Oct 15, 2026

Financial Results Presentation

Fiscal Year Ending May 31, 2027
First Quarter (16th Term)

FIRST CORPORATION

Agenda

1. **Financial Results for the First Quarter of the Fiscal Year Ending May 31, 2027**
2. **Progress on the Medium- to Long-term Vision “First VISION 2031”**
3. **Financial Results Forecast and Shareholder Returns**
4. **Sustainability**
5. **Company Overview**



Note: This is an illustration of the exterior of a property currently under construction, handled by First-corporation Inc. It may differ from the building exterior after completion.

Executive Summary

- 1Q results were broadly in line with the plan. Orders received reached a high level of 20.6 billion yen against the order plan of 35.0 billion yen for the current fiscal year (progress rate: 58.9%).
- Concluded a capital and business alliance and expanded shareholder benefits.

FY2027/5 1Q Highlights

(1) 1Q Results

Net sales	**7.18** billion yen	(-3.1% YoY)
Operating income	**470** million yen	(+9.2% YoY)
Net income	**269** million yen	(-4.8% YoY)

(2) Strong Orders Received

Orders expected for current FY (Plan)	**35.0** billion yen	(+73.8% YoY)
Orders received for 1Q	**20.6** billion yen	(+731.4% YoY)

(3) Business Expansion Progress

Concluded a capital and business alliance with Chuo-Nittochi Co., Ltd.

(4) Expanded Shareholder Benefits

- **Lowered the eligibility threshold to 100 shares or more**
- **Added a new tier for continuous holding of less than 1 year**

Progress on First VISION 2031

Order backlog	Construction capacity	Human resources	Real estate	Joint projects
Record high	On plan	On plan	Steady acquisitions	Projects increasing

Capital and Business Alliance with Chuo-Nittochi Group

Chuo Nittochi
中央日本土地建物グループ

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FIRST CORPORATION

Strengths of Chuo-Nittochi Group

Robust financial and earnings base

- Unrivaled trust built over 72 years since founding
- Solid track record with ordinary income of 31.0 billion yen

Expanding supply of the “BAUS” housing brand

- Stable supply of approx. 500 units per year*
- Also developing high-rise condominiums in prime areas such as Shiki, Kita-Ayase, and Tokorozawa Kotesashi

Track record of collaboration and outlook

Extensive track record of collaboration

- Constructed a cumulative total of 1,771 units since 2017, and collaboration is ongoing
- Track record includes multiple Zouchu projects

Future strategy and growth synergies

- Contributing to First VISION 2031, centered on joint projects
- Maximizing synergies between the two companies through an integrated system from land acquisition to sales

*Annual supply is on a handover basis.

01 / Financial Results for the First Quarter of the Fiscal Year Ending May 31, 2027

1. Financial Results Overview for 1Q FY2027/5
2. Consolidated Statements of Income
3. Breakdown of Gross Profit
4. Trends in Net Sales and Profit Margin (1Q Comparison)
5. Segment Overview: (1) Construction Business
6. Trends in Completed Construction Contracts / Gross Profit Margin
7. Trends in Construction Orders, Orders Received, and Order Backlog
8. New Construction Orders Received and Project Progress
9. Business Environment of the Construction Business
10. Segment Overview: (2) Real Estate Business
11. Real Estate for Sale Holdings
12. Status of Joint Projects
13. Real Estate Business Environment
14. Consolidated Balance Sheets
15. Financial Position / ROE / Cost of Equity

1. Financial Results Overview for 1Q FY2027/5

First Quarter of Fiscal Year Ending May 31, 2027 (16th Term: June 1, 2026 – August 31, 2026)

Net Sales

7,188 million yen

-3.1% YoY

Operating Income

470 million yen

+9.2% YoY

Profit attributable to owners of parent

269 million yen

-4.8% YoY

Highlights

- 1Q results progressed broadly as expected against the full-year plan
- Despite lower net sales, operating income increased due to an improved profit margin
- One real estate project shifted to a later quarter, with no impact on the full-year results

2. Consolidated Statements of Income

	Fiscal year ended May 31, 2026 1Q		Fiscal year ending May 31, 2027 1Q		YoY	
	Amount (Million yen)	Margin	Amount (Million yen)	Margin	Change (Million yen)	Change (%)
Net sales	**7,421**	–	**7,188**	–	**(232)**	**(3.1)%**
Cost of sales	**6,614**	**89.1%**	**6,235**	**86.7%**	**(379)**	**(5.7)%**
Gross profit	**806**	**10.9%**	**953**	**13.3%**	**147**	**18.2%**
SG&A expenses	**375**	**5.1%**	**483**	**6.7%**	**107**	**28.6%**
Operating income	**430**	**5.8%**	**470**	**6.5%**	**39**	**9.2%**
Ordinary income	**427**	**5.8%**	**413**	**5.8%**	**(13)**	**(3.3)%**
Profit attributable to owners of parent	**283**	**3.8%**	**269**	**3.8%**	**(13)**	**(4.8)%**

3. Breakdown of Gross Profit

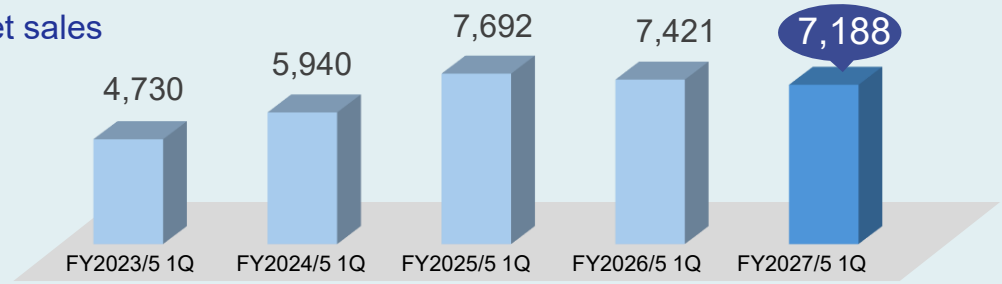
	Fiscal year ended May 31, 2026 1Q	Fiscal year ending May 31, 2027 1Q	YoY	
	Amount (Million yen)	Amount (Million yen)	Change (Million yen)	Change (%)
Net sales of completed construction contracts	5,726	6,010	284	5.0%
Net sales of real estate	1,524	1,049	(475)	(31.1)%
Income from joint projects	120	22	(98)	(81.2)%
Other net sales	49	106	56	113.8%
Net sales	7,421	7,188	(232)	(3.1)%
Gross profit on completed construction contracts	675	719	44	6.5%
Gross profit on real estate	145	189	44	30.5%
Gross profit on joint projects	12	2	(9)	(79.3)%
Gross profit on other net sales	(26)	41	68	–
Gross profit	806	953	147	18.2%
Gross profit margin on completed construction contracts	11.8%	12.0%	–	–
Gross profit margin on real estate	9.5%	18.1%	–	–
Gross profit margin on joint projects	10.2%	11.3%	–	–
Gross profit margin on other net sales	–	–	–	–
Gross profit margin	10.9%	13.3%	–	–

4. Trends in Net Sales and Profit Margin (1Q Comparison)

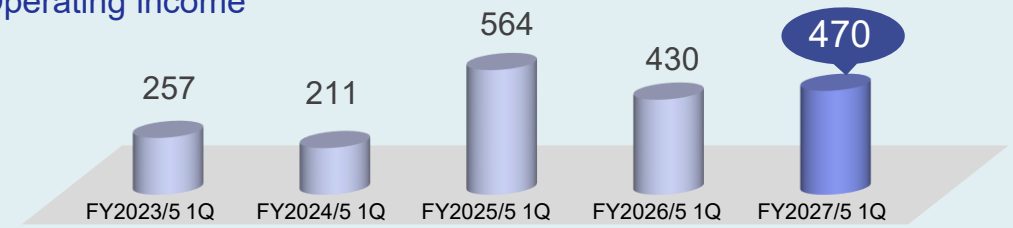
Net Sales / Operating Income

Unit: million yen

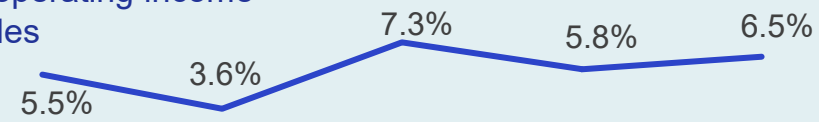
Net sales



Operating income



Ratio of operating income to net sales



	FY2023/5 1Q	FY2024/5 1Q	FY2025/5 1Q	FY2026/5 1Q	FY2027/5 1Q
Net sales	**4,730**	**5,940**	**7,692**	**7,421**	**7,188**
Operating income	**257**	**211**	**564**	**430**	**470**
Ratio of operating income to net sales	**5.5%**	**3.6%**	**7.3%**	**5.8%**	**6.5%**

- Net sales were slightly lower but remained at a level similar to the same period of the previous fiscal year. Thorough cost management resulted in operating income exceeding the same period of the previous fiscal year.
- The ratio of operating income to net sales was 6.5%. High profitability was maintained by ensuring profitability at the time of order receipt, in addition to cost management.
- In FY2025/5, both net sales and operating income were boosted by the handover of large-scale projects generating income from joint projects.
  In the current fiscal year, the handover of large-scale projects is planned for the second half.
- The results plan for the current fiscal year is also weighted toward the second half, and progress toward achieving the full-year results is favorable.

5. Segment Overview: (1) Construction Business

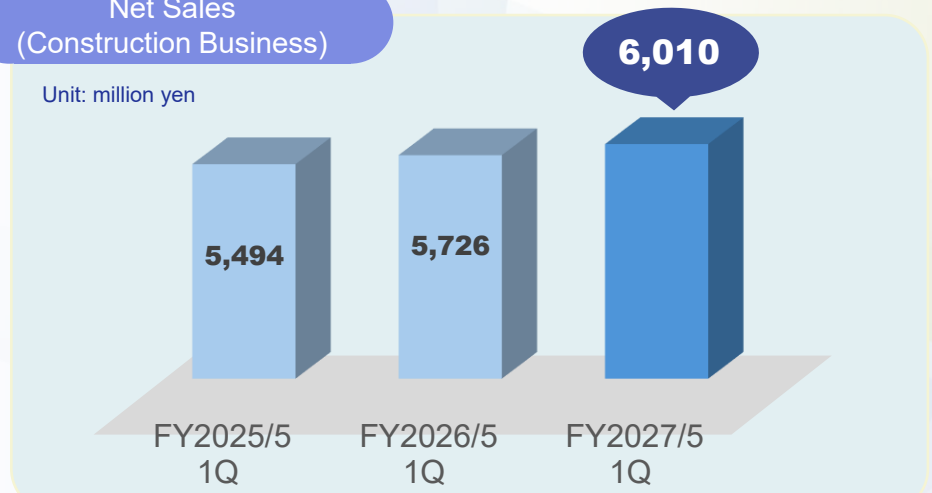
Construction Business

Plan

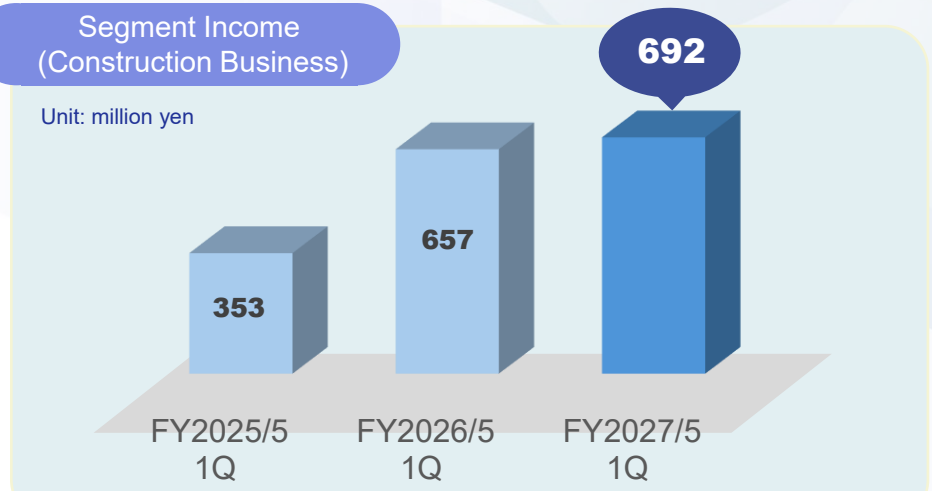
	FY2025/5 1Q	FY2026/5 1Q	FY2027/5 1Q	FY2027/5 Full Year
Net sales	**5,494**	**5,726**	**6,010**	**20,500**
Segment income	**353**	**657**	**692**	**2,400**
Ratio of segment income to net sales	**6.4%**	**11.5%**	**11.5%**	**11.7%**

- Net sales continued to grow steadily
  Profit expanded along with the increase in net sales
- Progress broadly in line with the full-year plan
- Orders received as of 1Q reached 20.6 billion yen against the full-year order plan of 35.0 billion yen (progress rate: 58.9%), progressing extremely smoothly

Net Sales (Construction Business)



Segment Income (Construction Business)

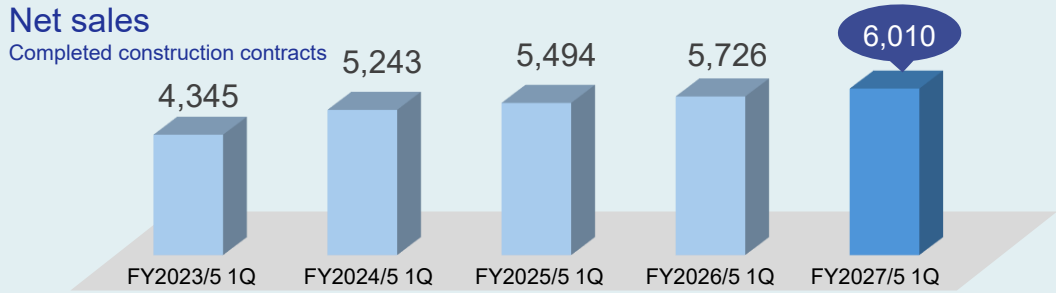


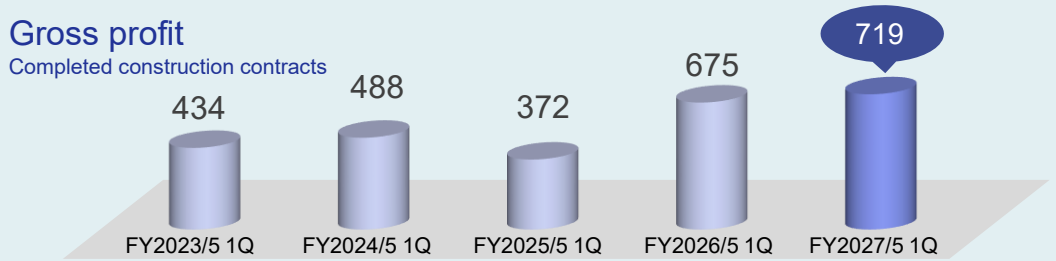
*Operating income

6. Trends in Completed Construction Contracts / Gross Profit Margin

Net Sales / Gross Profit of Completed Construction Contracts

Unit: million yen







Completed construction contracts	FY2023/5 1Q	FY2024/5 1Q	FY2025/5 1Q	FY2026/5 1Q	FY2027/5 1Q
Net sales	**4,345**	**5,243**	**5,494**	**5,726**	**6,010**
Gross profit	**434**	**488**	**372**	**675**	**719**
Gross profit margin	**10.0%**	**9.3%**	**6.8%**	**11.8%**	**12.0%**

Key Points for Margin Improvement

Profitability-focused orders	Thoroughly curbed unprofitable projects through selective, profitability-focused order acceptance
Price pass-through	Appropriately reflected rising material and labor costs, while carefully building consensus with business partners
Improving productivity	Improved per-capita productivity through more efficient construction and digital transformation (DX) implementation

Outlook for Profit Margin

- These initiatives prove successful, and the gross profit margin on completed construction contracts improves significantly and remains at a high level.
- 1Q results came to 12.0%, maintaining steady progress toward the full-year plan of 12.2% for the gross profit margin on completed construction contracts.
- Further efforts to improve profit margins are continuously underway toward achieving the planned gross profit margin on completed construction contracts of over 14% for FY2028/5.

7. Trends in Construction Orders, Orders Received, and Order Backlog

Construction Order Results

Unit: million yen

		FY2022/5	FY2023/5	FY2024/5	FY2025/5	FY2026/5	FY2027/5 (Plan)	FY2027/5 1Q Results	FY2027/5 Progress Rate
Orders received	Number of projects *New const-ruction only	6	8	7	8	4	–	2	–
	Amount	**11,503**	**35,508**	**20,882**	**26,629**	**20,138**	**35,000**	**20,611**	**58.9%**
of which, Zouchu		**[3,572]**	**[9,471]**	**[3,545]**	**[8,513]**	**[2,160]**	**[7,000]**	**[0]**	**0%**
Ratio (%)		31.1%	26.7%	17.0%	32.0%	10.7%	20.0%	–	–
FY-end order backlog		**21,489**	**36,678**	**34,460**	**35,760**	**28,360**	–	**42,814**	–

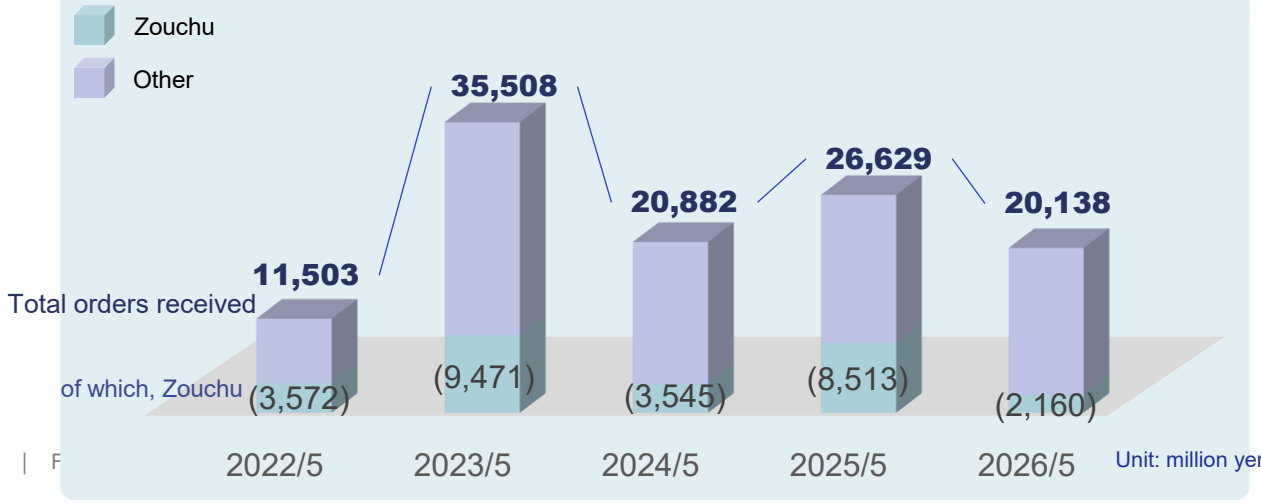
(Note) Orders received include demolition work and additional/minor construction work.

Order breakdown	Total units	**504**	**1,353**	**855**	**892**	**416**	–	**489**	–
	Avg. units	**84**	**169**	**122**	**112**	**104**	–	–	–

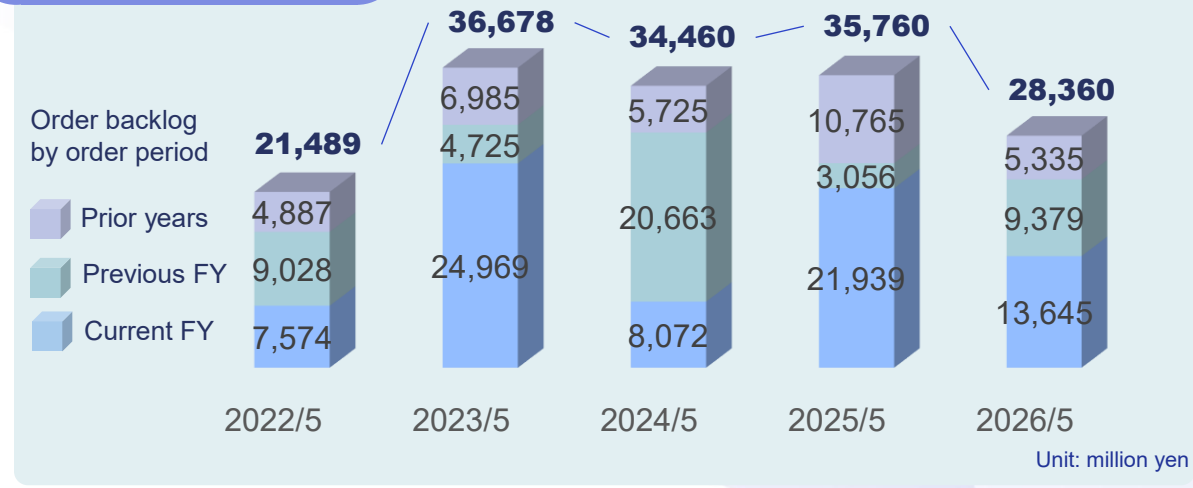
(Note) The New Construction of a Facility Building for the Chiba Station East Exit Nishi-Ginza Block B Excellent Building Development (Tentative Name), which was awarded in 2023, is classified as a general contracting project because the bidding procedures were conducted under a government subsidy program.

- 1Q orders received totaled 20.6 billion yen against the full-year order plan of 35.0 billion yen (progress rate: 58.9%), marking an extremely smooth start.
- With an abundance of Zouchu projects under negotiation or already estimated, a solid structure is in place to achieve the plan (see P. 13).

Trends in Orders Received



Trends in Order Backlog at FY-End



Reference: Process for Achieving the Order Plan of 35.0 Billion Yen

[Current Status of Annual Order Plan]

Order plan
35.0 billion yen

Orders received
20.6 billion

Under negotiation / Estimated

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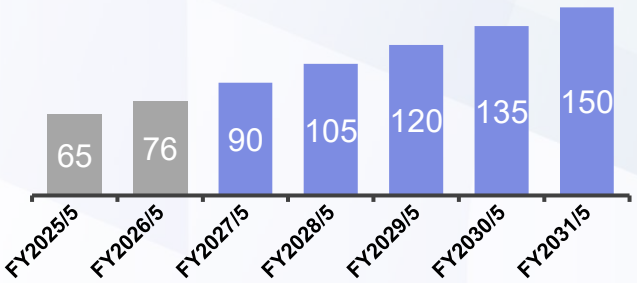
Inquiries passed on

Progress rate
58.9%

Policy to expand construction capacity and capture acceptable projects in the future

- **High likelihood of achieving the 35.0 billion yen plan**
  A sufficient pipeline has been secured, including projects under negotiation or already estimated, and the outlook for achieving the plan is extremely favorable.
- **Stable base built on repeat orders from major developers**
  In addition to our own Zouchu projects, continuous repeat orders from major developers, based on a solid construction track record and relationships of trust, underpin stable order intake.
- **Expanding the construction framework and growth scenario from the next fiscal year onward**
  Orders exceeding current capacity will be pursued alongside workforce increases under the on-site employee plan. Rather than accepting orders indiscriminately, projects are carefully screened and strategically controlled.

[Reference: Planned Number of On-site Employees]



*Plan for the number of on-site employees published in the Medium- to Long-term Vision
FY2027/5 onward: planned figures; FY2026/5 and earlier: actual results

8. New Construction Orders Received and Project Progress

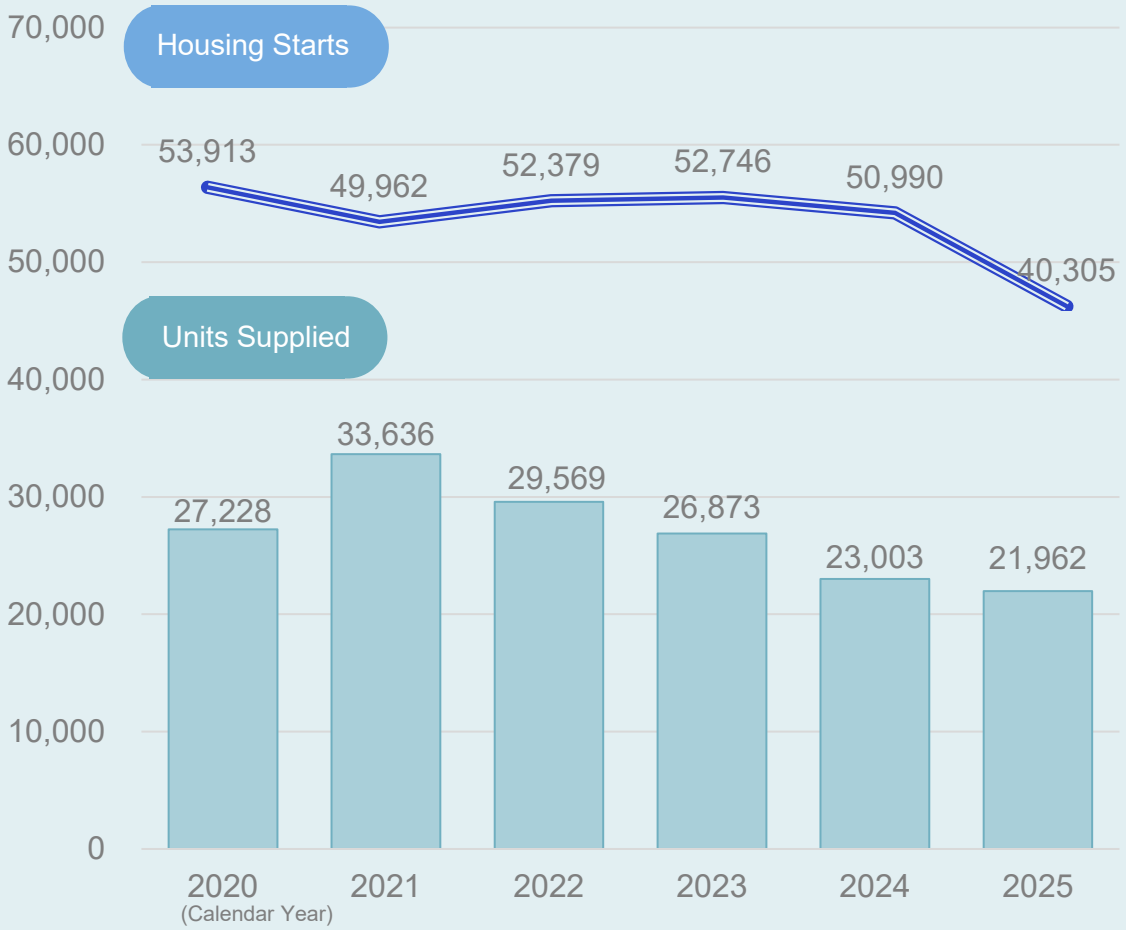
Completed Projects / Projects in Progress

	Project	Location	Units	Stories	Zouchu / Joint Project	Order Received	Scheduled Handover	Status
1	Brillia Tower Chiba	Chuo-ku, Chiba, Chiba	491	B1/23	Joint Project	Nov. 2022	Dec. 2026	Under construction
2	(Tentative) Higashiayase 3-Chome Project	Adachi-ku, Tokyo	77	15	Zouchu	Sep. 2024	Jan. 2027	Under construction
3	UNIHEIM Asaka Honcho Project	Asaka, Saitama	193	12		Oct. 2024	Feb. 2027	Under construction
4	(Tentative) Eirakucho 2-Chome, Minami-ku, Yokohama Project	Minami-ku, Yokohama, Kanagawa	70	11	Zouchu	Mar. 2025	Feb. 2027	Under construction
5	GRACIA Yokohama Yumegaoka Garden	Izumi-ku, Yokohama, Kanagawa	213	B1/6		Mar. 2025	Mar. 2027	Under construction
6	SUNCRADLE Kumagaya Chuo Koen	Kumagaya, Saitama	100	18	Zouchu / Joint Project	Mar. 2025	Mar. 2028	Under construction
7	(Tentative) Sagamihara Project – New Construction	Chuo-ku, Sagamihara, Kanagawa	90	14		Jun. 2025	Mar. 2027	Under construction
8	CLIO SHAKUJII-KOEN THE GRAND	Nerima-ku, Tokyo	65	B1/5		Dec. 2025	Mar. 2028	Under construction
9	PREMIUM RESIDENCE Tachikawa	Tachikawa, Tokyo	210	8		Dec. 2025	Mar. 2028	Under construction
10	(Tentative) Miyamaedaira 3-Chome, Miyamae-ku, Kawasaki Project	Kawasaki, Kanagawa	51	B1/5		Mar. 2026	Mar. 2028	Under construction
11	(Tentative) Utsukushigaoka 2-Chome, Aoba-ku Project	Aoba-ku, Yokohama, Kanagawa	274	7		Jul. 2026	Mar. 2029	Under construction
12	(Tentative) Tokorozawa Higashicho District No. 10 Project	Tokorozawa, Saitama	215	B1/19		Jul. 2026	Jan. 2030	Under construction

9. Business Environment: (1) Condominiums for Sale

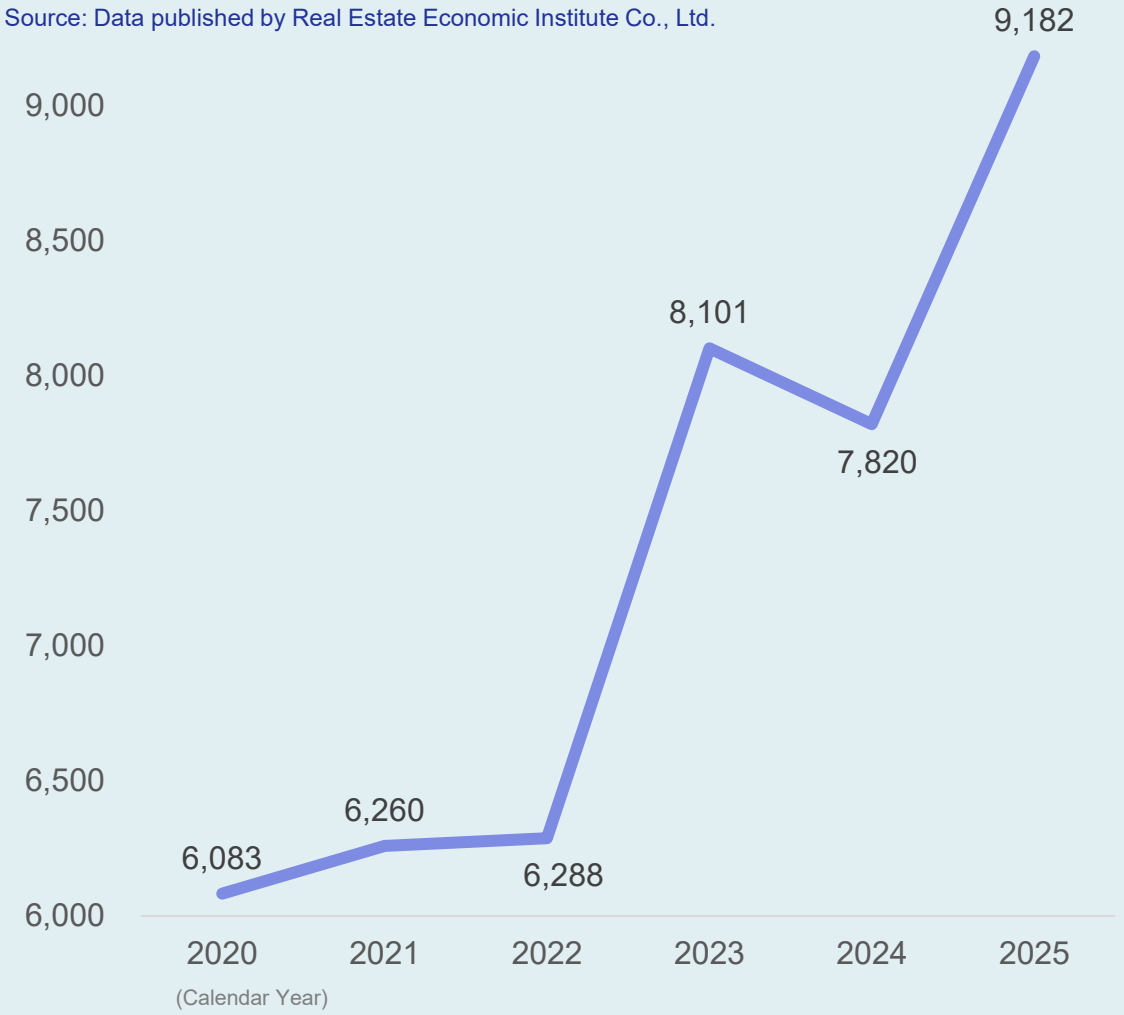
Condominium Housing Starts and Units Supplied in Tokyo and the three neighboring prefectures

* Source (Housing Starts): Compiled from the Statistical Survey of Construction Starts published by the Ministry of Land, Infrastructure, Transport and Tourism.
* Source (Units Supplied/Forecasts): Data published by Real Estate Economic Institute Co., Ltd.



Selling Prices of New Condominiums in the Tokyo Metropolitan Area

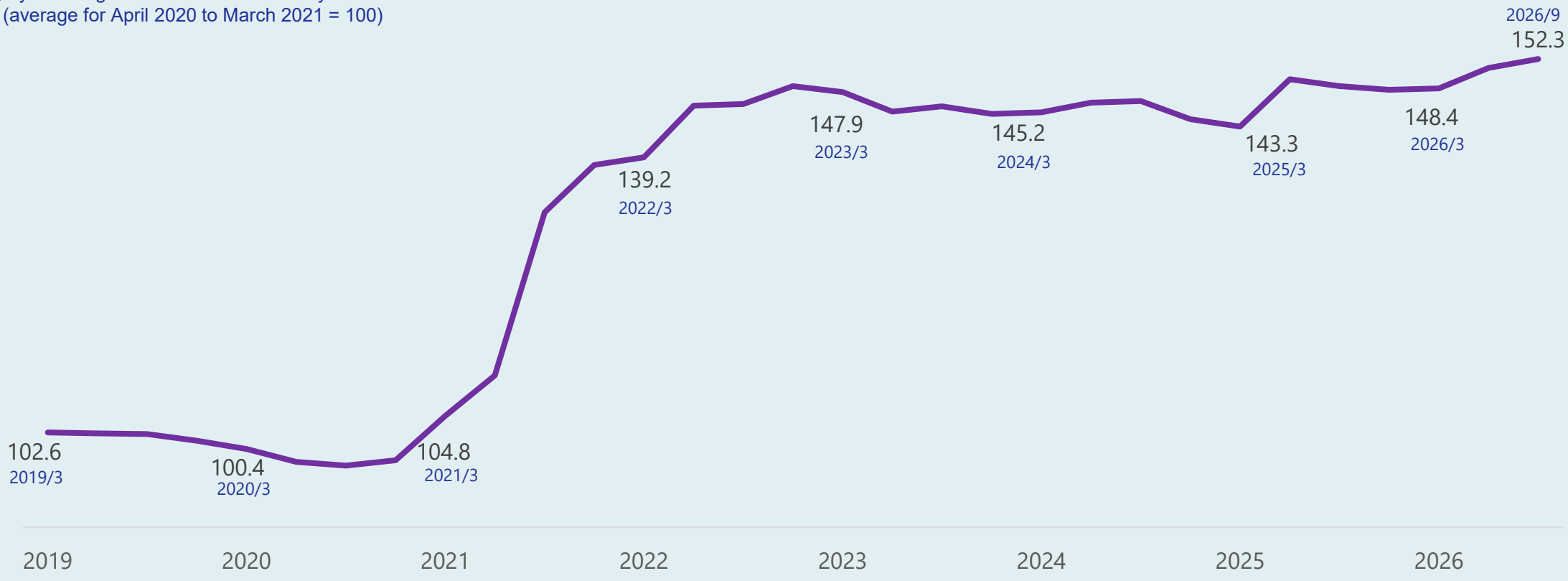
* Source: Data published by Real Estate Economic Institute Co., Ltd.



9. Business Environment: (2) Construction Costs

Construction Material Price Index (Building Construction), Tokyo

* Source: Data published by the Economic Research Association
* Category: Building Construction / Area: Tokyo
* Index (average for April 2020 to March 2021 = 100)



10. Segment Overview: (2) Real Estate Business

Real Estate Business

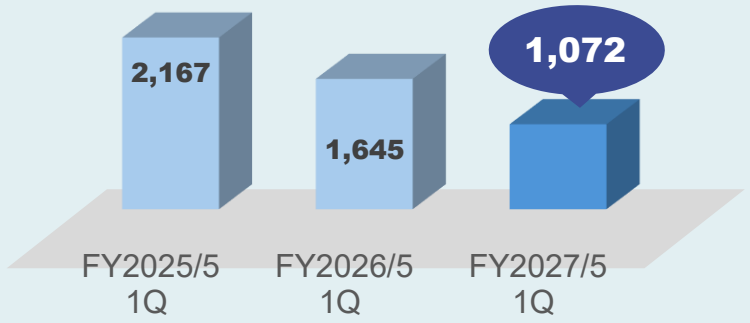
Plan

	FY2025/5 1Q	FY2026/5 1Q	FY2027/5 1Q	FY2027/5 Full Year
Total net sales	**2,167**	**1,645**	**1,072**	**23,150**
[Net sales of real estate]	**[260]**	**[1,524]**	**[1,049]**	**[19,750]**
[Income from joint projects]	**[1,907]**	**[120]**	**[22]**	**[3,400]**
Segment income	**499**	**76**	**91**	**2,450**
Ratio of segment income to net sales	**23.0%**	**4.6%**	**8.5%**	**10.6%**

- Net sales decreased year on year due to a real estate sales project that shifted to a later quarter.
- Progress was broadly as scheduled against the plan for the current fiscal year.
  For joint projects, the handover of large-scale projects is planned for the second half.

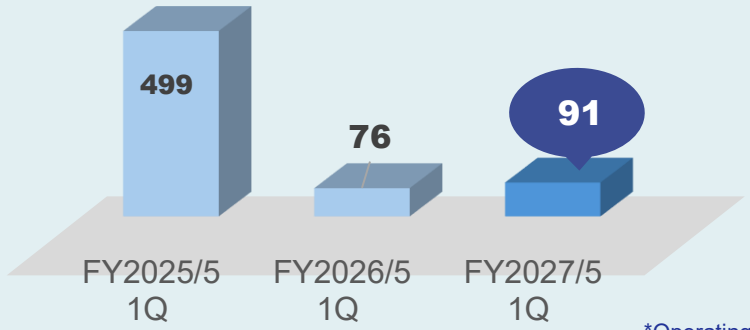
Net Sales (Real Estate Business)

Unit: million yen



Segment Income (Real Estate Business)

Unit: million yen



*Operating income

11. Real Estate for Sale Holdings

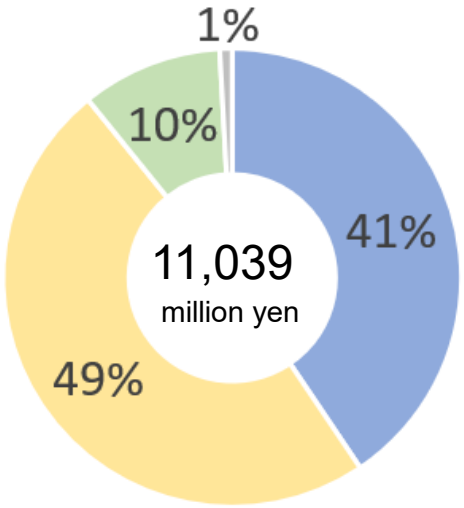
Trends in FY-End Balance

	FY2025/5	FY2026/5	FY2027/5 1Q
Development land supply	**41%**	**45%**	**52%**
Joint projects	**49%**	**37%**	**33%**
In-house development	**10%**	**18%**	**15%**
Other	**1%**	**0%**	**0%**
Real estate for sale balance (Million yen)	**11,039**	**19,747**	**23,273**

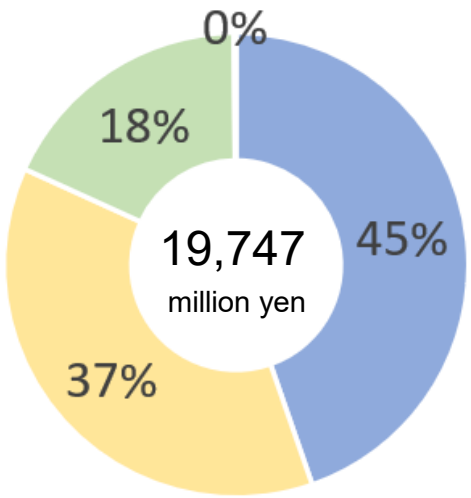
*Includes real estate for sale in process.

- The balance expanded to 23,273 million yen due to the acquisition of large-scale projects.
- Joint projects and in-house development increased steadily in line with construction progress.
- Holding medium- to long-term inventory, including for the current fiscal year, while assessing the timing of sales. Sales activities remain solid.

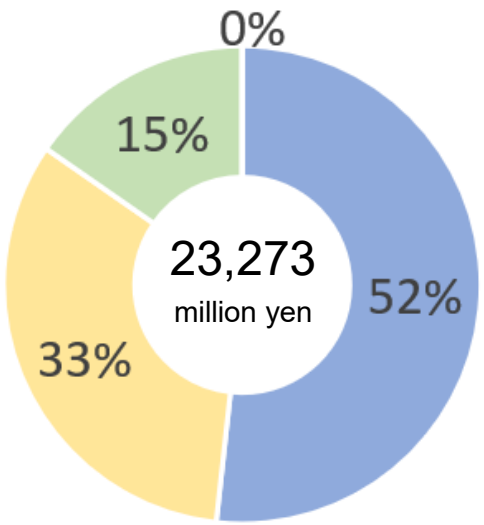
FY2025/5



FY2026/5



FY2027/5 1Q



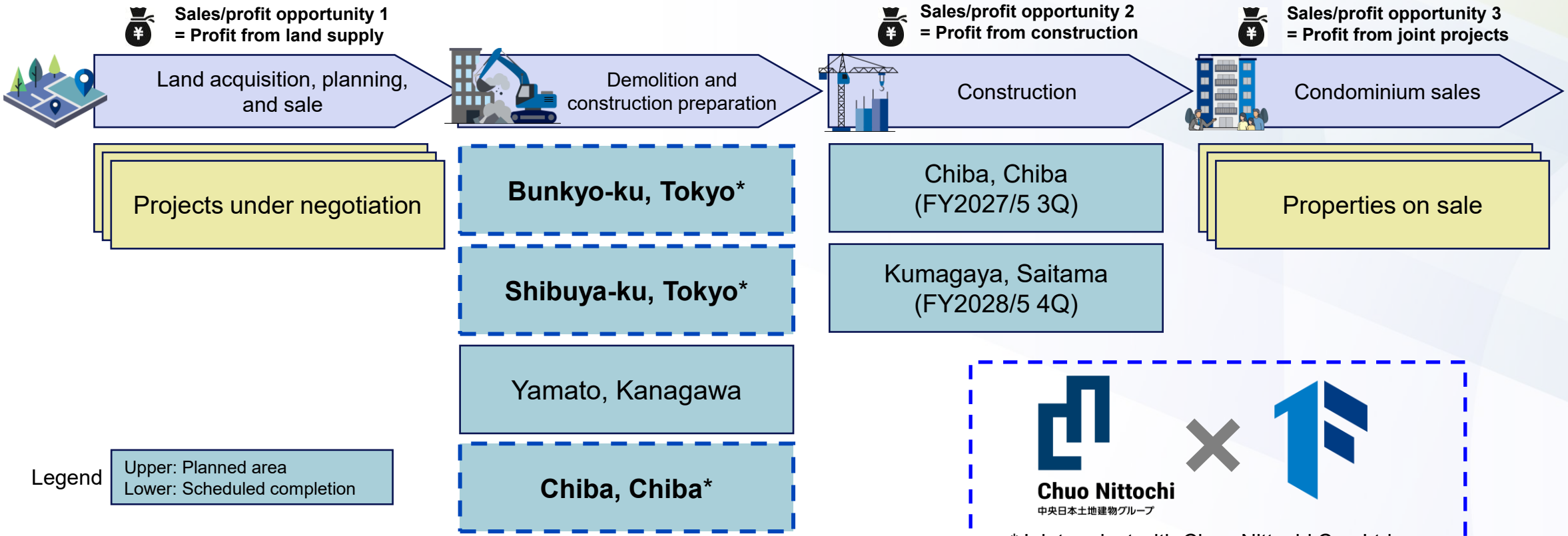
[Legend]
- Development land supply
- Joint projects
- In-house development
- Other

12. Status of Joint Projects

Our joint projects are a type of real estate business in which we participate in sales as a business owner together with developers.

By co-owning land with developers, we diversify risk while generating revenue three times: “1. real estate business profit (land sales),” “2. construction business profit (construction),” and “3. joint project profit (condominium sales).”

We are promoting three joint projects with Chuo-Nittochi Co., Ltd., with which we concluded a capital and business alliance in July 2026.



13. Real Estate Business Environment: Response to Rising Interest Rates

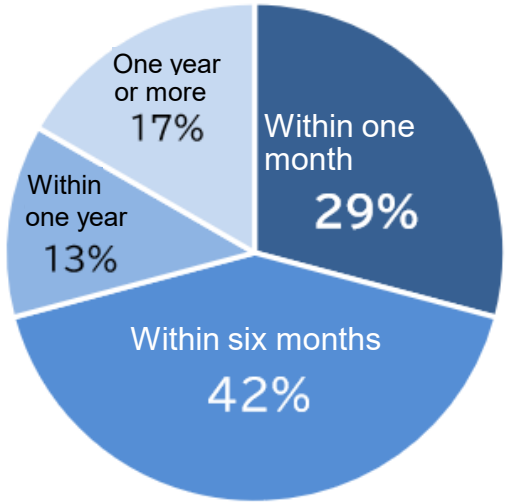
Changes in the External Environment	Our Response Strategy and Capabilities
Impact on condominium buyers ● Risk of weaker purchasing appetite due to rising mortgage rates	● Although there is caution about rising interest rates following changes in the Bank of Japan's monetary policy, demand for new condominiums for sale in central Tokyo and suburban areas remains robust. ● Even as selling prices rise due to soaring material costs and other factors, end users' purchasing appetite remains firm, particularly for properties in prime locations, and the impact on developers' appetite for development (construction investment) is limited.
Direct impact on the Company ● Risk of higher funding costs due to policy rate hikes	● In response to rising interest rates on funding for land acquisition, etc., we are curbing pressure on profits by shortening the period from acquisition to collection. (See P. 21) ● Only projects that clear strict profitability criteria incorporating future interest rate stress are carefully selected at the land acquisition stage.

Robust condominium demand in the Tokyo metropolitan area and strict risk management (higher turnover and selective investment) enable us to maintain stable profitability even in a rising interest rate environment.

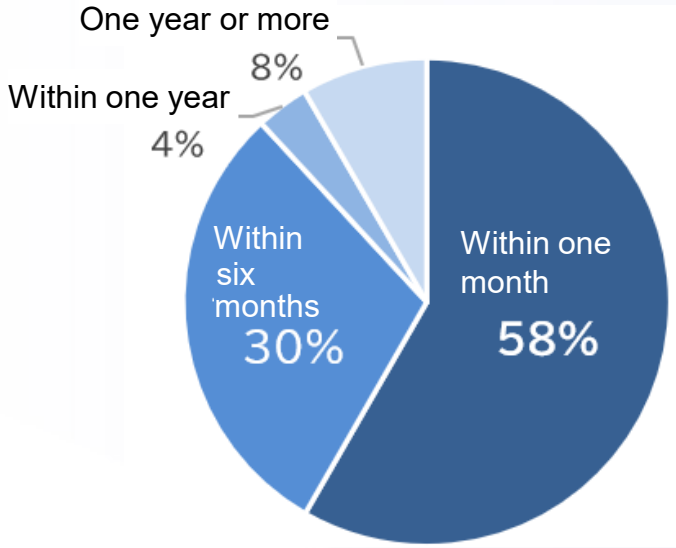
Reference: Business Structure Resilient to Rising Interest Rates (Ultra-Short-Term Cash Collection)

The charts below show the real estate holding periods for total transactions in the development land supply business over the past five years (FY2021/5 to FY2026/5), by share of number of transactions and share of amount.

By number of transactions



By amount



- To reduce risk, we hold repeated discussions with developers and others before acquiring land and promote risk management to secure buyers in advance. In particular, the larger the project, the more strictly we enforce short-term collection.
- The development land supply business is an ultra-short-term collection model, with “approx. 90% of funds collected within six months on an amount basis.”
  A business structure that eliminates risks associated with rising interest rates to the greatest extent possible.

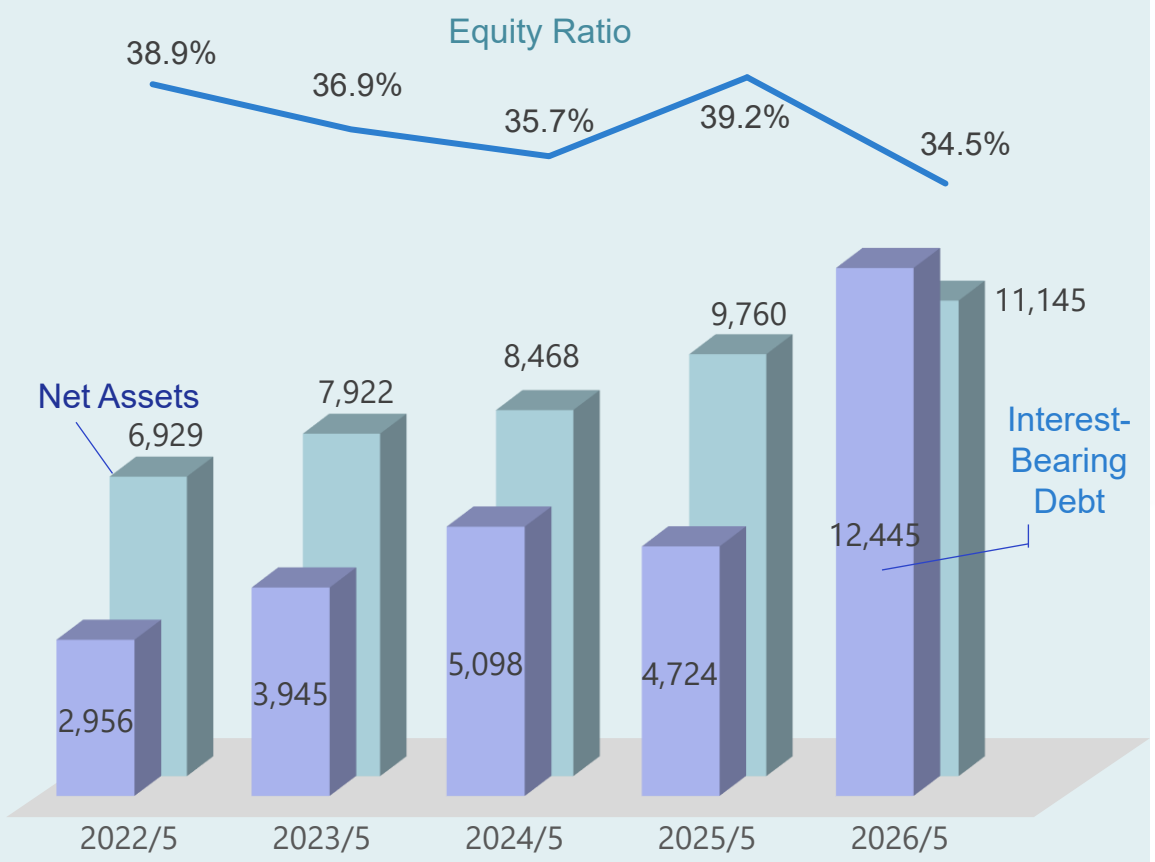
14. Consolidated Balance Sheets

Unit: million yen

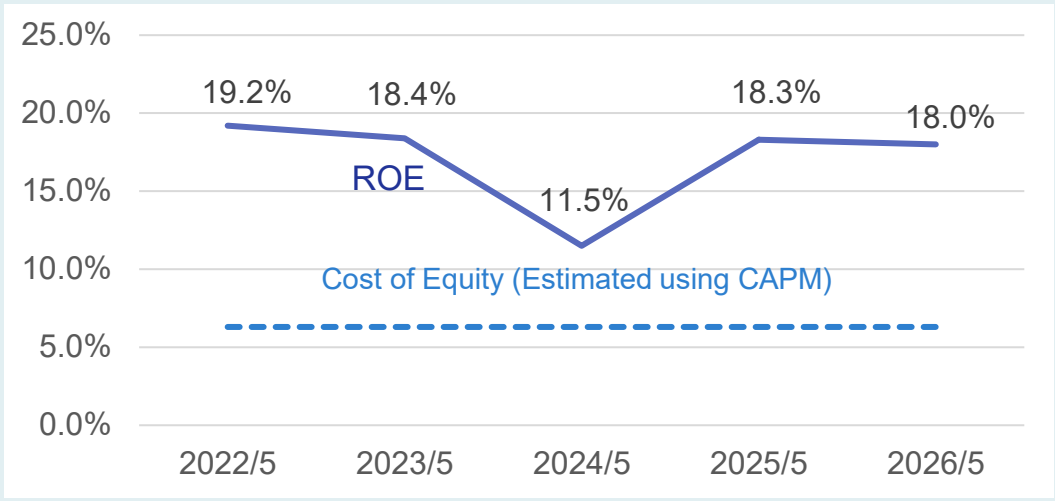
	As of May 31, 2026	As of August 31, 2026 (End of 1Q)	Change	Reasons for Change
Current assets	31,249	38,789	7,539	
Cash and deposits	2,624	5,675	3,050	
Accounts receivable – trade / Accounts receivable from completed construction contracts / Electronically recorded monetary claims	7,991	8,725	734	
Real estate for sale (incl. real estate for sale in process)	19,747	23,273	3,525	Proactive upfront investments
Other current assets	886	1,115	229	
Non-current assets	1,034	1,011	(23)	
Total assets	32,284	39,800	7,516	
Current liabilities	12,581	14,994	2,412	
Accounts payable for construction contracts / Electronically recorded obligations	4,634	4,045	(588)	
Short-term loans payable (incl. current portion of long-term loans payable)	4,317	7,317	3,000	Working capital
Other current liabilities	3,629	3,631	1	
Non-current liabilities	8,557	13,419	4,861	
Long-term loans payable	8,120	12,952	4,831	Project funding
Other non-current liabilities	437	467	29	
Total liabilities	21,139	28,413	7,274	
Net assets	11,145	11,387	241	Equity ratio down due to future investments
Capital stock	730	730	–	
Capital surplus / Retained earnings / Treasury stock / Stock acquisition rights	10,414	10,656	241	Internal reserves, dividend payments
Total liabilities and net assets	32,284	39,800	7,516	

15. Financial Position / ROE / Cost of Equity

Interest-Bearing Debt / Net Assets / Equity Ratio



ROE / Cost of Equity



Estimated Using the Capital Asset Pricing Model (CAPM)

Risk-free rate　Beta　Market risk premium

Approx. 1.5% + Approx. 0.8 × Approx. 6%

= Cost of Equity: Approx. 6–7%

02 Progress on the Medium- to Long-term Vision “First VISION 2031”

(Excerpt) Overview of First VISION 2031 – Phases –

16. Phase 1 Progress – Numerical Targets –

17. Progress of Priority Strategies

Excerpt from the Medium- to Long-term Vision

Overview of First VISION 2031 – Phases –

Under First VISION 2031, we aim to boost profits by securing human resources and improving business efficiency through DX implementation and personnel development, to achieve our **interim net sales target of 50.0 billion yen in Phase 1** and **net sales of 100.0 billion yen and an operating income margin of over 8% in Phase 2**.



16. Phase 1 Progress – Numerical Targets –

Numerical Targets: (1) Profit and Loss

(Unit: million yen)

	FY2026/5			FY2027/5 (Revised)		FY2028/5 (Revised)	
	Plan	Results	vs. Plan	Plan	YoY	Plan	vs. FY2027 Plan
Net sales	**40,000**	**36,417**	91.0%	**44,000**	120.8%	**50,000**	113.6%
Gross profit	**4,600**	**4,692**	102.0%	**5,500**	117.2%	**6,500**	118.2%
Gross profit margin	11.5%	12.9%		12.5%		13.0%	
Operating income	**2,800**	**2,896**	103.4%	**3,500**	120.9%	**4,100**	117.2%
Ratio of operating income to net sales	7.0%	8.0%		8.0%		8.2%	
Ordinary income	**2,530**	**2,689**	106.3%	**3,000**	111.5%	**3,400**	113.3%
Ratio of ordinary income to net sales	6.3%	7.4%		6.8%		6.8%	
Profit attributable to owners of parent	**1,750**	**1,882**	107.5%	**2,070**	110.0%	**2,340**	113.0%
Ratio of net income to net sales	4.4%	5.2%		4.7%		4.7%	

- The first year of First VISION 2031 got off to a strong start, with profit exceeding the initial plan.
- Phase 1 was positioned as a period for building the foundation, with priority given to upfront investment. However, having demonstrated the ability to achieve both margin improvement and growth investment from the first year, the operating income target has been revised upward.
- While maintaining the net sales target, projects are steadily advancing toward the immediate target of 50.0 billion yen in net sales in FY2028/5.

17. Progress of Priority Strategies

	Progress	Future Direction
Strengthening human capital and organizational foundation	Promoted new graduate and mid-career recruitment, with the number of employees exceeding the plan (179 employees as of May 31, 2026). Made progress in strengthening education and development programs.	**Continue recruitment and personnel development to support future business expansion, aiming to build a workforce of 300 employees.**
Expanding Zouchu and joint projects	Promoted the acquisition of Zouchu and joint projects. Made progress in diversifying revenue opportunities.	**Improve profitability and strengthen the business portfolio by increasing the proportion of Zouchu and joint projects.**
Improving productivity through DX implementation	Obtained DX Certification and advanced the development of the foundation for greater operational efficiency and data utilization.	**Expand the use of digital technologies to improve productivity and operational quality.**
Building a growth foundation by leveraging construction capacity and site information	Promoted the acquisition of special orders and the collection of site information, making progress in strengthening our unique business model.	**Accelerate project creation by leveraging construction capacity and site information, with the aim of further strengthening our competitive advantage.**

03 Financial Results Forecast and Shareholder Returns

18. Financial Results Forecast for the Fiscal Year Ending May 31, 2027
19. Shareholder Returns
20. Cash Allocation

18. Financial Results Forecast for the Fiscal Year Ending May 31, 2027

Unit: million yen

	Fiscal year ending May 31, 2027 Forecast		Fiscal year ending May 31, 2027 1Q Results		Progress Rate	
	Amount	% of Net Sales	Amount	% of Net Sales	Difference	Ratio
Net sales	**44,000**	**–**	**7,188**	**–**	**(36,811)**	**16.3%**
Operating income	**3,500**	**8.0%**	**470**	**6.5%**	**(3,029)**	**13.4%**
Ordinary income	**3,000**	**6.8%**	**413**	**5.8%**	**(2,586)**	**13.8%**
Profit attributable to owners of parent	**2,070**	**4.7%**	**269**	**3.8%**	**(1,800)**	**13.0%**
Orders received	**35,000**	**–**	**20,611**	**–**	**(14,388)**	**58.9%**

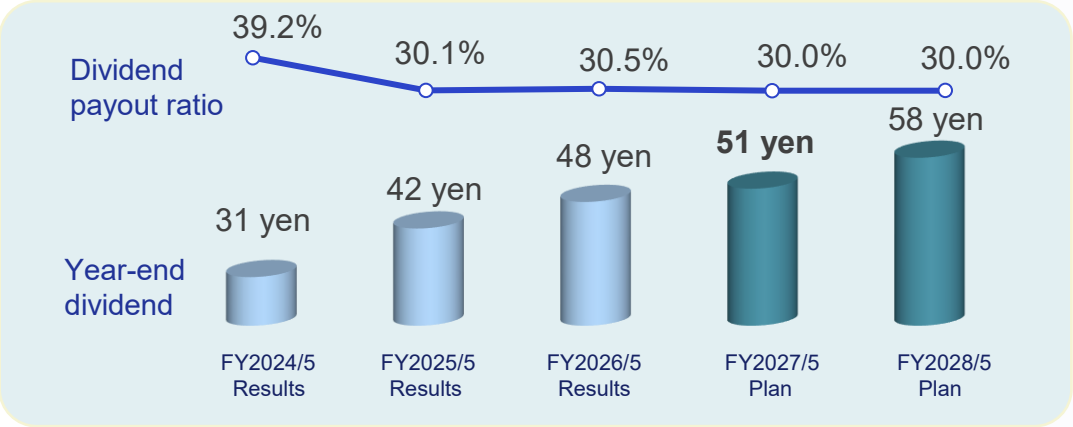
- Net sales and profit are planned to be weighted toward the second half, mainly in the real estate business, and 1Q results were broadly in line with the plan
- Orders received reached 20.6 billion yen against the full-year order plan of 35.0 billion yen (progress rate: 58.9%)

19. Shareholder Returns

Policy on Return of Profit to Shareholders

- Shareholder returns consist of year-end dividends and shareholder benefits
- Dividends are determined based on a consolidated payout ratio of 30% or more, taking into consideration internal reserves and other factors
- Implement flexible purchases of treasury stock to further enhance the return of profit to shareholders.

Year-End Dividends



	FY2026/5 Results	FY2027/5 Forecast
Net income	1,882 million yen	2,070 million yen
Net income per share	157.18 yen	163.65 yen
Dividends per share	48 yen	51 yen
Total dividends	609 million yen	647 million yen
Dividends payout ratio	30.5%	30.0%

Shareholder Benefits

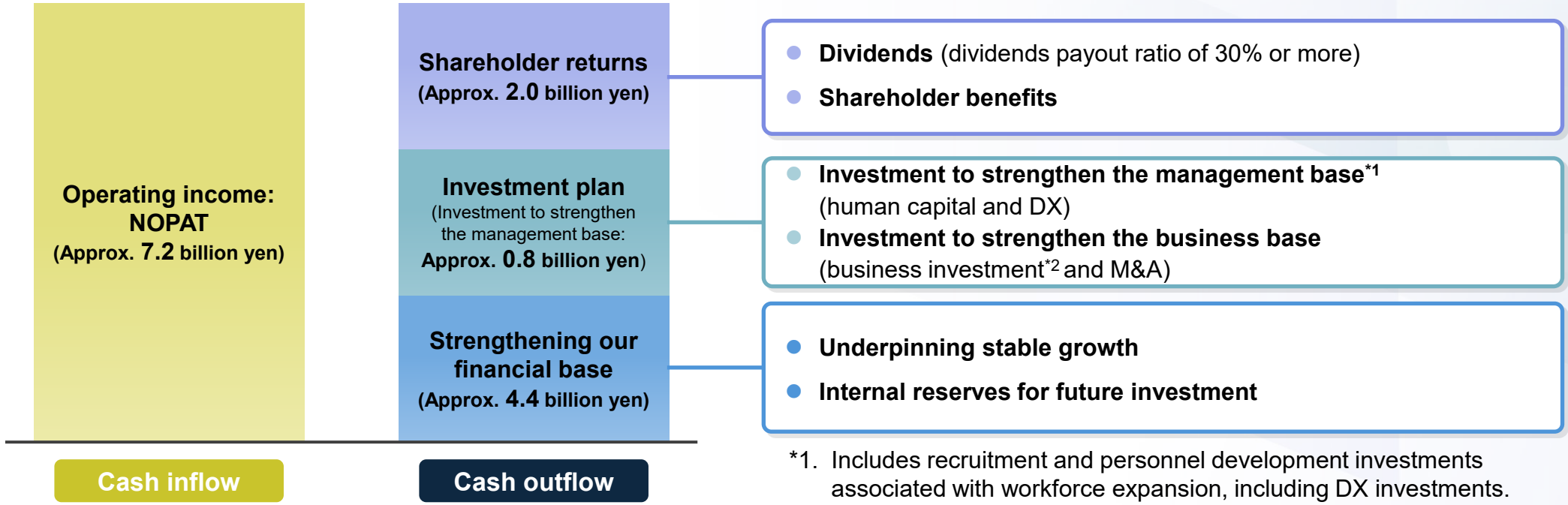
*Record date: November 30 each year

Number of Shares Held	Benefits		
	Period of continuous holding: less than 1 year	Period of continuous holding: 1 year or more and less than 3 years	Period of continuous holding: 3 years or more
100 shares or more Less than 500 shares	QUO Card worth 1,000 yen (NEW)		
500 shares or more Less than 1,000 shares		QUO Card worth 2,000 yen	QUO Card worth 3,000 yen
1,000 shares or more Less than 5,000 shares		QUO Card worth 3,000 yen	QUO Card worth 5,000 yen
5,000 shares or more		QUO Card worth 5,000 yen	QUO Card worth 10,000 yen

20. Cash Allocation

In Phase 1, priority will be given to strengthening the management base using NOPAT as the primary funding source, while business investments will, in principle, be funded through external financing. This capital allocation balances maintaining ROE with growth investments.

Phase 1 (June 2025 through May 2028)



*1. Includes recruitment and personnel development investments associated with workforce expansion, including DX investments.

*2. Business investments, including real estate acquisitions, will, in principle, be funded through external financing.

04／Sustainability

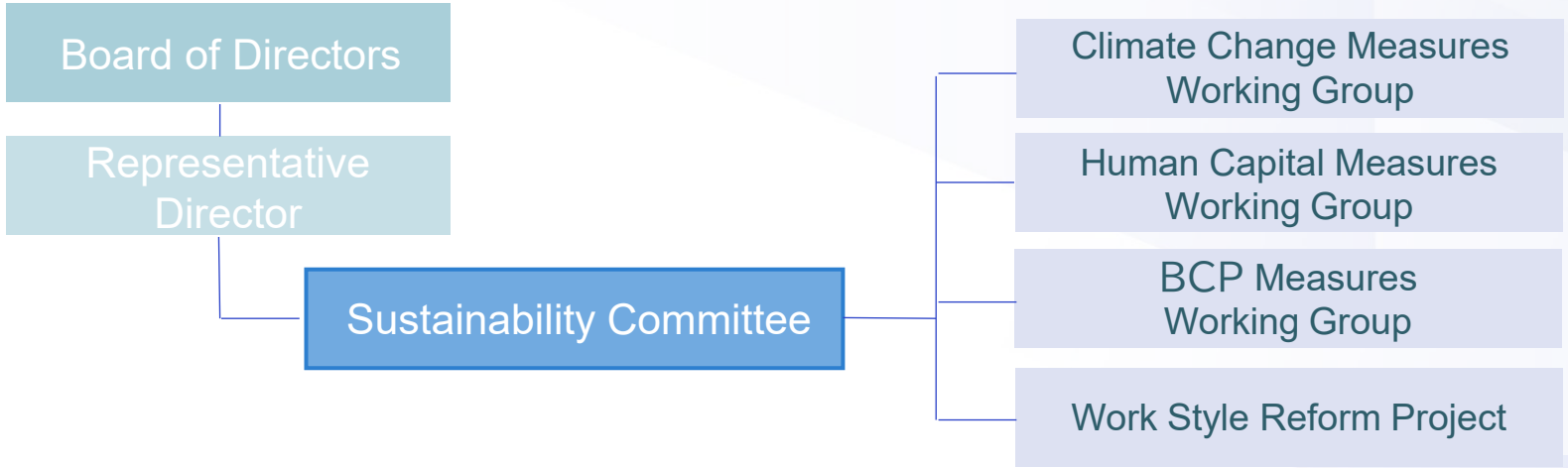
21. Basic Policy and Governance Framework
22. Materiality
23. Human Capital Policies
24. Basic Procurement Policy

21. Basic Policy and Governance Framework

Basic Sustainability Policy

The Group established “to contribute to enrichment of the living environment through the supply of higher quality homes” as its company creed and conducts business activities with the aim of fulfilling its social responsibility to supply higher quality housing. The Group aims to gain the trust of various stakeholders and contribute to society by sincerely pursuing safety, security and quality.
The Group will tackle social and environmental issues, including the SDGs, through its business activities, and will reduce its environmental impact and cooperate and collaborate with stakeholders with the aim of realizing a sustainable society.

Governance Framework



22. Materiality

ESG	Material Issues	Measures	Relevant SDGs
Environment	Addressing global warming and climate change issues	Achieving greenhouse gas (CO_2) emissions reduction targets	
	Initiatives helping build a recycling-based society	Promoting the 4Rs Refuse Reduce Reuse Recycle	
Social	Providing a safe and secure living environment	Promoting the Well-being City Concept	
		Continuing third-party audits to maintain or improve construction quality	
	Contributing to local communities	Collaborating with local communities to contribute to the development of attractive and vibrant cities	
		Supporting organizations that work to prevent child abuse and support children in protective care	
	Improvement of human capital	Improvement of employee engagement	
		Promotion of human resource development and fair evaluation	
		Promotion of diversity in the workforce	
Governance	Strengthening of governance	Strengthening compliance and risk management	
		Enhancing the disclosure of information, including non-financial information	

23. Human Capital Policies

Human Resource Development Policy

Training programs for general skills and technical skills

- ➢ General skills: Conduct training in all departments by employee year level and rank to enable employees to acquire the knowledge they require (Examples: training in business etiquette, IT literacy, and giving praise)
- ➢ Technical skills: Conduct training and study sessions for qualification exams in each business to enable employees to acquire the knowledge and skills unique to each business (Examples: training on harness fitting, on-site DX, and real estate transaction specialist study sessions)
- ➢ Trainer program: Operate a trainer system to improve retention rates among young employees and accelerate the acquisition of specialized skills (Also, develop the training skills of the employees appointed as trainers)

Recruitment Policy

Actively recruit talent to build a workforce of at least 300 employees by the fiscal year ending May 31, 2031

- ➢ Secure at least 30 new graduate recruits each year from the class of 2027 onward
- ➢ Recruit both experienced professionals and early-career talent through mid-career hiring to build a healthy organizational pyramid.

Measures to Address Construction's "New 4Ks"

Promote the Ministry of Land, Infrastructure, Transport and Tourism (MLIT)'s New 4Ks initiative to enhance work-life balance

- ➢ Good pay: Higher level of starting pay for new graduates than other companies
- ➢ Available leave: Generous number of paid holidays, even for employees assigned to construction sites
- ➢ Sense of hope: Support for career advancement (Including not only study sessions, but also incentive payments, tuition assistance, and qualification allowances)
- ➢ Positive image: Improve operational efficiency by leveraging systems

24. Basic Procurement Policy

Basic Procurement Policy

Compliance with laws and social norms	Comply with applicable laws, regulations, and social norms in conducting business activities.
Fair and impartial business practices	Select business partners through a comprehensive evaluation of quality, safety, cost, delivery reliability, financial stability, and other relevant factors.
Respect for human rights	Fully recognize the dignity and importance of human rights, and respect them throughout the supply chain.
Building strong partnerships with business partners	Build relationships of mutual trust with business partners, work together to address various challenges, and pursue mutual growth.
Quality improvement	Maintain and continuously improve quality to fulfill our company creed, “to contribute to enrichment of the living environment through the supply of higher quality homes.”
Environmental responsibility	Promote business activities that reduce environmental impact and contribute to environmental conservation.
Promotion of safety and health	Maintain a safe and healthy workplace that supports employees’ physical and mental well-being and strive to prevent occupational accidents.
Ensuring information security	Properly manage and protect confidential, personal, and customer information handled in the course of business.
Response to disasters	Establish and maintain a Business Continuity Plan (BCP) to prepare for disasters and other unforeseen events.
Promotion of social contribution activities	Promote social contribution activities that support vibrant local communities and the realization of a sustainable society.

05／Company Overview

Company Overview

Corporate History

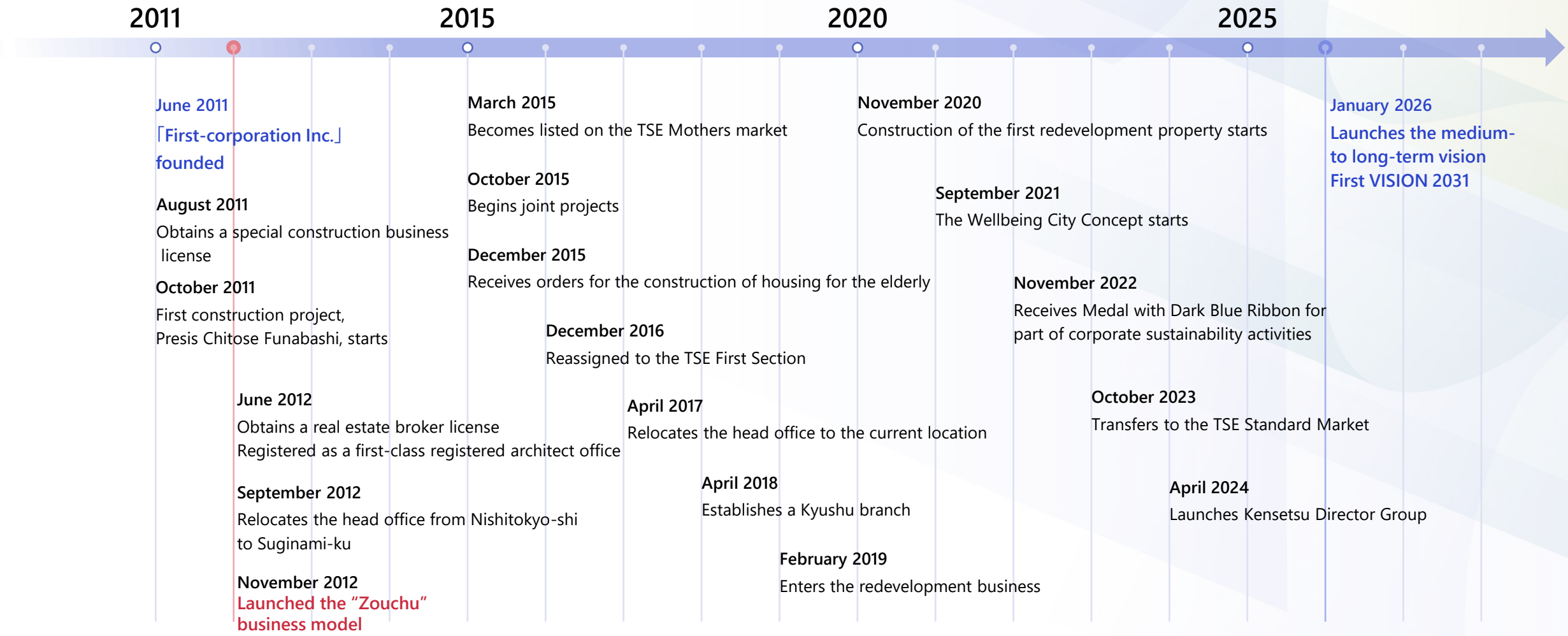
Business Model

Company Overview

Company name	First-corporation Inc.
Address	30-16, Ogikubo 4-chome, Suginami-ku, Tokyo, Japan
Representative	Toshiaki Nakamura President and Chief Executive Officer
Establishment	June 23, 2011
Capital	730,429,300 yen (as of May 31, 2026)
Number of employees	Consolidated: 199 Non-consolidated: 179 (as of May 31, 2026)
Listing	Standard Market, Tokyo Stock Exchange
Securities code	1430
Date of listing	March 24, 2015
Branches and related companies	Kyushu Branch (13-2, Tenjin 1-chome, Chuo-ku, Fukuoka-shi, Fukuoka, Japan) Subsidiaries: First Evolution Inc. Landbrains Co., LTD. Affiliated company: TUS Urban Development Co., Ltd.

Business	General contractor Condominium construction business primarily within the Tokyo metropolitan area (comprising 1 metropolis and 3 prefectures)
Licenses and permits	Construction Business License Governor of Tokyo (Toku-8) No. 137046 First-class Architect Office Registration Governor of Tokyo registration No. 57917 Real Estate Brokerage License Minister of Land, Infrastructure, Transport and Tourism (2) No. 9388

Corporate History



Hybrid Business Model That Combines Real Estate with Construction

A unique entity that leverages its construction capabilities as a source of strength and generates its own projects (Zouchu).

Construction

Construction, quality, and on-site capabilities (foundation)

- ✓ Construction
- ✓ Quality control
- ✓ On-site capabilities

Real estate

Land acquisition, development, and sales

- ✓ Land acquisition
- ✓ Development planning
- ✓ Sales channels

Secure up to 3 revenue opportunities per project

1. Real estate sales
2. Net sales of completed construction contracts
3. Revenue from joint projects

Strengths of a hybrid business model

Stability | **Profitability** | **Efficiency**

Indicator of stability: Order backlog

The most important stock indicator for assessing the certainty of future construction revenue

Indicator of profitability: Ratios of Zouchu and joint projects

Percentage of high profit margin projects in the portfolio
This increase in the ratio directly contributes to profit growth.

Indicator of efficiency: Gross profit margin on completed construction projects

This demonstrates our pricing power due to special orders and the soundness of our on-site construction efficiency.

First-corporation's Unique "Zouchu" and "Joint Projects"






	Land Acquisition	Land Sale	Con-struction	Sales
① Sale	○	○		
② **Zouchu**	○	○	In-house	
③ **Joint projects**	○	○	In-house	Condo-miniums
④ In-house development projects	○	—	Out-sourced	Entire building

① Sale

Purchase and sell the land. The holding period is generally very short. A business model prioritizes cash flow.

② **Zouchu**

We handle everything from land acquisition and sale to architectural planning and proposals, through to the handover of the completed building. After selling the land, we will secure the construction contract and carry out the work ourselves over a period of 2 to 3 years. We achieve high profits through special orders.

③ **Joint projects**

We will retain the land and the amount equivalent to construction costs until the sale of the condominiums is complete. The holding period is generally about 3 to 4 years. Focus on balancing profitability and risk diversification.

④ In-house development projects

We handle everything from land acquisition to construction and sales. The holding period is approximately 2 to 3 years. Acquiring development profits as a business owner.

Competitive Advantage Created by the Synergy of Construction and Real Estate

By holding both, we eliminate the low profitability associated with construction and the high risk associated with real estate.

	A typical real estate agency	Condominium developer (Full-service real estate firm)	General contractor	First-corporation
 Land acquisition	○	○	×	○
 Planning and proposal	×	○	Δ (Waiting for instructions)	○ (Proposal based on the assumption that the property will be converted into condominiums)
 Construction orders	× (Outsourced)	×	○ (Bidding and competition)	○ (Special order received concurrently with the sale of the land)
 Condominium sales	○	○	×	○
Profit from a single project	Sales	Condominium sales	Contract work	**Land + construction + sales (Up to 3 times)**

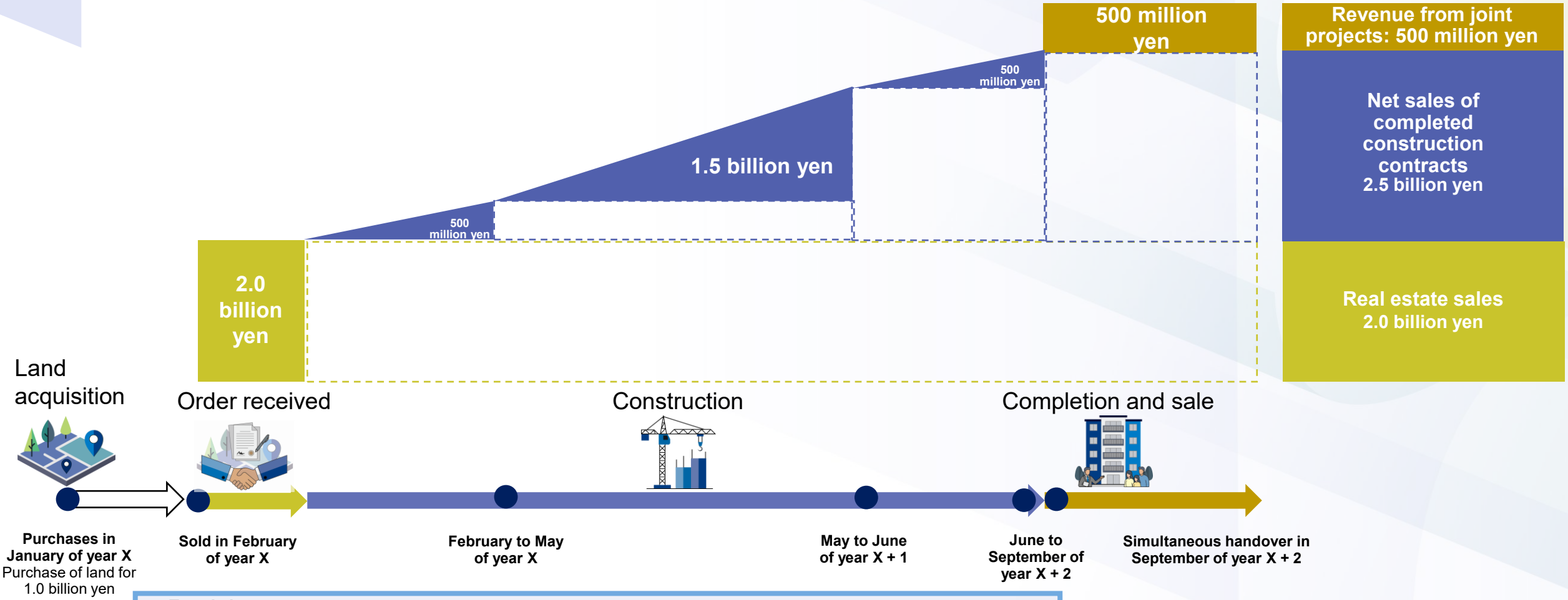
Zouchu

Joint projects

Zouchu is a unique business model that integrates the initial stages of real estate development (land acquisition and sale) with order receipt of construction projects.
This allows us to avoid fierce competition for contracts and secure special orders.

Model Case: Up to 3 Revenue Opportunities per Project

Total sales



In principle, no borrowing interest after the land sale (Refer to P.21)

Business Portfolio and Overview

Construction Business

A model that maximizes construction capacity by managing multiple sites simultaneously, while ensuring project turnover and stable cash flow through effective schedule management.

Business characteristics: We manage more than 10 construction sites simultaneously at any given time.
The construction period for new-build properties after an order is placed is typically around 2 to 3 years.
Depending on the property's characteristics, some projects may last up to 4 years.

Turnover and capital efficiency: **A phased cash recovery model based on the volume of work completed during the construction period**. A business model designed to minimize long-term capital stagnation.
Higher capital efficiency compared to the Real Estate Business.

Order structure and seasonality: Even after receiving a preliminary notice, contracts are generally signed just before construction begins.
A business practice in which a new project is secured after the previous one has been completed.
Completion and handover dates tend to be concentrated in February and March.

Real Estate Business

A business portfolio that combines **short-term, high-turnover strategies** (focused on capital efficiency) with **medium- to long-term strategies** (focused on earnings stability), aiming to achieve both earnings stability and capital efficiency.

Land supply projects for development: A short-term, high-turnover business aimed at maximizing capital efficiency.
The land was sold relatively soon after it was acquired.
Preventing the immobilization of equity capital by prioritizing turnover.

Joint projects: Retain ownership of the land and an amount equivalent to the construction costs until the sale of the condominiums is completed.
The holding period is generally about 3 to 4 years. Focus on balancing profitability and risk diversification.

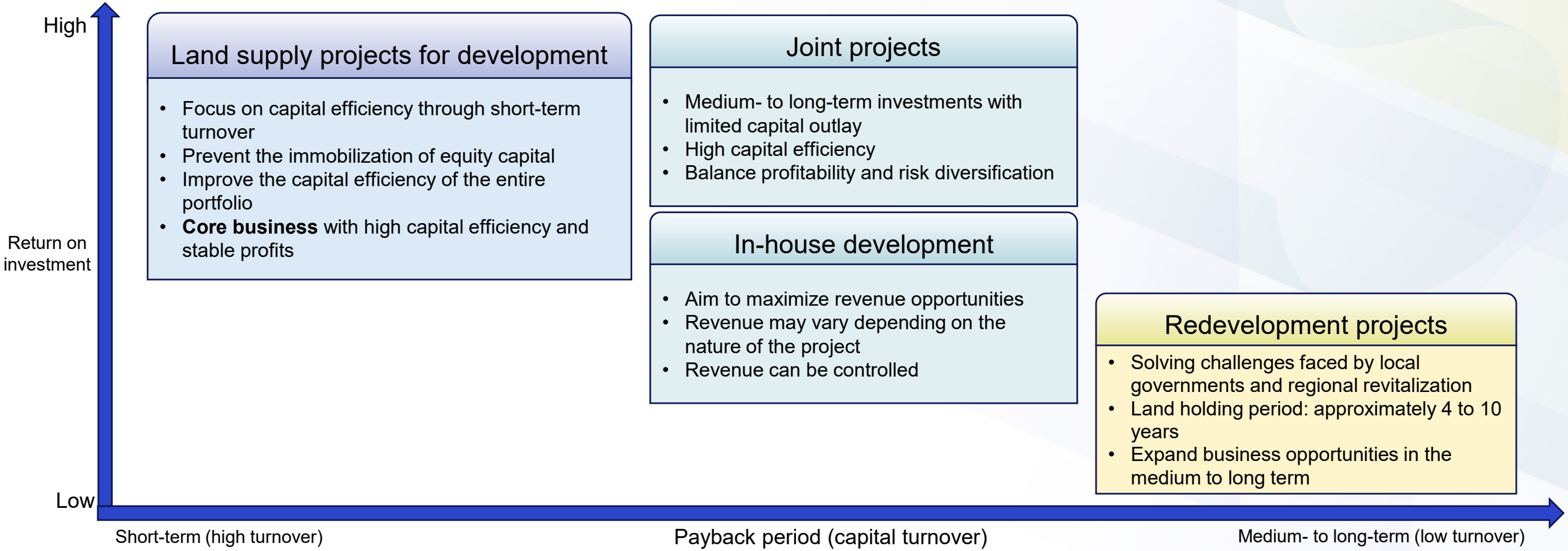
In-house development projects: We handle everything from land acquisition to construction and sales.
The holding period is approximately 2 to 3 years. Acquiring development profits as a business owner.

Redevelopment projects: Business areas not aimed at maximizing profits.
Solving challenges faced by local governments and contributing to regional revitalization.
The holding period is medium to long term, exceeding 3 years.
Enhancing corporate value over the medium to long term through sustainable community development.

This portfolio **achieves both high return on equity (ROE) and stable earnings.**

Real Estate Business Portfolio (Payback Period × Revenue Characteristics)

We operate a hybrid business model that combines construction and real estate businesses to achieve high capital efficiency.
By combining short-term, high-turnover investments with medium- to long-term investments in our real estate portfolio, we balance capital efficiency with growth investments, thereby maintaining a stable ROE and achieving sustainable EPS growth.



Expand opportunities for sustainable growth through medium- to long-term investments while maintaining high capital efficiency through short-term, high-turnover operations

Notes Regarding This Presentation

The information contained in this presentation, other than historical or current facts, reflects the Company's judgments based on information currently available to the Company and certain assumptions. Such assumptions and judgments are subject to uncertainties and may be affected by changes in future economic conditions and other factors. As a result, the future performance of the Company and the Group may differ from that described in this presentation.

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FIRST CORPORATION

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