



# OPEN HOUSE GROUP CO., LTD.

## Consolidated Financial Highlights for the First Quarter of FY2022

(2021/10-2021/12)

[3288 TSE]



JPX-NIKKEI 400  
2017-2021



# FY2022 1Q Topics

## FY2022 1Q Business performance

- **In addition to the brisk real demand and investment, consolidation of PRESSANCE CORPORATION Co., Ltd. contributed to the growth.**

Actual

Revenue:	¥ 235.2 billion [ 51.7% YOY]
Operating income:	¥ 35.0 billion [ 80.7% YOY]
Profit attributable to owners of parent :	¥ 22.6 billion [ 52.6% YOY]

## FY2022 Performance forecasts

- **Aiming to achieve record highs in revenue and income for the tenth consecutive year.**

Forecast

Revenue:	¥ 920.0 billion [ 13.5% YOY]
Operating income:	¥ 112.0 billion [ 10.8% YOY]
Ordinary income:	¥ 108.9 billion [ 11.6% YOY]

## January, 2022 Transition to the holding company structure

- **Established a structure for a new stage**

**Open House Group Co., Ltd. started its operations.**

# Shifting to Holding Company Structure

- Shifted to the holding company structure. on January 1, 2022.

- The Holding Company : **Open House Group Co., Ltd.**

\* Open House Co., Ltd. changed its company name to Open House Group Co., Ltd. on January1, 2022.

## Purpose

- 1) Speeding up decision making in business promotion
- 2) Strengthening the functions for managing the group
- 3) Building a forward-looking management system



**OPEN HOUSE GROUP**

東証一部3288は、株式会社オープンハウスグループになりました。

上場からの業績および株主還元状況  
2013年9月期の上場から9期連続して売上高、営業利益を更新  
売上高8位、営業利益10位、1株当たり配当金は18倍(2013年9月期比)

年度	売上高 (百万円)	営業利益 (百万円)	配当金 (1株当たり) (円)
2013年9月期	745	101	4.50
2014年9月期	1,021	127	12.00
2015年9月期	1,399	213	15.00
2016年9月期	2,472	313	25.00
2017年9月期	3,064	376	32.00
2018年9月期	3,927	472	42.00
2019年9月期	5,409	677	62.00
2020年9月期	5,759	621	65.00
2021年9月期	8,105	1,011	112.00

**OPEN HOUSE GROUP**

# Corporate Philosophy and Mission

## Corporate Philosophy

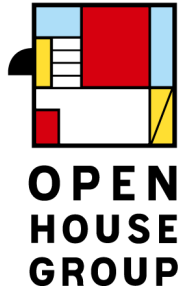
**The OPEN HOUSE GROUP aims to**

- 1. Remain committed to pursuing "Houses that customers want" honestly and constantly.**
- 2. Attract a wide range of motivated people and create an organization that rewards results.**
- 3. Increase performance and expand the scale of our business, and be a real estate company needed by society.**

## Mission

**Providing "houses at affordable prices in urban areas"**

\* For further details, please refer to page 33-35.



## **FY2022 1Q Consolidated Summary**

# Overview of Consolidated Income Statement

- ☑ Posted record highs in revenue and income for the first quarter.

(Millions of yen)

	FY2021 1Q <2020/10-2020/12>		FY2022 1Q <2021/10-2021/12>		Inc.(Dec.)
	Actual	% of revenue	Actual	% of revenue	
<b>Revenue</b>	155,119	-	<b>235,255</b>	-	51.7%
<b>Operating income</b>	19,394	12.5%	<b>35,041</b>	14.9%	80.7%
<b>Ordinary income</b>	20,647	13.3%	<b>35,418</b>	15.1%	71.5%
<b>Profit attributable to owners of parent</b>	14,842	9.6%	<b>22,653</b>	9.6%	52.6%



## Performance by segment (Revenue/Operating income)

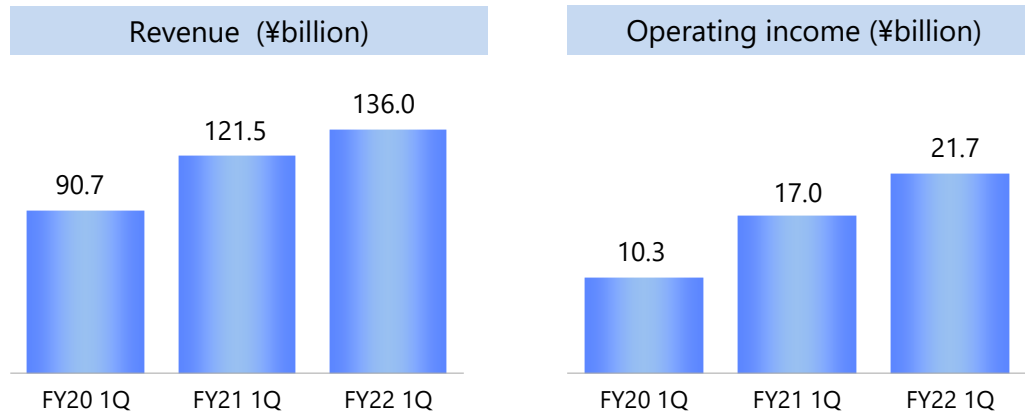
- ☑ In addition to the brisk real demand and investment, consolidation of PRESSANCE CORPORATION Co., Ltd. contributed to the growth.

(Million yen)

	FY2021 1Q <2020/10-2020/12>		FY2022 1Q <2021/10-2021/12>		Inc.(Dec.)
	Actual	Ratio	Actual	Ratio	
<b>Revenue</b>	155,119	100.0%	<b>235,255</b>	100.0%	51.7%
Single-family homes related business	121,524	78.3%	<b>136,051</b>	57.8%	12.0%
Condominiums	262	0.2%	<b>4,374</b>	1.9%	1,565.6%
Property resales	24,633	15.9%	<b>41,064</b>	17.5%	66.7%
Others (including U.S. real estate business)	8,766	5.7%	<b>17,042</b>	7.2%	94.4%
Pressance Corporation	—	—	<b>37,028</b>	15.7%	—
Adjustments	(67)	—	<b>(306)</b>	—	—
	Actual	% of revenue	Actual	% of revenue	Inc.(Dec.)
<b>Operating Income</b>	19,394	12.5%	<b>35,041</b>	14.9%	80.7%
Single-family homes related business	17,045	14.0%	<b>21,799</b>	16.0%	27.9%
Condominiums	(808)	—	<b>(118)</b>	—	—
Property resales	2,579	10.5%	<b>5,324</b>	13.0%	106.4%
Others (including U.S. real estate business)	887	10.1%	<b>2,202</b>	12.9%	148.2%
Pressance Corporation	—	—	<b>6,272</b>	16.9%	—
Adjustments	(309)	—	<b>(439)</b>	—	—

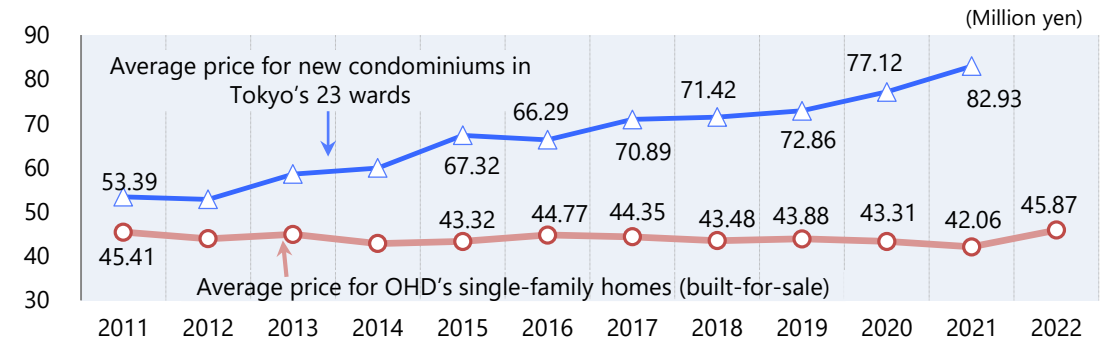
# Single-family homes related business

- ☑ The business grew due to the high demand for single-family homes, including demand for workspaces.
- ☑ The average price of single-family homes rose substantially.



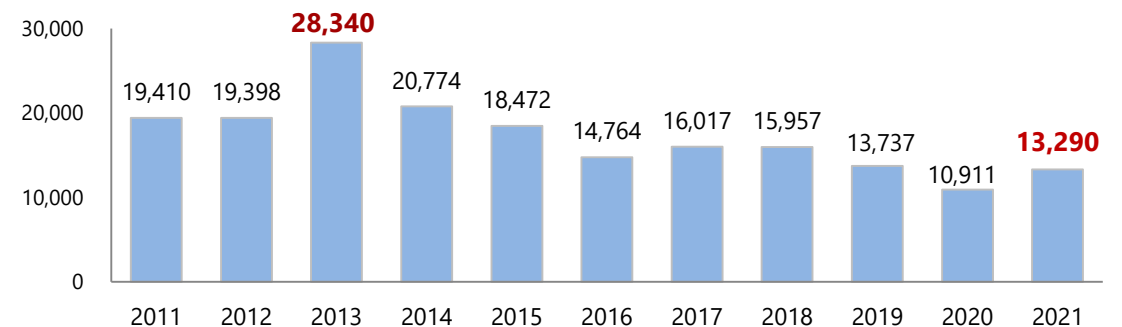
	FY2020 1Q 19/10-19/12	FY2021 1Q 20/10-20/12	FY2022 1Q 21/10-21/12	Inc. (Dec.)
Revenue (¥million)	90,798	121,524	<b>136,051</b>	12.0%
Gross profit(¥million)	14,977	22,656	<b>28,339</b>	25.1%
Gross profit margin	16.5%	18.6%	<b>20.8%</b>	2.2pt
Operating income (¥million)	10,331	17,045	<b>21,799</b>	27.9%
Operating income margin	11.4%	14.0%	<b>16.0%</b>	2.0pt

Changes in the average price for new condominiums in Tokyo's 23 wards and average price for OHD's single-family homes (built-for-sale house)



Source "Condominium Market Trend in Greater Tokyo Area" by the Real Estate Economic Institute Co., Ltd. Fiscal years: Condominium prices are on a calendar-year basis. Prices for our homes are for the Oct-Sep period. Prices of our homes for 2022 are for the Oct 2021-Dec 2021 period in Greater Tokyo Area.

Changes in the number of new condominiums supplied in Tokyo's 23 wards



Source: "Condominium Market Trend in Greater Tokyo Area" by the Real Estate Economic Institute Co., Ltd. Fiscal years: : Calendar-year basis for the Jan-Dec period



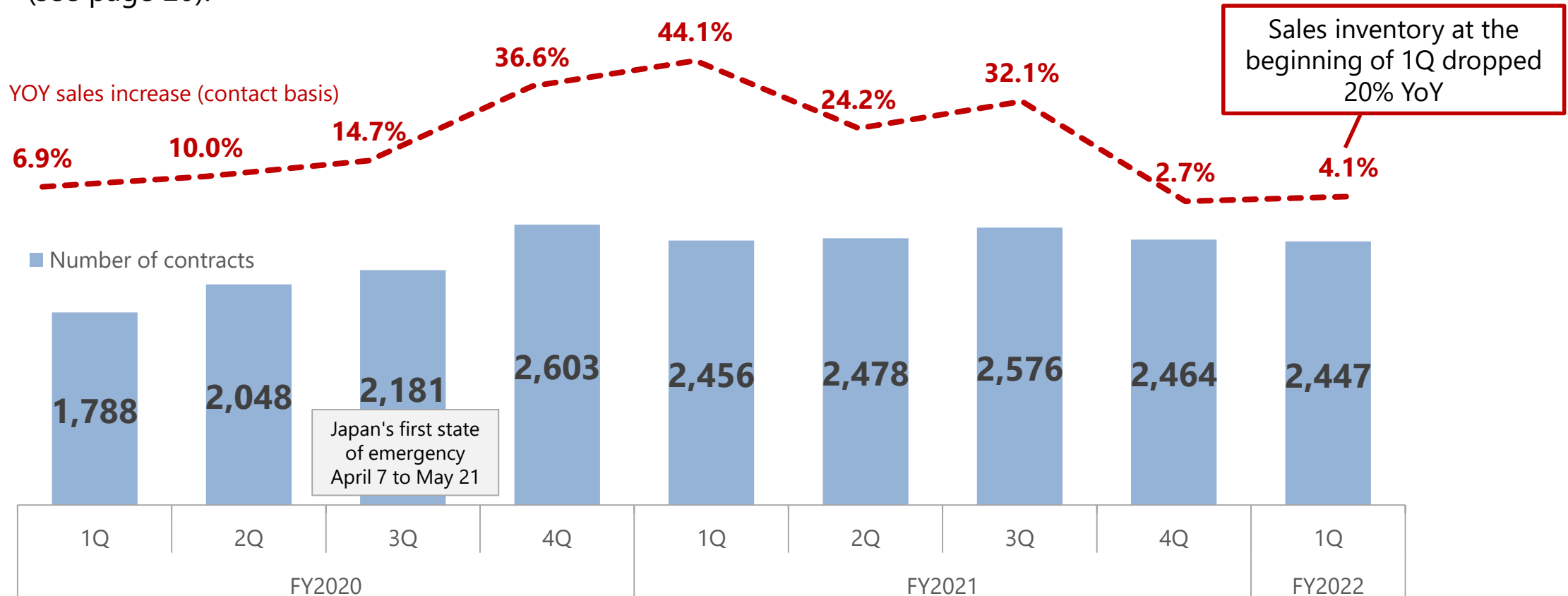
# Single-family homes related business (Revenue by Sub-business Segment/Number delivered)

		Revenue / Gross profit (¥million)				Number delivered / Unit price (¥million)		
		FY2020 1Q 19/10-19/12	FY2021 1Q 20/10-20/12	FY2022 1Q 21/10-21/12		FY2020 1Q 19/10-19/12	FY2021 1Q 20/10-20/12	FY2022 1Q 21/10-21/12
<b>Open House Development (Sale)</b>	Revenue	56,054	75,568	<b>86,733</b>	Built-for-sale houses	601	881	<b>787</b>
	Gross profit	9,353	14,075	<b>18,626</b>	Lands	598	845	<b>1,042</b>
	Gross profit margin	16.7%	18.6%	<b>21.5%</b>	Built-to-order houses	345	403	<b>408</b>
Gross profit margin improved <b>2.8 pt.</b>					Built-for-sale houses (unit price)	43.4	40.3	<b>43.4</b>
					Lands (unit price)	41.7	40.4	<b>44.3</b>
<b>HAWK ONE (Sale)</b>	Revenue	23,630	33,695	<b>36,429</b>	Built-for-sale houses	577	723	<b>665</b>
	Gross profit	3,696	5,855	<b>7,316</b>	Lands	29	80	<b>106</b>
	Gross profit margin	15.6%	17.4%	<b>20.1%</b>	Built-to-order houses	9	15	<b>63</b>
Gross profit margin improved <b>2.7 pt.</b>					Sales (unit price) *	38.5	41.7	<b>46.4</b>
<b>Open House Architect (Construction)</b>	Revenue	12,913	14,317	<b>13,382</b>	Built-to-order houses except number delivered to OHD	679	691	<b>694</b>
	Gross profit	1,561	1,884	<b>1,135</b>	Number delivered to OHD	286	425	<b>337</b>
	Gross profit margin	12.1%	13.2%	<b>8.5%</b>				

\* Sales (unit price) : Average unit price of built-for-sale houses and lands

# Single-family homes related business (Sales trend)

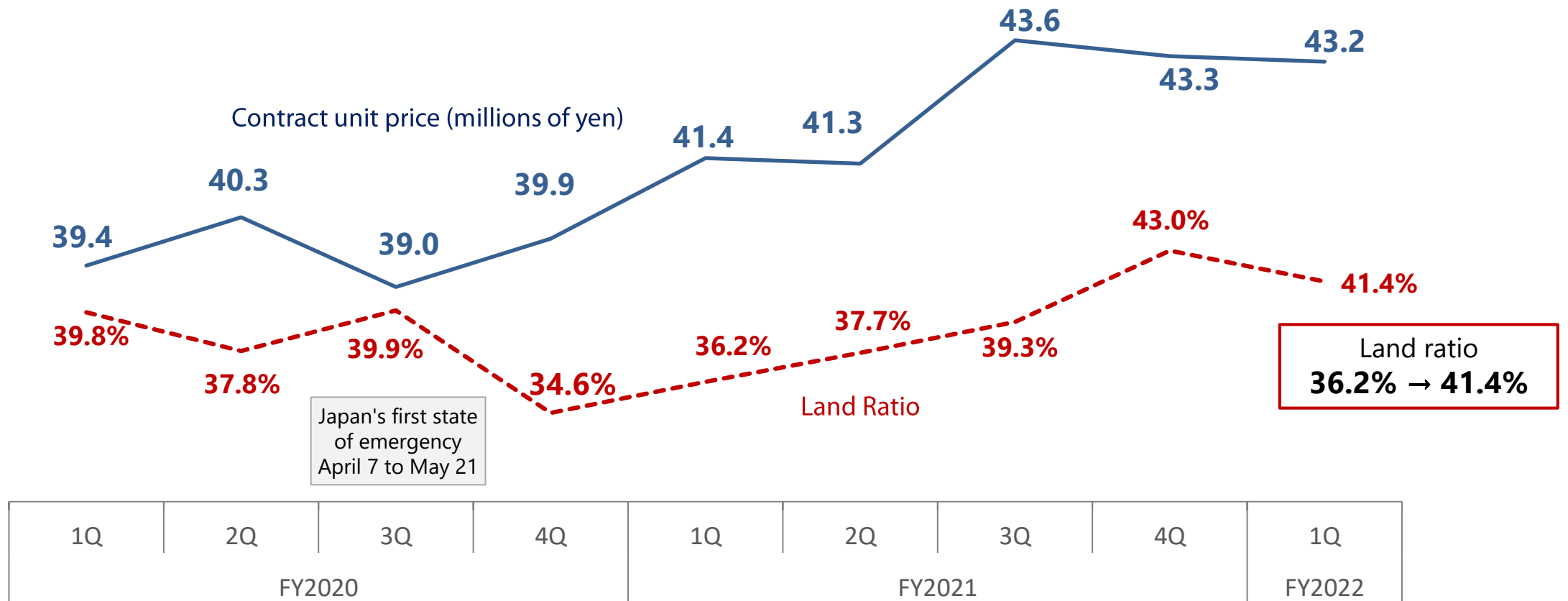
- Number of contracts has continued to be at a high level for 18 months since the demand for single-family homes began to rise.
- Sales inventory has been on a recovery trajectory. Inventories needed for the future have been secured (see page 20).



Scope: Combined number of built-for-sale houses and lands of Open House Development and Hawk One, not included number of built-to-order houses.

# Single-family homes related business (Contract unit price)

- ☑ Contract unit price has been on the rise due to greater interest from couples with two high incomes.
- ☑ Contract unit prices are pushed down due to the high land ratio.



Scope: Combined number of built-for-sale houses and lands of Open House Development and Hawk One, not included number of built-to-order houses.

# Single-family homes related business (Open House-brokerage)

☑ Sales centers were opened in Umeda and Tennouji in October 2021 for the first time in the Kansai region.

No. of sales centers of each area

	End of FY18 2018.9.30	End of FY19 2019.9.30	End of FY20 2020.9.30	End of FY21 2021.9.30	As of 2022.2.14
Tokyo	17	19	21	23	<b>25</b>
Kanagawa	10	12	12	13	<b>14</b>
Saitama	2	4	4	5	<b>5</b>
Chiba	-	1	2	4	<b>4</b>
Aichi	3	5	7	8	<b>8</b>
Osaka	-	-	-	-	<b>2</b>
Fukuoka	-	1	3	4	<b>4</b>
<b>Total</b>	<b>32</b>	<b>42</b>	<b>49</b>	<b>57</b>	<b>62</b>

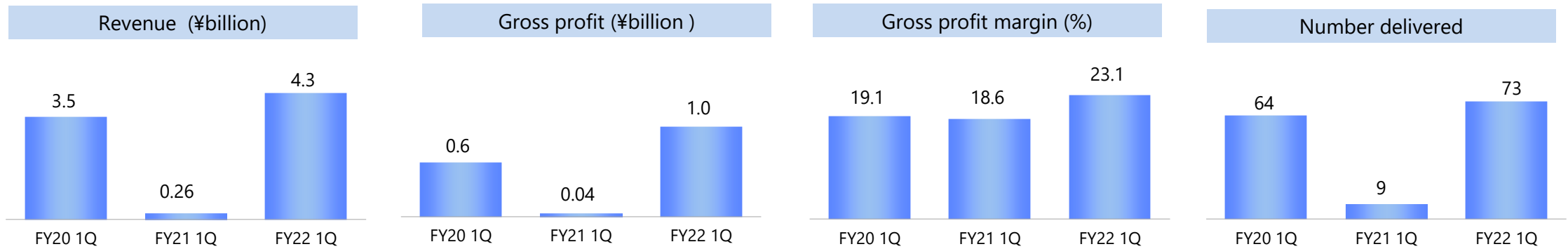
Umeda Sales Center opened in October 2021



Umeda sales center (2<sup>nd</sup> floor E-ma)

# Condominiums Business

- ☑ Sales contracts and purchases progressed as planned, although deliveries were concentrated in 4Q.
- ☑ Steady progress in purchasing in the Tokyo metropolitan area brings renewed growth in FY2022.



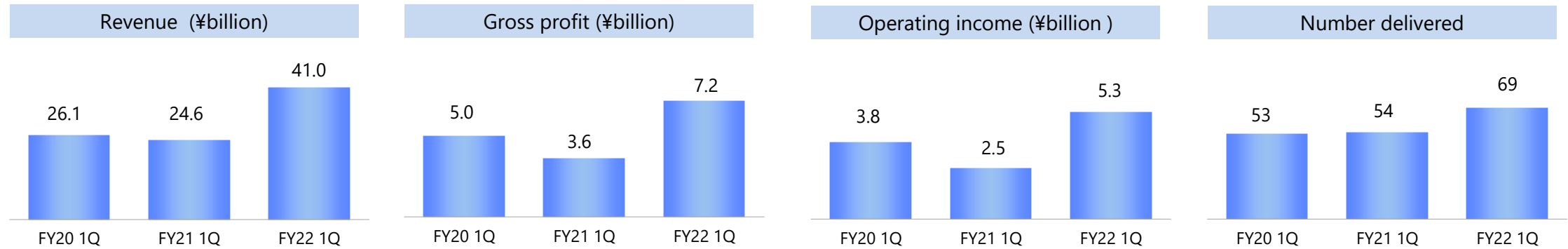
	FY2020 1Q 19/10-19/12	FY2021 1Q 20/10-20/12	FY2022 1Q 21/10-21/12	Inc. (Dec.)
Revenue (¥million)	3,509	262	<b>4,374</b>	1,565.6%
Gross profit (¥million)	670	48	<b>1,008</b>	1,969.6%
Gross profit margin	19.1%	18.6%	<b>23.1%</b>	4.5pt
Operating income (¥million)	(175)	(808)	<b>(118)</b>	—
Operating income margin	—	—	—	—
Number delivered	64	9	<b>73</b>	64
Unit price (¥million)	56.3	28.7	<b>59.7</b>	31.1

## — Major condominiums delivered in FY2022 —

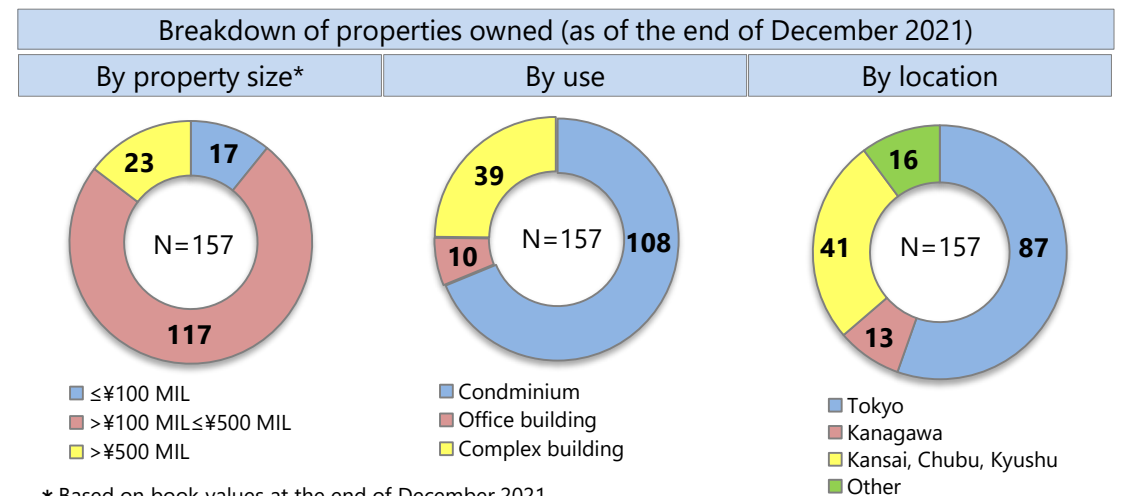
Name	Units	Average price
Open Residencia Takanawa The House (Tokyo)	34	¥110million
Open Residencia Yokohama (Kanagawa)	86	¥50million
Open Residencia Meiekiminami The Court (Nagoya)	62	¥30million
Open Residencia Yakuinminami (Fukuoka)	45	¥30million

# Property Resale Business

- ✓ Deliveries were robust on the back of strong demand for investment properties.
- ✓ Accelerated the growth by utilizing its overwhelming amount of information on properties in metropolitan areas.



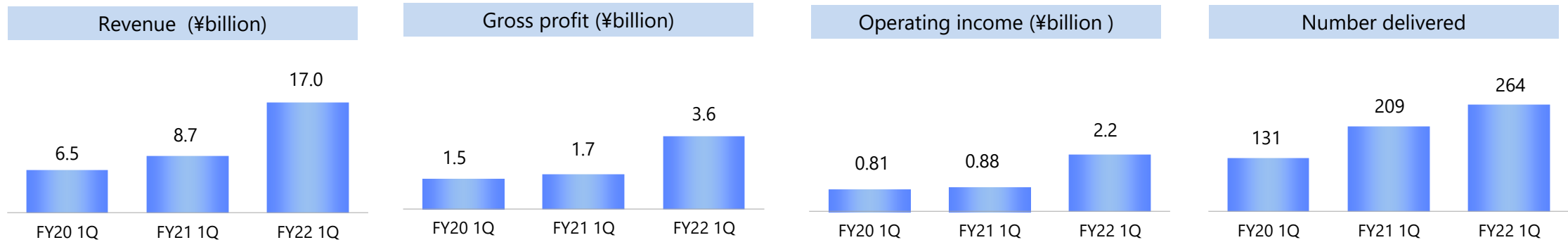
	FY2020 1Q 19/10-19/12	FY2021 1Q 20/10-20/12	FY2022 1Q 21/10-21/12	Inc. (Dec.)
Revenue (¥million)	26,109	24,633	<b>41,064</b>	66.7%
Gross profit (¥million)	5,076	3,642	<b>7,232</b>	98.5%
Gross profit margin	19.4%	14.8%	<b>17.6%</b>	2.8pt
Operating income (¥million)	3,825	2,579	<b>5,324</b>	106.4%
Operating income margin	14.7%	10.5%	<b>13.0%</b>	2.5pt
Number delivered	53	54	<b>69</b>	15
Unit Price (¥million)	484	447	<b>578</b>	130





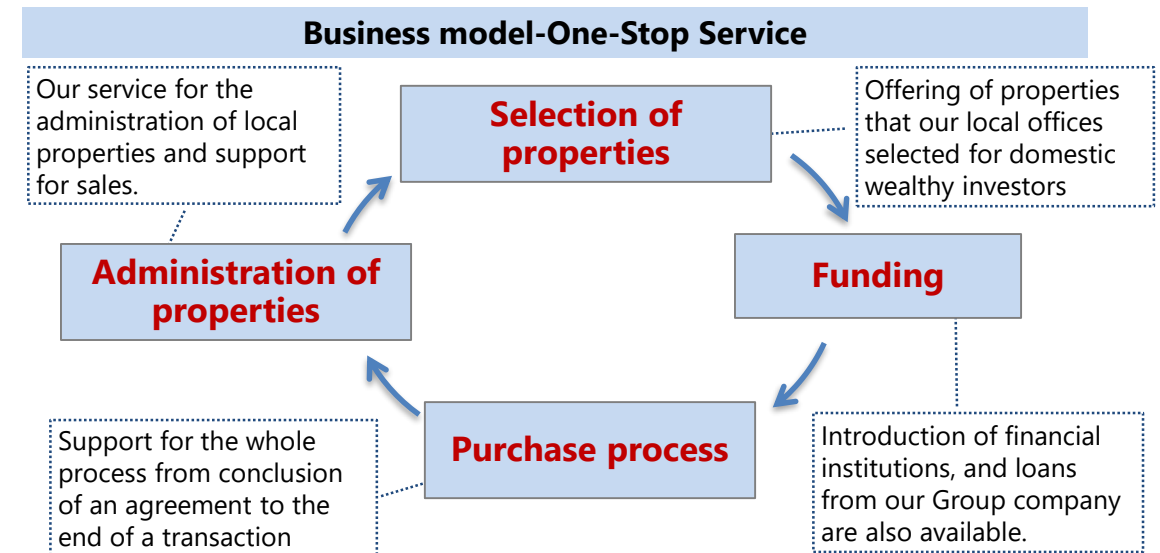
# Other Segment (U.S. Real Estate Business )

- ✓ Provided one-stop service for U.S. real estate to Japanese investors.
- ✓ Sales were robust due to strong demand from corporations and wealthy individual investors for net investment, asset diversification, etc.



	FY2020 1Q 19/10-19/12	FY2021 1Q 20/10-20/12	FY2022 1Q 21/10-21/12	Inc. (Dec.)
Revenue (¥million)	6,595	8,766	<b>17,042</b>	94.4%
Gross profit (¥million)	1,569	1,779	<b>3,687</b>	107.2%
Gross profit margin	23.8%	20.3%	<b>21.6%</b>	1.3pt
Operating income (¥million)	817	887	<b>2,202</b>	148.2%
Operating income margin	12.4%	10.1%	<b>12.9%</b>	2.8pt
Number delivered*	131	209	<b>264</b>	55
Multi family homes included above	2	—	<b>7</b>	7

\* Figures for U.S. Real Estate Business are shown..

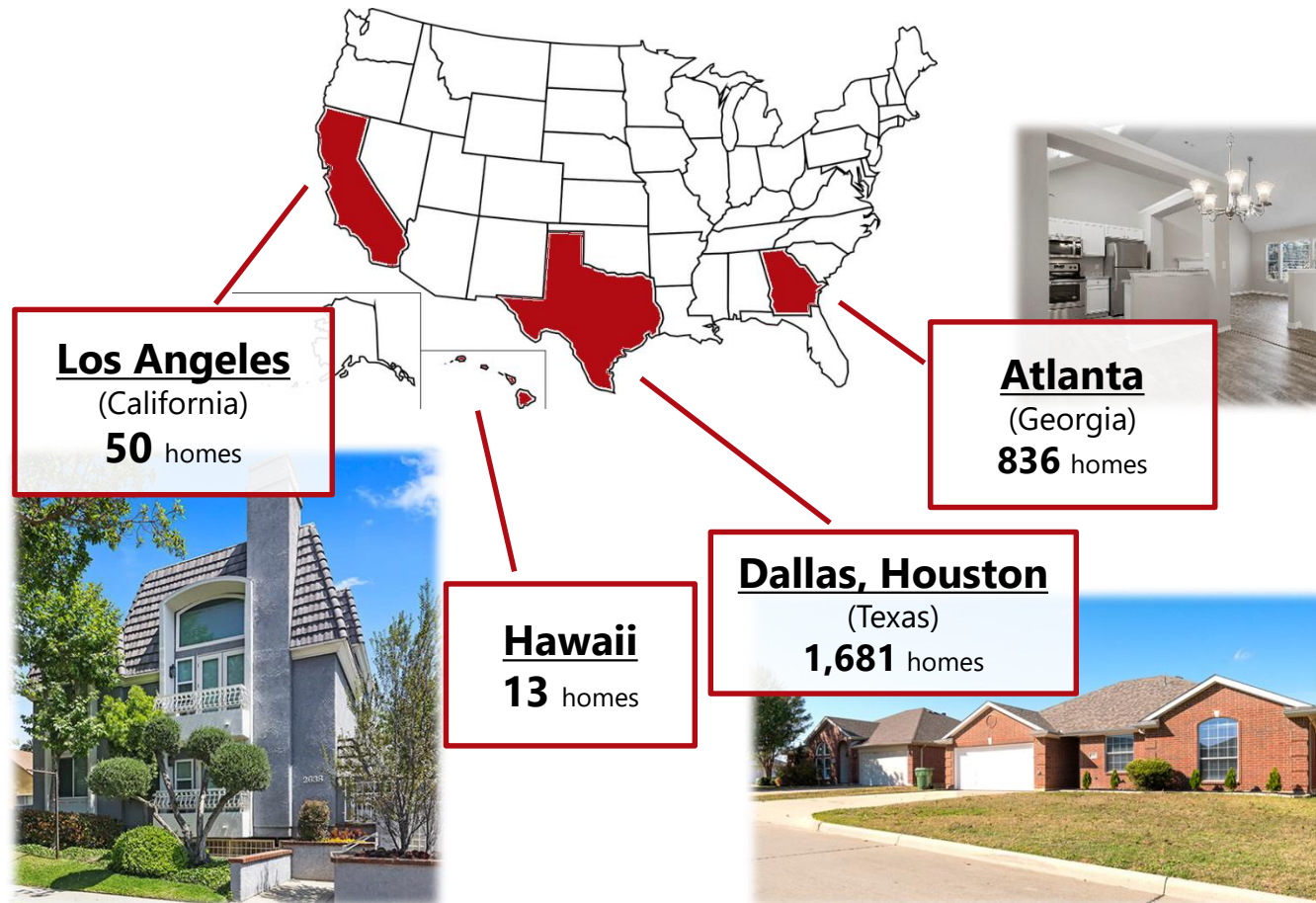


# Other Segment (U.S. Real Estate Business )

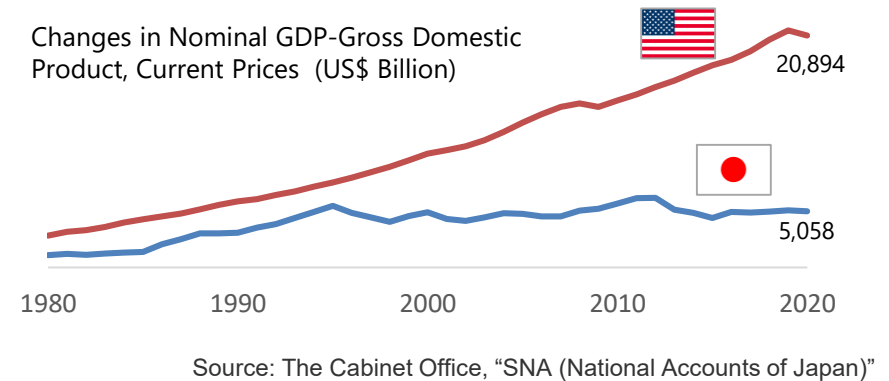
- ✓ Developed U.S. business especially in cities with high population growth and popularity.
- ✓ "No. 1 in number and volume of U.S. real estate transactions" among Japanese companies (for two consecutive years)

\* Source : Survey by JMRO (Survey 2020-2021)

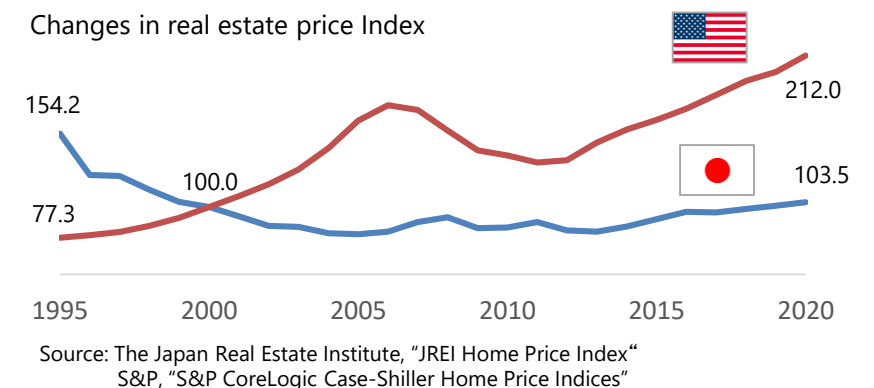
## Cumulative number of homes sold



## Economic growth driven by population growth (increase in demand)



## Upward trend in real estate prices



# PRESSANCE CORPORATION

- ☑ Made PRESSANCE CORPORATION a consolidated subsidiary from January 2021.
- ☑ Both revenue and gross profit progressed as planned.



	FY2022 1Q 2021/10-2021/12
Revenue (¥million)	<b>37,028</b>
Gross profit (¥million)	<b>10,197</b>
Gross profit margin	<b>27.5%</b>
Operating income (¥million)	<b>6,272</b>
Operating income margin	<b>16.9%</b>



## FY2022 1Q Actual by product

Product	Units
Studio-type condominium	619
family-type condominium	392
Total	1,011

Complementary Areas	<ul style="list-style-type: none"> <li>■ Strong in the Tokyo metropolitan area</li> </ul>	<ul style="list-style-type: none"> <li>■ Strong in the Kinki, Tokai and Chukyo regions</li> </ul>
Complementary Products	<ul style="list-style-type: none"> <li>■ Single-family homes</li> <li>■ Condominiums</li> <li>■ Property resales</li> <li>■ U.S. real estate</li> </ul>	<ul style="list-style-type: none"> <li>■ Condominiums for investment</li> <li>■ Condominiums for families</li> <li>■ Management of condominiums</li> </ul>
Major Synergies	<ul style="list-style-type: none"> <li>■ Single-family home business to tap into Kansai region</li> <li>■ Develop a business line of new condominiums for investment in the Tokyo metropolitan area</li> <li>■ Develop a real estate fund business managing primarily residential properties</li> </ul>	

# Breakdown of SG&A Expenses, Non-Operating Income /Expenses

(Million yen)

	FY2021 1Q 2020/10-2020/12		FY2022 1Q 2021/10-2021/12		Inc. (Dec.)		FY2021 1Q 2020/10-2020/12		FY2022 1Q 2021/10-2021/12		Inc. (Dec.)
	Actual	% of revenue	Actual	% of revenue			Actual	% of revenue	Actual	% of revenue	
<b>SG&amp;A expenses</b>	8,799	5.7%	<b>15,594</b>	6.6%	6,794	<b>Non-operating income</b>	2,003	1.3%	<b>1,437</b>	0.6%	(566)
Personnel expenses	2,572	1.7%	<b>4,857</b>	2.1%	2,285	Share of profit of entities accounted for using equity method	1,928	1.2%	<b>429</b>	0.2%	(1,499)
Sales commissions	1,161	0.7%	<b>1,852</b>	0.8%	691	Other	74	0.0%	<b>1,007</b>	0.4%	933
Office maintenance cost	1,073	0.7%	<b>1,538</b>	0.7%	464	<b>Non-operating expenses</b>	751	0.5%	<b>1,059</b>	0.5%	308
Advertising expenses	730	0.5%	<b>918</b>	0.4%	188	Interest expenses	573	0.4%	<b>916</b>	0.4%	343
Promotion expenses	323	0.2%	<b>389</b>	0.2%	65	Commission expenses	31	0.0%	<b>111</b>	0.0%	79
Others	2,937	1.9%	<b>6,036</b>	2.6%	3,099	Other	146	0.1%	<b>32</b>	0.0%	(114)

**Impact of consolidation of Pressance Corporation**

Although the SG&A ratio were pushed up by 0.7pt, the gross profit margin was up by 1.1pt, which resulted in a 0.4pt increase in the operating income margin. (The gap and reconciliation with the income/loss of existing business excluding the corporation in the segment income/loss has not been taken into consideration)

# Consolidated Balance Sheet

	Sep 30, 2021	Dec 31, 2021	Inc. (Dec.)
<b>Current assets</b>	830,727	<b>836,236</b>	5,509
Cash and deposits	337,731	<b>328,874</b>	(8,856)
Inventories	428,129	<b>441,877</b>	13,748
Others	64,867	<b>65,484</b>	617
<b>Non-current assets</b>	49,185	<b>49,458</b>	272
Property, plant and equipment	21,297	<b>21,828</b>	530
Intangible assets	3,031	<b>3,090</b>	58
Investments and other assets	24,856	<b>24,539</b>	(316)
<b>Deferred assets</b>	-	-	-
<b>Total assets</b>	879,913	<b>885,694</b>	5,781

## <Safety index>

(times)	Sep 30, 2021	Dec 31, 2021	Inc. (Dec.)
D/E ratio	1.5	<b>1.4</b>	(0.1)
Net D/E ratio*	0.3	<b>0.3</b>	0.0

(Million yen)

	Sep 30, 2021	Dec 31, 2021	Inc. (Dec.)
<b>Liabilities</b>	532,769	<b>521,668</b>	(11,101)
Current liabilities	256,237	<b>244,092</b>	(12,145)
Non-current liabilities	276,532	<b>277,576</b>	1,044
<b>Net Assets</b>	347,143	<b>364,026</b>	16,882
Shareholders' equity	293,256	<b>308,164</b>	14,907
Valuation and translation adjustments	1,104	<b>2,094</b>	990
Non-controlling interests	52,782	<b>53,767</b>	984
<b>Total liabilities and net assets</b>	879,913	<b>885,694</b>	5,781

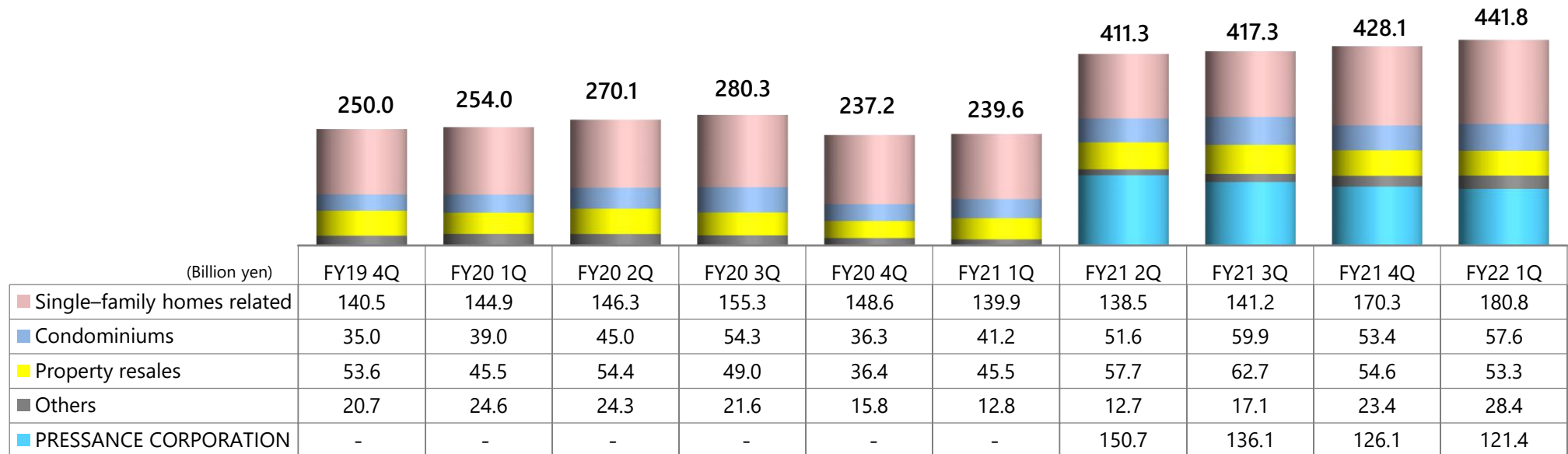
	Sep 30, 2021	Dec 31, 2021	Inc. (Dec.)
Equity ratio	33.4%	<b>35.0%</b>	1.6pt
Current ratio	324.2%	<b>342.6%</b>	18.4pt

\* Net debt/equity ratio: (loans payable + corporate bonds-cash and deposits) / net assets

# Inventory Details

(Millions of yen)

	End of FY2019 (Sep 30, 2019)	End of FY2020 (Sep 30, 2020)	End of FY2021 (Sep 30, 2021)	End of FY2022 1Q (Dec 31, 2021)	Ratio	Inc. (Dec.)
Single-family homes related	140,560	148,676	170,389	<b>180,878</b>	40.9%	10,489
Condominiums	35,065	36,339	53,496	<b>57,689</b>	13.1%	4,192
Property resales	53,691	36,445	54,681	<b>53,394</b>	12.1%	(1,286)
Others	20,735	15,825	23,452	<b>28,479</b>	6.4%	5,026
PRESSANCE CORPORATION	—	—	126,109	<b>121,435</b>	27.5%	(4,673)
Total	250,054	237,287	428,129	<b>441,877</b>	100.0%	13,748







# **Consolidated Business Performance Forecasts for FY2022**

# Consolidated Business Performance Forecasts

- ☑ Aiming to achieve record highs in revenue and income for the tenth consecutive year.

(Millions of yen)

	FY2021 (2020/10-2021/9)		FY2022 (2021/10-2022/9)	
	Actual	Inc. (Dec.)	Forecast	Inc. (Dec.)
Revenue	<b>810,540</b>	40.7%	<b>920,000</b>	13.5%
Operating income	<b>101,103</b>	62.7%	<b>112,000</b>	10.8%
Ordinary income	<b>97,590</b>	26.2%	<b>108,900</b>	11.6%
Profit attributable to owners of parent	<b>69,582</b>	17.0%	<b>72,000</b>	3.5%
EPS* (yen)	<b>552.40</b>	—	<b>570.91</b>	—
Annual dividends per share (yen)	<b>112.00</b>	32.00	<b>124.00</b>	12.00
Payout ratio	<b>20.3%</b>	—	<b>21.7%</b>	—

Substantial growth of 10.4% if excluding the impact of negative goodwill in the previous fiscal year

# Consolidated Business Performance Forecasts (Revenue by business segment)

- ☑ Continue to achieve two-digit growth for the entire portfolio centered on the single-family homes related business.

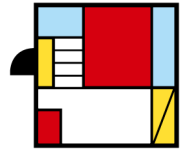
(Millions of yen)

	FY2021 (2020/10-2021/9)		FY2022 (2021/10-2022/9)	
	Actual	Inc. (Dec.)	Forecast	Inc. (Dec.)
Revenue	<b>810,540</b>	40.7%	<b>920,000</b>	13.5%
Single-family homes related business	<b>446,959</b>	17.7%	<b>513,700</b>	14.9%
Condominiums	<b>47,147</b>	(18.9)%	<b>62,000</b>	31.5%
Property resales	<b>123,061</b>	9.7%	<b>151,500</b>	23.1%
Others (including U.S. real estate business)	<b>45,159</b>	73.5%	<b>52,000</b>	15.1%
Pressance Corporation	<b>149,337</b>	—	<b>140,800</b>	—
Adjustments	<b>(1,126)</b>	—	—	—

\* Since Pressance Corporation was included in the scope of consolidation from the second quarter of FY2021, full-year increase/decrease is not indicated.

# Consolidated Business Performance Forecasts (Revenue by Sub-business Segment/Number delivered)

		Revenue (¥billion)			Number delivered			
		FY2020 (19/10-20/9) Actual	FY2021 (20/10-21/9) Actual	FY2022 (21/10-22/9) Plan	FY2020 (19/10-20/9) Actual	FY2021 (20/10-21/9) Actual	FY2022 (21/10-22/9) Plan	
<b>Open House Development</b>	Built-for-sale houses	116.6	138.7	<b>152.8</b>	Built-for-sale houses	2,804	3,396	<b>3,690</b>
	Lands	108.0	128.1	<b>152.3</b>	Lands	2,645	3,088	<b>3,730</b>
	Built-to-order houses	23.6	26.6	<b>30.8</b>	Built-to-order houses	1,597	1,814	<b>2,070</b>
<b>Open House Architect</b>		55.5	57.8	<b>66.8</b>	Built-to-order houses	4,158	4,265	<b>4,740</b>
					Number delivered to OHD	1,535	1,634	<b>1,860</b>
<b>Hawk One</b>		87.0	105.3	<b>124.0</b>	Built-for-sale houses	2,063	2,150	<b>2,440</b>
	Lands				145	292	<b>360</b>	
	Built-to-order houses				39	82	<b>170</b>	
<b>Condominiums</b>		58.1	47.1	<b>62.0</b>	Units	1,224	1,081	<b>1,210</b>
<b>Property resales</b>		112.2	123.0	<b>151.5</b>	Buildings	230	292	<b>340</b>
<b>U.S. real estate business</b>		26.0	45.1	<b>52.0</b>	Homes	501	827	<b>910</b>
					Multi family homes included above	12	24	<b>30</b>

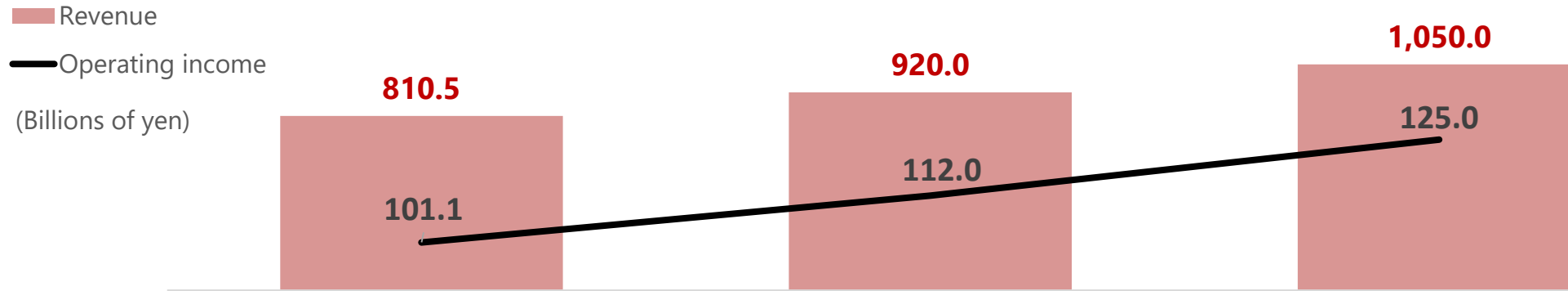


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## **The Mid-term Business Plan**

# Profit/Loss Plan

☑ The Company will aim to achieve two-digit growth in revenue and income also under this Mid-term Business Plan.



	FY2021 (2020/10-2021/9)		FY2022 (2021/10-2022/9)		FY2023 (2022/10-2023/9)	
(Millions of yen)	Actual	Inc. (Dec.)	Forecast	Inc. (Dec.)	Plan	Inc. (Dec.)
Revenue	<b>810,540</b>	40.7%	<b>920,000</b>	13.5%	<b>1,050,000</b>	14.1%
Operating income	<b>101,103</b>	62.7%	<b>112,000</b>	10.8%	<b>125,000</b>	11.6%
Ordinary income	<b>97,590</b>	26.2%	<b>108,900</b>	11.6%	<b>120,000</b>	10.2%
Profit attributable to owners of parent	<b>69,582</b>	17.0%	<b>72,000</b>	3.5%	<b>80,000</b>	11.1%

Substantial growth of 10.4% if excluding the impact of negative goodwill in the previous fiscal year





# Plan by Business Segment

- ☑ The Company will strive to achieve growth not only in the single-family homes related business but also in all other segments.

(Million yen)

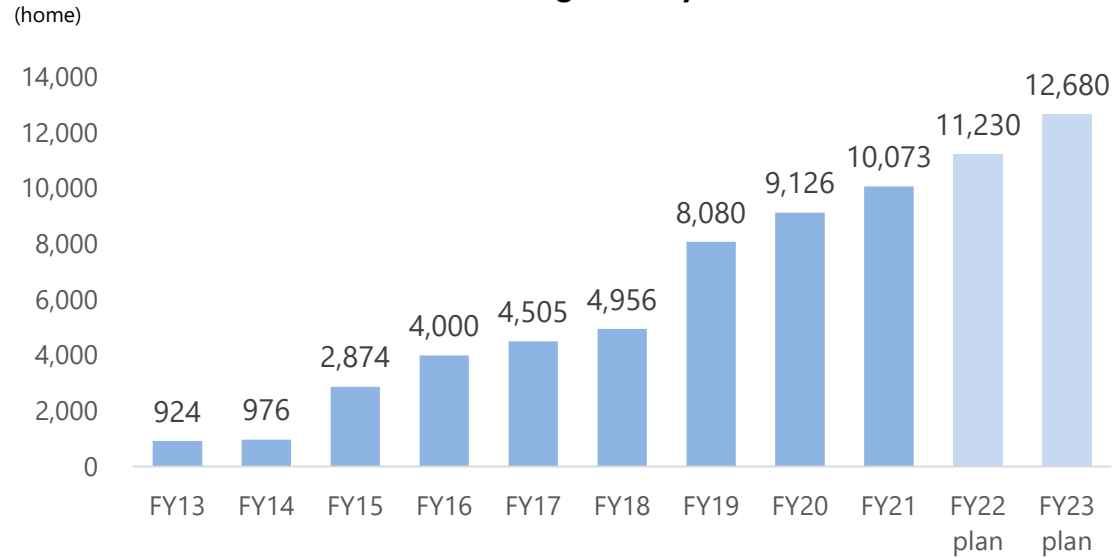
	FY2021 (2020/10-2021/9)		FY2022 (2021/10-2022/9)		FY2023 (2022/10-2023/9)	
	Actual	Inc. (Dec.)	Forecast	Inc. (Dec.)	Plan	Inc. (Dec.)
Revenue	<b>810,540</b>	40.7%	<b>920,000</b>	13.5%	<b>1,050,000</b>	14.1%
Single-family homes related business	<b>446,959</b>	17.7%	<b>513,700</b>	14.9%	<b>561,500</b>	9.3%
Condominiums	<b>47,147</b>	(18.9)%	<b>62,000</b>	31.5%	<b>100,000</b>	61.3%
Property resales	<b>123,061</b>	9.7%	<b>151,500</b>	23.1%	<b>157,500</b>	4.0%
Others (including U.S. real estate business)	<b>45,159</b>	73.5%	<b>52,000</b>	15.1%	<b>60,800</b>	16.9%
PRESSANCE CORPORATION	<b>149,337</b>	—	<b>140,800</b>	—	<b>170,200</b>	20.9%
Adjustments	<b>(1,126)</b>	—	—	—	—	—

\* Since PRESSANCE CORPORATION was included in the scope of consolidation from the second quarter of FY2021, full-year increase/decrease is not indicated.

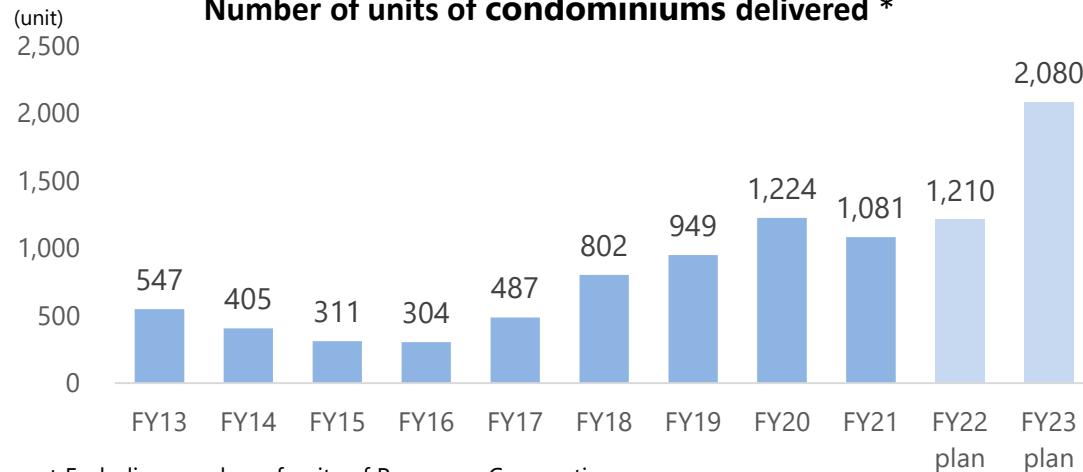


# Quantitative Goals

### Number of units of Single family homes delivered

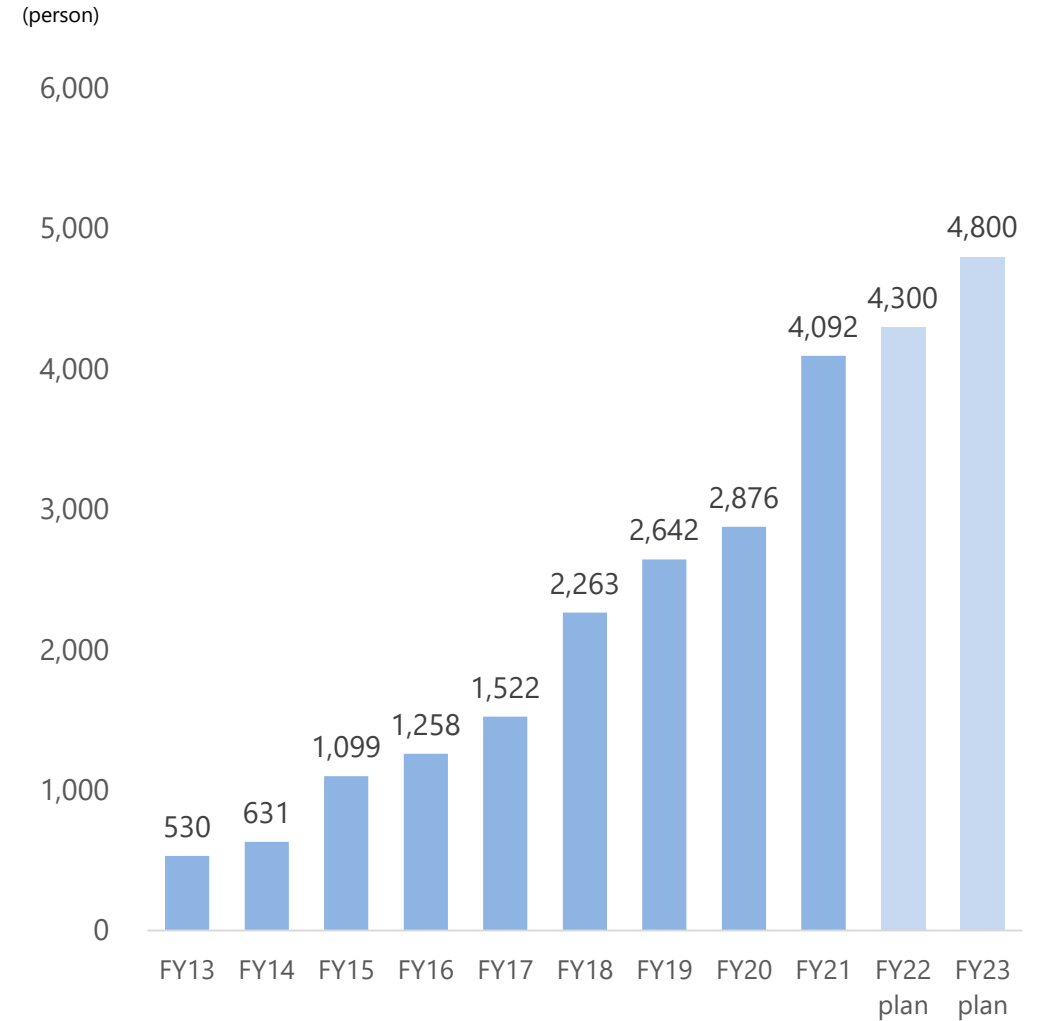


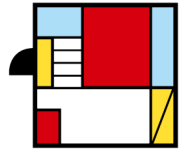
### Number of units of condominiums delivered \*



\* Excluding number of units of Pressance Corporation

### Number of employees





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**DX (Digital Transformation)**

# DX Structure to Support the Group's Growth

- Encouraging internalized DX led by the in-house IT Department.
- Building a DX structure composed of 50 diverse engineers.

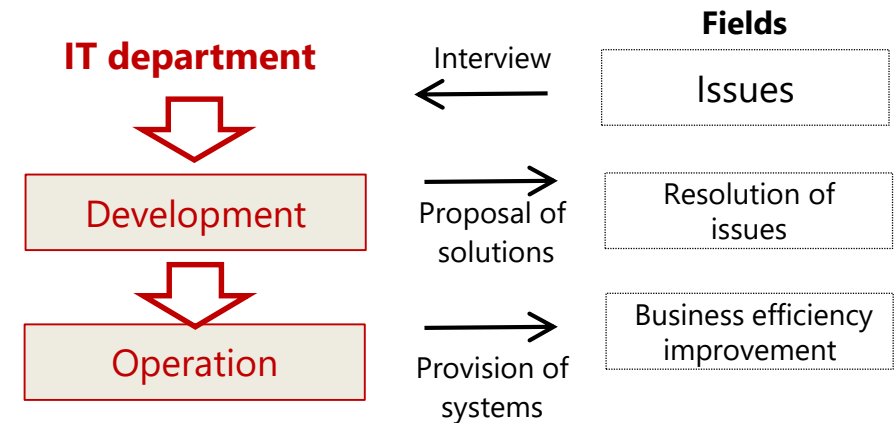
## Approach to the DX structure

Aiming to build IT department that does not rely on external parties, establish an in-house development system. In-house engineers are in charge of the scope ranging from system planning and development to operation.

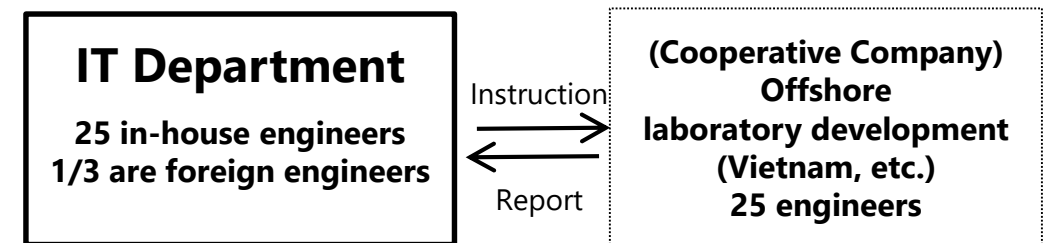
## DX structure with diversity

Establish a structure with diversity employing many foreign engineers by seeking talented people with English fluency and IT expertise, which are crucial for in-house system development, widely.

### System development and operation flow



### DX structure composed of 50 engineers in total

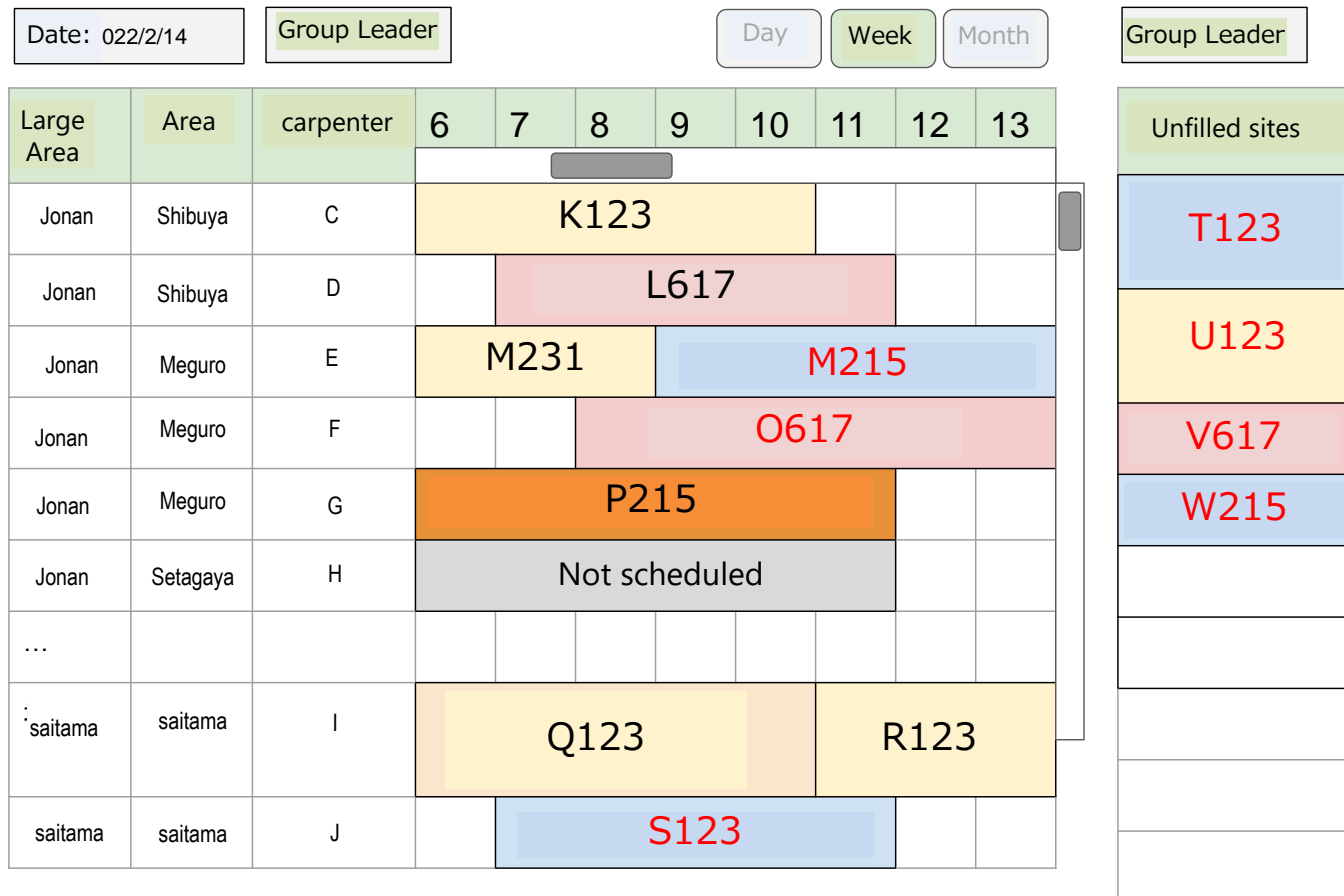


Our IT department received the 38th IT Award (Management Area) for 2020 sponsored by the Japan Institute of Information Technology. Establishment of an in-house IT organization structured for Developers' eXperience was highly evaluated.

# System Development that Leads to Reinforcement of Competitive Advantage

- In single-family home business (OHD), construction work is always underway at 400 sites.
- Joint losses will be reduced by visualizing carpenters' work schedule.

## Carpenters' rotation system (screen image)



## Adjustment flow

1. Initial rotation (as shown in the image on the left)
2. Provisional fitting of a list of unassigned sites with the rotation schedule
3. Coordination with carpenters
4. Review the possibility of moving the completion date up/down and readjusting the timeline
5. Forecast joint losses more than 2 months ahead
6. Visualize the number of carpenters that need to be adjusted

## Effect

- Reduction in the number of days required to complete the wooden construction process
- Reduction of carpenters' unfilled schedule
- Beneficial to continual transactions



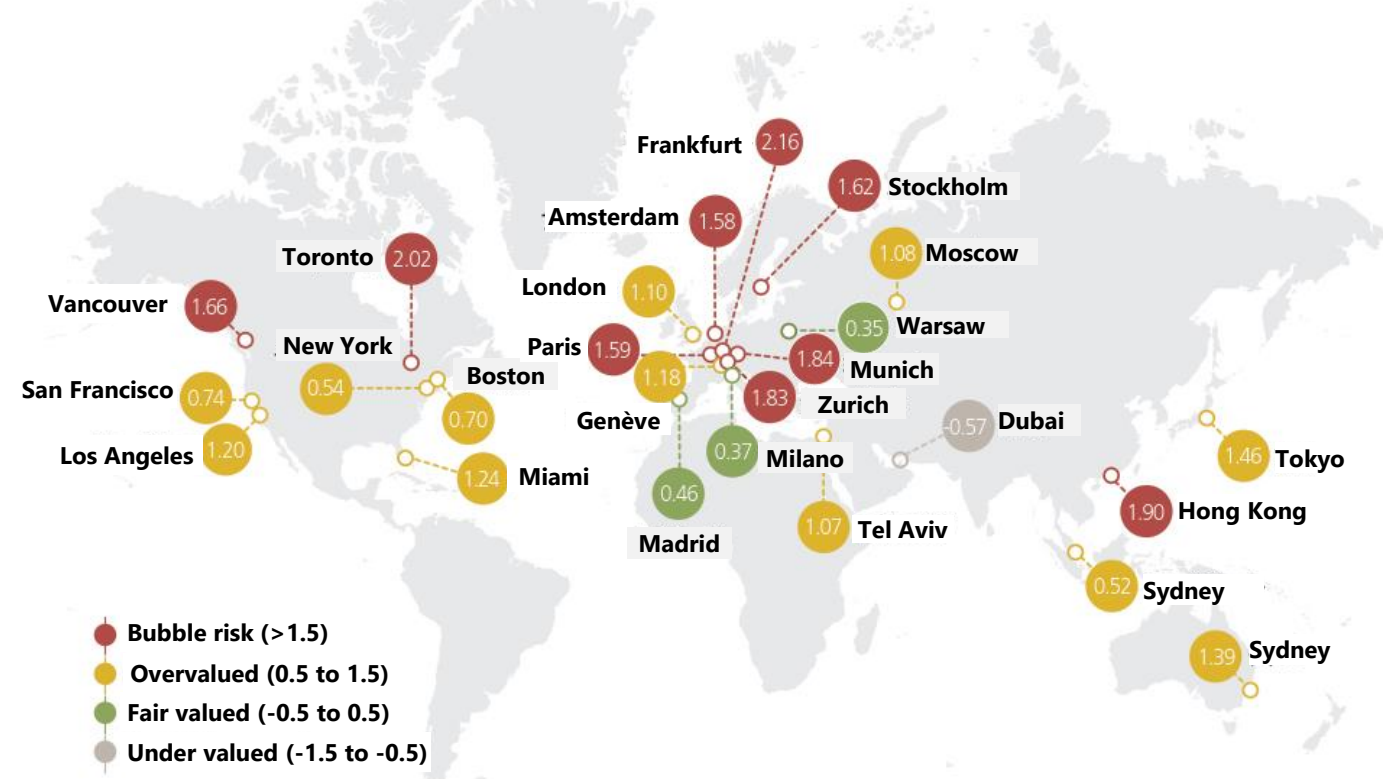
## **Sustainability**

# Social Issues around Housing Purchases

- House price growth of the major cities of the world accelerated
- Affordability continues to worsen.

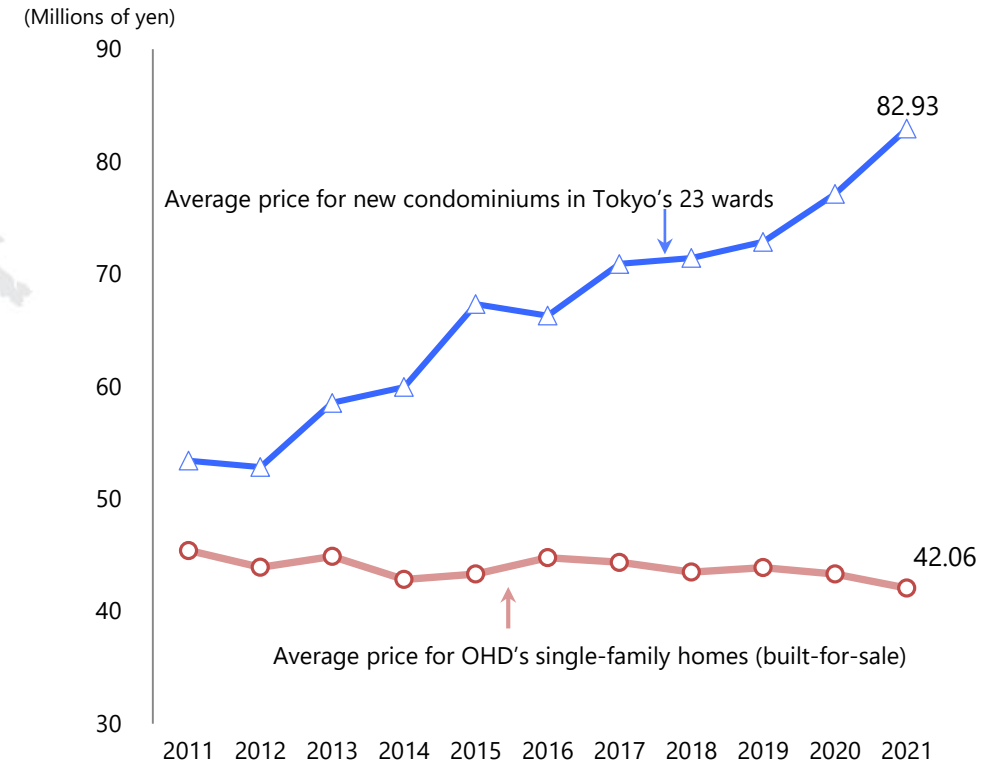
- Rising condominium prices in central Tokyo

**UBS Global Real Estate Bubble Index**  
Index scores for the housing markets of select cities, 2021



Source: UBS Global Wealth Management CIO

Changes in the average price for new condominiums in Tokyo's 23 wards and average price for OHD's single-family homes (built-for-sale house)



Source: "Condominium Market Trend in Greater Tokyo Area" by the Real Estate Economic Institute Co., Ltd. Fiscal years: Condominium prices are on a calendar-year basis. Prices for our homes are for the Oct-Sep period.

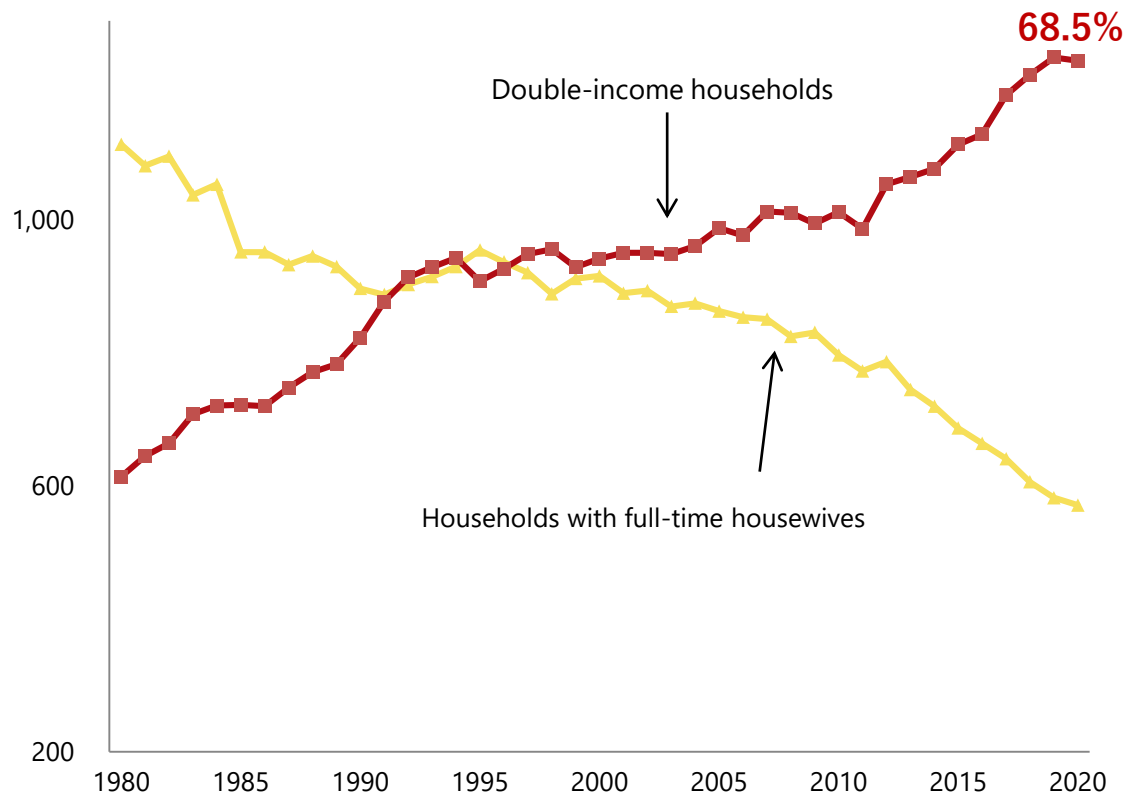
# Social Issues around Housing Purchases

■ Double-income households account for 70% of the total

■ Many of the houses are over 40 years old and obsolete

**Trends in double-income households/households with full-time housewives (nationwide)**

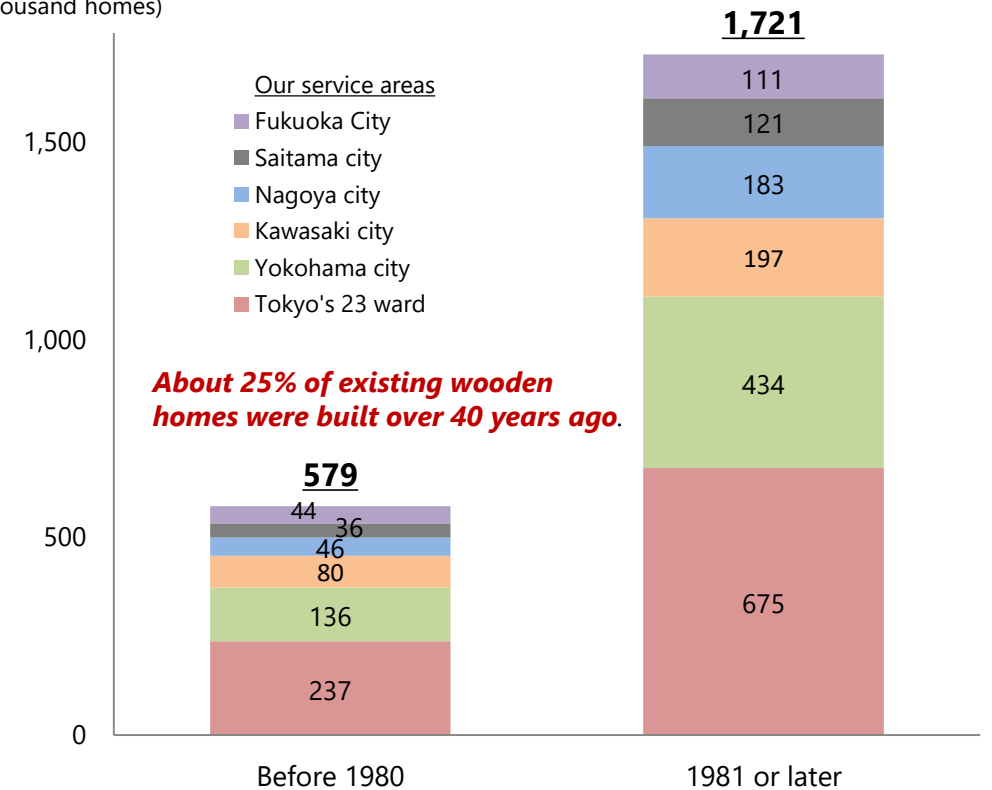
(10 thousand households)



Source: "White Paper on Gender Equality 2020", Cabinet Office, Government of Japan  
Labor force survey, the Ministry of Internal Affairs and Communications

**Building stock of wooden single-family homes by construction period**

(thousand homes)

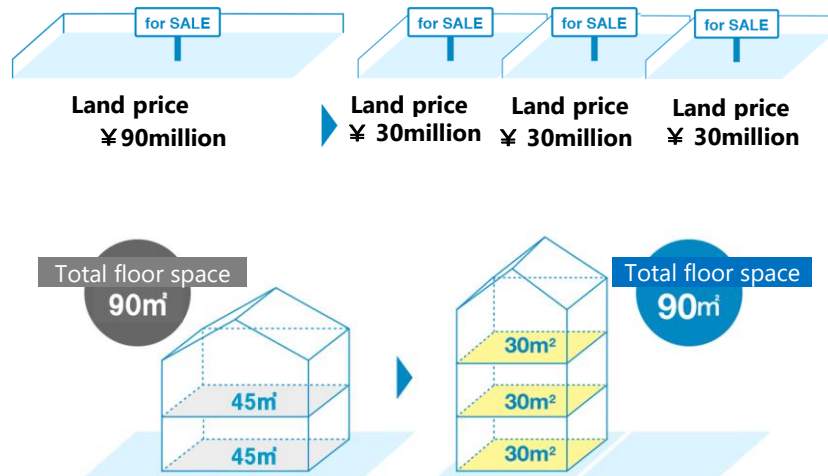


Sources: "Housing and Land Survey in 2018" by the Ministry of Internal Affairs and Communications



# Contribution to SDGs through business activities

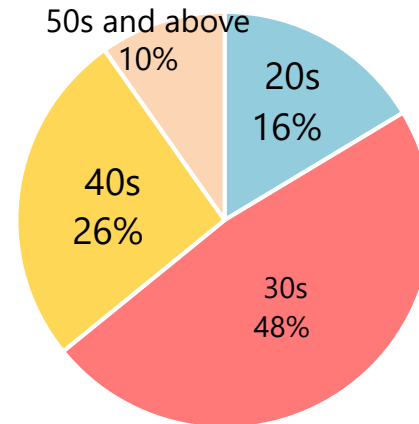
## 01 Affordable housing supply in great locations



- Effective use of limited premises
- Total floor space secured by building three stories
- Comfortable living space even in a compact size realized by know-how and technical capabilities based on our experience
- Easy to change specifications to suit lifestyles, such as adding a workspace

## 02 Town development for younger generations

Percentage of our single-family home buyers by age\*



- Older homes tend to be lived in by elderly residents
- 90% of purchasers are in their 20–40s.
- Contributing to revitalization of local communities
- Locations in central Tokyo close to stations contribute to the continued employment of women in dual-earner/child-rearing households

\* Ages of householders of our customers that contracted from January to December 2019.

## 03 Compact wooden houses with low environmental burden



- Thermal insulation performance equivalent to the highest grade 4
- Providing comfortable living as well as contributing to decarbonization
- Resistance against disasters (earthquakes, fires, etc.) can be improved by rebuilding old houses
- Compared with large-scale development such as earthworks, the impact on nature from wooden construction in residential areas is minimal

# (Practical Example 1) Participation in the UN Global Compact

- We signed the UN Global Compact in February 2022, and contribute to the realization of a sustainable society.
- We support the ten principles in the four areas of Human Rights, Labor, Environment, and Anti-Corruption as UNGC signatories.



## UNGC

The world's largest sustainability initiatives to build a healthy global society that the United Nations and the private sector (business and institutions) join hands.

### The Ten Principles of the UN Global Compact

Human Rights	Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and
	Principle 2	make sure that they are not complicit in human rights abuses.
Labour	Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
	Principle 4	the elimination of all forms of forced and compulsory labour;
	Principle 5	the effective abolition of child labour; and
	Principle 6	the elimination of discrimination in respect of employment and occupation.
Environment	Principle 7	Businesses should support a precautionary approach to environmental challenges;
	Principle 8	undertake initiatives to promote greater environmental responsibility; and
	Principle 9	encourage the development and diffusion of environmentally friendly technologies.
Anti-Corruption	Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.

The UN Global Compact : <https://www.unglobalcompact.org/>  
 Global Compact Network Japan: <https://www.ungcjin.org/>

## (Practical Example 2) OPEN Career Design System

- Created environment to enable diverse personnel to unleash their potential, supporting long-term career design

### Overview of the system:

- A minimum of 2 hours of working per day is allowed while keeping the same position
- Extensive benefits (available in combination)
  - 1) Subsidy of up to 300,000 yen per month for babysitting payment as a support for work-life balance
  - 2) Allowance of 20,000 yen per month to support early return to the workplace (to be paid to all associates across the board who return from childcare leave when their child is under one year old until the child turns two years old)

⇒ **Support for continued career while raising children**



## (Practical Example 3) Support for the para-athlete Mr. Kosuda



- Three-way athlete active in track and field, snowboarding, and working for our company
- Selected for two Olympic Games in 6 months



Name of athlete: Junta Kosuda

Game events	100 m, long jump, snowboarding
Class	T63 (right thigh amputation)



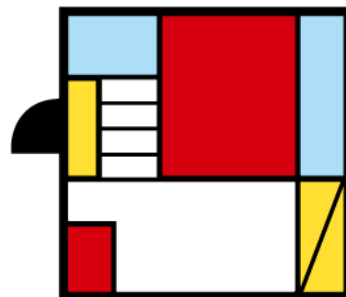
### Most recent results

- The Tokyo 2020 Paralympic Games(2021)  
Men's long jump: 7th place / new personal best
- 「World Para Snowboard Competition (Pyha 2022 WPSB World Cup)」 Cup)」
- The Beijing 2022 Winter Paralympic Games  
(provisional offer for the national team)

# To realize a sustainable society

- Identified key issues (materiality) based on the level of interest of stakeholders and the priorities to the Company.

ESG	Key Issues	Initiatives
<b>E</b> Environment	Environmental conservation	<ul style="list-style-type: none"> <li>■ Support for TCFD</li> <li>■ Established the Japan Wood Housing Association</li> <li>■ Open House Forest</li> </ul>
	Product safety and security Promoting customer satisfaction	<ul style="list-style-type: none"> <li>■ Build and strengthen the system for promoting customer satisfaction</li> </ul>
<b>S</b> ocial	Talent development	<ul style="list-style-type: none"> <li>■ Raising the starting salaries of new graduates</li> <li>■ Utilization of a diverse workforce</li> </ul>
	Work-style reforms	<ul style="list-style-type: none"> <li>■ Enhance productivity utilizing IT</li> <li>■ Support for using childcare facilities and support system for balancing work and child rearing</li> <li>■ Consultation desk to support women's empowerment and work-life balance</li> </ul>
	Supply Chain Management	<ul style="list-style-type: none"> <li>■ Share sustainability guidelines with business partners</li> </ul>
<b>G</b> overnance	Compliance	<ul style="list-style-type: none"> <li>■ Participation in the U.N. Global Compact</li> <li>■ Strengthening the audit system</li> <li>■ Invite female talent to join the board as an external director and a corporate auditor</li> </ul>



# OPEN HOUSE GROUP

<https://openhouse-group.co.jp/ir/en/>

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