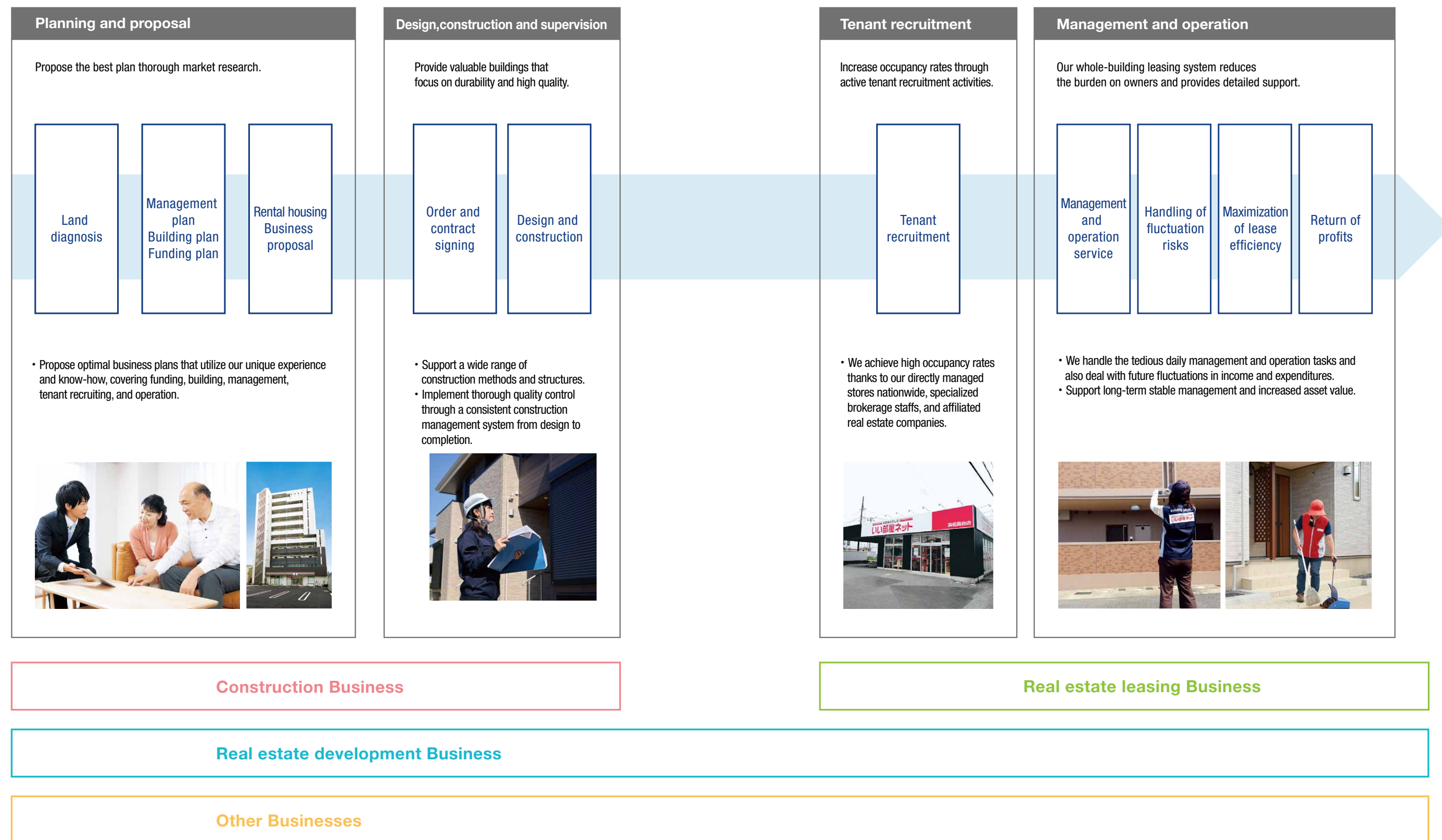


► Lease Management Trust System

We reduce various burdens related to rental property management by performing services on behalf of property owners.



## Business Model

### ► 35-Years Whole-Building Lease・40-Years Whole-Building Lease

\*The proposed plans may vary depending on the project site.

We offer support to ensure safe, secure and stable management after commencing leasing business operations.

#### 35(40)-years whole- building lease

We provide tenant recruitment, management and operation services for the leasing business, as well as support from a property owner's standpoint, such as response to fluctuations in income and expenditure that accompany leasing business operations.

The contract period for a 35(40)-year whole-building lease agreement is 35(40) years. Lease agreements may be canceled based on various conditions. For details, see page 30 ("Key points in Whole-Building Lease Agreement"). A legitimate reason is required when a customer requests to cancel a lease agreement, since Article 28 of the Act on Land and Building Leases (Requirements for Refusing to Renew a Building Lease Contract, etc.) applies.

#### Four Support Features



Revenue Risk Vacancies and rent delinquency

#### Whole-building lease

**Rent income is also obtained during vacancies and rent delinquency.**

During the term of the lease agreement, lease fees are paid to the property owner in accordance with the whole-building lease agreement, so there is no impact due to vacancies or rent delinquency.

\*The start date for payment of lease fees is the day after the date upon which three months have elapsed since the day following the date of final settlement of the building contract fee, or the start date of the whole-building lease agreement, whichever is later.

\*When a tenant vacates the property, a lease fee payment exemption period of up to a maximum of 15 days is given as a period of preparation for the next tenant to move in.



Revenue Risk Rent fluctuations

#### Long-term fixed lease fee

**Lease fees are fixed for the first 10 years, and renewed every 5 years thereafter**

Lease fees are fixed for the first 10 years, and for a period of 5 years for each subsequent renewal. This ensures peace of mind because the fees are fixed for a long period of time, even if surrounding market rent fluctuate.

\*When renewing the lease fees, they are reviewed in consideration of factors such as the economic situation, the surrounding market rent, and various other factors.

When the lease fees significantly deviate from the market rent for similar buildings in the vicinity, the fixed lease fees may be reduced by mutual agreement during the contract period, even if it is not at the end of the initial fixed term or at any subsequent renewal date. (Land and Building Leases Law, Article 32).

\*In certain areas under the 40-year plan, the initial lease term is fixed for 5 years and renewed every 5 years thereafter.



Expenditure Risk Normal wear and tear(at time of vacating)

#### Restoration

**The Daito Group will carry out work to restore the property to its original condition during the 35(40)-years of the lease agreement.**

The Daito Group will reduce the cost burden to property owners for the restoration of each housing unit to its original condition arising each time a tenant vacates the property by carrying out repairs associated with tenants moving out as specified in advance.

\*For a list of repairs carried out by the Daito Group, please refer to page 29 ("List of Items for Restoration to Original Condition"). Costs of restoration to original condition for items that are not applicable is borne by property owners.



Expenditure Risk Deterioration over time

#### Repair service

**The Daito Group will carry out repairs to the property for a 30-year period during the lease agreement.**

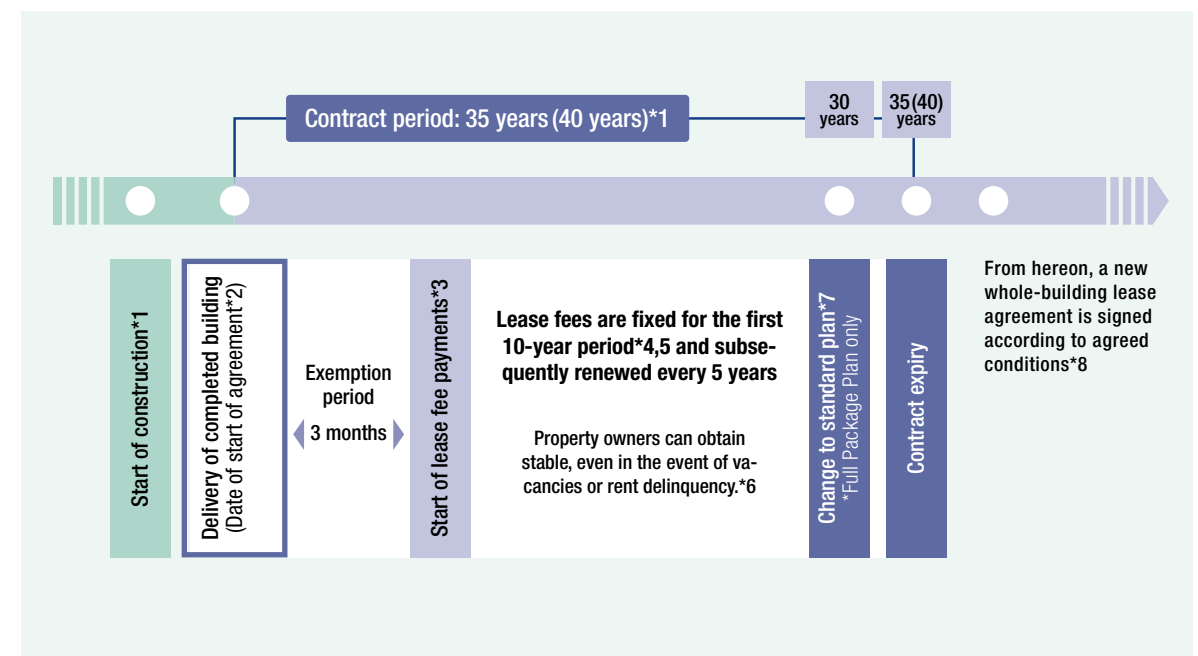
The Daito Group will reduce the cost burden to property owners in terms of repair costs for maintaining the building as a rental building as chosen by tenants by carrying out repairs to the main building, building facilities and

\*For a list of repairs carried out by the Daito Group, please refer to page 29 ("List of Repair Items"). Costs of repairs for items that are not applicable are borne by property owners.

\*For the [35-year standard] plan, building repair is borne by the owner separately.

Contract period for whole-building lease agreements <30-years Full Package + 5(10)-years Standard> Plan

	<30-years Full Package + 5(10)-years Standard> Plan
Lease period	35-years(40-years)
Period of fixed lease fee	Fixed for the first 10-years period and subsequently renewed every 5 years**5
Restoration to original condition	Implemented by the Daito Kentaku Partners
Repairs	Implemented by the Daito Kentaku Partners for 30-years
	From the 31st year onwards, the owner is responsible for the actual costs. (Switch to the Standard Plan)



\*1: In some cases, the agreement may be canceled based on various conditions. For details, see page 30 ("Key points in Whole-Building Lease Agreement"). A legitimate reason is required when a customer requests to cancel a lease agreement, since Article 28 of the Act on Land and Building Leases (Requirements for Refusing to Renew a Building Lease Contract, etc.) applies.

\*2: The start date for a whole-building lease agreement is the day after the date of delivery of the completed building, the day after the date of completion of the local government inspection (or date of completion of the inspection for provisional use application), or the day after the date of completion of the development inspection, whichever is latest.

\*3: The start date for payment of lease fees is the day after a date within which three months have elapsed since the day following the date of final settlement of the building contract fee, or the start date of the whole-building lease agreement, whichever is later.

\*4: The first 10 years is the 10-year period commencing with the start of the whole-building lease agreement, and includes the exemption period for the start of payment of lease fees.

\*5: In certain areas under the 40-year plan, the initial lease term is fixed for 5 years and renewed every 5 years thereafter.

\*6: When a tenant vacates the property, a lease fee payment exemption period of up to a maximum of 15 days is given as a period of preparation for the next tenant to move in. When renewing the lease fees, lease fees are reviewed in consideration of factors such as surrounding market rent rates and building facilities. Even during the period of fixed lease fee, lease fees may be reduced in accordance with the provisions of Article 32, Paragraph 1 of the Act on Land and Building Leases ((Right to) Request Increase or Decrease in Rent).

\*7: As of the 31st year onward, the actual costs pertaining to building repairs shall be borne by the property owner.

\*8: After the expiry of the 35(40)-year term of contract, costs for restoration to original condition and costs of repairs for a whole-building lease agreement shall be borne by the property owner.

## Business Model

### ► List of Items for Restoration,Repair

#### List of Items for Restoration to Original Condition ● [30-year Full Package + 5(10)-year Standard] Plan ● [35(40)-year Standard] Plan

Daito Kentaku Partners carries out the following repairs as needed when a tenant vacates a property.[35(40)-years]

Restoration to Original Condition (Repairs accompanying vacating of property)	● Room cleaning	● Repairs to storage spaces	● Toilet paper holder repairs
	● Ceiling and wall covering replacement	● Key and lock repairs and replacement(Excluding electronic locks)	● Laundry rack / rail repairs
	● Flooring and CF sheet replacement	● Faucet seal replacement	● Light bulb replacement
	● Screen door replacement	● Curtain rail repairs	● Switch and power outlet repairs
	● Skirting board and crown molding repairs	● Air conditioner sleeve repairs	● Individual unit mailbox repairs
	● Nageshi (horizontal beam) repairs	● Towel rail repairs	● Other repairs related to maintaining aesthetic beauty and functionality as required for smooth recruitment of tenants
	● Joinery and handrail repairs and adjustments		

#### List of Repair Items ● [30-years Full Package + 5(10)-years Standard] Plan

Daito Kentaku Partners carries out the following repairs as needed.[30-years]

Building itself	● Re-waterproofing of flat roofs (asphalt, PVC sheet, paint coating)
	● Re-waterproofing of balconies
	● Replacement of sealant (outer wall joints, window frame surrounds)
	● Outer wall painting, out wall tile cleaning, outdoor steel-frame staircase painting
	● Entry door frame, PS door and frame, common-area door frame and electrical distribution panel painting and repairs
	● Repair and partial replacement of fences, repair of exterior blocks, gutters, and various drainage basins
	● Sloped roof repairs
	● Rain gutter repairs
	● Common-use stairs, corridor and entrance repairs
	● Parking area road surfaces, lines and parking block repairs
	● Common-use faucet and garbage collection point repairs
	● Building name signboard and notice board repairs
	● Veranda, entrance partition and porch repairs
	● Other repairs to facilities related to maintaining the aesthetic beauty and functionality of the building itself as laid out at the beginning of the whole-building lease agreement
Building facilities	● Exterior lighting fixture repairs
	● Rain shutter adjustments
	● Television antenna, booster and distributor repairs
	● Replacement of smoke / fire detector, repair of firefighting equipment and evacuation equipment
	● Water meter and septic tank blower replacement
	● Common-area auto-lock facility, cluster mailbox and delivery box repairs
	● Bicycle parking area repairs and roof coating
	● Other repairs to building facilities as laid out at the beginning of the whole-building lease agreement
Room facilities	● Kitchen repairs
	● Washstand / bathroom vanity repairs
	● Hygiene equipment repairs
	● Toilet repairs
	● Air conditioner repairs
	● FF stove repairs
	● Washing machine pan repairs
	● Bathroom dryer repairs
	● Unit bathroom repairs
	● Ventilation fan repairs
	● Light fixture repairs
	● Water heater boiler repairs
	● Intercom repairs
	● Electronic locks Repairs
	● Other repairs to room facilities as laid out at the beginning of the whole-building lease agreement

#### Costs to be covered by property owners

- (1) Upgrades or new installations to improve performance and increase value, or for compliance with revised laws and regulations, etc., at the expense of property owners
- (2) Buildings, facilities, and equipment other than the above items (elevator facilities, multi-story parking lots, road heating and snow melting equipment, solar power generation equipment, IH cooking heaters, electric water heaters, etc., and other facilities that Daito Trust Construction Co., Ltd. does not undertake from property owners)  
\* If an IH cooking heater has been installed in a ZEH specification building since the time of construction,Daito Kentaku Partners will repair the equipment.
- (3) Statutory periodic inspection costs for special buildings and full inspection costs for exterior wall tiles

\*Parking lot and business room are outsourced management contract.

### ► Key points in Whole-Building Lease Agreement

#### ● Matters for attention (excerpt from Explanation of Important Matters)

##### (1) The amount of rent paid to the Customer by Daito Kentaku Partners may be reduced.

- Under the whole-building lease agreement ("the Agreement"), the amount of rent paid to the Customer is subject to periodic reviews, and may be reduced as a result of such reviews.
- Article 32, Paragraph 1 of the Act on Land and Building Leases (Right to Request Increase or Decrease in Rent) applies to the Agreement. Notwithstanding the conditions of the Agreement, and even not on the day of a periodic review, Daito Kentaku Partners may request a reduction in rent when the amount of rent paid to the Customer by Daito Kentaku Partners is:
  - (1) Inappropriate due to an increase or decrease in taxes or other burdens on land or buildings
  - (2) Inappropriate due to an increase or decrease in the price of land or buildings, or other fluctuations in economic conditions
  - (3) Inappropriate when compared to the rent for the same kind of buildings in the vicinity
- However, a reduction request under the same article is not possible for reasons that do not fall under the above items (1) through (3), such as an increase in vacancies due to an increase in rental housing in the vicinity, or a deterioration in the Company's business situation that occurs due to individual circumstances not related to fluctuations in economic conditions.
- The Customer does not necessarily have to accept the request for a reduction from Daito Kentaku Partners under the Act on Land and Building Leases, and will engage in discussions with Daito Kentaku Partners as a factor in considering the circumstances that contributed to the determination of the rent before the change.

##### (2) Cancellation may occur even during the contract period. However, if the Customer asks for cancellation or refuses to renew, a justifiable reason is required.

- Article 28 of the Act on Land and Building Leases (Requirements for Refusing to Renew a Building Lease Contract, etc.) applies to the Agreement. Therefore, the Customer may not request cancellation or refuse to renew unless it is found that there is a justifiable reason to do so, upon consideration of:
  - (1) The circumstances that the Customer and Daito Kentaku Partners (including sublessees (tenants)) require use of the building
  - (2) Previous events regarding the lease of the building
  - (3) The state of use or current state of the building
  - (4) If the Customer has made a request to Daito Kentaku Partners (including sublessees (tenants)) to provide property benefits as a condition of or in exchange for the handover of the building, that request.

#### ● Changes and terminations of agreements (excerpted from the whole-building lease agreement terms and conditions)

##### Article 20, Paragraph 3

If Client violates this Agreement and fails to correct the violation despite Service Provider notice, or if the continuation of this Agreement becomes extremely difficult due to failure to reach an agreement between Client and Service Provider as stipulated in this Agreement, Service Provider may terminate this Agreement upon not less than 6 months' notice.

- (i) Discussions concerning the review (revision) of the rent payable under Article 3, Paragraph 2
- (ii) Discussions concerning repairs, etc. under Articles 11 and 12

##### Article 20, Paragraph 5

Service Provider may terminate the Agreement upon notice if Client breaches the Agreement and does not rectify the breach despite receiving a warning from Service Provider, or if discussions between the parties as provided for under the Agreement are not settled, resulting in a state where continuation of the Agreement is significantly difficult.

The same shall apply when attachment, provisional attachment, assignment has been carried out with regard to the debts (regardless of its effect on Client or Service Provider) with regard to the Building or the credit obligations of Client to Service Provider pursuant to the Agreement, when Client is subject to a filing for civil rehabilitation, corporate reorganization or bankruptcy proceedings, or when Client's financial resources have significantly worsened, such as when its assets are subject to a temporary restraining order.

##### Article 20, Paragraph 6

The Agreement shall be terminated in due course if the Building is destroyed, damaged or subject to restriction on its use due to natural disasters, other force majeure, or defects in the site of the Building; or if the Building is removed or subject to restriction on its use due to urban planning, etc., making it significantly difficult to continue the Agreement.

The same shall apply if the construction contract agreement for the Building between Client and Daito Trust Construction Co., Ltd. is terminated or cancelled after the signing of the Agreement; or if the whole parking lot lease agreement between Client and Service Provider for the parking lot management consignment contract.

(Note) Client: Customer Service Provider: Daito Kentaku Partners Co., Ltd. The Agreement: Whole-building lease agreement  
The Building: The building to be leased,as listed in the Agreement  
Daito Kentaku Partners Co., Ltd.: A wholly owned subsidiary of Daito Trust Construction Co., Ltd. (Tokyo Stock Exchange: Prime Market)



## Business Model

### Construction Business

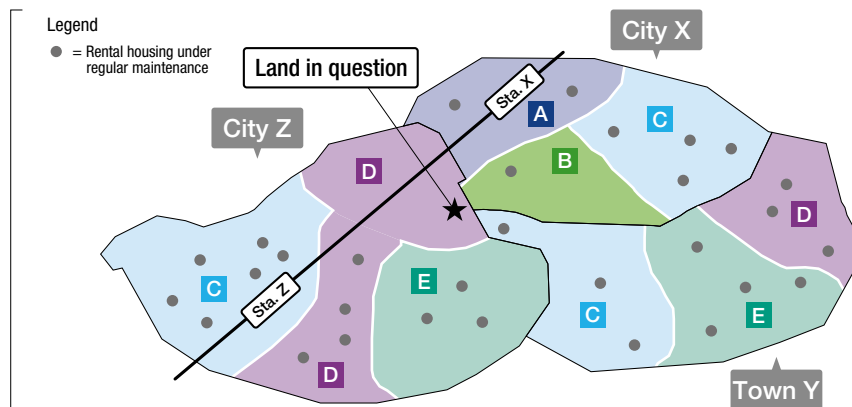
#### ► Rent Appraisal System (Land Surveys)

Specialized market research staff formulates rental housing supply plans that reflect actual demand.

**Flow of Appraisal** Formulation of supply plan based on Daito Group's proprietary appraisal system

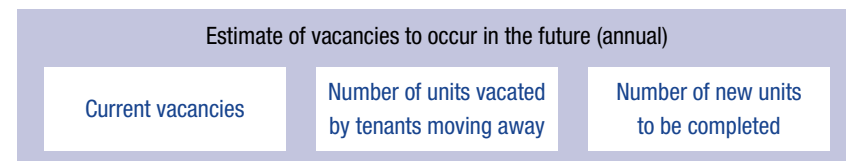
Country is divided into  
4,553 areas

Note: As of May 31, 2025



Area-based supply  
plan meeting

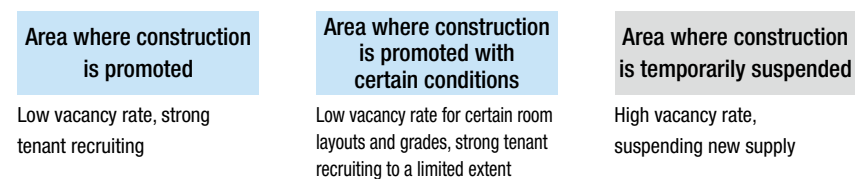
[ reviewed every  
six months ]



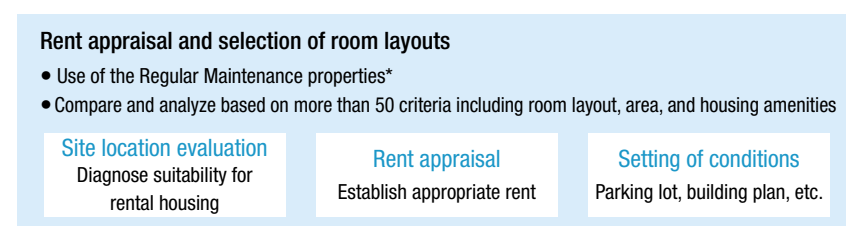
Annual number of brokerage transactions

Estimate the vacancy  
rate for one year later

Implementation of  
supply plan



Appraisal of individual  
rental housing units



\* Regular Maintenance properties: Houses of other companies that are used to compare to determine house rent fees.

**Appraisal System** Fair appraisal carried out by specialized staff from the Daito Group

Marketing staff for rental housing

Number of marketing Offices

**924**

**165** offices

Note: As of June 1, 2025

- Fair supply plans, rent, and other conditions are achieved independently and are unaffected by factors such as requests from the construction sales division.

**Market Research and Data Accumulation** Possess a massive amount of market data

- Investigating the marketability such as transportation convenience, public facilities, and commercial facilities, etc.
- Investigating the location continuously, layout, facilities, etc. about other companies' rental properties
- Data is managed by using our system "DK MAP"

Data on own rental housing:

About **196** thousand buildings

Data on other companies' rental housing:

About **946** thousand units

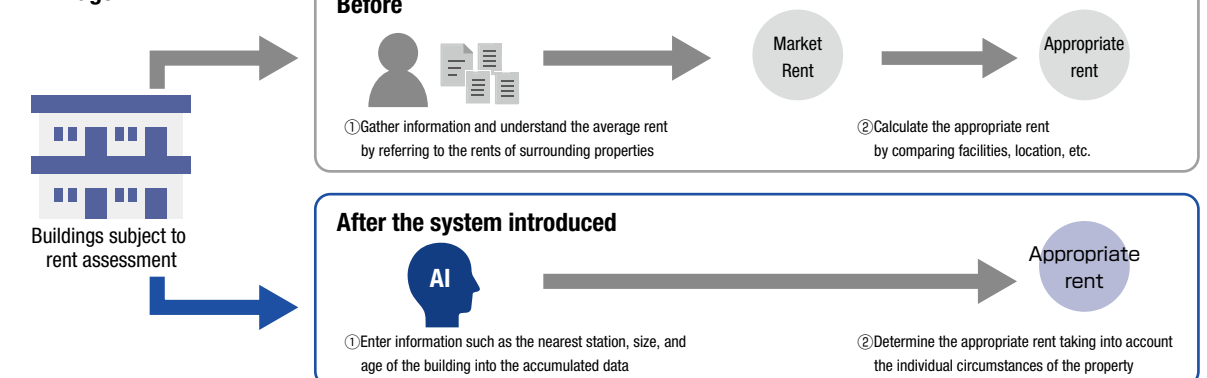
Note: As of May 31, 2025



**Rent setting** Setting highly objective and transparent rents

- Select multiple buildings with similar age and specifications in the same commercial area and compare rents
- By utilizing AI, rent setting can be more objective.

AI image

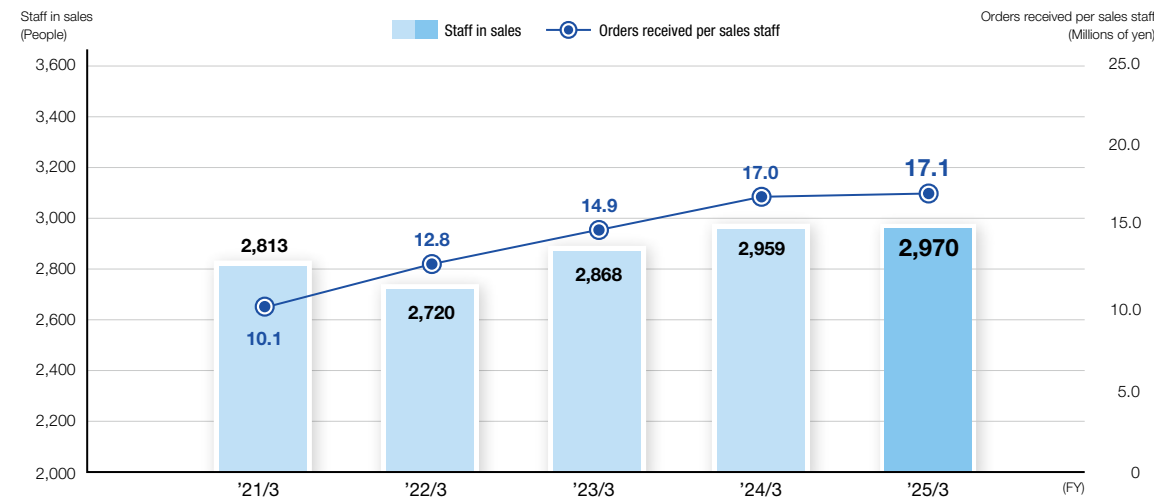


## Sales Structure

Earned trust through a firm structure and direct sales.

### Orders Received per Sales Staff

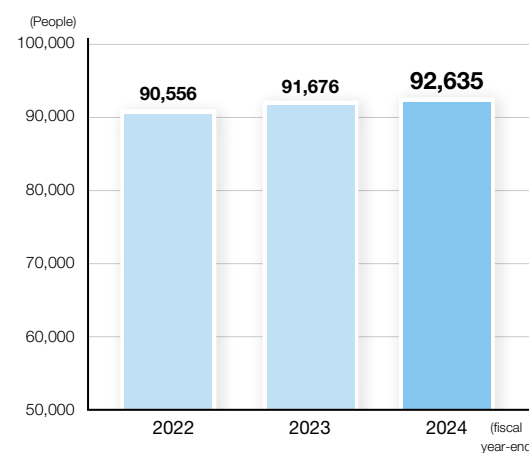
Increase in the number of sales representatives due to enhanced recruitment activities



Source: Daito Trust Data

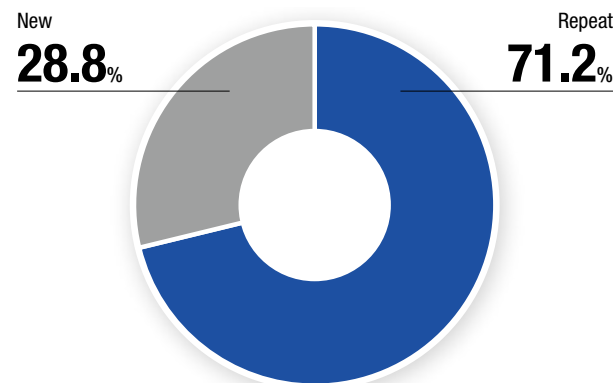
### Owners

Steadily acquire new customers



### Rate of Repeat Contracts

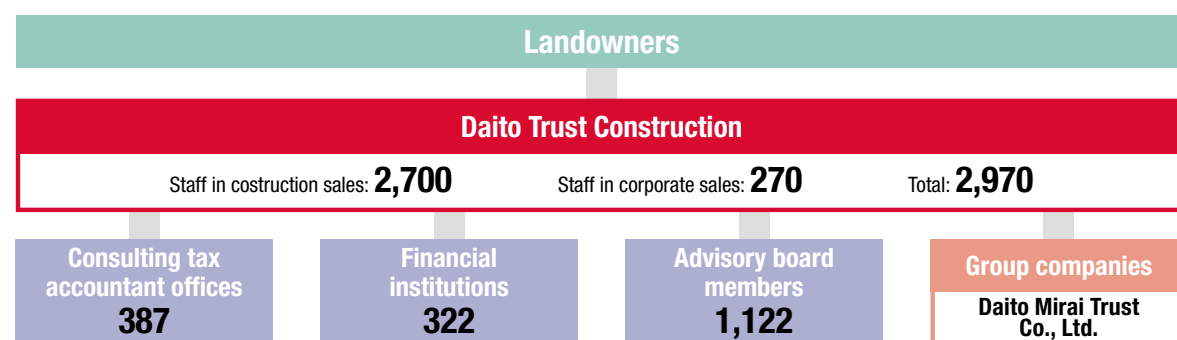
High evaluation from existing customers



Source: Daito Group Data (FY2024)

### Sales Structure

Build a system enabling integrated proposals to landowners



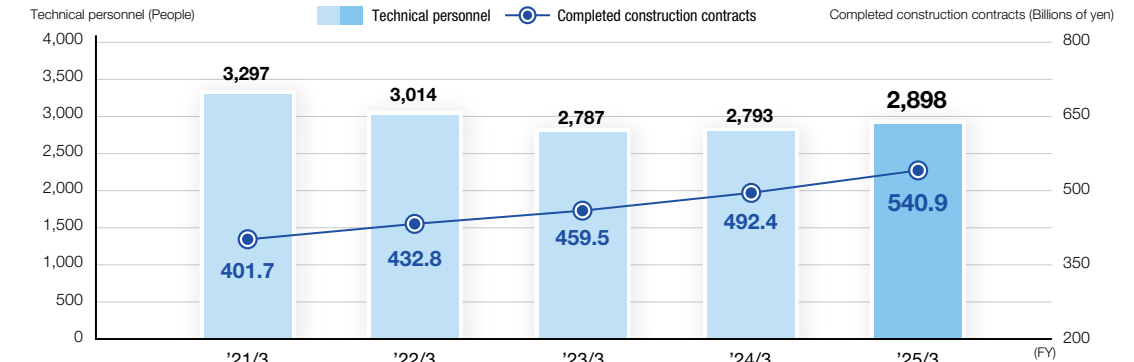
Note: As of March 31, 2025

## Design and Construction Structure

Diverse structure reinforcement supports our position as the industry's No. 1 supplier.

### Technicians and Net Sales from Completed Construction Contracts

Efficient technical personnel secures completed construction contracts



Source: Daito Trust Data

### Strengthen the Construction System

In response to the shortage of engineers, the company is actively hiring skilled personnel from both Japan and abroad.



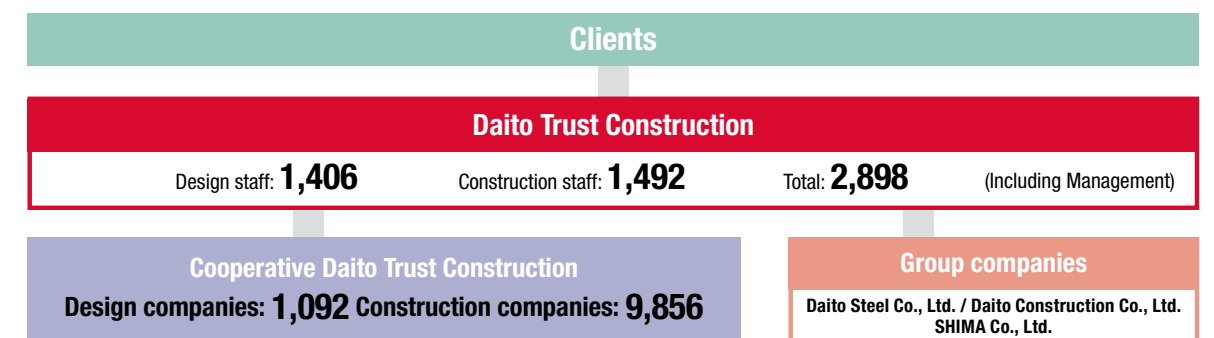
Recruited 5 new graduate construction staff from Uzbekistan



Center left: Daito Trust President, Center right: Universitas Singaperbangsa, Karawang Rector  
Specialized courses opened at Indonesian national universities

### Design and Construction Structure

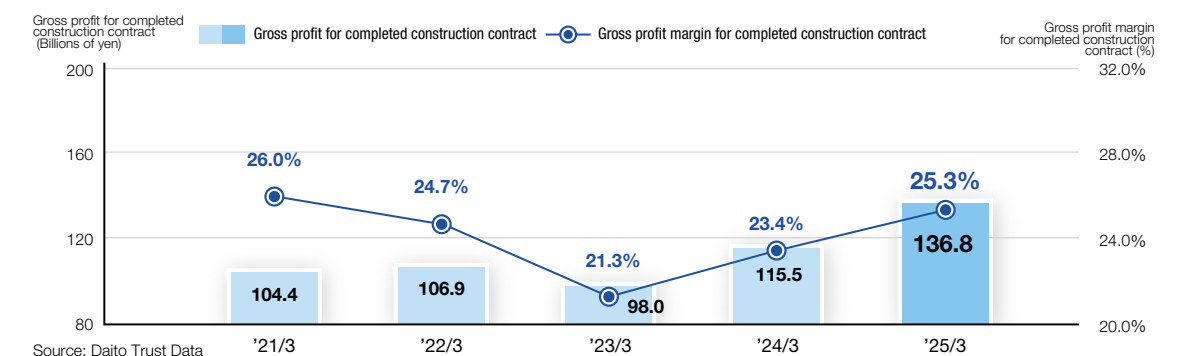
Secure design and construction quality through a system including cooperating companies and group companies



Note: As of March 31, 2025

### Gross profit for completed construction contract and gross profit margin for completed construction contract

Price revisions have improved profit margins



Source: Daito Trust Data



## Business Model

### Construction Business

#### ► Enhancing Product Power

Developing products tailored to the needs of the times and society.

##### Environment / ZEH / LCCM Rental Housing

- In April 2022, launched “NEWRiSE”, which has ZEH(Net Zero Energy House) standards set as standard, began. In September 2022, we launched a new proposal for rental housing that meets ZEH standards in all areas in Japan.
- In October 2022, we launched “NEWRiSE LCCM”, a rental housing product that meets the LCCM (Life Cycle Carbon Minus) standards.LCCM housing is designed to achieve net-negative CO<sub>2</sub> emissions throughout the building's life cycle—from construction to demolition—by generating more renewable energy than it consumes.It was the only project selected by Japan's Ministry of Land, Infrastructure, Transport and Tourism (MLIT) for three consecutive years, starting in FY2022, under the “Leading Projects for Sustainable Buildings (CO<sub>2</sub> Reduction Type)” program.



NEWRiSE LCCM

##### New concept rental housing

- In May 2023, we launched “VISION MyTAG” as a commemorative product for the 50th anniversary of Daito Trust, which developed through industry-academia joint research with Tama Art University as a next-generation product that creates connections between the local community and residents.



“VISION MyTAG”

- In August 2024, we launched “Ciel Class” a new type of housing configuration (patent pending) that is friendly to families with children and seniors.



“Ciel Class”

##### Disaster prevention/Earthquake recovery support rental housing

- In 2018, Daito Group launched the Disaster Prevention and Living Laboratory “Bo-ku-Lab”, a disaster prevention project.  
Promoting Disaster Awareness in Rental Housing.
- In March 2024, we launched the “New Rise Snowy Region Hokuriku Model” as a rental housing to support the recovery from the Noto Peninsula earthquake. This product based on the traditional teahouse architecture of Higashi Chaya District in Kanazawa City and comes standard with disaster prevention items such as a distribution board with an electric shock breaker and safety lights.
- In May 2025,we launched Bo-ku-Lab Rental Housing “FEEL,” the fourth disaster-conscious rental property in the series that helps prepare for emergencies in everyday life. The property is designed with sheltering in place in mind and comes equipped with an emergency USB outlet in case of a power outage.



“Bo-ku-Lab Rental Housing FEEL”

##### Promoting Wood Utilization

- In January 2024, a rental house built using 2x4 construction methods and 100% Made in Japanese red pine from Iwate was completed. We will continue to promote local production and consumption by using locally sourced timber, contributing to the promotion of local forestry and regional revitalization.



Rental housing constructed using 2x4 construction methods and 100% domestic materials (As of September 30, 2023)

- As of FY2024, 15 buildings using our proprietary CLT construction method, which we started working on in 2015, have been completed nationwide.



Three-story rental housing product by adopting our proprietary CLT construction method“Forterb III”

#### ► Product Lineup

Leverage the know-how of specialist rental companies and prepare a variety of products.

##### Apartments

Products with excellent design and room layout that cater to various lifestyles.



NEWRDeFI III



CONTE CRSTO III



CIEL GARAGE (1st floor garage)



CONTE MONOW III



DOMO



CIEL PATIO (terrace)

##### Condominiums

Urban rental condominiums to be designed one by one.Owner's room attached to rental housing is also fully customizable.



RC structure condominium



Owner's room attached to rental housing(RC structure)



Entrance



Lobby

##### Examples of Large-Scale Developments

Construction of rental housing helps revitalize the community.



Yokohama City, Kanagawa



Kyoto City



Karuizawa City,Nagano



## Business Model

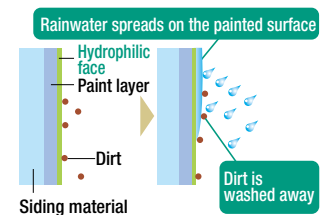
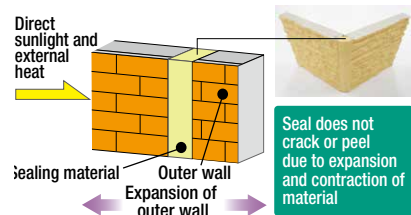
## Construction Business

## ► Construction Technologies

We introduce various technologies aimed at reducing maintenance costs.

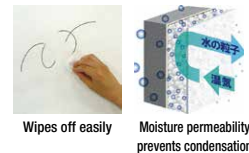
## Exterior Technologies Materials that preserve views

## Fiber Cement Siding

**1** Dirt-resistant siding with fade-resistant finish that rain naturally cleans**2** Weather-resistant exterior sealing that adapts to wall movement

## Interior Technologies Materials that hold down restoration costs

Eco-barrier wallpaper that resists aging, fading, dirt, and mold



Scratch-resistant flooring that can be replaced one section at a time



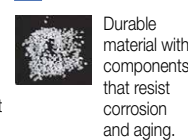
Internal fittings that are resistant to scratches and discoloration



Reprogrammable Key System







## Waterproof elastic coating material (Substitute for outer wall tiles)

**1** Excellent elasticity**2** High durability

We supply buildings with fundamental features that boast a high level of performance.

## Characteristics of Basic Performance

## ① Earthquake resistance

Earthquake resistance grades	Grade 3: Earthquake resistance performance established in the Building Standards Act x 1.5 times Grade 2: Earthquake resistance performance established in the Building Standards Act x 1.25 times Grade 1: Earthquake resistance performance established in the Building Standards Act		We have developed rental housing products compliant with Grade 3 earthquake resistance standards, including models such as niimo, FEEL, and CIEL PATIO.	
Features	[2 x 4 construction]	[CLT construction]		
	Monocoque structure in which the roof, the wall and the floor are united		The roof and floor use laminated timber beams, while the walls feature CLT panels with proprietary metal fittings	
				
		2x4 Construction High-strength hold-down hardware		2x4 Construction Corner fittings

## ② Energy efficiency

Insulation performance class	Grade 5: Conforms to ZEH standard equivalent*. Grade 4: Conforms to Japan's Energy Saving Standard 2016 Grade 3: Conforms to Japan's Energy Saving Standard 1992 Grade 2: Conforms to Japan's Energy Saving Standard 1980 Grade 1: Other	Primary Energy Consumption Grade	Grade 6: Conforms to ZEH standard equivalent*. Grade 5: Conforms to low-carbon standards Grade 4: Conforms to Japan's Energy Saving Standard 2016 Grade 1: Other
Features	Highly energy-efficient materials enable buildings to pass ZEH standard equivalent	Features	Grade 5 is realized by satisfying certain conditions for some wooden houses.

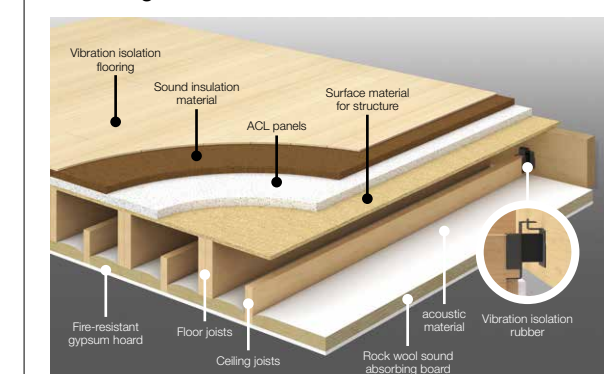
\*Grade may vary depending on the product, region, and door line.

## ③ Air quality

Formaldehyde emission grades	Grade 3: All surface materials have a rating of four stars or more Grade 2: All surface materials have a rating of three stars or more Grade 1: Conforms to Japan's Building Standards Act	"Filters for air supply outlets", our original products, have been developed to prevent pollen and PM2.5 from entering houses	
Features	Comfortable indoor environments thanks to 24-hour ventilation and interior materials that emit a minimum of chemicals	 【Expected Value】 Removal rate of pollen*1: 90% or more Removal rate of PM2.5*2: 68% or more *1 Based on the assumption of particles of 20µm~40µm of pollen from Japanese cedar trees *2 Based on the assumption of particles of less than 2.5µm of PM2.5	

## ④ Sound insulation

## New "High sound insulation floor"



"Four performance features" with rock wool sound absorbing board



Sound transmitted from the upper floor is reduced up to 15db (compared to the existing specifications) in the range of sound easily picked up by the human ear.

Heavy floor impact sound(LH)		Light floor impact sound(LL)	
LH-55	D-tone55*1 (standard specification)	LL-40	
LH-60		LL-45	
LH-65	General wooden house*2	LL-50	
LH-70		LL-55	General wooden house*2

\*1 This performance measurement was obtained in tests done by the Japan Testing Center for Construction Materials. It is not a guarantee of performance in an actual building.

\*2 Typical wooden rental housing is based on JHF specifications as the standard.

## Working on technology development to popularize energy efficiency and creation.

## History of Energy Efficiency Technology Development

We have introduced energy efficiency equipment as standard in advance, and then developed ZEH and LCCM

2010	2017	2021	2023
<b>Strengthening energy efficiency</b> Energy efficiency standards enhanced under revised Energy Conservation Law 	<b>ZEH development</b> Japan's first ZEH-certified rental housing completed 	<b>LCCM development</b> Japan's first LCCM-compliant rental housing completed 	<b>DK-ZEH Started</b> DK-ZEH operation started using low-voltage bulk power reception 
			<b>non-FIT Started</b> Kyocera begins purchasing surplus electricity under non-FIT scheme  ● Expanded ZEH rental supply area ● Improved asset value and business profitability ● Contributes to decarbonization through renewable energy use  ● Kyocera contributes to CO2 reduction by purchasing renewable electricity

## Business Model

### Construction Business

#### ► Promoting Eco-Friendly Housing

##### We promote the proliferation of eco-friendly rental housing

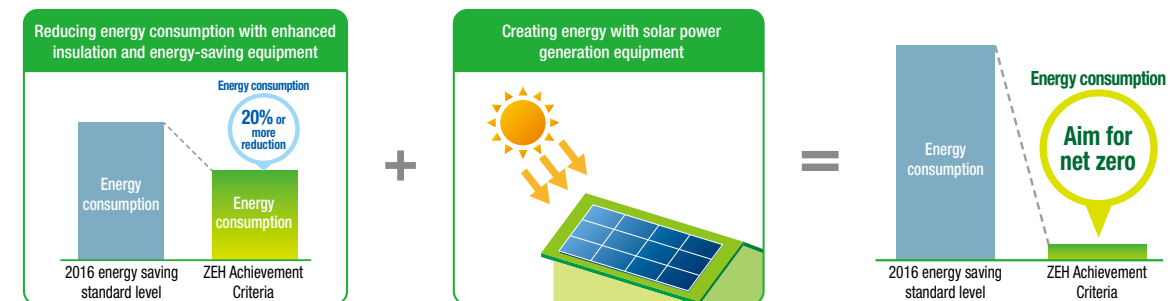
###### Efforts to Save energy and Reduce CO<sub>2</sub> in Housing Promoted by the government

In order to achieve carbon neutrality by 2050, the Japanese government is promoting energy-saving and CO<sub>2</sub>-saving initiatives, aiming to ensure energy-saving performance levels exceeding the ZEH standard for newly built houses after FY2030.

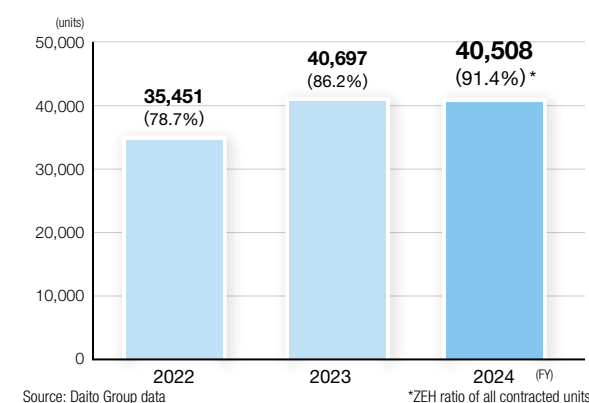


###### ZEH(Net Zero Energy House)

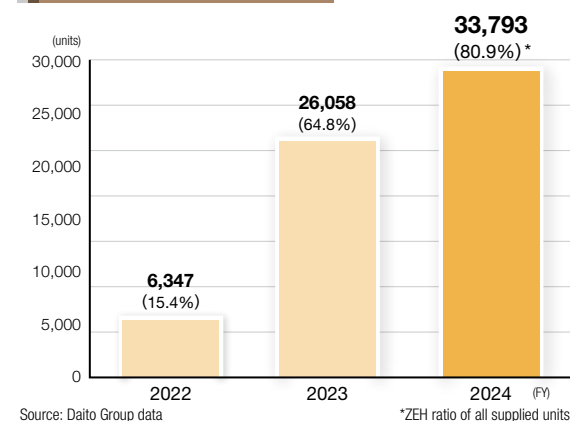
Housing that reduces annual energy consumption by 20% or more through enhanced insulation and energy-saving equipment. Furthermore, we aim to reduce the balance of energy consumption to zero through renewable energy such as solar power generation.



###### Sales of ZEH Rental Housing

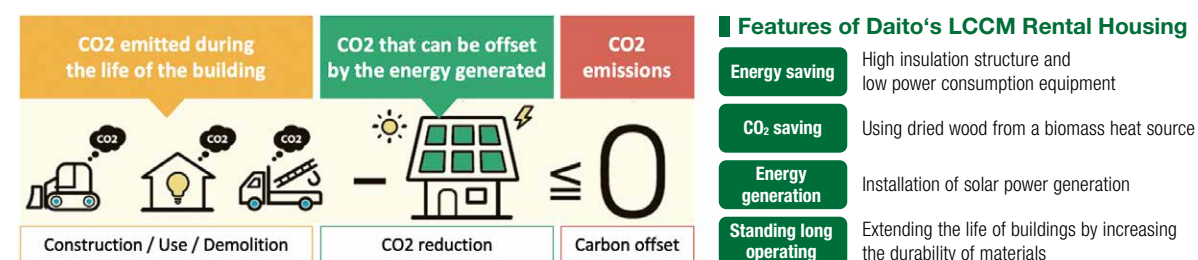


###### Supply of ZEH Rental Housing



###### LCCM (Life Cycle Carbon Minus) Housing

The decarbonized housing that offset CO<sub>2</sub> emissions from building construction to demolition by the energy generated.



#### ► Strengthening the functions of the Construction Business

##### Strengthening construction structure to respond to changes in the business environment

- We acquired a construction company to respond to major changes in the business environment-such as rising lumber prices and inflation since 2021-and also established an overseas subsidiary to secure a stable supply of timber.

###### SHIMA CO.,LTD.

- A general constructor that handles residential and non-residential fields, mainly in Kansai region.
- Many achievements of construction work in the non-residential and public works fields.



Non-residential / factories • warehouse



Civil engineering



Public construction

- At the Osaka Kansai Expo, involved in the construction of pavilions for four countries (Canada, the United Kingdom, Australia, United States).



Canada



The United Kingdom



Australia

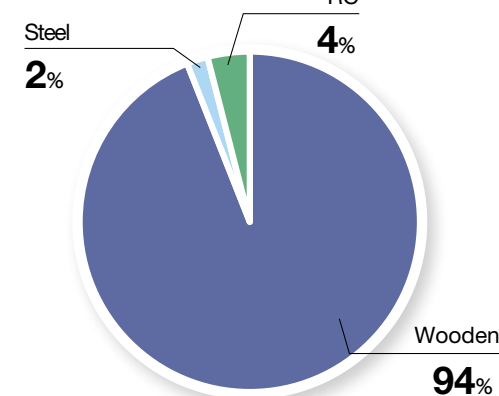
###### DAITO CANADA TRADING INC.

- Responsible for stable procurement of overseas lumber used in wooden 2x4 construction methods
- Establishing a local subsidiary in Canada strengthens ties with local sawmills.
- Aiming for 100% sustainable wood procurement rate by 2030.



##### Supply structure ratio of rental housing (FY2024)

\*Number of buildings



- Approximately 90% of the rental housing we supply is made of wood
- Most of the timber is imported from Canada
- We import the highest volume of timber from Canada among all companies in Japan



## Business Model

Real estate leasing Business

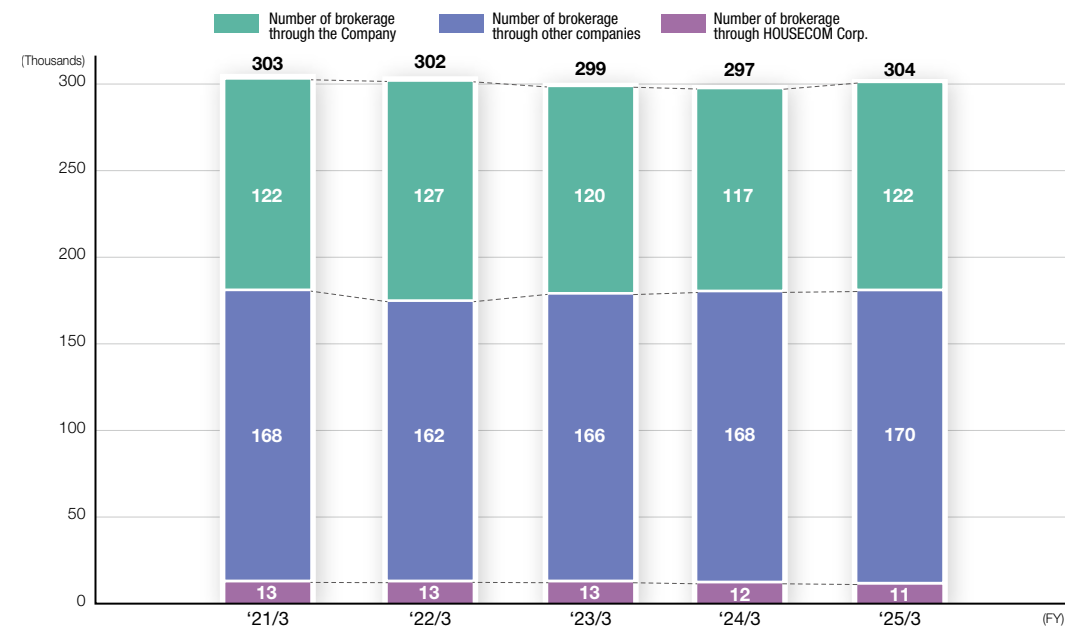
### Tenant Recruitment Structure

The collaboration among the three main companies has contributed to lower vacancy rate and higher rent.

Tenant recruitment structure of in-house controlled buildings Improved efficiency by the share of business

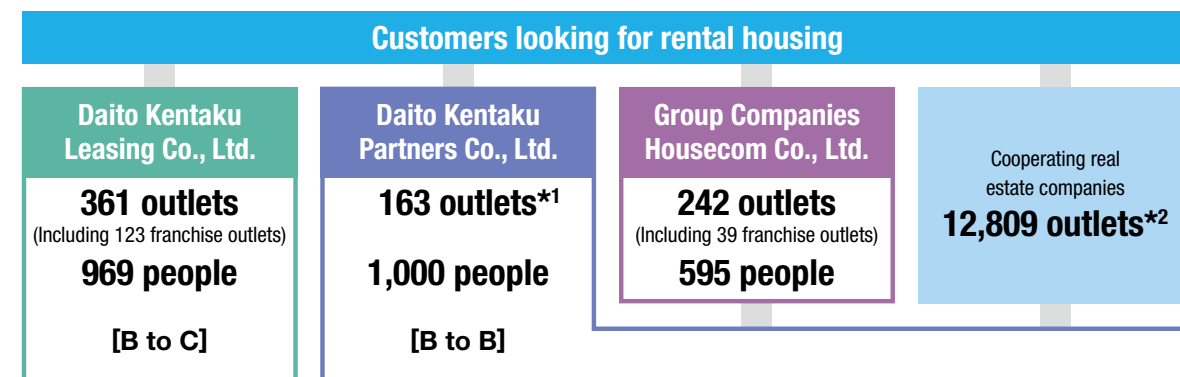
	Daito Kentaku Leasing Co., Ltd. Housecom Co., Ltd.	Daito Kentaku Partners Co., Ltd.
Direct brokerage business	○	
Indirect brokerage business		○
Market survey and rent appraisal		○

Trends in number of brokerage Both direct and indirect brokerage businesses are progressing increase.



Source: Daito Group data  
\*Housecom Co., Ltd. became a wholly owned subsidiary as of February 1, 2025.

Tenant Recruitment Structure A structure comprising group and outside companies



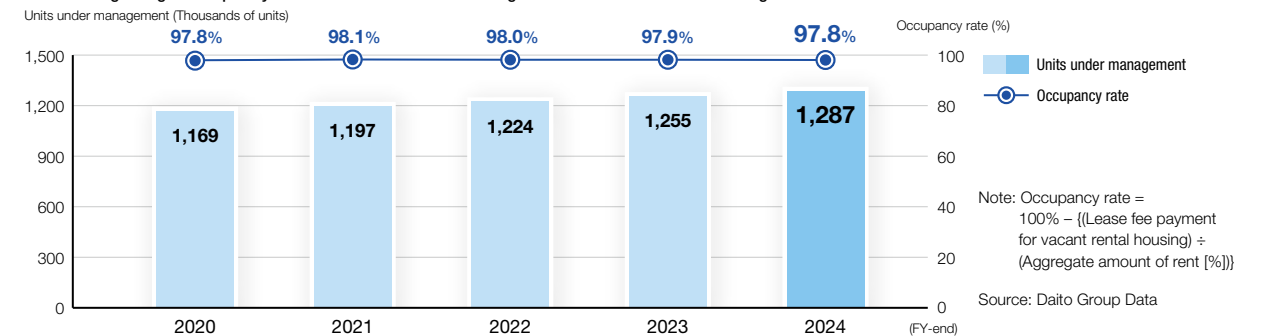
\*1 Only offices that offer customer service  
\*2 Number of cooperating real estate companies introducing one or more rental housing units to the Daito Group in FY2024

Note: As of March 31, 2025

Daito Group's Proprietary rental housing brokerage network is among the best in the industry.

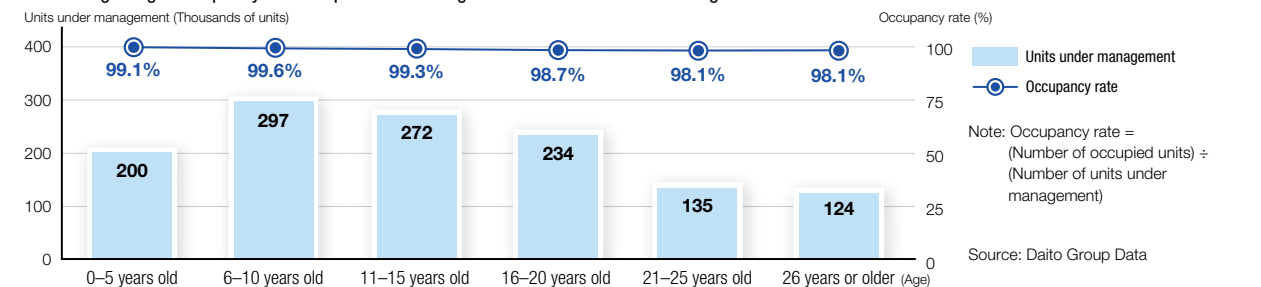
Number of rental housing units under management and occupancy rate based on rent

Maintaining a high occupancy rate even with the increasing number of units under management



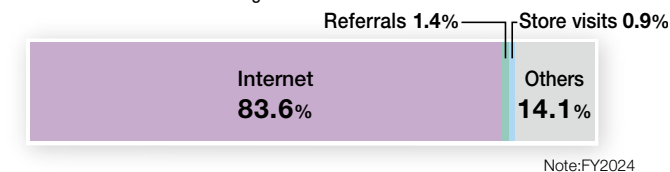
Number of Rental Housing Units in Different Ages under Our Management and the Occupancy Rate

Sustaining a high occupancy rate despite continued growth in the number of managed units



Tenant Acquisition Activity Tenant acquisition activity through the E-heya Net brand

Breakdown of rental housing search media



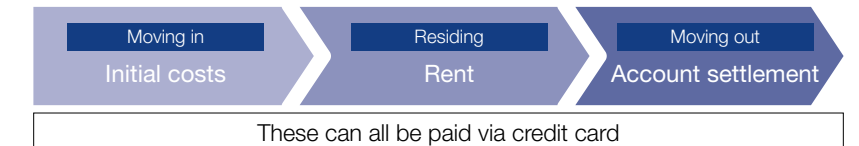
A one-stop application and contract service specialized for real estate business



Pursuing easy-to-use electronic application and contract services for real estate companies and tenants

Expanding Services Responding to tenant needs

① Accepting credit card transactions for all procedures



② No security deposit and a flat-rate house cleaning plan  
• Reducing initial costs when moving in and ensuring transparent account settlements when moving out

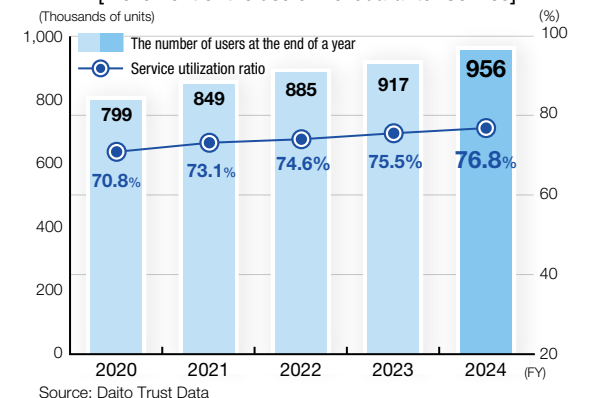
Fees for agreement

	Usual agreement	plan agreement
Rent fee	50,000 yen	50,000 yen
Communal charge	3,000 yen	3,000 yen
Parking fee	5,400 yen	5,400 yen
Deposit (equivalent to rent fees for 2 months)	100,000 yen	0 yen
Cleaning fee	0 yen	32,400 yen
Agent fee	54,000 yen	54,000 yen
Parking operation fee	5,400 yen	5,400 yen
	217,800 yen	150,200 yen

Initial expenses reduced by as much as 67,600 yen!

③ No guarantor required  
• Eliminating the hassle of securing a guarantor makes it easier for tenants to sign contracts and move in

[Movement of the use of No-Guarantor Service]



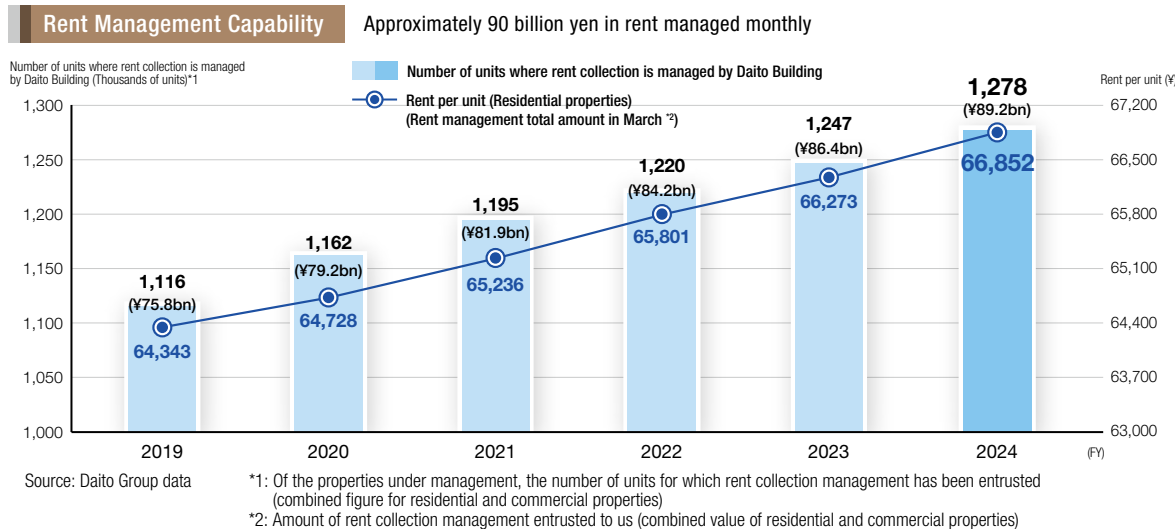
Source: Daito Trust Data

## Business Model

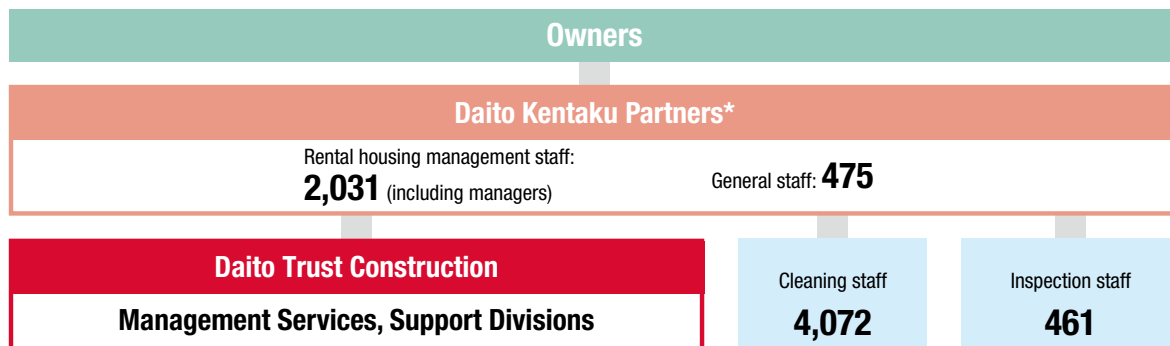
### Real estate leasing Business

#### Rental Housing Management Structure

With the capacity to manage around 1.3 million units, we have built a stable stock-based business model



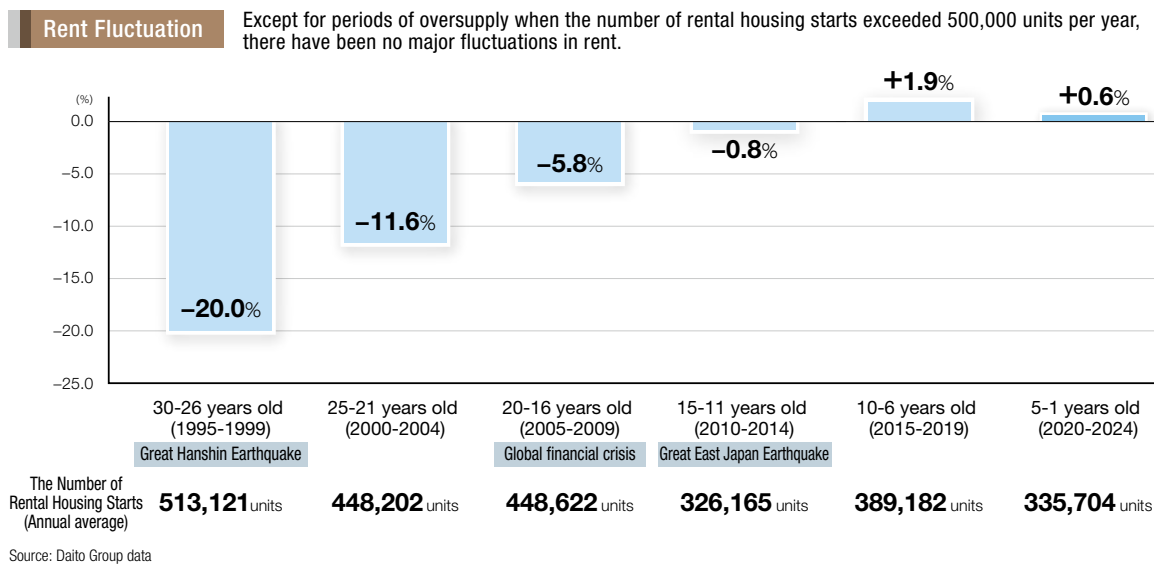
**Management Structure** Management structure centered on Daito Kentaku Partners Co., Ltd.



\*Daito Kentaku Partners Co., Ltd.

\*Daito Kentaku Partners was established in November 1999 as a wholly owned subsidiary of Daito Trust Construction to enhance rental housing management services. Its main business is whole-building lease and management and operation of rental housing. It ranks No. 1 in Japan by the number of units under management. It is engaged in the comprehensive management of rental housing.

Note: As of March 31, 2025



**For Inquiries** Bringing relief and satisfaction to tenants

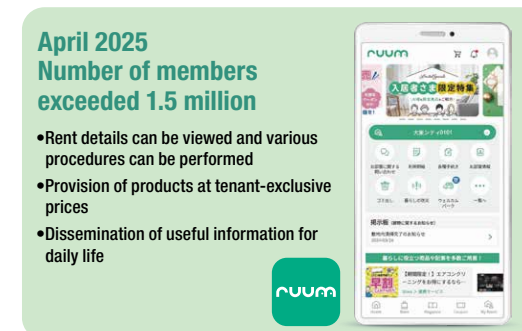
- **E-heya Support Center**  
24-hour support for various problems that occur in tenants  
Available in 6 languages



Number of responses made in a year

**1,089,586** ※FY2024

- **Dedicated app for tenants**  
When tenants have any problems or issues with their home, they can inquire through the app.



Number of DK SELECT app members

**1.50 million** ※As of April 30, 2025

**Maintenance / inspection**

**Emergency response service**  
Maintenance service staff



The number of emergency cases

**17,304 cases** ※FY2024

**Cleaning service**  
Cleaning staff



Mainly local housewives clean inside and outside of building site.

**Building inspection**  
Building inspection staff

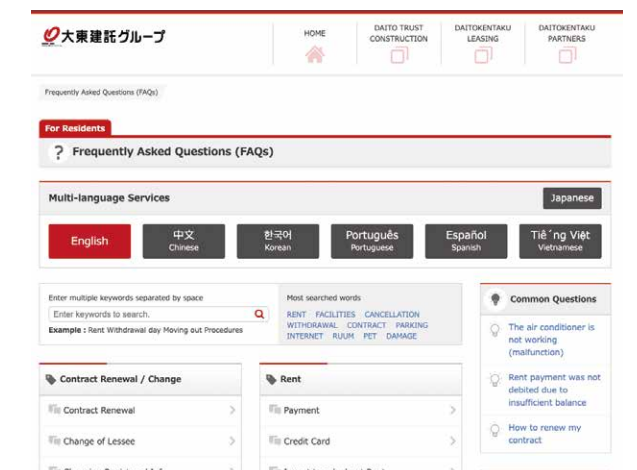


Specialized staff inspect building every two months.

- **Inquiry to AI (Artificial Intelligence)**  
AI assistant "Smai-chan" responds promptly via chat

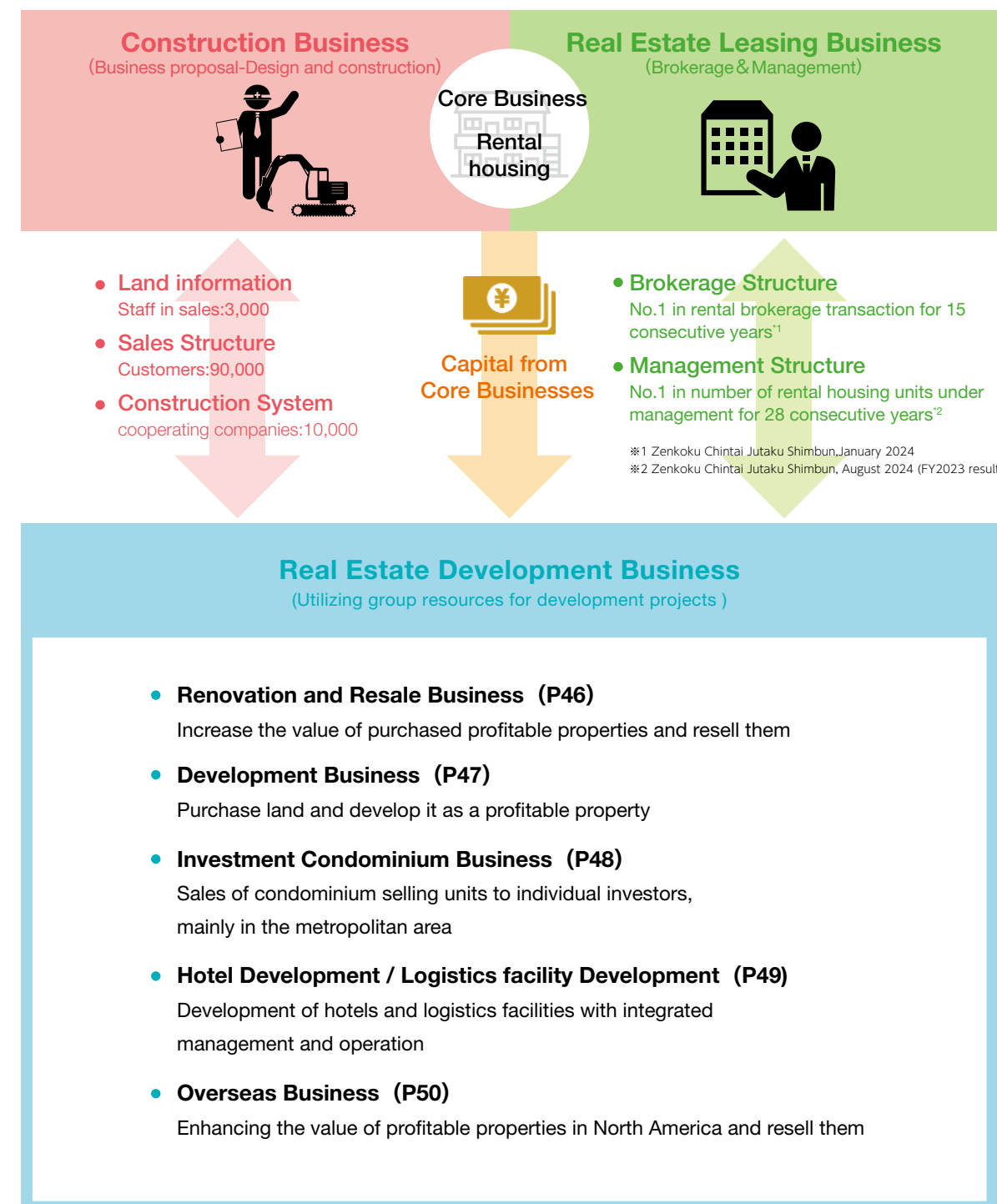


- **Frequently Asked Questions (FAQs)**  
Answers to frequently asked questions from tenants



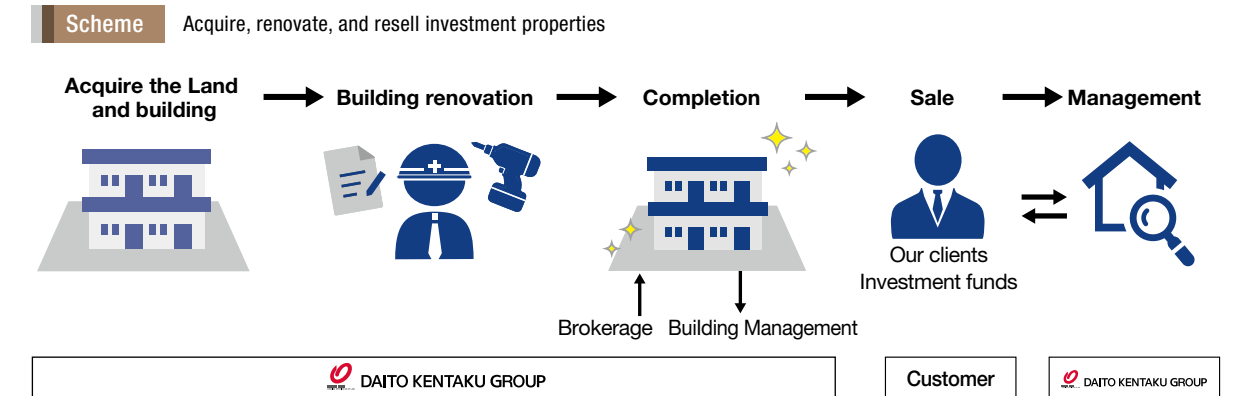


## Business Overview



## Renovation and Resale Business

We renovate and resell investment properties to increase their value.



### Renovation Examples

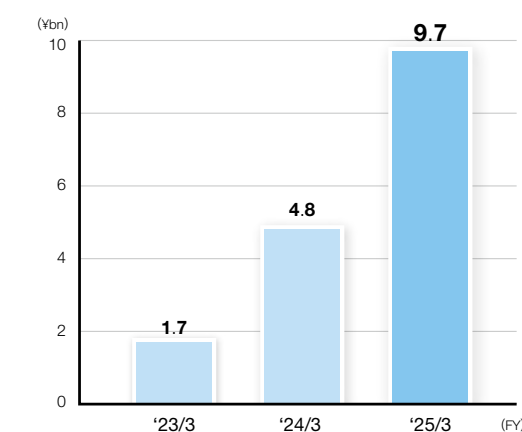
Before



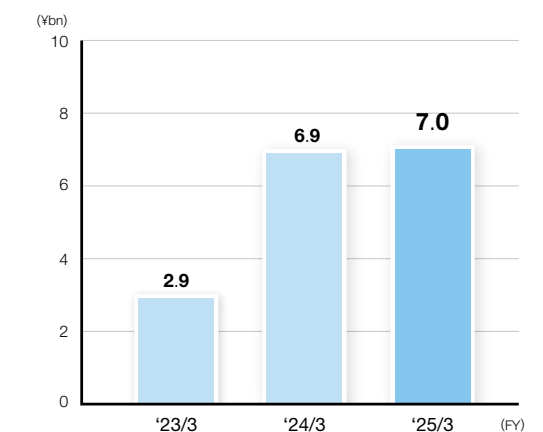
After



### Sales performance



### Amount of stock



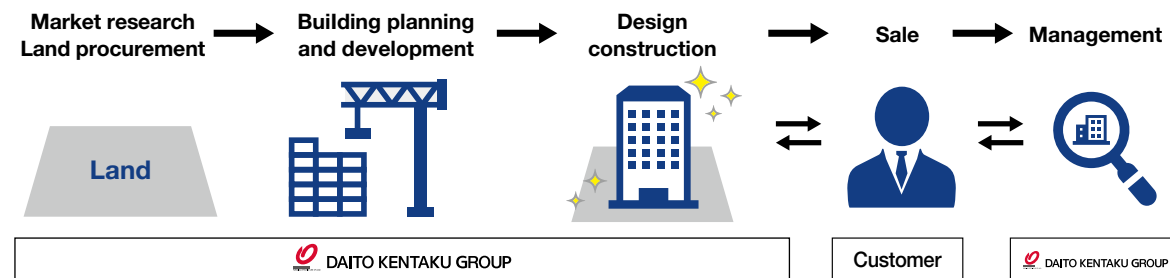
## Business Model

### Real estate development Business

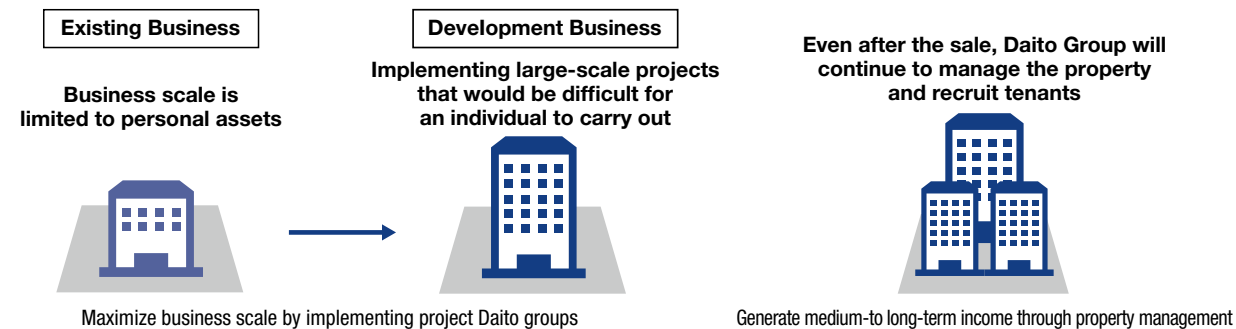
#### ► Development Business

Daito Group develops real estate suited to the market and sells it as profitable properties

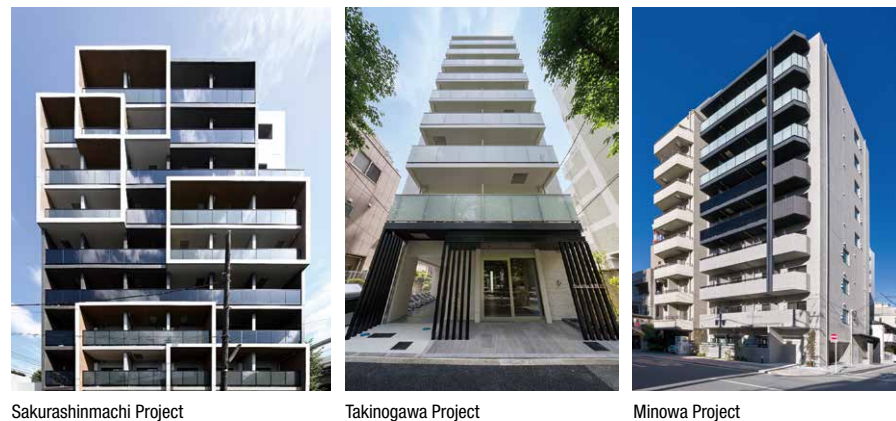
**Scheme** After purchasing land, develop and sell rental housing



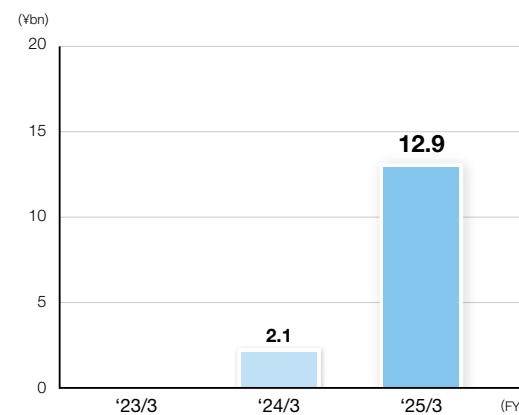
**The purpose** Maximize asset value and expand our profits



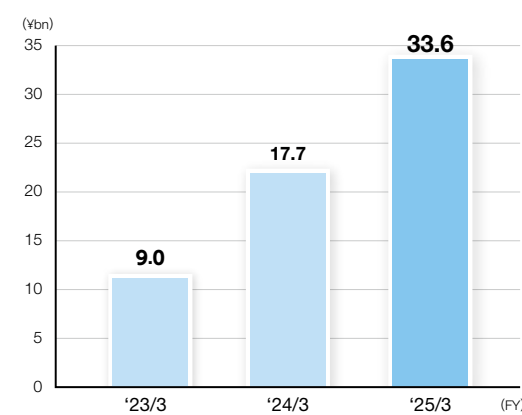
**Sales examples**



**Sales performance**



**Amount of stock**

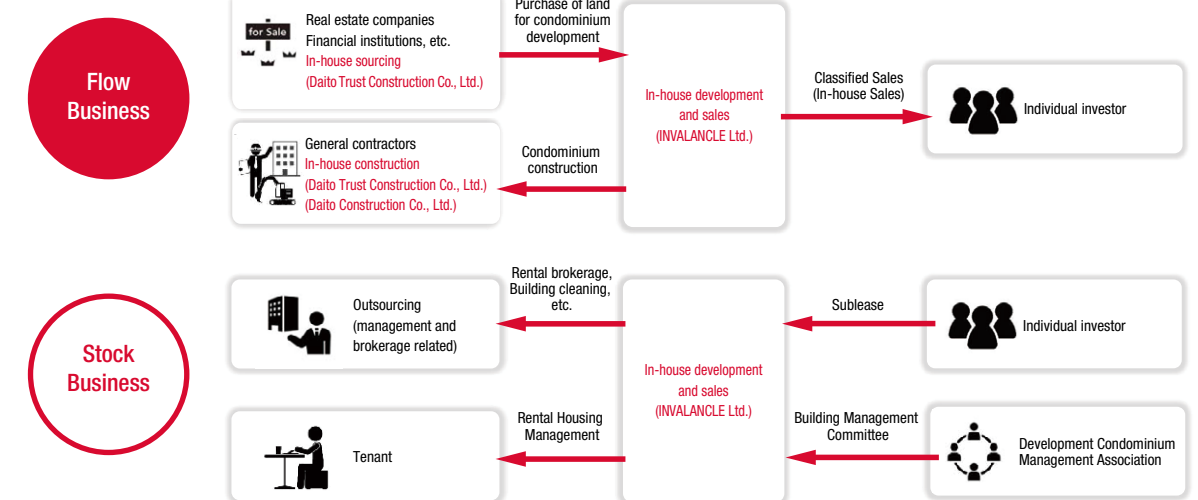


#### ► Investment Condominium Business

We handle every stage of process, from developing investment condominiums to selling and individual units managing the properties.

**Business Activities and Characteristics**

(Scheme diagram)



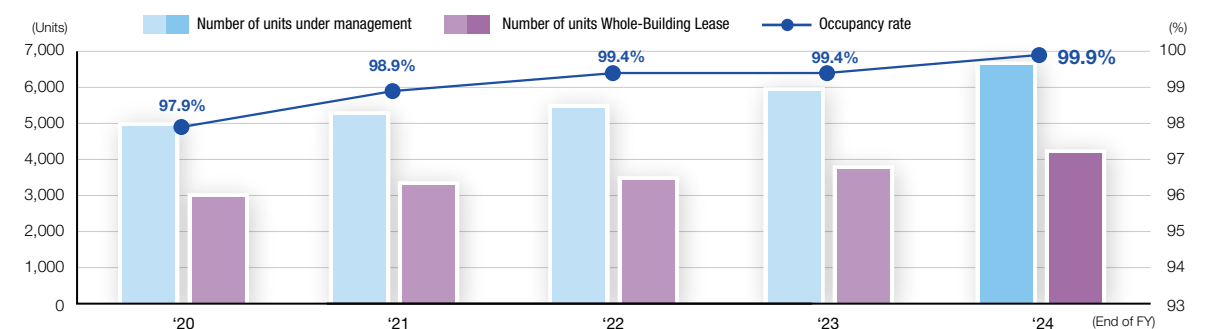
- Providing one-stop services from acquisition of land for development to design, construction, sales, building management, and lease management, mainly in the Tokyo metropolitan area.
- In-house development of condominiums with high design and asset value, including all units equipped with IoT.
- Mainly provides consulting services to individual investors on asset formation, asset management, etc., and sells condominium units.

**Example of Condominium Development**



**Number of units under management, Number of units Whole-Building Lease, and Occupancy rate**

Industry-leading occupancy rates





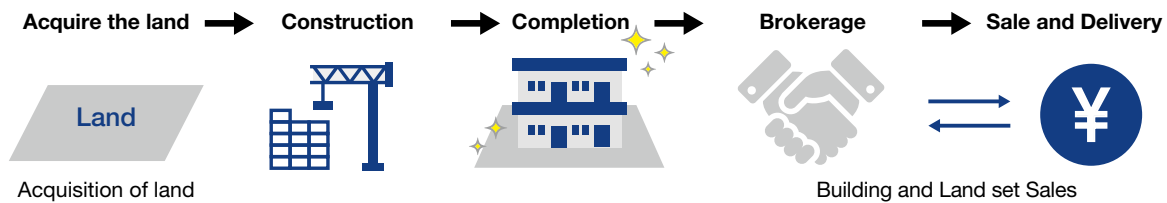
## Business Model

Real estate development Business

### ► Hotel Development / Logistics facility Development

Development based on future demand

#### Scheme



#### Area

**Hotel** Key tourist destinations: Sapporo, Tokyo, Osaka, Kyoto, Hakata, and more

**Logistics facility** Mainly in the Kanto, Kansai and Kyushu regions



#### Development images

**Hotel** Focusing on development of apartment hotels, with management functions as its strength



The above images are for illustrative purposes only

cat | tokudation



A resort hotel also planned for development in Yuftin, Oita Prefecture

**Logistics facility** Promoting the development of dry warehouses and refrigerated/frozen warehouses in carefully selected locations



A logistics facility under construction in Kanuma, Tochigi Prefecture

### ► Overseas Business

We have launched a Renovation and Resale Business in the USA

#### Business Descriptions

- We identify the most suitable value-add opportunities. Our local subsidiary, Daito Kentaku USA works on renovations and sells the completed properties as income-generating investments to our clients.
- We provide the same grade of after-sales services as we do in Japan, including managing properties and any sophisticated needs of our clients after the sale.
- We also provide brokerage services, and sourcing most appropriate opportunities, property management and value-add proposal upon our client's expectations.

#### Deployment Area

- We focus on California, and are gradually expanding to markets where a stable supply-demand balance can be achieved.

First acquisition: 9 buildings/36 units  
Location: Redondo Beach, California



#### Renovation Examples

Before



After



- The interior has also been renovated to suit local tastes.





## Business Model

### Other Businesses

#### ► Energy Business

##### Supply of Gas

We provide installation, maintenance, and supply of LP gas for apartments and condominiums. Following the full liberalization of the city gas retail market, we have also begun supplying city gas.

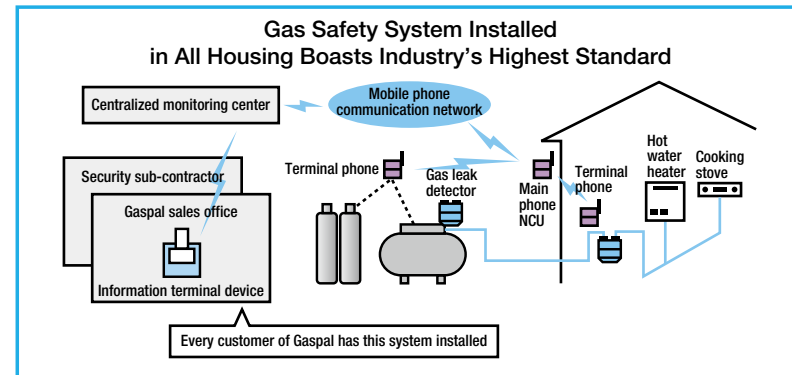
Number of units in which LP gas is supplied

**432,985**

Number of units in which city gas is supplied

**80,714**

Note: As of March 31, 2025



##### Solar Power Generation

The Daito Group installs solar panels on the roofs of rental housing and sells all of the electricity generated to electric power companies.

Number of equipped properties

**27,570**

Note: As of March 31, 2025

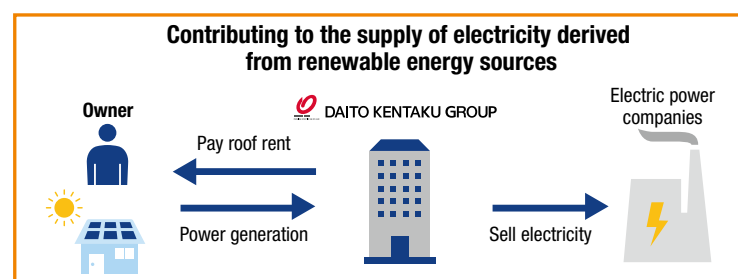
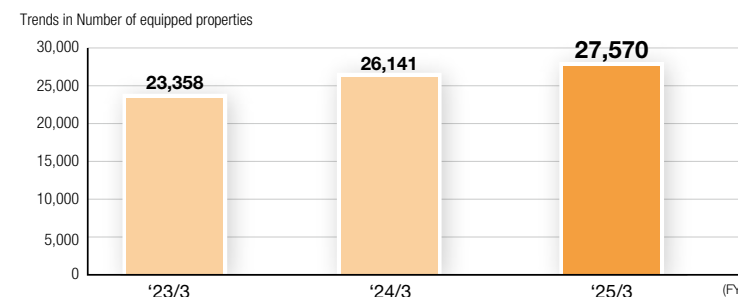
Solar power generation

**459 GWh**

For one year,  
this electricity can power

**116,261** households

\*Ministry of the Environment. "2022 Household CO<sub>2</sub> Emissions Statistics Survey, Reference Materials (Final Figures)"  
Calculated based on the national average annual electricity consumption per household of 3,950 kWh.



##### The Renewable Energy Business

We own solar power plants including mega solar power plants in Japan, and sell power to electric power companies.

Solar power plant

**3**



Mega solar plant in Hokota City, Ibaraki



Mega solar plant in Tatsuno City, Hyogo

#### ► Biomass Power Generation Business

- In order to promote RE100 and decarbonization, we started operation of the Asago Biomass Power Plant in Asago City, Hyogo Prefecture in April 2024. In addition, we acquire Ichinohe Forest Power Co., Ltd. in Ichinohe Town, Iwate Prefecture in April 2025 and started operation.



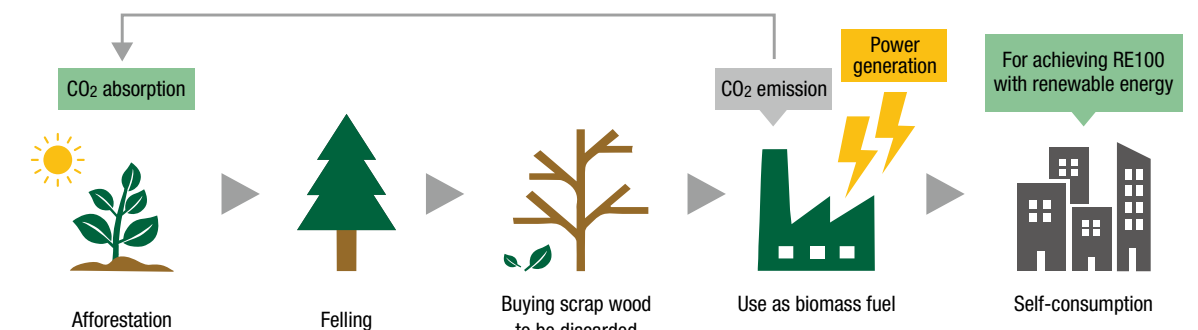
DAITO BIO ENERGY Co., Ltd.



Ichinohe Forest Power Co., Ltd.

- Forest circulation using domestic timber contributes to forest conservation and the revitalization of the domestic forestry industry.
- Compared to solar and wind power generation, biomass power generation is unaffected by weather or time of day and can provide a stable supply of electricity 24 hours a day.
- The Daito Group expects to achieve 100% domestic renewable energy utilization by using energy generated at its two on-site power plants.

##### Circulation System



##### Use of wood chips

- We use hammer-type crushers to turn branches, stumps, lumber scraps, and other forestry residues into chips, contributing to biomass fuel production.
- By relaxing the quality requirements for wood chips used as fuel, we can expand the types of wood we can accept, contributing to the revitalization of forestry and disaster prevention measures caused by forest residues.
- Using unused wood and other materials as fuel contributes to forest sustainability.



Timber Yard



Wood chips manufacturing process



Wood chips



## Business Model

### Other Businesses

#### Care and Nursery School Businesses

##### Day-Care Services

For senior citizens living at home, we provide day-care services that include exercise, recreation, meals, and bathing.

Number of day-care centers

**82**

Note: As of March 31, 2025

Number of day-care center users

**989,921**

Note: FY2024



Exercising



Recreational activity

##### Visiting Nursing Care

Our nursing care staff visit home to help with daily living needs.

Number of visiting nursing care facilities

**10**

Note: As of March 31, 2025



##### Assisted Living Rental Housing for Senior Citizens

Number of completed construction

**3**

Note: As of March 31, 2025



Elder Garden Minamitsukushino(outside)



Inside a room (model room)

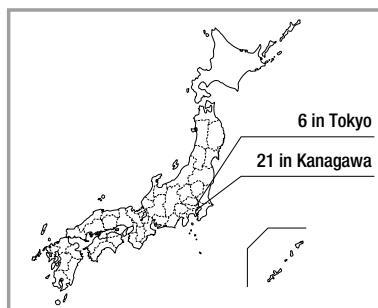
##### Kids Partner

Operates licensed daycare center “Kids Partner” in Tokyo and Kanagawa

Number of nursery schools

**27**

Note: As of March 31, 2025



Inside of KIDS PARTNER MINATOMIRAI

##### Residential nursing home

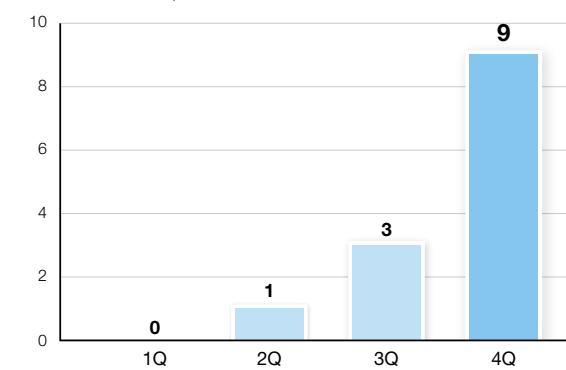
This facility offers daily living support-including meals, laundry, and cleaning-for elderly residents, and is designed to ensure that those certified as needing support or nursing care can easily receive the services they require.

“Soel Garden” has been on sale since 2024, is designed and constructed by Daito Trust Construction, managed by its group company Daito Kentaku Partners, and tenant recruitment and operated by Care Partner.

Number of planned openings FY2025

**13** facilities

Note: As of March 31, 2025



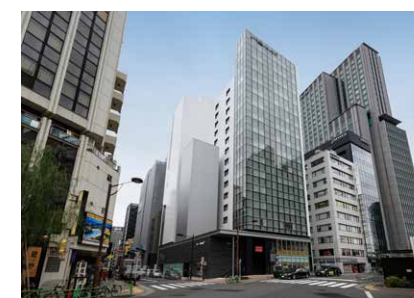
#### Real Estate Investment Business

##### Hotel Business

“Hilton” and “Le Meridien” hotels owned by our group in Malaysia



##### Domestic and Overseas Real Estate Investment



Acquired profitable property and it is operated as hotel “Remm plus GINZA”.



Daito Trust has developed rental housing with a local dominant real-estate developer in the suburb of Washington, D.C.