain on property sale~~ Disposition fee
COLUMBIA ASSET MANAGEMENT	Upfront fee	Asset Management fee	

Advantages for the Company

・The acquired land is planned and sold to the development SPV, realizing gain on land sale and early off-balance-sheet treatment offering better investment efficiency than in-house development

Disadvantages for the Company

・Because the profit on property sale is limited to the equity stake, the development profit is smaller than in in-house development
*Income is recorded as non-operating income

Comparison with in-house development

⇔ Because it stays on-balance-sheet during development, investment efficiency is lower than the fund-backed type

⇔ Because 100% of the sale profit is captured, development profit is larger than the fund-backed type

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*About Business Profit: Sale gains on fund-backed development properties are recorded as non-operating income

On the sale of properties developed via funds (development SPVs), the Company receives income from its silent partnership investment in proportion to its equity stake. As this is recorded in non-operating income, the Company defines and reports it as business profit.

Accounting line for sale gains on properties developed under the fund-backed development structure

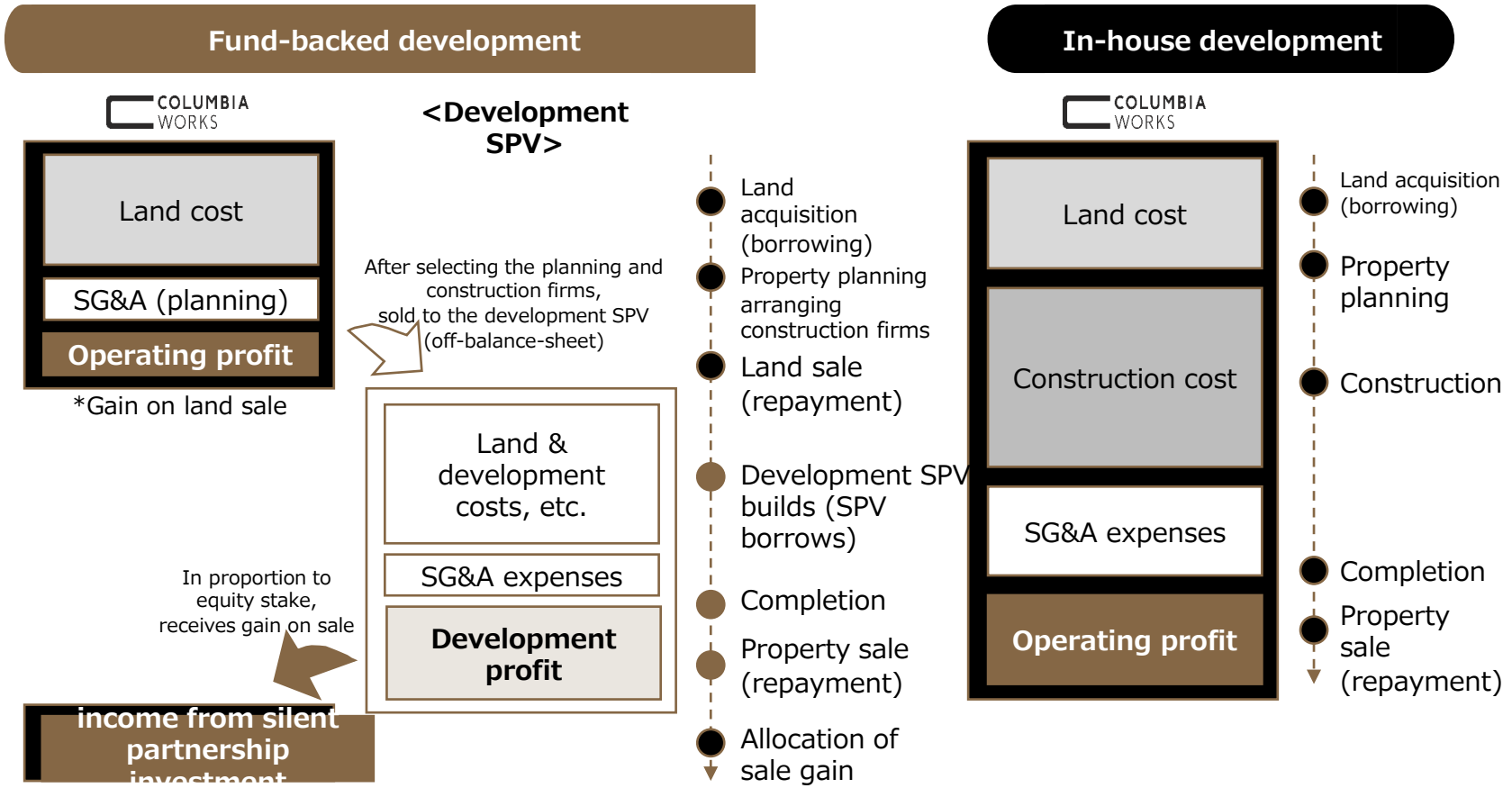
[Business profit]

= Operating profit + income from silent partnership investment

In fund-backed development, Columbiaworks invests up to the 5% ceiling for off-balance-sheet treatment (the off-balance-sheet line).

When a property built by the development SPV is sold, the development profit is allocated by equity stake, and that profit is recorded as non-operating income for Columbiaworks.

While operating profit has been the key metric, profit earned through fund-backed development is part of business activities, so the Company defines and reports it as business profit.



*Upfront and asset management fees at fund formation are omitted from

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These are based on current expectations, forecasts, and assumptions involving risks, and contain uncertainties that could cause actual results to differ materially from these statements.

Such risks and uncertainties include general domestic and international economic conditions, such as general industry and market conditions, interest rates, and currency exchange fluctuations.

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