Daito Trust Construction Co., Ltd.

Q1 Financial Results Briefing for the Fiscal Year Ending March 2026

July 31, 2025

Event Summary

[Company Name]	Daito Trust Construction Co., Ltd.
[Company ID]	1878-QCODE
[Event Language]	JPN
[Event Type]	Earnings Announcement
[Event Name]	Q1 Financial Results Briefing for the Fiscal Year Ending March 2026
[Fiscal Period]	FY2026 Q1
[Date]	July 31, 2025
[Time]	15:30 – 16:27
[Venue]	Webcast
[Participants]	80
[Number of Speakers]	2

Kei Takeuchi	President, Representative Director, CEO
Tsukasa Okamoto	Director, Senior Executive Officer, CFO, General Manager of Corporate Management Headquarter

Presentation

Moderator: Now that the time has arrived, we would like to begin the presentation of the Q1 financial results of Daito Trust Construction.

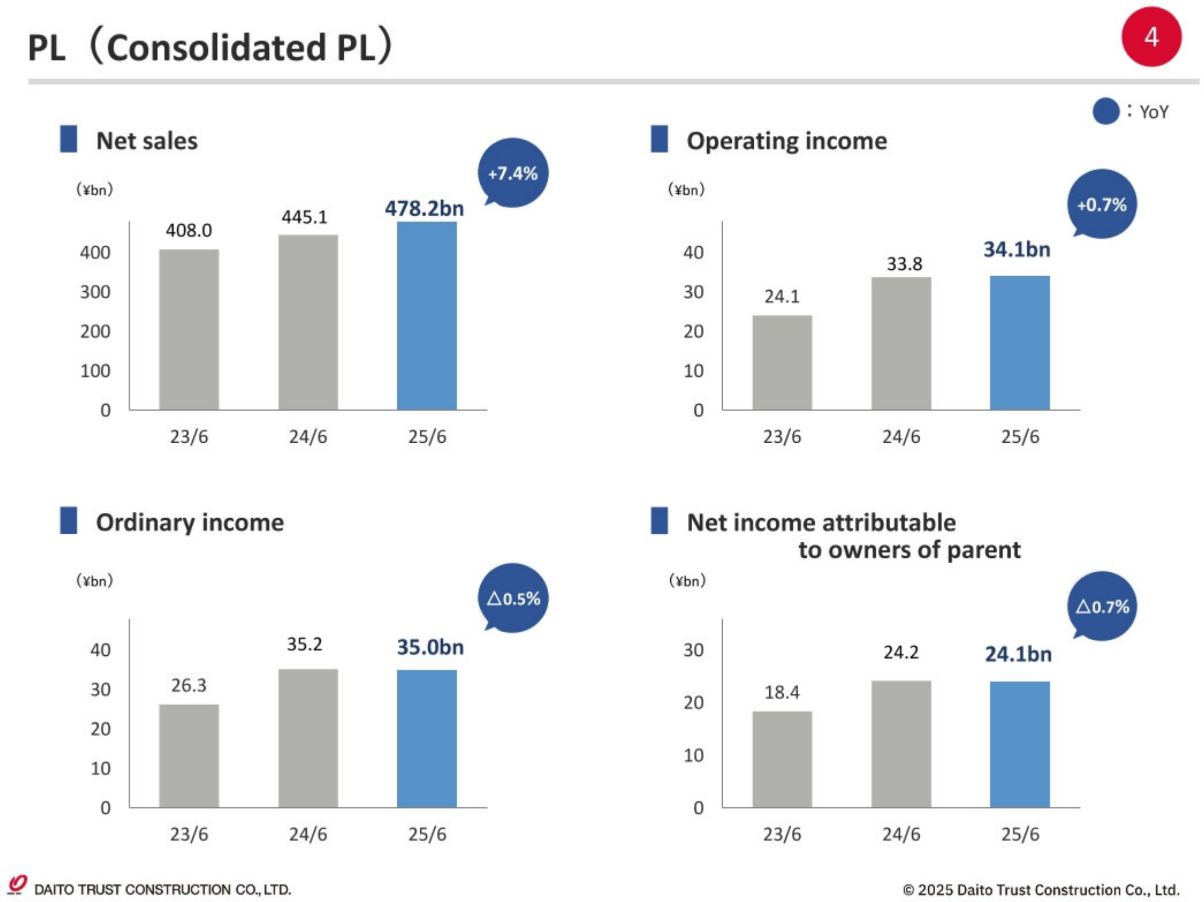
Today's financial results presentation is also available remotely. We will upload the presentation on our website at a later date. Please check there if you have any difficulty in hearing the presentation.

As scheduled today, Mr. Okamoto, Director, Senior Executive Officer and CFO, General Manager of Corporate Management Headquarter, will provide an overview of the financial results for Q1 of the fiscal year ending March 31, 2026, followed by an explanation from Mr. Takeuchi, President, Representative Director and CEO, of the results of key indicators and beyond. We will then proceed to the Q&A session. The method of accepting questions will be explained when entering the Q&A session. The event is scheduled to end at 4:30 p.m.

Let us now begin. Mr. Okamoto, thank you for your time.

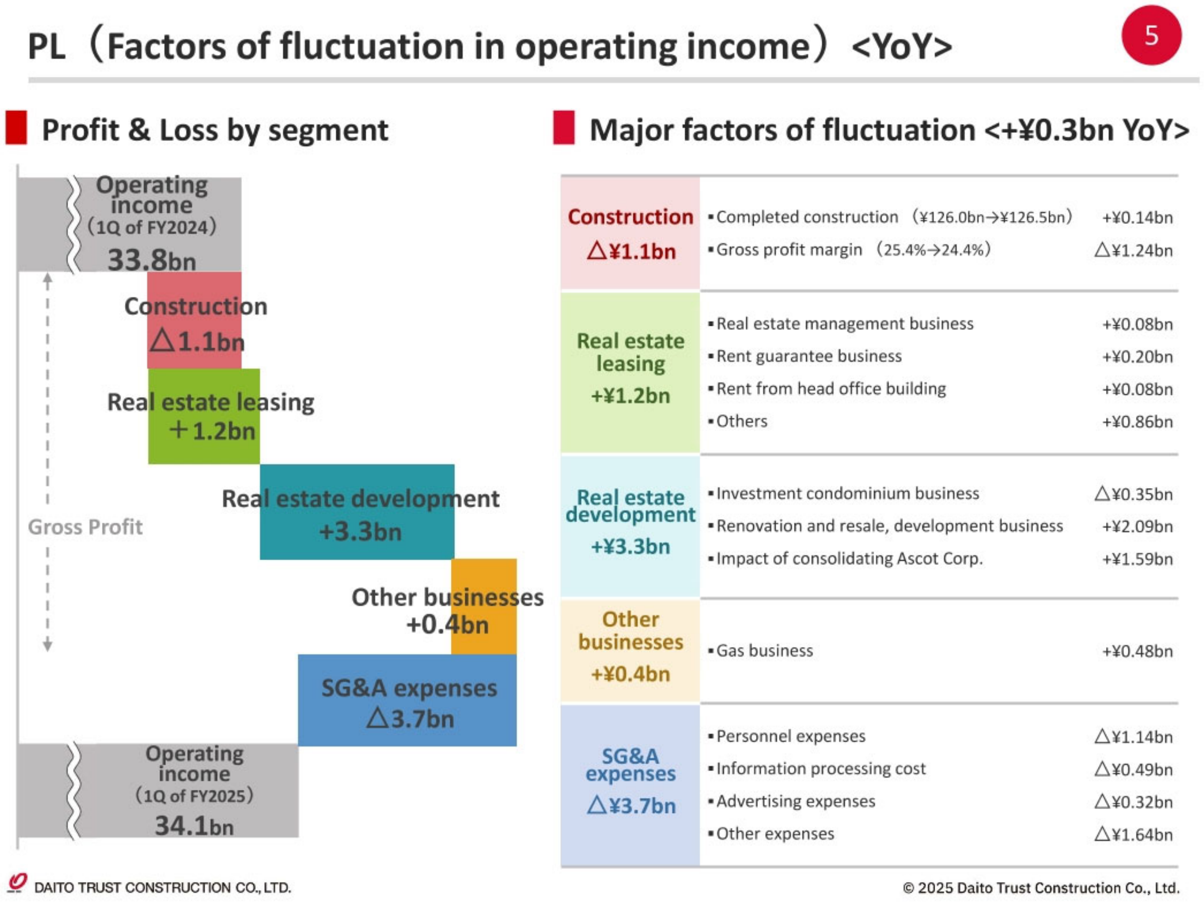
Okamoto: Hello, everyone. I am Okamoto, CFO, General Manager of Corporate Management Headquarters. Thank you very much for joining us today in the midst of your busy schedule and the extremely hot weather.

I will explain the Q1 results myself. Unless otherwise noted, we will explain on a consolidated basis, thank you.



See page four. I would like to explain the status of profit and loss for the period under review. Net sales increased 7.4% from the previous period to JPY478.2 billion, operating income increased 0.7% to JPY34.1 billion, and net income decreased 0.7% to JPY24.1 billion.

Although operating income increased, ordinary income and the following levels decreased from the previous year due to a decrease in dividend income and an increase in interest expenses. Details will be explained later by segment.



See page five. Operating income for the current fiscal year was JPY34.1 billion, an increase of JPY0.3 billion from JPY33.8 billion in the previous fiscal year.

By breakdown, the construction business posted a decrease of JPY1.1 billion due to a decline in gross profit margin despite an increase in the amount of completed construction contracts. In the real estate leasing business, the increase of JPY1.2 billion was due to an increase in buildings under management and profit growth in other businesses, such as ruum.

And in the real estate development business, there was an increase of JPY3.3 billion due to the consolidation of Ascot's income statement and PL from April, as well as strong performance in the income-producing real estate business. In other businesses, the increase in gas supply business resulted in a JPY0.4 billion increase.

SG&A expenses increased by JPY3.7 billion due to the impact of the base increase implemented this fiscal year, as well as an increase in SG&A expenses resulting from the consolidation of Ascot.

Profit & Loss by segment（Construction business - 1）

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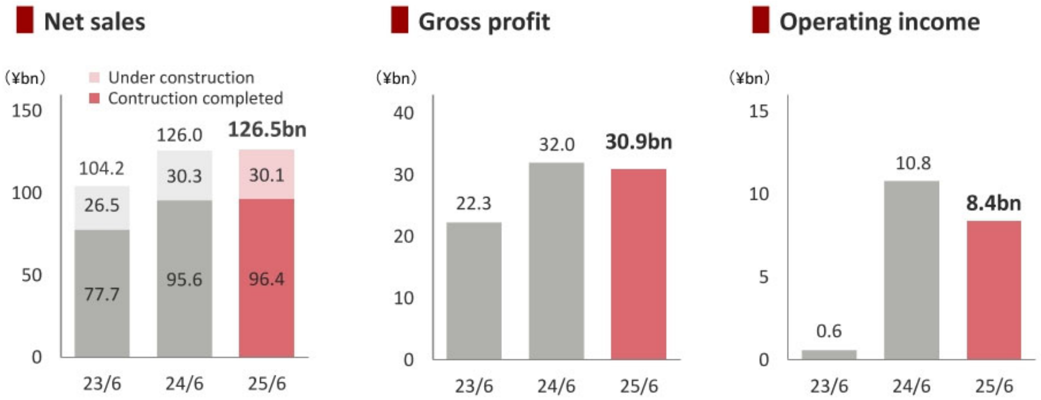
(¥bn)

	2024/6	**2025/6**	(YoY)
Net sales	126.0	**126.5**	(+0.4%)
Gross profit	32.0	**30.9**	(△3.4%)
Operating income	10.8	**8.4**	(△21.9%)



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See page six. In the construction segment, completed construction work increased 0.4% YoY to JPY126.5 billion. Operating income decreased 21.9% from the previous year to JPY8.4 billion, mainly due to a decrease in the gross profit on completed construction contracts and an increase in personnel expenses in SG&A expenses as a result of base increases, as mentioned earlier.

Profit & Loss by segment（Construction business - 2）

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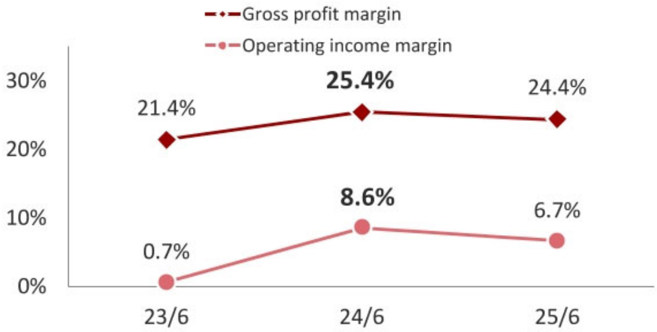
	2024/6	2025/6	(YoY)
Gross profit margin	25.4%	**24.4%**	(△1.0p)
Operating income margin	8.6%	**6.7%**	(△1.9p)

Gross profit margin / Operating income margin



Major breakdown of the variance（△1.0p YoY）

① Price revision	+1.9p
② Labor cost	△1.0p
③ Material cost	△1.1p
④ Exchange	△0.8p

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See page seven. The gross margin ratio decreased by 1 percentage point from the previous period to 24.4%. The breakdown of the decrease in gross profit margin is as shown in the materials, but while price revisions had a positive effect, the percentage of RC construction completed this year was higher than last year, and there were increases in labor costs for electricians and plumbing engineers, as well as in material costs for structural panels, ready-mixed concrete, and other materials.

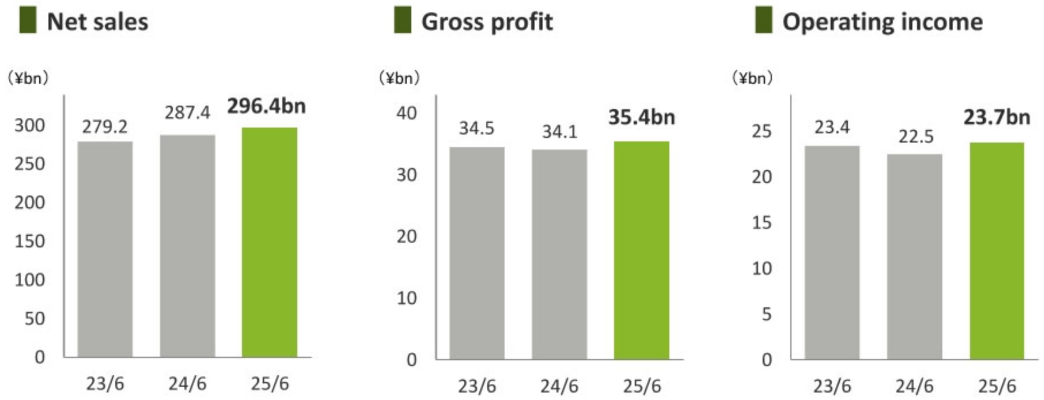
In addition, there was some impact from the rising prices of imported materials, but since we have already secured imported materials for the current fiscal year, there is no impact on our plans.

Profit & Loss by segment（Real estate leasing business - 1）

8

（¥bn）

	2024/6	**2025/6**	（YoY）
Net sales	287.4	**296.4**	（+3.1%）
Gross profit	34.1	**35.4**	（+3.7%）
Operating income	22.5	**23.7**	（+5.6%）



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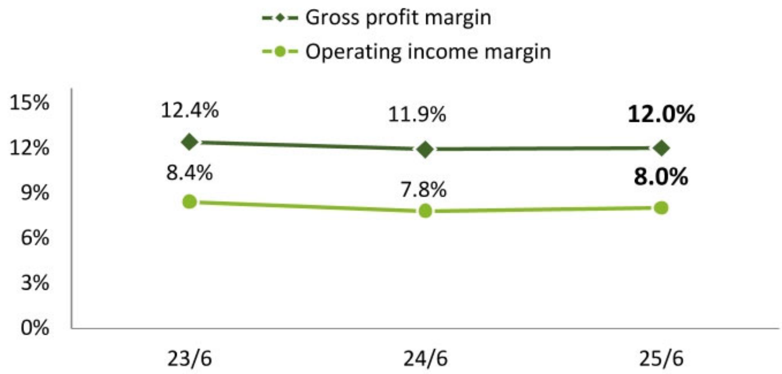
See page eight. In the real estate leasing segment, net sales increased 3.1% from the previous period to JPY296.4 billion, and operating income increased 5.6% to JPY23.7 billion.

Profit & Loss by segment（Real estate leasing business - 2） 9

	2024/6	2025/6	(YoY)
Gross profit margin	11.9%	**12.0%**	(+0.1p)
Operating income margin	7.8%	**8.0%**	(+0.2p)

Gross profit margin / Operating income margin



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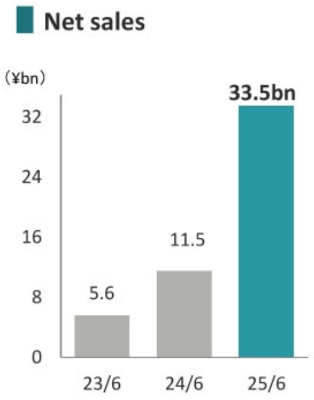
See page nine. The gross profit margin and operating profit margin were 12 and 8 , up 0.1 and 0.2 percentage points, respectively, from the previous year.

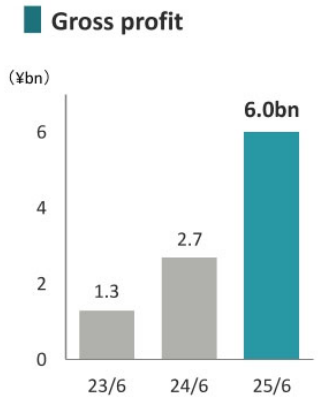
Profit & Loss by segment（Real estate development business - 1）

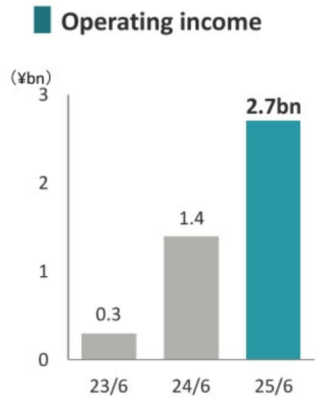
10

（¥bn）

	2024/6	2025/6	（YoY）
Net sales	11.5	**33.5**	（+190.7%）
Gross profit	2.7	**6.0**	（+120.6%）
Operating income	1.4	**2.7**	（+94.5%）







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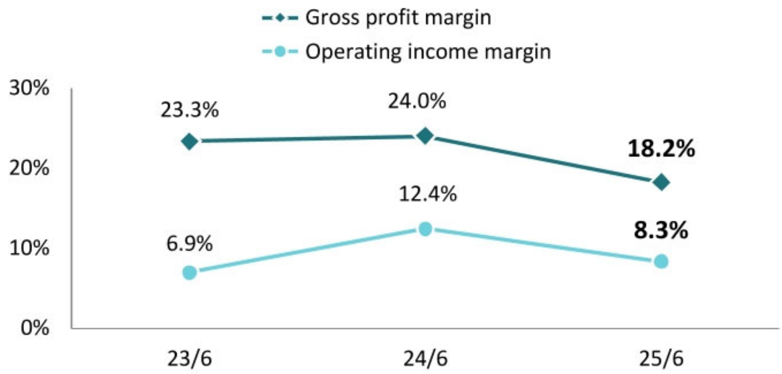
See page 10. In the real estate development segment, net sales increased 190.7% from the previous year to JPY33.5 billion and operating income increased 94.5% to JPY2.7 billion due to steady sales of investment condominiums and development projects and the inclusion of Ascot's income statement.

Profit & Loss by segment（Real estate development business - 2）

11

	2024/6	2025/6	（YoY）
Gross profit margin	24.0%	**18.2%**	（△5.8p）
Operating income margin	12.4%	**8.3%**	（△4.1p）

Gross profit margin / Operating income margin



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See page 11. The gross margin ratio for the real estate development segment decreased 5.8 percentage points from the previous year to 18.2%. The operating margin decreased by 4.1 percentage points to 8.3%. The decrease in the profit margin is a bit technical in accounting terms, so let me explain a bit about it.

Ascot began consolidation in March, and at that time, we revalued Ascot's real estate for sale at the market value at that time before consolidating the Company. It is subsequently included in our consolidated financial statements.

As a result, in the current term, Ascot's non-consolidated gross profit margin was 23% based on the book value of real estate for sale before revaluation, but when consolidated, the consolidated gross profit margin dropped to 11% due to the calculation of profit based on the post-revaluation value. This is the reason why the overall gross margin or operating margin appears to have declined.

This is a temporary accounting phenomenon that will be resolved once the revalued properties are sold and removed from the balance sheet.

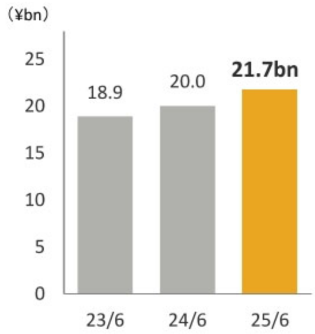
We expect profit margins to normalize thereafter. Should you have any questions on this technical matter, we would be happy to address them during the Q&A session.

Profit & Loss by segment（Other businesses）

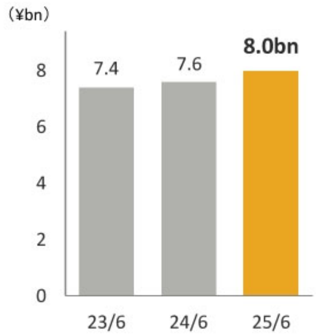
（¥bn）

	2024/6	**2025/6**	（YoY）
Net sales	20.0	**21.7**	（+8.1%）
Gross profit	7.6	**8.0**	（+6.2%）
Operating income	3.1	**3.3**	（+7.6%）

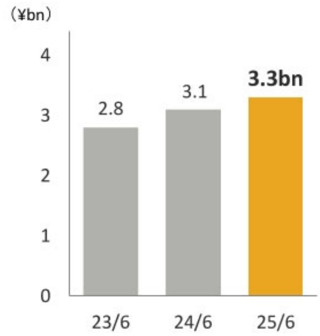
Net sales



Gross profit



Operating income



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See page 12. In other businesses, net sales increased 8.1% from the previous year to JPY21.7 billion and operating income rose 7.6% to JPY3.3 billion, partly due to an increase in the total number of meters in operation in the gas supply business.

Profit & Loss（Selling, general and administrative expenses）

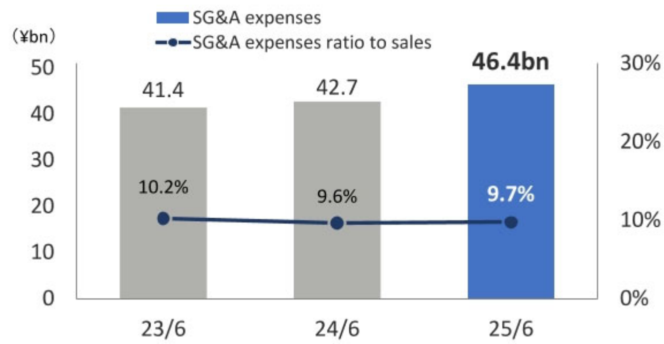
13

（¥bn）

	2024/6	2025/6	(YoY)
SG&A expenses	42.7	**46.4**	(+8.7%)
SG&A expenses ratio to sales	9.6%	**9.7%**	[+0.1p]

[ ]：Difference from same period in previous year

SG&A expenses / SG&A expenses ratio to sales



Major breakdown of the variance（+3.7bn YoY）

- ① Personnel expenses +¥1.14bn
- ② System maintenance fee +¥0.49bn
- ③ Advertising expense +¥0.32bn
- ④ Recruitment and training expense +¥0.13bn
- ⑤ Other expenses +¥1.64bn

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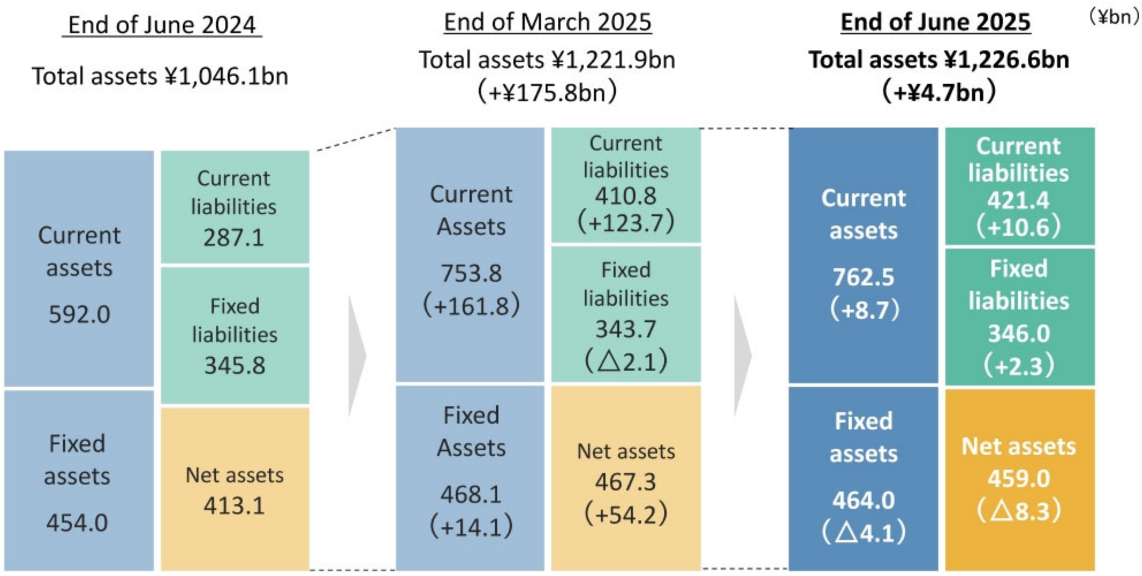
See page 13. SG&A expenses increased JPY3.7 billion from the previous period to JPY46.4 billion. The SG&A-to-sales ratio increased by 0.1 percentage points from the previous year to 9.7%.

Financial review（Consolidated BS）

14



Equity ratio	39.5%
BPS	¥6,314.83
EPS	¥371.63

Equity ratio	38.4%
BPS	¥7,073.15
EPS	¥1,428.29

Equity ratio	**37.6%**
BPS	**¥6,955.46**
EPS	**¥363.61**

※BPS : Net assets per share
※EPS : Quarterly (current year) net income per share

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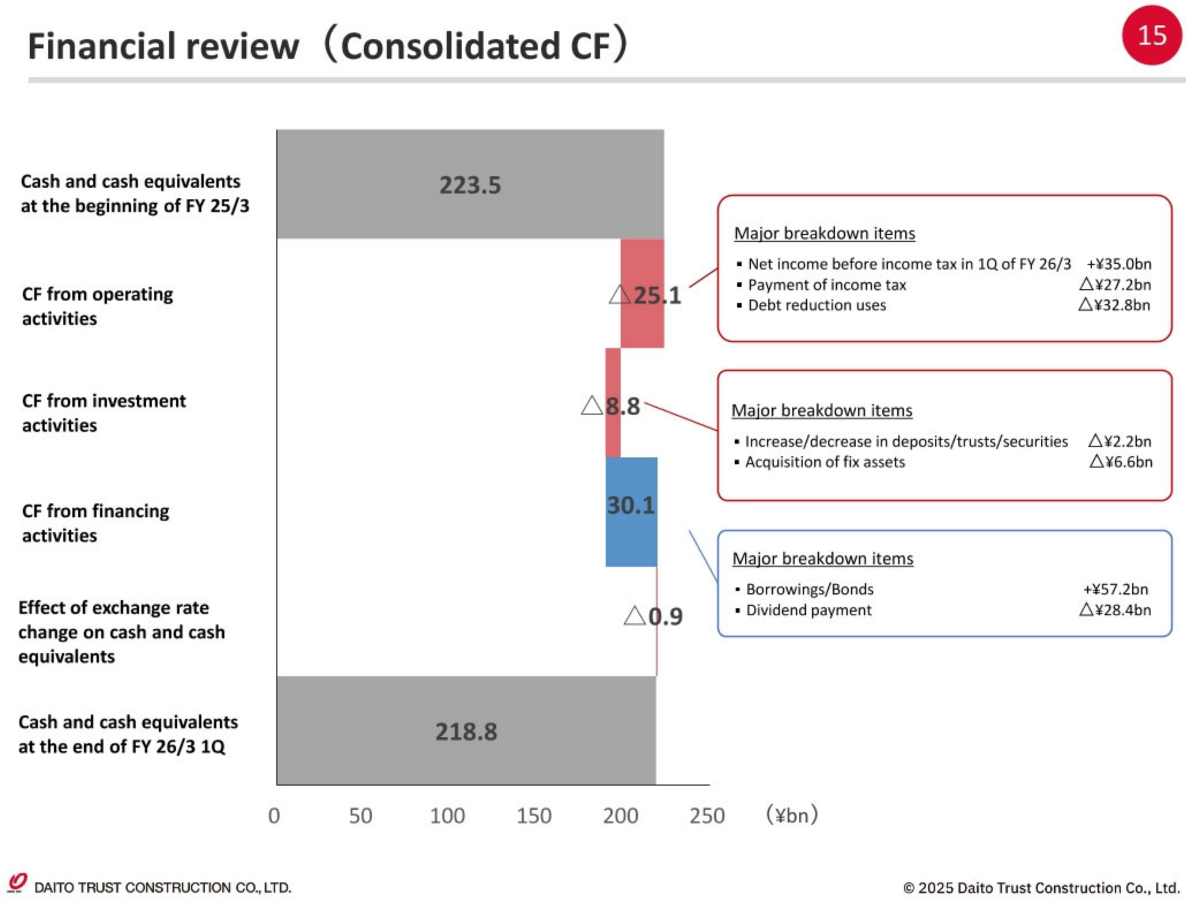
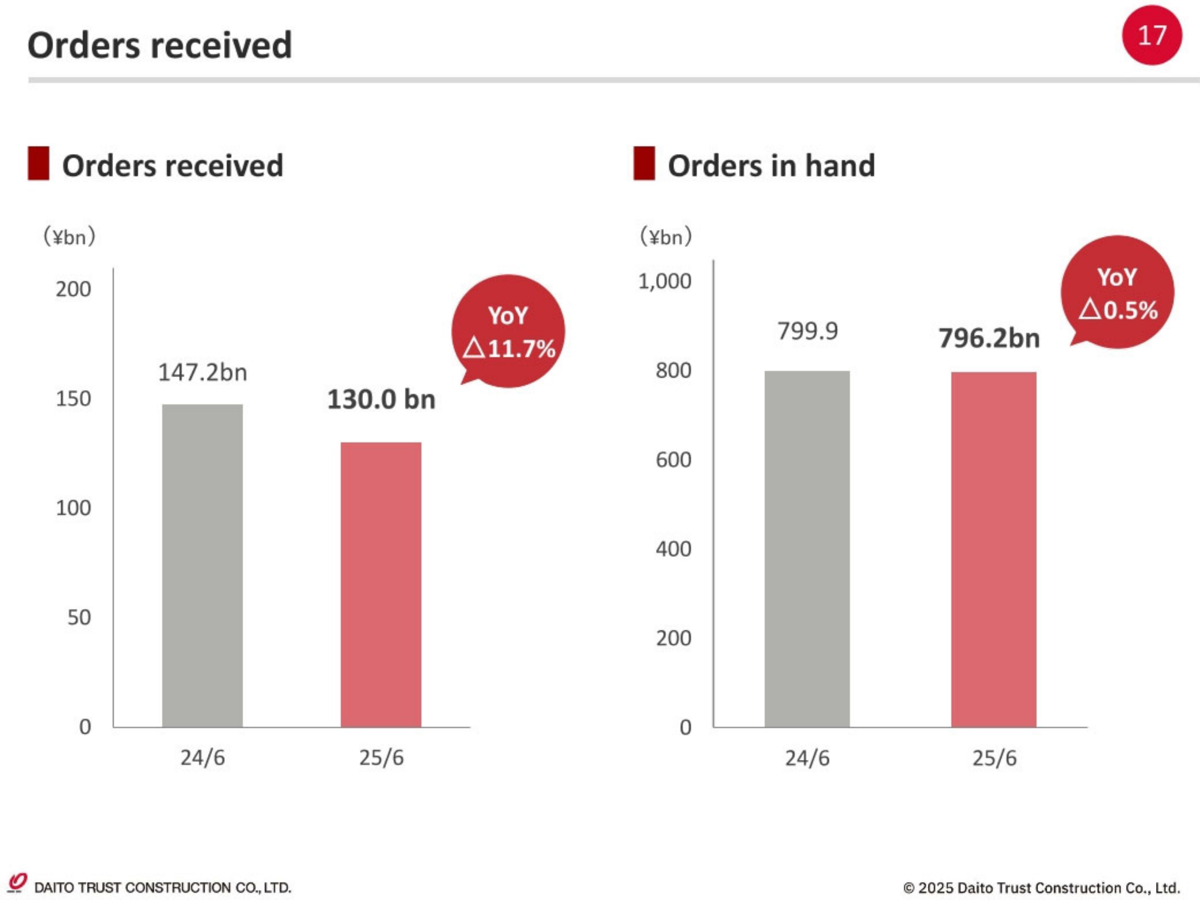
See page 14. The financial situation and balance sheet are shown in this document.



See page 15. The reasons for the increase or decrease in consolidated cash flow are also shown in the document on this slide.

This ends my explanation of the Q1 financial results. Mr. Takeuchi will continue his explanation.



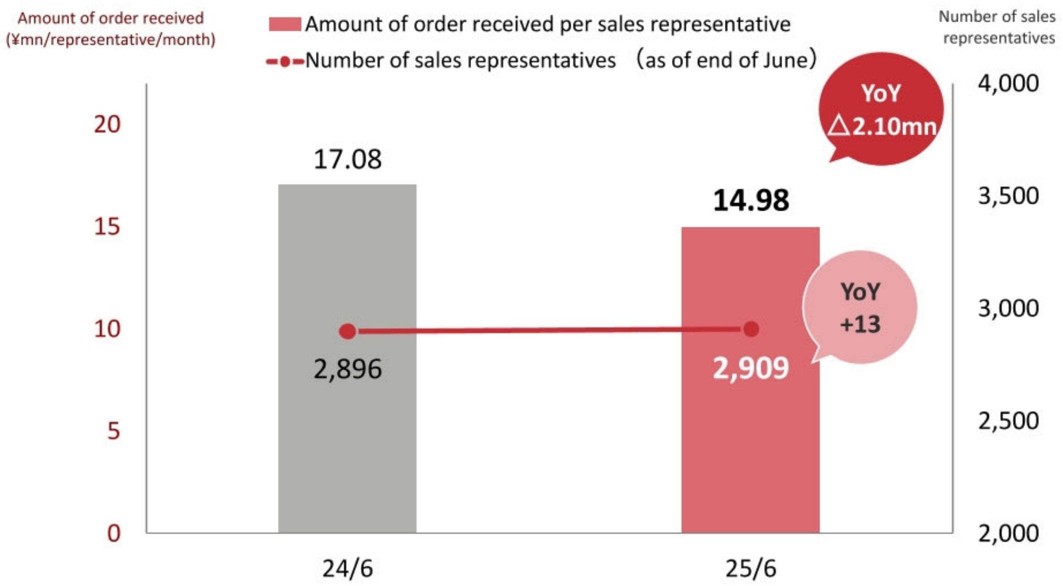
Takeuchi: Thank you very much for gathering here today in this very hot weather. I will now explain the results of key indicators.

Please see page 17 first. First of all, orders received for the fiscal year under review decreased 11.7% from the previous fiscal year to JPY130 billion due to the impact of the reduction in sales areas implemented in January of this year. The balance of construction contracts received decreased 0.5% from the previous fiscal year to JPY796.2 billion.

It has taken some time for orders to recover due to the shift to sales areas where rent is expected to rise, but we intend to make a comeback from Q2 onward.

Orders received（Efficiency in receiving orders） 18

Amount of order received per sales representative
Number of sales representatives



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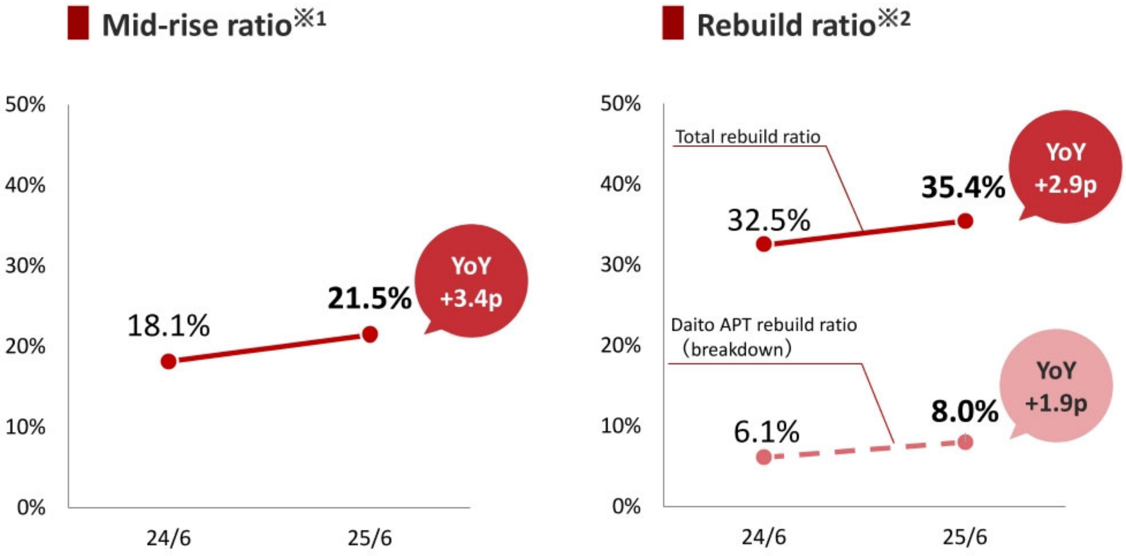
Please continue to page 18. The number of sales representatives as of the end of June increased by 13 from the previous period to 2,909. We will continue to maintain the 3,000-person structure. In addition, 102 new graduates have been assigned to the Company since July.

Orders received per sales representative decreased by JPY2.1 million from the previous period to JPY14.98 million.

Orders received（Mid-rise ratio and rebuild ratio）

19



※1 Mid-rise ratio = Number of orders received for APT house with 3 or more stories / Total number of orders received

※2 Total rebuild ratio = Number of orders received for rebuilding APT / Total number of orders received
Daito APT rebuild ratio = Number of orders received for rebuilding APT built by Daito / Total number of orders received

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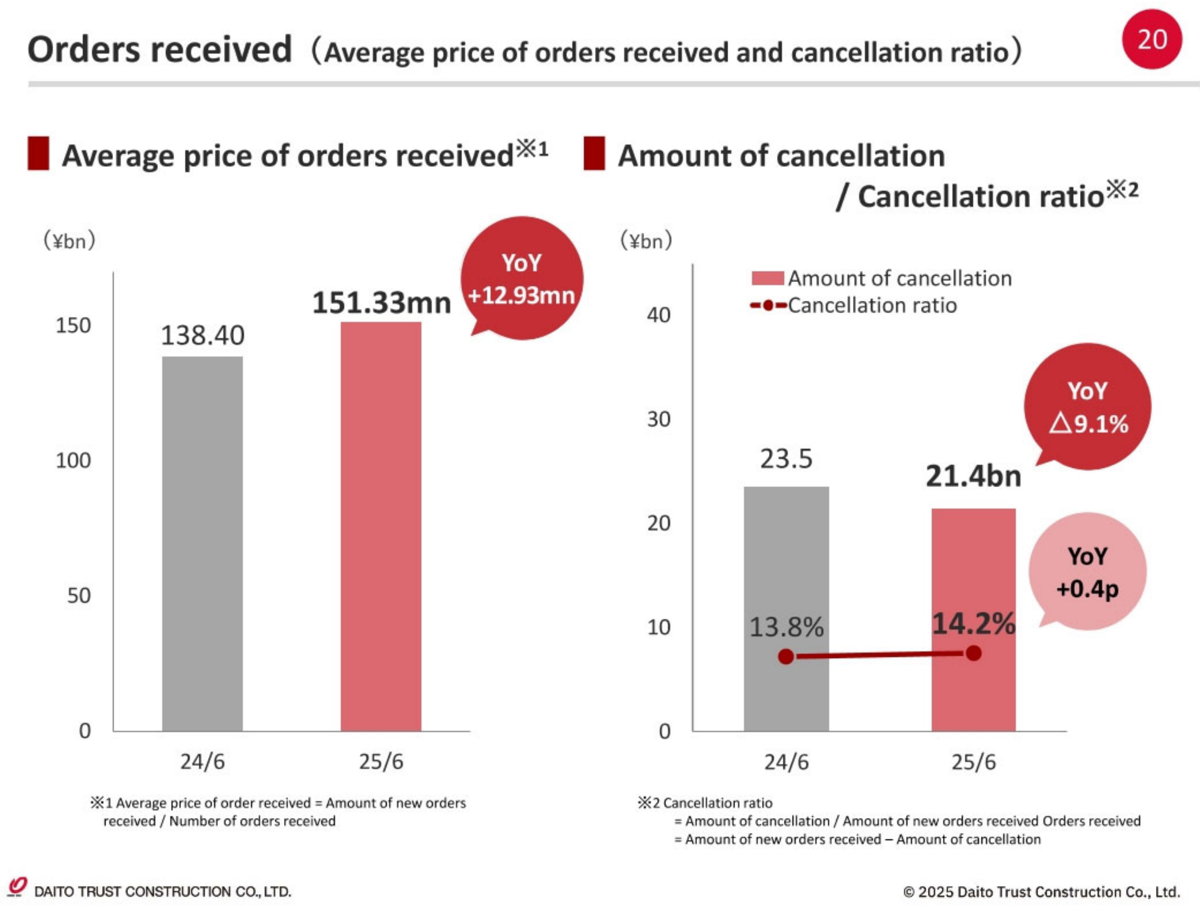
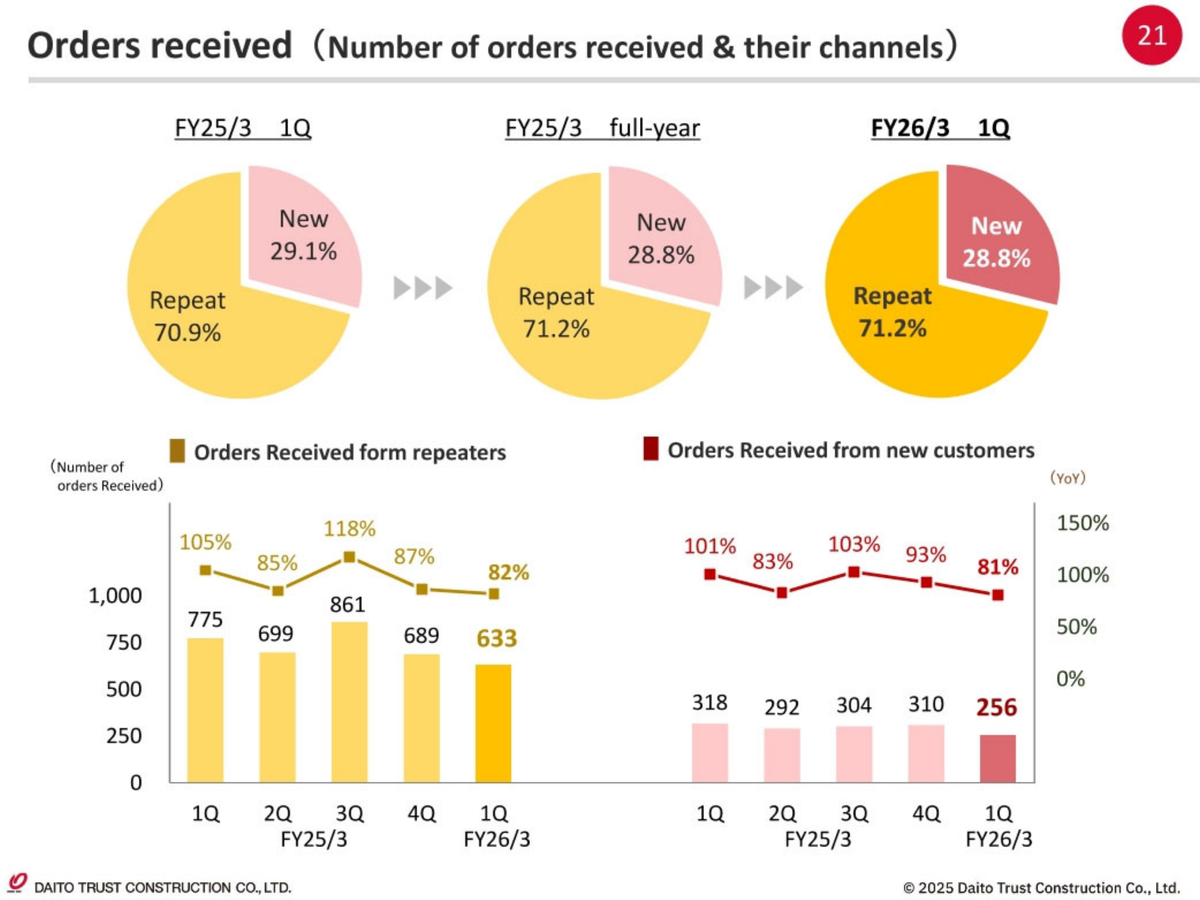
Please continue to page 19. The mid-rise ratio rose 3.4 percentage points from the previous quarter to 21.5%, due in part to the impact of larger properties resulting from an increase in corporate contracts. The rebuild ratio increased 2.9 percentage points from the previous period to 35.4%.



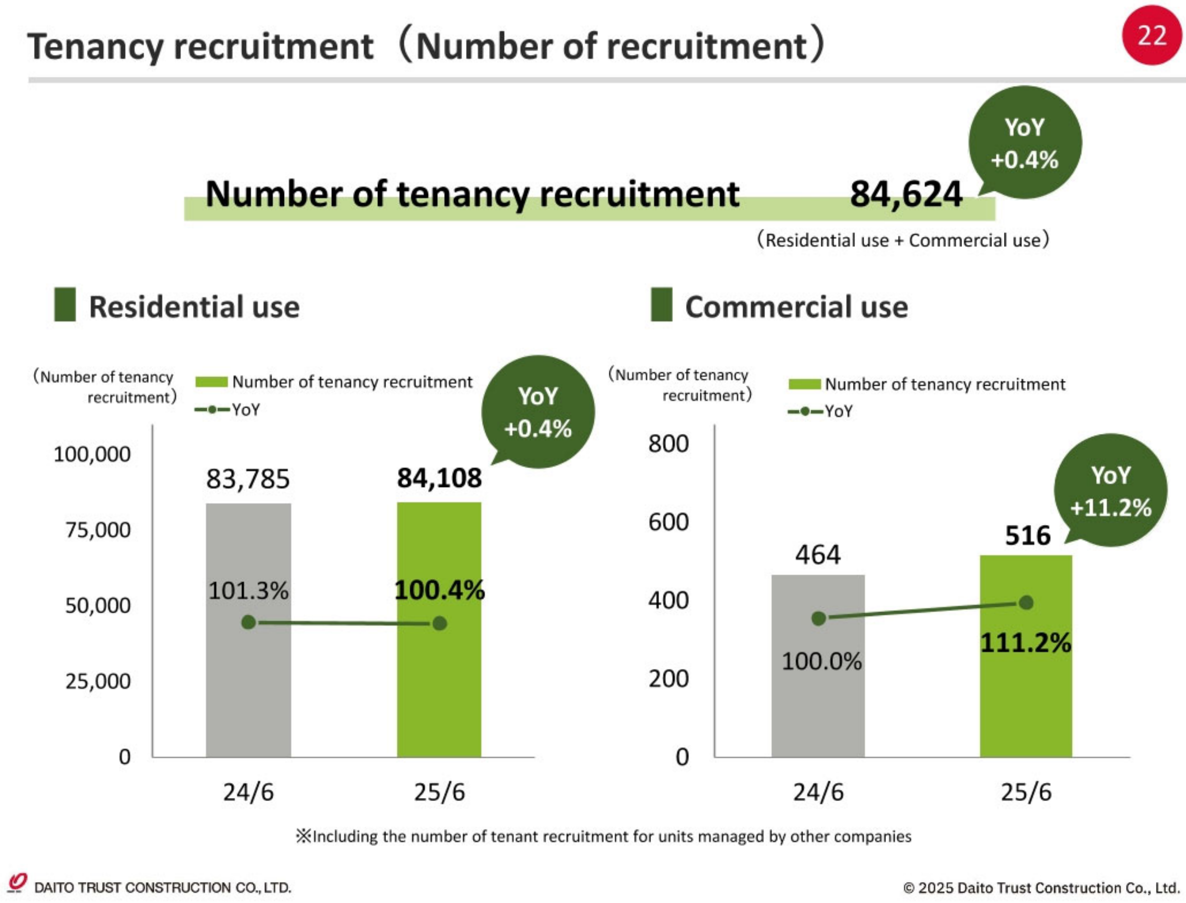
Please continue to page 20. This is the status of the average price of orders received and cancellation ratio. The graph on the left shows changes in the unit price of orders received, which increased by JPY12.93 million from the previous fiscal year to JPY151.33 million due to price revision.

The cancellation rate is shown on the right, which decreased 9.1% from the previous period, down JPY2.1 billion. We intend to continue to reduce the cancellation rate by ensuring that financing is confirmed at the time of signing the contract.

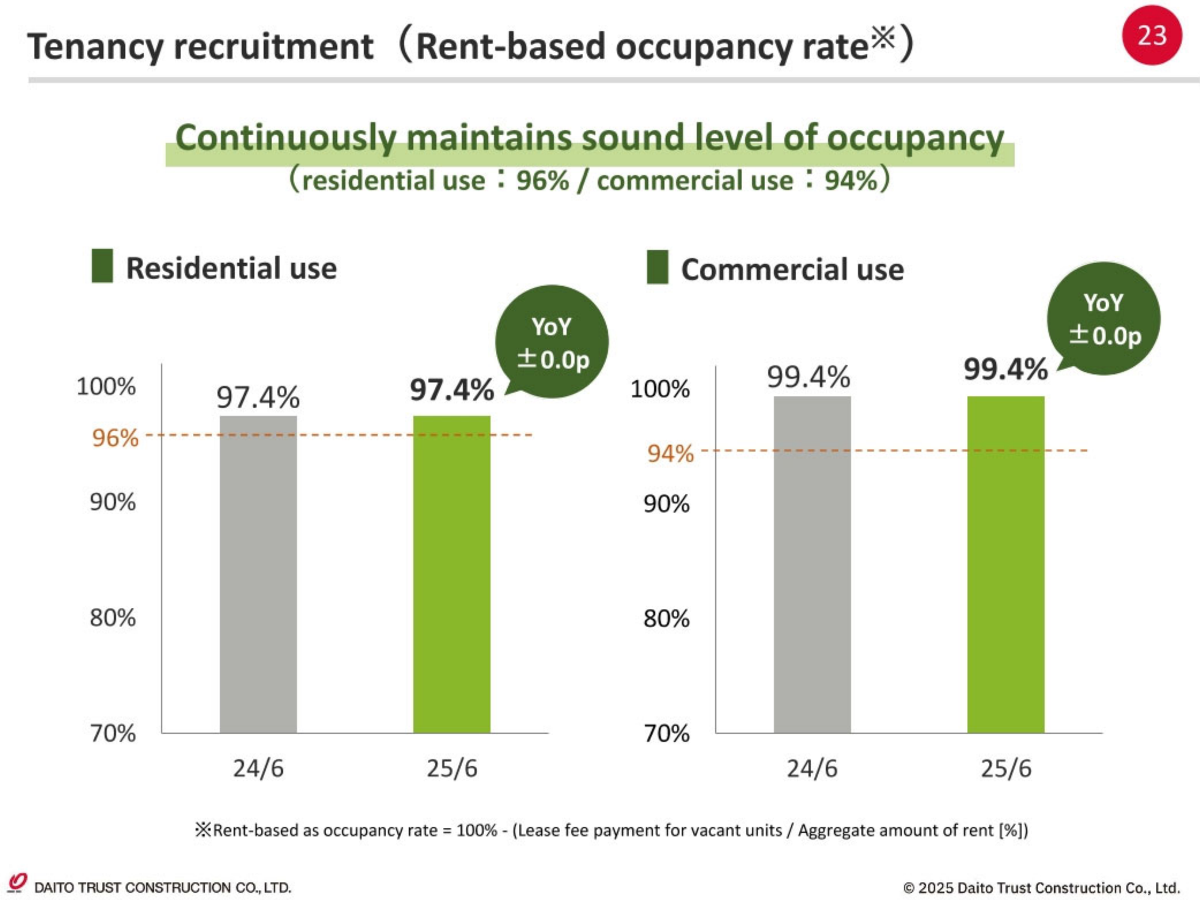


Please continue to page 21. The percentage of new customers during the period was 28.8%, down 0.3 points from the previous period, and the percentage of repeat customers was 71.2%, up 0.3 points from the previous period.

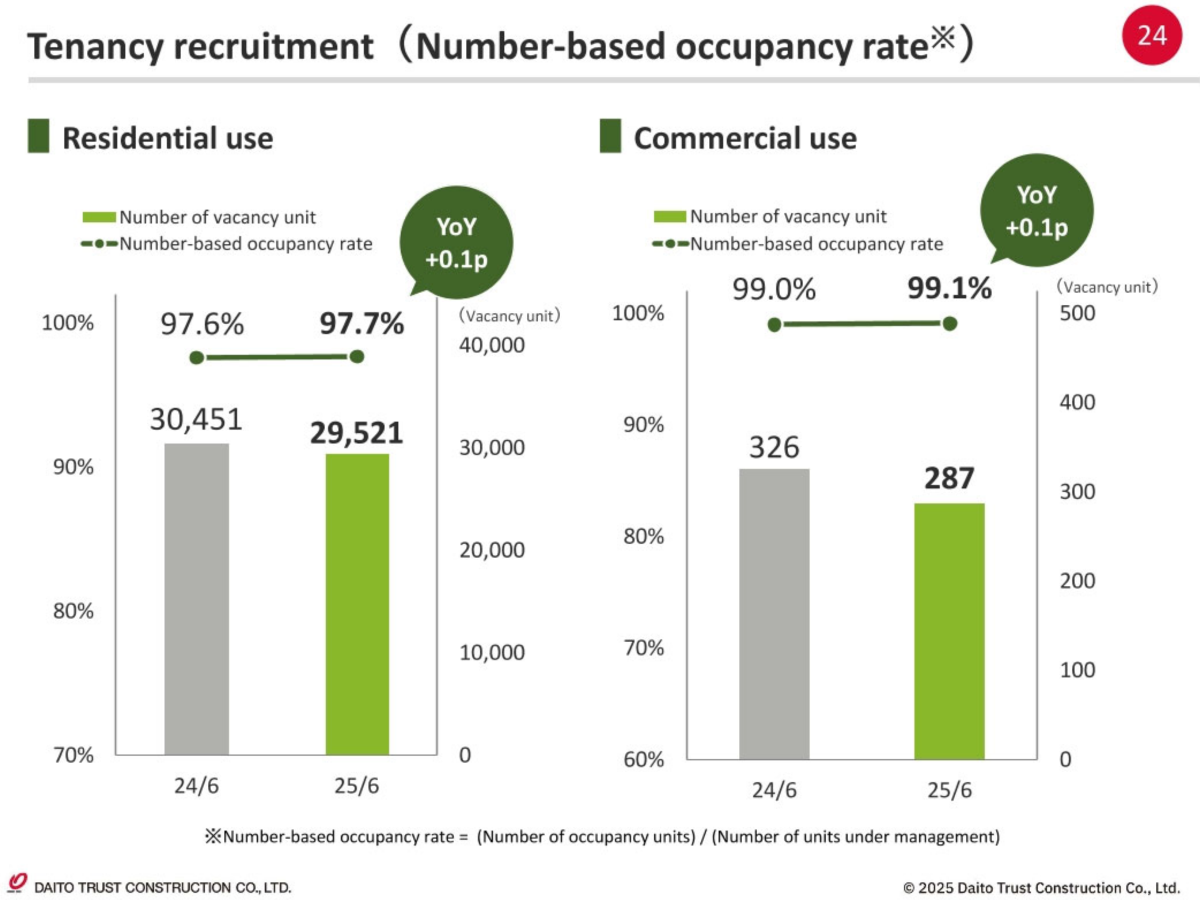
We have been focusing on strengthening our relationships with existing property owners, leading to an increase in repeat contracts.



Please see the next page, page 22. The number of cases of tenancy recruitment increased 0.4% from the previous fiscal year to 84,624.



Please see the next page, page 23. The occupancy rate on a rent basis was maintained at 97.4%, almost the same level as the same period last year. The occupancy rate before COVID was 97.2%, so compared to this, we have been able to maintain a high occupancy rate.

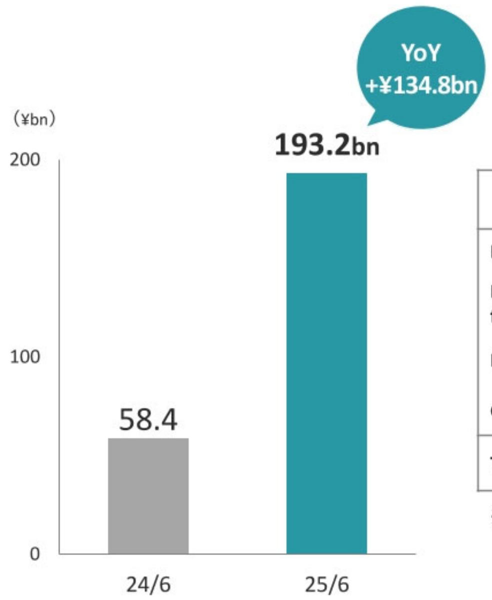


Please continue to page 24. The occupancy rate increased 0.1 percentage points from the previous period to 97.7%.

Real estate development

25

Real estate investment balance



	24/6 BS balance	**25/6 BS balance**	Increase/decrease amount	Increase/decrease ratio
Residences	¥50.2bn	**¥140.3bn**	+¥90.1bn	279%
Logistics facilities	¥5.6bn	**¥12.4bn**	+¥6.8bn	221%
Hotels	—	**¥30.0bn**	+¥30.0bn	—
Others	¥2.6bn	**¥10.5bn**	+¥7.9bn	404%
Total	¥58.4bn	**¥193.2bn**	+¥134.8bn	+331%

※The BS balance for June 2025 includes 73.1 billion yen of Ascot Corp., which joined the Group in March 2025.

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Please see page 25. Real estate investments totaled JPY193.2 billion, an increase of JPY134.8 billion from the previous year. Excluding the JPY73.1 billion of Ascot, which joined the Group in March 2025, we have been able to steadily purchase real estate for sale.

This ends my explanation.