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July 3, 2026

Consolidated Financial Results for the Nine Months Ended May 31, 2026 (Under Japanese GAAP)

Company name: Kasumigaseki Capital Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 3498
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Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: None
Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended May 31, 2026 (from September 1, 2025 to May 31, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
May 31, 2026	88,476	75.0	8,202	(12.5)	7,050	(10.7)	4,555	12.4
May 31, 2025	50,549	50.5	9,370	157.2	7,898	104.5	4,053	54.3

Note: Comprehensive income For the nine months ended May 31, 2026: ¥5,559 million [8.4%]
For the nine months ended May 31, 2025: ¥5,126 million [68.8%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
May 31, 2026	196.47	194.15
May 31, 2025	205.89	202.75

Note: The Company conducted a 2-for-1 share split of its common shares on September 1, 2025. “Basic earnings per share” and “Diluted earnings per share” are calculated on the assumption that the share split was conducted at the beginning of the fiscal year ended August 31, 2025.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
May 31, 2026	192,747	75,473	38.7
August 31, 2025	121,688	38,193	29.7

Reference: Equity
As of May 31, 2026: ¥74,577 million
As of August 31, 2025: ¥36,171 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended August 31, 2025	–	0.00	–	240.00	240.00
Fiscal year ending August 31, 2026	–	0.00	–		
Fiscal year ending August 31, 2026 (Forecast)				165.00	165.00

Notes: 1. Revisions to the forecast of cash dividends most recently announced: None

2. The Company conducted a 2-for-1 share split of its common shares on September 1, 2025. The amounts shown for the dividends for the fiscal year ended August 31, 2025 are the dividend amounts based on the number of shares before the share split.

3. Consolidated earnings forecasts for the fiscal year ending August 31, 2026 (from September 1, 2025 to August 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending August 31, 2026	150,000	55.4	26,500	40.0	24,000	40.1	16,500	61.0	672.42

Note: Revisions to the earnings forecasts most recently announced: None

* **Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: – companies
Excluded: – companies

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of May 31, 2026	24,587,930 shares
As of August 31, 2025	19,811,258 shares

(ii) Number of treasury shares at the end of the period

As of May 31, 2026	49,812 shares
As of August 31, 2025	47,482 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended May 31, 2026	23,184,954 shares
Nine months ended May 31, 2025	19,686,412 shares

Note: The Company conducted a 2-for-1 share split of its common shares on September 1, 2025. Total number of issued shares (common shares) is calculated on the assumption that the share split was conducted at the beginning of the fiscal year ended August 31, 2025.

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

Caution concerning forward-looking statements

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual business and other results may differ substantially due to various factors.

Attached Material

Index

1. Overview of operating results and others

(1) Overview of operating results for the period under review

During the nine months ended May 31, 2026, the Japanese economy has been on the path to a gradual recovery, against the backdrop of the expansion of inbound demand driven by the weaker yen and improvements in the employment and income environments due to wage rises, with signs of moves towards passing through increases in personnel expenses and raw materials costs to prices. On the other hand, the economic outlook remains uncertain due to the impact of the situation in the Middle East and trends in domestic and international financial conditions.

In the real estate market, the primary business domain of the Group, despite concerns about rising interest rates, market conditions remain firm against the backdrop of strong investment demand from domestic and foreign investors.

In the hotel business, the Group is engaged in developing hotels for group guests where there is a supply-demand gap, with the aim of making Japan a top tourism destination and contributing to regional revitalization. As Group brands, we are expanding “fav,” “FAV LUX,” “edit x seven,” “seven x seven,” and culture business hotel “BASE LAYER HOTEL” nationwide. These hotels are characterized by a revenue structure that can generate profits even with low occupancy rates by minimizing services and improving the efficiency of operations. Anticipating further increases in inbound demand and diversification of needs, we are working on developing facilities with added value while promoting brand diversification. During the period under review, we have been making steady progress on projects including the opening of “edit x seven Setouchi Shodoshima” and “HOTEL FORK & KNIFE Miyajima” in March 2026, as well as “BASE LAYER HOTEL FUKUOKA” in April 2026, along with the acquisition of five development sites and two existing hotels, the transition of one project to the development phase, and the sale of one plot of land of renovation project.

In the logistics business, the Group is primarily engaged in the development of rental-type frozen & chilled warehouses. We view “the 2024 problem,” fluorocarbon regulations, and the market environment with its increasing demand for frozen goods as opportunities. By expanding our development areas and actively advancing the development of automated frozen warehouses as further added value, we are contributing not only to improvements in efficiency and profitability but also to addressing social issues in the logistics industry, such as labor shortages and improvements in working conditions. During the period under review, we acquired one development site, transitioned one project to the development phase, and commenced one new construction project, as well as completed our second automated frozen warehouse, “LOGI FLAG TECH Nagoya Minato I” in May 2026. Additionally, we have established a value-add fund incorporating three existing logistics facilities and a value-add project incorporating one existing logistics facility, making steady progress in our business operations.

In the healthcare business, the Group sees potential in hospice housing, which can meet the two needs of a “sense of security provided by hospitals” and the “comfort of home” that many people in Japan, which is a super aging society, tend to desire in the final stages of life. As such, the Group is focusing on the development of hospice housing among healthcare facilities. We consistently manage operations while differentiating from existing services through “prime locations near railway stations,” “space designs that provide comfort,” and “highly functional facility planning capacity” that utilizes the know-how we have developed through hotel development. During the period under review, we have been steadily expanding our business operations including the openings of “CLASWELL Kitaurawa” in April 2026 and “CLASWELL Suita” in May 2026.

In the overseas business, the Group has been expanding primarily in the United Arab Emirates (Dubai). The Group has established a local subsidiary, and is participating in the Dubai real estate market. Through the acquisitions and sales of residential properties, we have been creating opportunities to generate capital gains as well as cultivating our knowhow, network, and track record with the goal of creating an environment enabling Japanese investors to invest in Dubai. During the period under review, despite the escalating tensions in the Middle East, we have proceeded with the sale of two properties. Additionally, as the first step in our U.S. expansion, we have acquired a development site in downtown Miami and commenced a mixed-use development project primarily focused on hotels and residences. Going forward, we will continue to steadily expand our business in the U.S. while also considering expansion into other countries, aiming for further growth of the Company.

As a result, net sales were ¥88,476 million (up 75.0% year on year), operating profit was ¥8,202 million (down 12.5% year on year), ordinary profit was ¥7,050 million (down 10.7% year on year), and profit attributable to owners of parent was ¥4,555 million (up 12.4% year on year) for the period under review.

Information by segment is omitted because the Group has only one segment, namely the real estate consulting business.

(2) Overview of financial position for the period under review

The positions of assets, liabilities, net assets as of May 31, 2026 are as follows.

Assets

Total assets as of May 31, 2026 increased by ¥71,059 million from the end of the previous fiscal year to ¥192,747 million.

Current assets increased by ¥62,163 million from the end of the previous fiscal year to ¥149,503 million. This was mainly attributable to increases of ¥35,982 million in real estate for sale and ¥16,037 million in cash and deposits.

Non-current assets increased by ¥8,831 million from the end of the previous fiscal year to ¥43,073 million. This was attributable to an increase of ¥10,095 million in property, plant and equipment mainly due to an increase in buildings and structures, despite a decrease of ¥2,423 million in investments and other assets mainly due to a decrease in investment securities.

Liabilities

Total liabilities as of May 31, 2026 increased by ¥33,779 million from the end of the previous fiscal year to ¥117,273 million.

Current liabilities increased by ¥12,862 million from the end of the previous fiscal year to ¥52,868 million. This was mainly attributable to an increase of ¥12,599 million in current portion of long-term borrowings.

Non-current liabilities increased by ¥20,916 million from the end of the previous fiscal year to ¥64,405 million. This was mainly attributable to an increase of ¥15,799 million in long-term borrowings.

Net assets

Total net assets as of May 31, 2026 increased by ¥37,279 million from the end of the previous fiscal year to ¥75,473 million. This was mainly attributable to increases of ¥17,553 million in share capital and ¥17,649 million in capital surplus, resulting from the issuance of new shares.

(3) Explanation of consolidated earnings forecasts and other forward-looking statements

As for the consolidated earnings forecasts for the full year, there is no change to the forecasts announced on October 2, 2025 based on recent performance trends.

If it becomes necessary to revise the forecasts, the revision will be disclosed promptly.

2. Quarterly consolidated financial statements and significant notes

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of August 31, 2025	As of May 31, 2026
Assets		
Current assets		
Cash and deposits	24,016	40,054
Accounts receivable - trade	1,417	2,505
Contract assets	844	984
Costs on development business and other	16,940	16,889
Real estate for sale	36,381	72,363
Advance payments	3,199	3,279
Other	4,566	13,453
Allowance for doubtful accounts	(26)	(26)
Total current assets	87,339	149,503
Non-current assets		
Property, plant and equipment	12,914	23,009
Intangible assets	798	1,958
Investments and other assets	20,528	18,104
Total non-current assets	34,241	43,073
Deferred assets	106	170
Total assets	121,688	192,747
Liabilities		
Current liabilities		
Short-term borrowings	13,612	14,788
Current portion of bonds payable	292	1,833
Current portion of long-term borrowings	13,594	26,194
Income taxes payable	5,663	2,113
Provision for bonuses	518	483
Provision for shareholder benefit program	145	8
Other	6,178	7,447
Total current liabilities	40,005	52,868
Non-current liabilities		
Bonds payable	392	1,840
Convertible-bond-type bonds with share acquisition rights	22,000	22,000
Long-term borrowings	16,193	31,993
Deferred tax liabilities	436	2,156
Asset retirement obligations	450	705
Other	4,015	5,709
Total non-current liabilities	43,488	64,405
Total liabilities	83,494	117,273

(Millions of yen)

	As of August 31, 2025	As of May 31, 2026
Net assets		
Shareholders' equity		
Share capital	9,523	27,077
Capital surplus	9,478	27,128
Retained earnings	17,251	19,434
Treasury shares	(42)	(43)
Total shareholders' equity	36,210	73,597
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	106	(1)
Foreign currency translation adjustment	(145)	980
Total accumulated other comprehensive income	(39)	979
Share acquisition rights	442	462
Non-controlling interests	1,580	434
Total net assets	38,193	75,473
Total liabilities and net assets	121,688	192,747

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income

Quarterly consolidated statement of income

(Millions of yen)

	Nine months ended May 31, 2025	Nine months ended May 31, 2026
Net sales	50,549	88,476
Cost of sales	29,350	62,094
Gross profit	21,199	26,382
Selling, general and administrative expenses	11,828	18,179
Operating profit	9,370	8,202
Non-operating income		
Interest income	93	259
Foreign exchange gains	–	936
Other	51	138
Total non-operating income	144	1,335
Non-operating expenses		
Interest expenses	846	1,791
Arrangement fees	27	15
Foreign exchange losses	421	–
Commission expenses	278	609
Other	41	72
Total non-operating expenses	1,616	2,487
Ordinary profit	7,898	7,050
Extraordinary income		
Gain on sale of non-current assets	0	9
Gain on reversal of provision for contingent loss	16	–
Gain on bargain purchase	72	–
Total extraordinary income	88	9
Extraordinary losses		
Loss on sale and retirement of non-current assets	3	53
Loss on sale of investment securities	–	44
Loss on subsidy repayment	20	–
Total extraordinary losses	23	97
Profit before income taxes	7,963	6,962
Income taxes - current	3,728	2,804
Income taxes - deferred	(893)	(383)
Total income taxes	2,835	2,421
Profit	5,128	4,540
Profit (loss) attributable to non-controlling interests	1,075	(14)
Profit attributable to owners of parent	4,053	4,555

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Nine months ended May 31, 2025	Nine months ended May 31, 2026
Profit	5,128	4,540
Other comprehensive income		
Foreign currency translation adjustment	(2)	1,126
Valuation difference on available-for-sale securities	–	(107)
Total other comprehensive income	(2)	1,018
Comprehensive income	5,126	5,559
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,051	5,573
Comprehensive income attributable to non-controlling interests	1,075	(14)

(3) Notes to quarterly consolidated financial statements

Notes on premise of going concern

Not applicable.

Notes when there are significant changes in amounts of equity

Due to the issuance of 4,000,000 new shares through public offering with the payment date set on November 12, 2025, share capital and capital surplus each increased by ¥14,792 million.

In addition, due to the issuance of 691,500 new shares by way of capital increase through a third-party allotment with the payment date set on December 10, 2025, share capital and capital surplus each increased by ¥2,557 million.

Primarily as a result of these impacts, as of May 31, 2026, share capital amounted to ¥27,077 million, and capital surplus amounted to ¥27,128 million.

Notes to quarterly consolidated statement of cash flows

The Company has not prepared quarterly consolidated statement of cash flows for the nine months ended May 31, 2026. In addition, the amounts of depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the nine months ended May 31, 2025 and 2026 are as stated below.

(Millions of yen)

	Nine months ended May 31, 2025	Nine months ended May 31, 2026
Depreciation	688	1,300
Amortization of goodwill	43	112

Notes on segment information, etc.

Segment information

I Nine months ended May 31, 2025

Segment information is omitted because the Group has only one segment, real estate consulting business.

II Nine months ended May 31, 2026

Segment information is omitted because the Group has only one segment, real estate consulting business.

Revenue recognition

Information on disaggregation of revenue from contracts with customers

The Group operates in only one segment, and a breakdown of the revenue from contracts with customers is as below.

(Millions of yen)

	Nine months ended May 31, 2025	Nine months ended May 31, 2026
Sale of real estate (Note 1)	28,284	54,535
Real estate consulting (Note 2)	3,517	3,802
Other	2,449	6,660
Revenue from contracts with customers	34,251	64,999
Other revenue (Note 3)	16,298	23,477
Sales to external customers	50,549	88,476

(Notes) 1. Sale of real estate does not include the transfer of real estate (including beneficial interests in real estate trust) subject to the “Practical Guidelines on the Accounting by Transferors for the Securitization of Real Estate Using Special-Purpose Companies” (Transferred Guidance No. 10).

2. Real estate consulting is mainly asset management (AM) and project management (PJM) fee revenue.

3. Other revenue includes translations related to financial instruments based on the “Accounting Standard for Financial Instruments (ASBJ Statement No. 10),” lease income based on the “Accounting Standard for Lease Transactions (ASBJ Statement No. 13),” and the transfer of real estate (including beneficial interests in real estate trust) that are subject to the “Practical Guidelines on the Accounting by Transferors for the Securitization of Real Estate Using Special-Purpose Companies” (Transferred Guidance No. 10).

Significant subsequent events

Not applicable.