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KYORITSU

HOTELS & DORMITORIES

FY 3/25 (4/2024-3/2025)

Consolidated Financial Results

May 23, 2025

Kyoritsu Maintenance Co., Ltd.

〔Securities Code 9616〕

<u>01</u>	Summary of Financial Results for FY 3/25	P.02
<u>02</u>	FY 3/26 Consolidated Financial Forecasts	P.15
<u>03</u>	Progress on the Medium-Term Management Plan	P.27

01 Summary of Financial Results for FY 3/25

P.02

02 FY 3/26 Consolidated Financial Forecasts

P.15

03 Progress on the Medium-Term Management Plan

P.27

Recorded highest profits for 2 consecutive years, exceeding 20 Billion Yen
Dividends to be increased by 55.1% compared to the previous fiscal year.

Dormitory Business

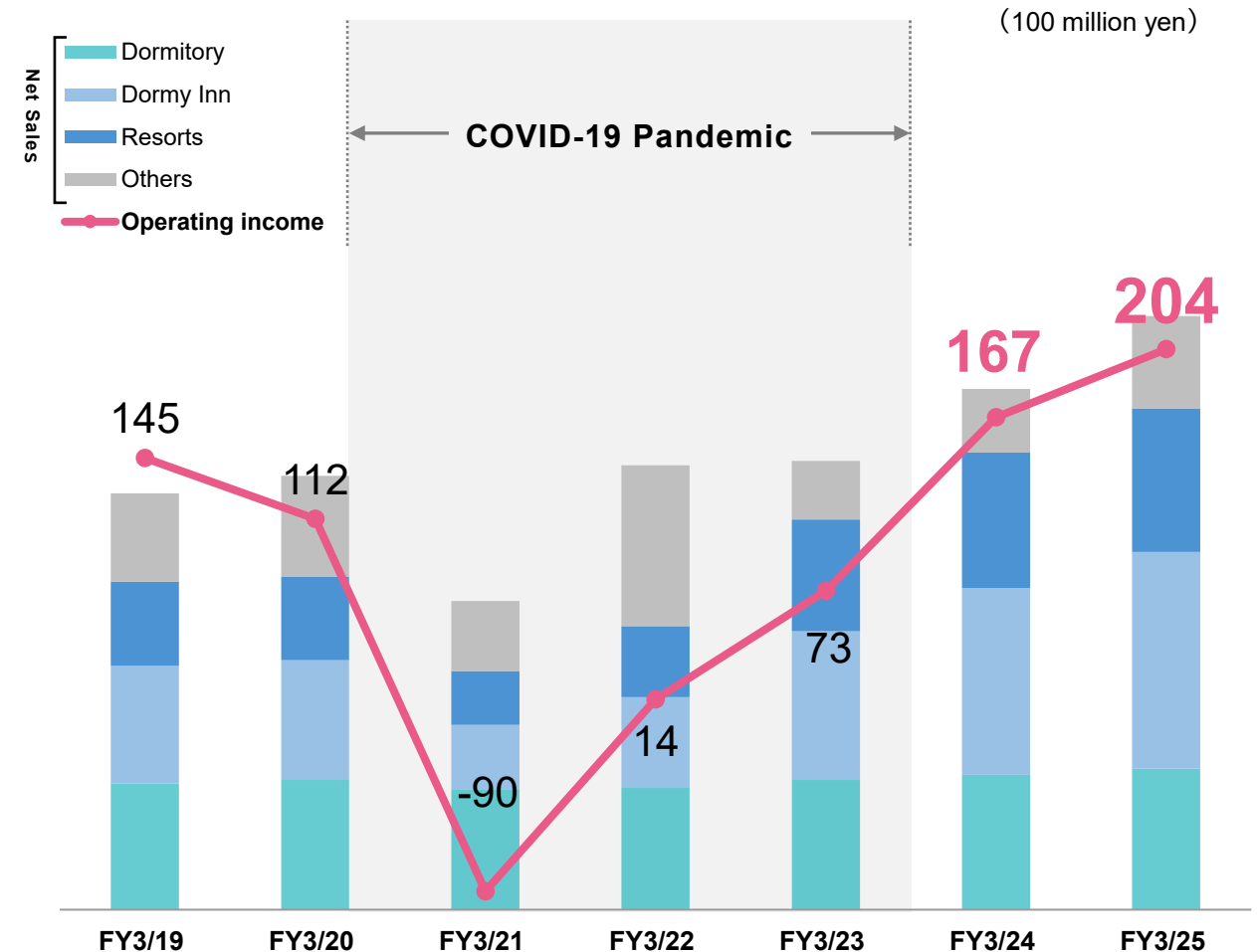
Following the improvement of the employment work environment, both sales and income were increased because of a significant increase in the number of contracted rooms for the employee dormitory and the optimization of sales prices in addition.

Hotel Business

Based on growing both domestic and inbound demand for accommodations, both sales and income were increased thanks to aggressive sales activities and thorough revenue management absorbing the impact of natural disasters and cost increase.

Others

- Recorded the share of income of investment in COSMOS INITIA Co., Ltd. accounted for using the equity method.
- Real estate securitization was carried out for the first time in last three years.
- Annual dividend is expected to be 38 yen (13.5 Yen increase), 55.1% increase from the previous fiscal year.



Overview of Consolidated Financial Results and Main Financial Indicators

(100 million yen)

	FY 3/24 Results (4/2023–3/2024)	FY 3/25 Forecast Feb 7 – Revised forecasts (4/2024–3/2025)	FY 3/25 Results (4/2024–3/2025)	YoY Comparison		Special Causes				YoY Comparison without Factors on the Left	
				A		B	C	D	E	A–B–C–D–E	
Net Sales	2,041	2,300	2,289	+248	+12.2%	-15	+59		+25	+178	+8.8%
Operating Income	167	210	204	+37	+22.6%	-25	+16		+1	+44	+26.7%
Ordinary Income*1	211	215	214	+3	+1.4%	-25	+16	-36	+1	+46	+22.1%
Net Income	124	140	145	+21	+17.3%						
EPS(yen)*2	159.1	179.3	186.6	+27.4	+17.2%						
Depreciation Expense	67	78	77	+9	+13.8%						
Cash Flow*3	191	218	222	+30	+16.1%						
Capital Investment	179	400	480	+301	+168.4%						

Operating Income

Item	Value
FY 3/24 Results	167
YoY Comparison of Increase/Decrease in Cost for Large-Scale Renewal (B)	-25
YoY Comparison of Increase/Decrease in opened after April 2023 onwards (C)	+16
YoY Comparison of Increase/Decrease in Sales and Leaseback of Real Estate (E)	+1
Original growth rate	+44
FY 3/25 Results	204

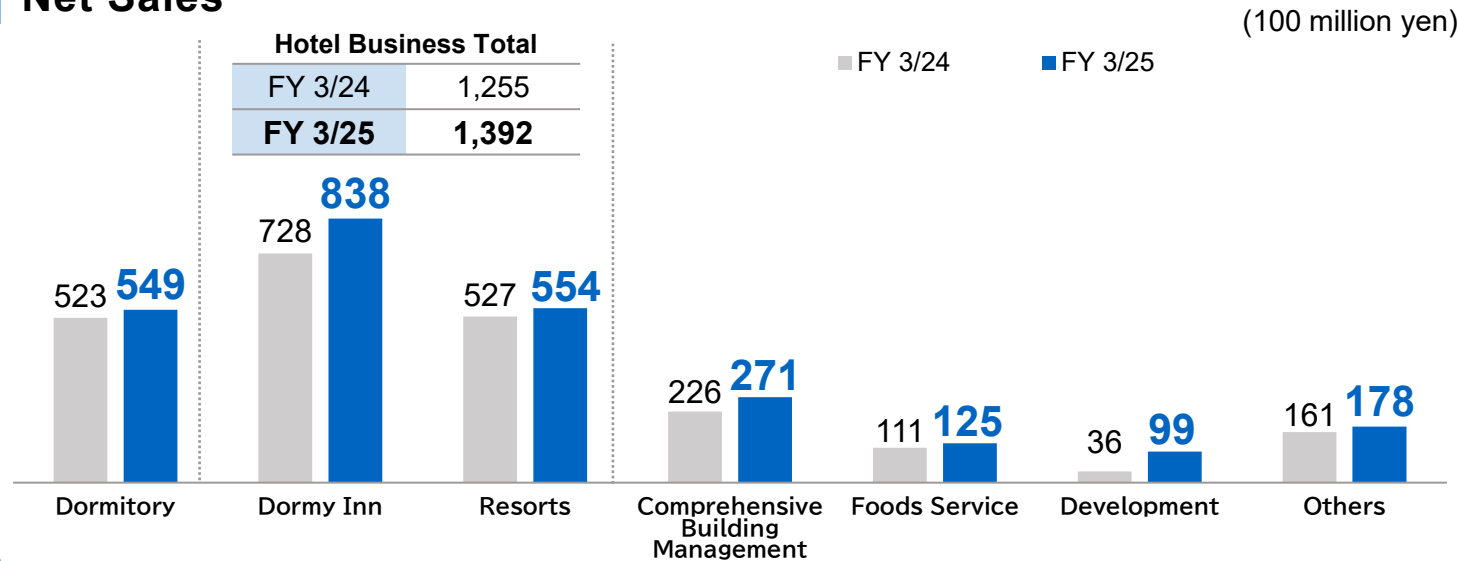
*1 5.02 billion yen of Equity in earnings was recorded on equity method investment gain(gain from negative goodwill) in the fiscal year ending 2024 and 1.33 billion yen of Equity in earnings of affiliated companies was recorded in the fiscal year ending 2025 due to the acquisition of COSMOS INITIA Co.,Ltd

*2 The Company carried out a stock split on April 1, 2024, at a ratio of two shares per one common share. Accordingly, EPS have been calculated presuming that this stock split was carried out at the start of fiscal year ending March 31, 2024.

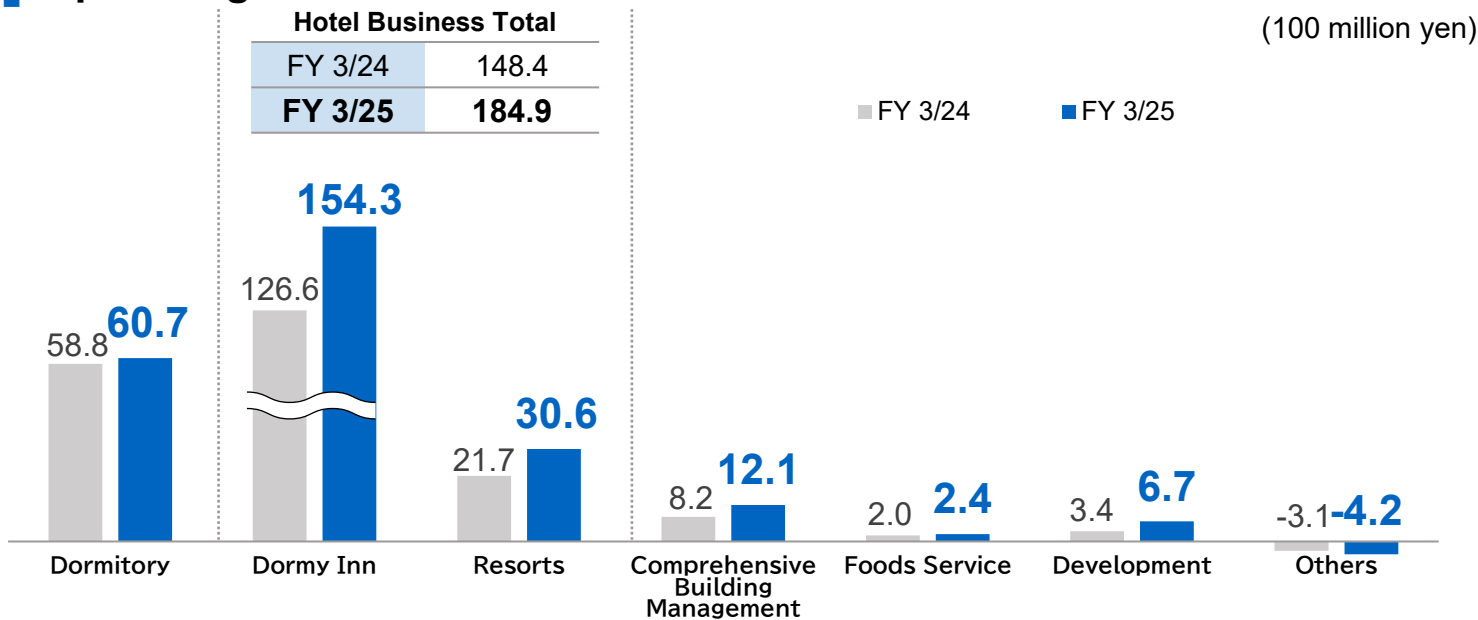
*3 Cash Flow: Net Income + Depreciation Expense

Breakdown of Net Sales and Operating Income by Business Segments

Net Sales



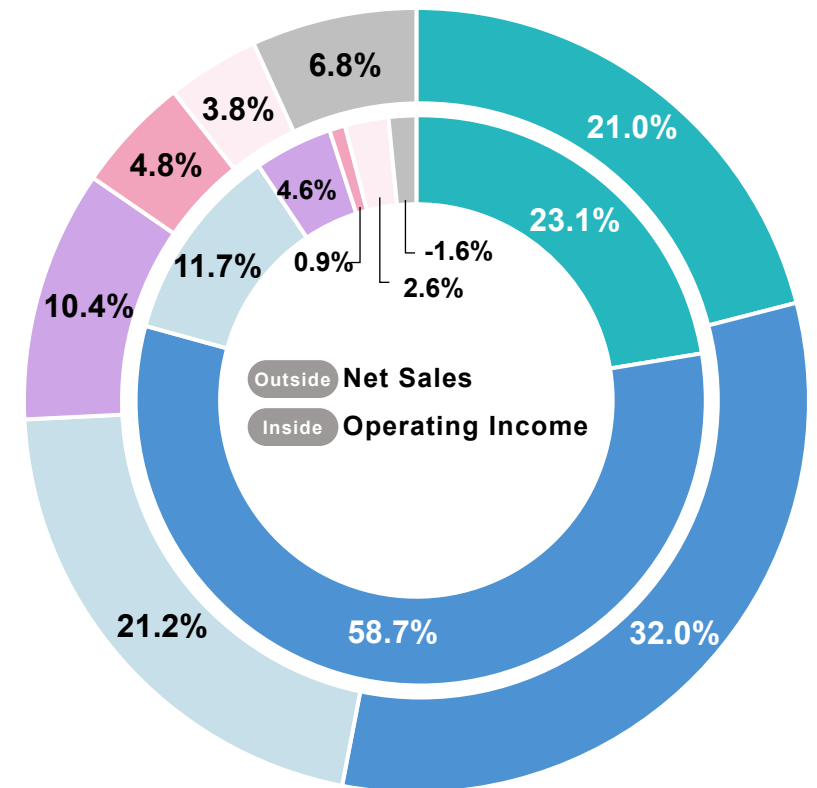
Operating Income



Breakdown by Segments FY 3/25

(Before eliminations of intersegment transactions)

■ Dormitory
 ■ Dormy Inn
 ■ Resorts
 ■ Comprehensive Building Management
 ■ Foods Service
 ■ Development
 ■ Others



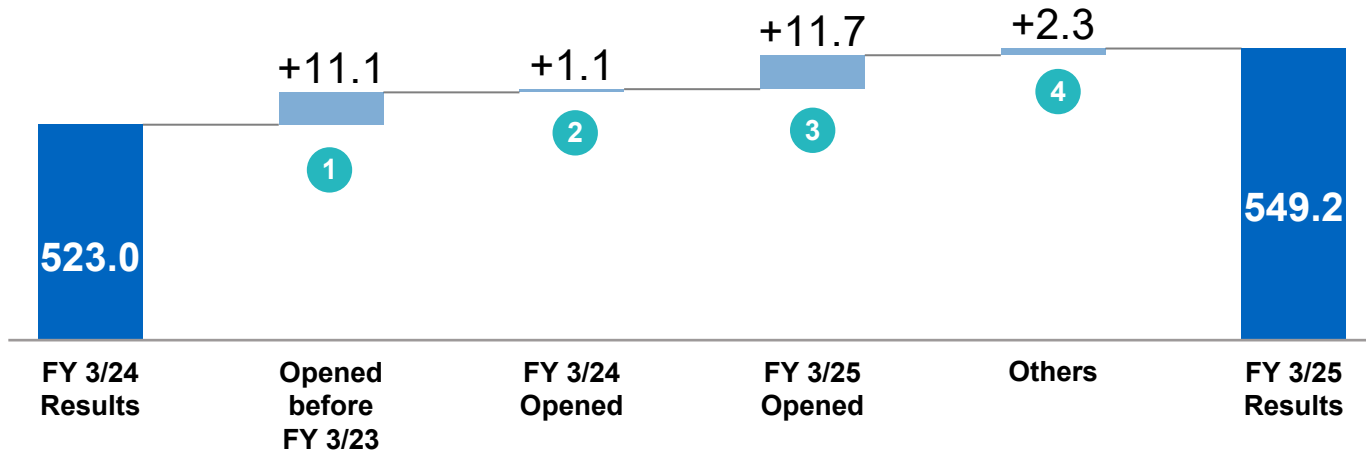
Factors for Deviation from FY 3/24

Operating Income (100 million yen)		Q1 (4-6/2024)	Q2 (7-9/2024)	Q3 (10-12/2024)	Q4 (1-3/2025)	Full Year (4/2024-3/2025)	Main Cause
Dormitory Business	FY 3/24 Results	16	13	8	20	58	• Even though occupancy rate in the beginning of this fiscal year started, 97%(-1.2 points vs previous period), income was resulted increase thanks to aggressive sales activities and thorough revenue management absorbing increased cost.
	FY 3/25 Results	19	12	8	20	60	
	YoY	+3	-0	-0	-0	+1	
Dormy Inn Business	FY 3/24 Results	28	40	39	18	126	• Well capturing strong trend of demand both by domestic and inbound, income was significantly increased with improving RevPAR from previous fiscal year by optimizing sales prices and aggressive sales activities absorbing increased cost.
	FY 3/25 Results	35	51	53	14	154	
	YoY	+6	+10	+13	-3	+27	
Resorts Business	FY 3/24 Results	-6	9	13	4	21	• Since our company's founding, biggest large-scale renewal work was carried out to maintain and improve customer satisfaction. Influenced income YoY resulted -24 yearly (-14 in Q4) • The Impact by warnings of a Nankai Trough earthquake and typhoons was limited.
	FY 3/25 Results	-5	13	18	3	30	
	YoY	+0	+3	+5	-0	+8	
Others	FY 3/24 Results	-9	-8	-10	-11	-40	• Business of Development, Comprehensive Building Management and senior life brought significantly high income(0.9 billion Yen) • Real estate securitization were carried out (Dormy Inn EX Toyohashi) • Increase in consolidated eliminations and unallocated head office expenses (0.7 billion Yen)
	FY 3/25 Results	-10	-9	-8	-12	-40	
	YoY	-1	-0	+1	-0	-0	
Total	FY 3/24 Results	29	54	51	31	167	
	FY 3/25 Results	38	67	72	26	204	
	YoY	+9	+13	+20	-4	+37	

Net Sales

+26.2 (+5.0%) YoY

(100 million yen)

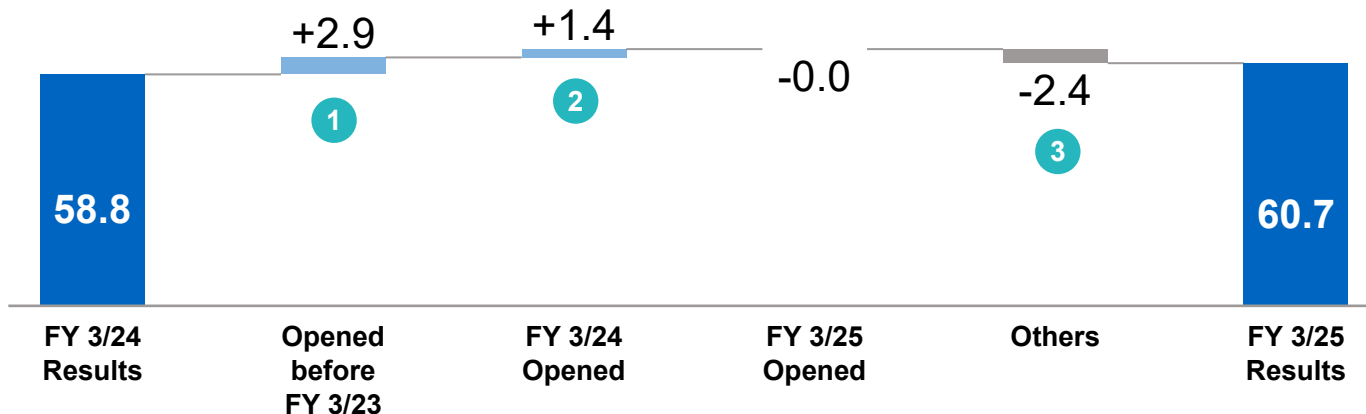


1	Sales increase due to optimization of sales prices	+17.9
	Revenue decrease due to reduced occupancy	-6.8
2	Sales price optimization and occupancy increase	+2.0
	Contract fee decrease	-0.9
3	FY 3/25 Newly opened: 8 facilities 907 rooms	
	Omori-Kita 50	Global House Nigawa 138
	Nishi-Kasai North Exit 53	KU ROKKO HOUSE 175
	Nishi-Kasai South Exit 122	Osaka Kyobashi 220
	Chikusa Minami 62	Sakai Kaigan Dori 87
4	Contracted Business, etc.	+2.3

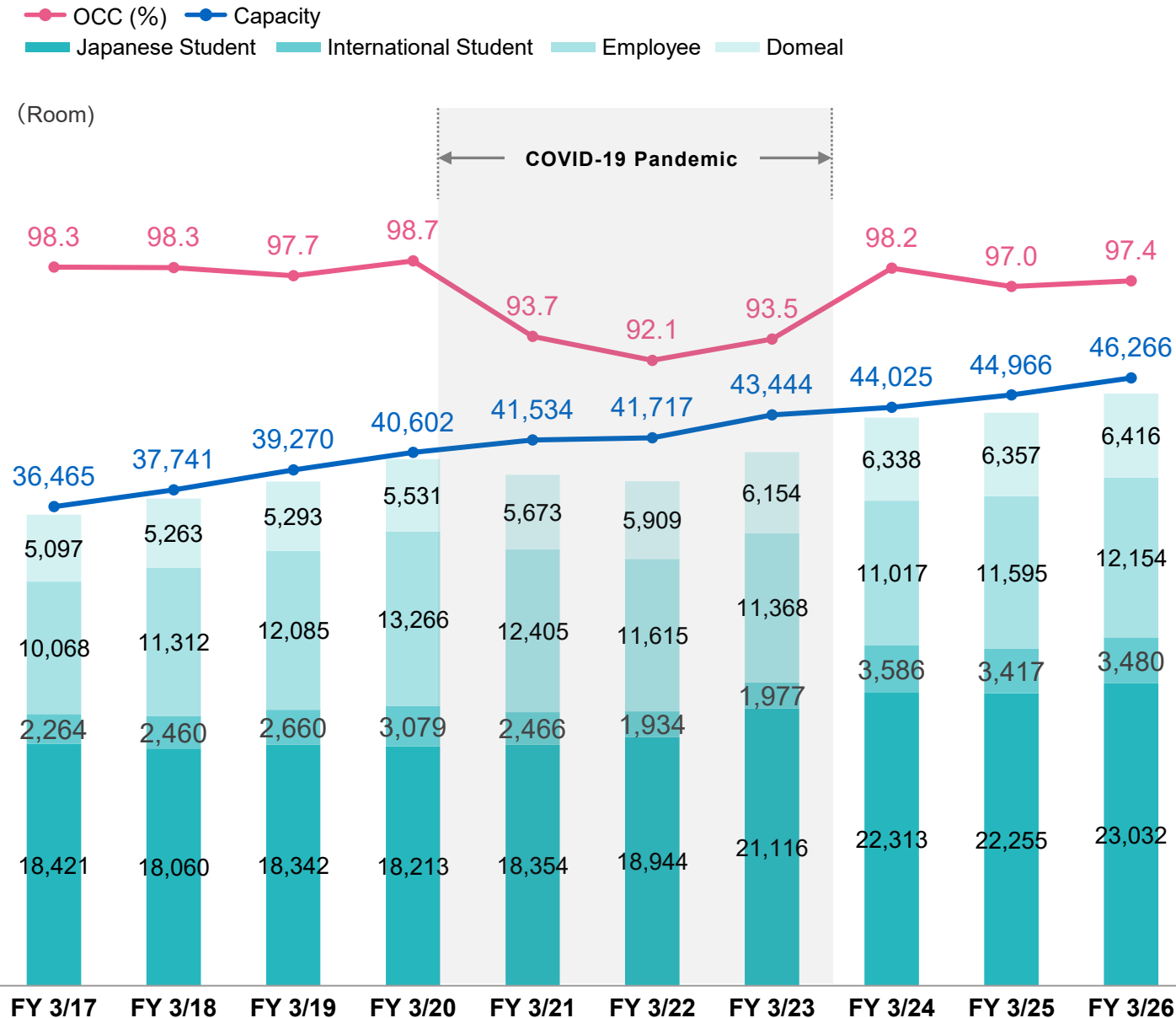
Operating Income

+1.9 (+3.3%) YoY

(100 million yen)



1	Profit increase due to optimization of sales prices	+17.9
	Profit decrease from reduced occupancy	-5.4
	Cost inflation, etc. (Food costs, renovation costs, utilities, etc.)	-9.6
2	Profit increase due to sales price optimization and occupancy increase	+1.7
	Contract fee decrease	-0.9
	Decrease in opening expenses, etc.	+0.6
3	Large-scale renewal work increase/decrease	-0.4
	Headquarters costs, etc.	-2.0



	FY 3/25	FY 3/26	YoY
Occupancy Ratio at the Beginning	97.0%	97.4%	+0.4pt
Number of Properties (Facilities)	526	536	+10
Number of Rooms	44,966	46,266	+1,300
Number of Rooms Occupied	43,624	45,082	+1,458

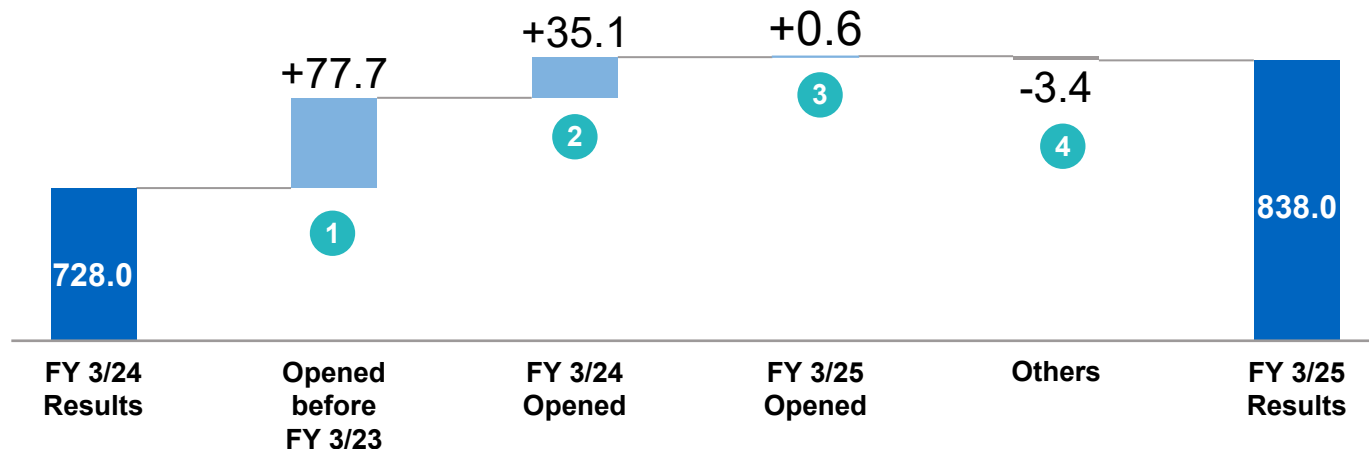
Breakdown of Occupied Rooms (Unit: room)

	FY 3/25	FY 3/26	YoY
Domeal	6,357	6,416	+59
Employee	11,595	12,154	+559
International Student	3,417	3,480	+63
Japanese Student	22,255	23,032	+777

Net Sales

+110.0 (+15.1%) YoY

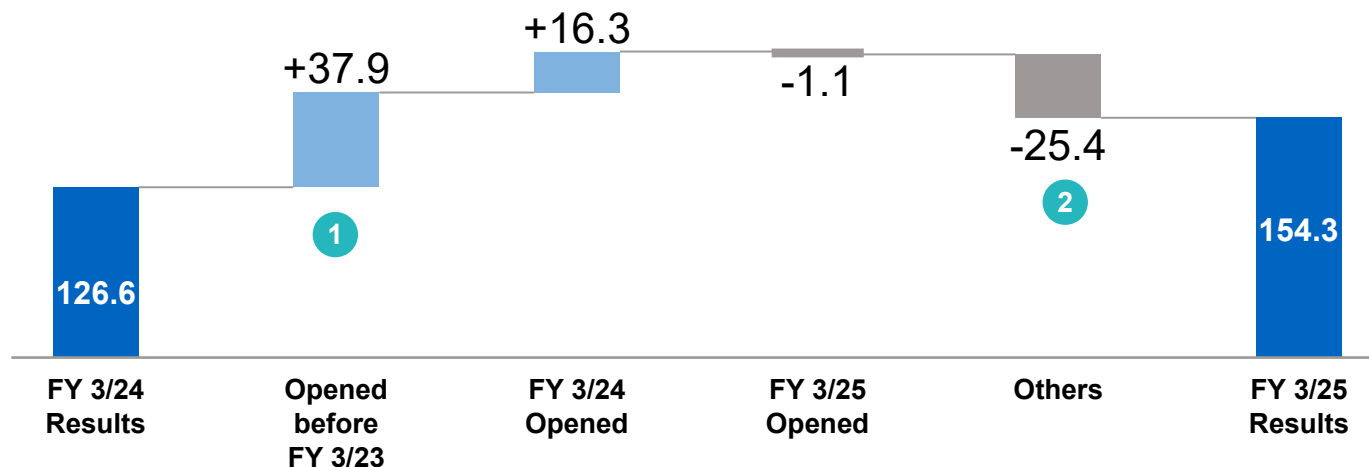
(100 million yen)



Operating Income

+27.6 (+21.8%) YoY

(100 million yen)



1 Sales growth due to higher RevPAR: +77.7
13,655 yen (YoY +1,196 yen)

2 FY 3/24 Newly opened: 4 facilities 750 rooms

Sep.	Aomori	194	Feb.	Toyohashi	170
Jan.	NonoBeppu	269	Mar.	Nono Asakusa Bettei	117

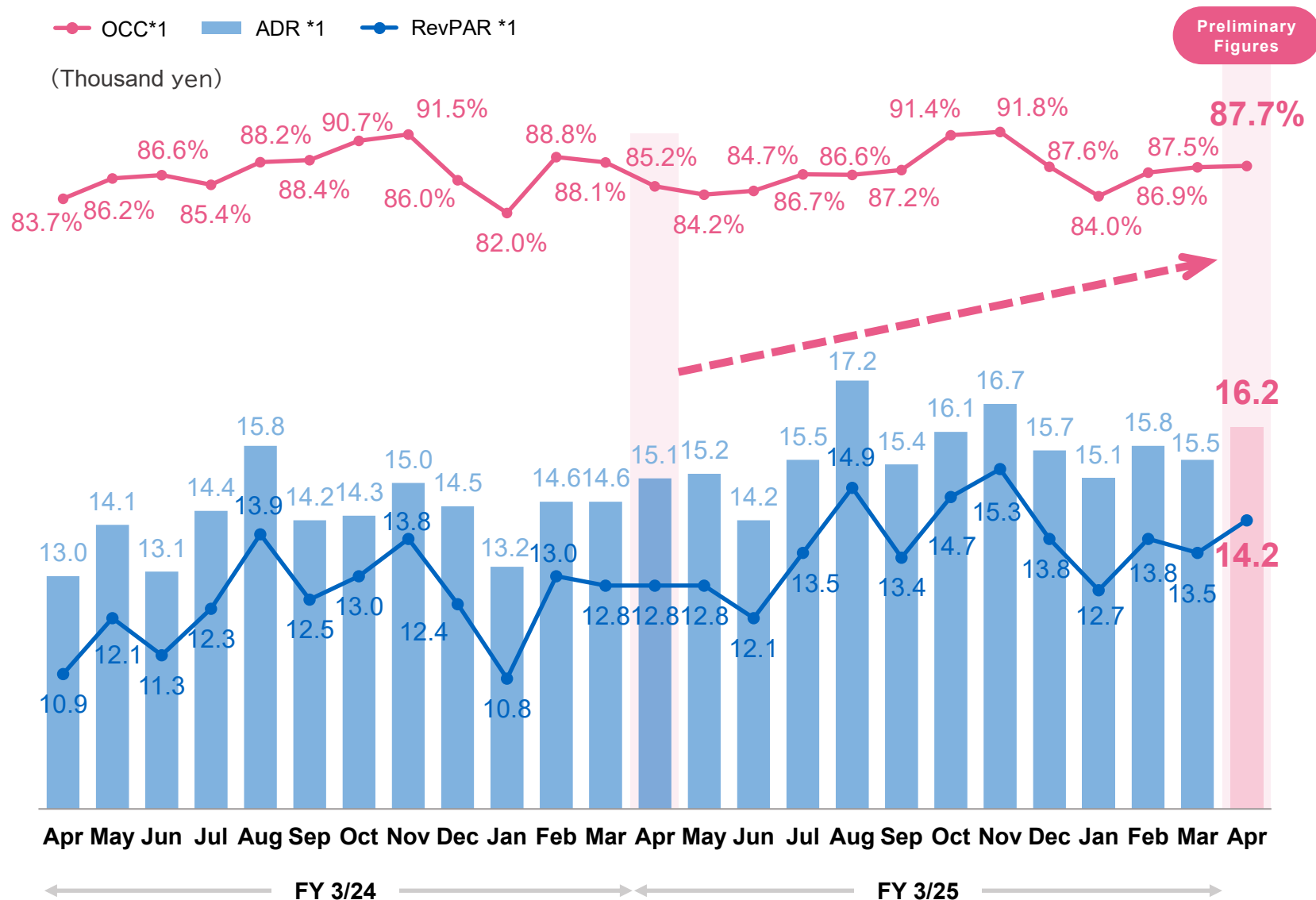
3 FY 3/25 Newly opened: 1 facilities 78 rooms

Oct.	global cabin Yokohama Chugoku town (reopening)	78
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4 Large-scale renewal work increase/decrease -6.2
SEOUL Gangnam (South Korea), etc. **+2.8**

1 Income growth due to higher RevPAR: +56.3
Cost inflation -18.4
(Food costs, linen, cleaning costs, etc.)

2 Large-scale renewal work increase/decrease -17.1
SEOUL Gangnam (South Korea) **+0.5**
Headquarters costs, etc. **-8.8**



OCC (%)

	Q1	Q2	Q3	Q4	Full Year
FY 3/24	85.5	87.3	89.4	86.2	87.1
FY 3/25	84.7	86.8	90.2	86.1	87.0
YoY	-0.8pt	-0.5pt	+0.9pt	-0.1pt	-0.1pt

ADR (thousand yen)

	Q1	Q2	Q3	Q4	Full Year
FY 3/24	13.4	14.8	14.6	14.2	14.3
FY 3/25	14.8	16.1	16.2	15.5	15.7
YoY	+1.4	+1.2	+1.5	+1.3	+1.3

RevPAR (thousand yen)

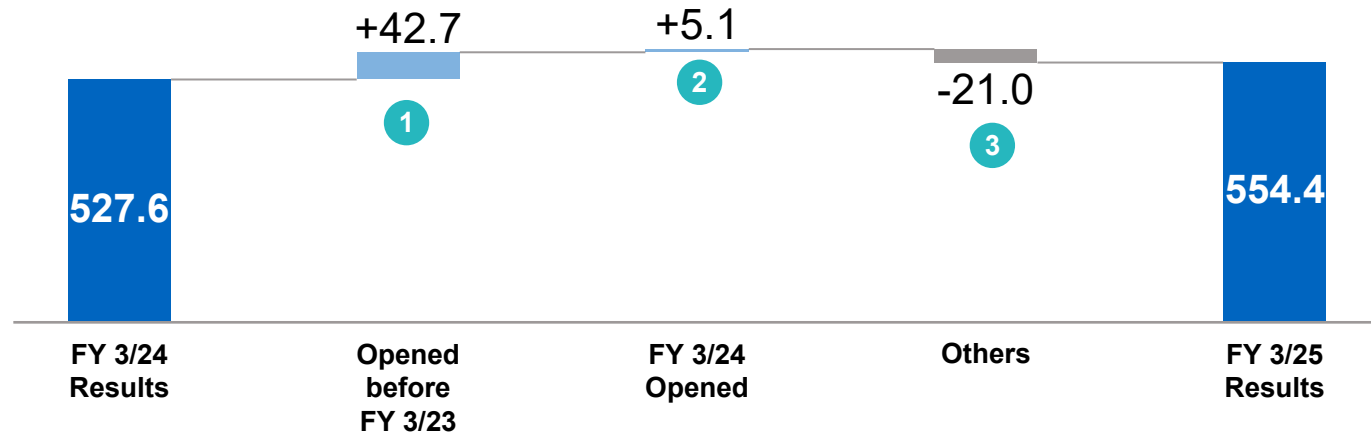
	Q1	Q2	Q3	Q4	Full Year
FY 3/24	11.4	12.9	13.1	12.2	12.4
FY 3/25	12.6	13.9	14.6	13.3	13.6
YoY	+1.1	+1.0	+1.5	+1.1	+1.1

*1 The table above shows figures excluding hotels that opened in April 2023 or later, in order to enable comparison under the same conditions.

Net Sales

+26.7 (+5.1%) YoY

(100 million yen)



1 Sales growth due to higher RevPAR: **+42.7**
38,336 yen (YoY +2,922 yen)

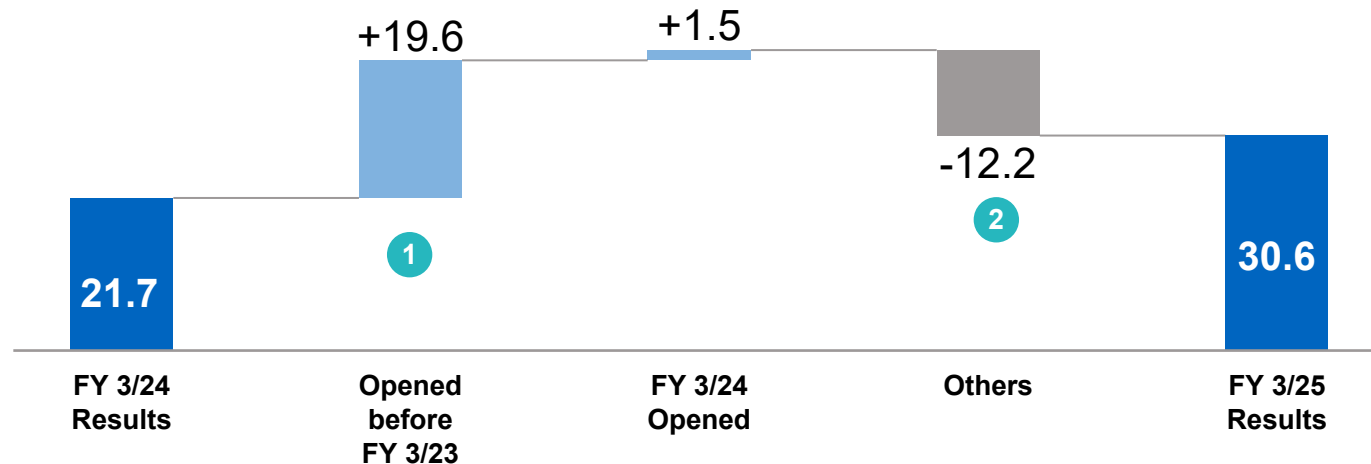
2 FY 3/24 Newly opened: 1 facility 75 rooms
Sep. La Vista Yokosuka Kannonzaki Terrace 75

3 Large-scale renewal work increase/decrease **-9.6**
Suspended operations (Noto Kaishu), etc. **-11.4**

Operating Income

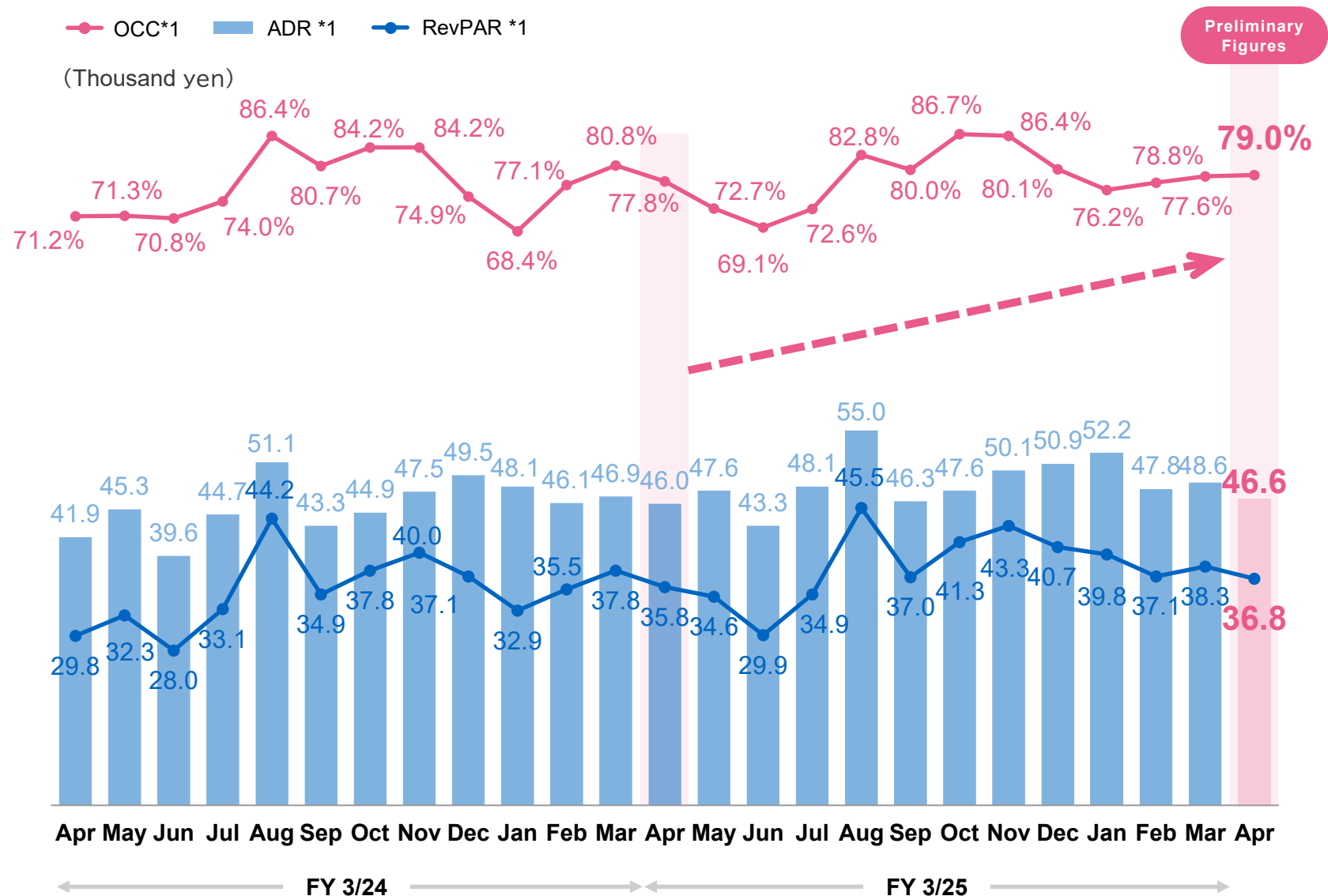
+8.9 (+41.0%) YoY

(100 million yen)



1 Income growth due to higher RevPAR: **+29.4**
Cost inflation **-9.8**
(Linen, cleaning costs, utilities, etc.)

2 Large-scale renewal work increase/decrease **-7.7**
Headquarters costs, etc. **-4.5**

Monthly Trends in Occupancy Ratio, Average Daily Rate
and RevPAR

OCC (%)

	Q1	Q2	Q3	Q4	Full Year
FY 3/24	71.1	80.4	81.1	75.4	77.1
FY 3/25	73.4	78.5	84.4	77.5	78.5
YoY	+2.2pt	-1.9pt	+3.3pt	+2.1pt	+1.4pt

ADR (thousand yen)

	Q1	Q2	Q3	Q4	Full Year
FY 3/24	42.4	46.6	47.2	47.0	45.9
FY 3/25	45.8	50.0	49.5	49.5	48.8
YoY	+3.4	+3.3	+2.2	+2.5	+2.8

RevPAR (thousand yen)

	Q1	Q2	Q3	Q4	Full Year
FY 3/24	30.1	37.5	38.3	35.4	35.4
FY 3/25	33.6	39.2	41.8	38.4	38.3
YoY	+3.4	+1.7	+3.4	+2.9	+2.9

*1 The table above shows figures excluding hotels that opened in April 2023 or later, in order to enable comparison under the same conditions.

Consolidated Balance Sheet

End of March 2024

Assets	Liabilities
270.9 billion yen	184.3 billion yen
Cash and Deposits 31.8 billion yen	InterestBearing Liabilities 138.6 billion yen *Include CB of30.0 billion yen
Non-Current Assets 190.2 billion yen	Net Assets 86.6 billion yen
	Treasury Stock -0.3 billion yen

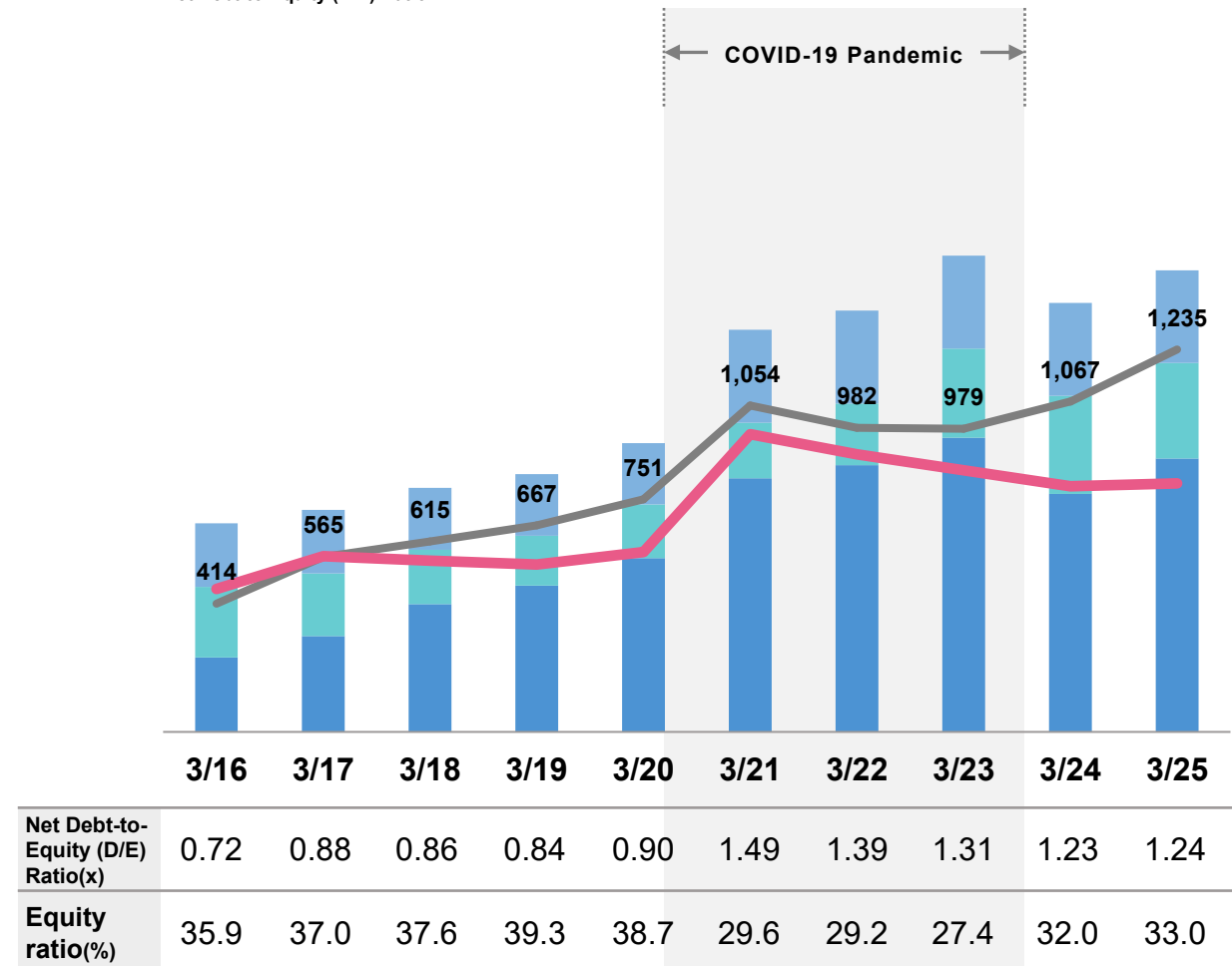
End of March 2025

Assets	Liabilities
301.4 billion yen (+30.5 billion yen)	202.1 billion yen (-17.7 billion yen)
Cash and Deposits 25.6 billion yen (-6.1 billion yen)	InterestBearing Liabilities 149.2 billion yen (+10.6 billion yen) *Include CB of30.0 billion yen
Non-Current Assets 231.6 billion yen (+41.4 billion yen)	Net Assets 99.3 billion yen (+12.7 billion yen)
	Treasury Stock -0.2 billion yen

Notes: Interest-bearing liabilities = Short-term loans payable + Current portion of bonds + Bonds + Long-term loans payable + Lease debts + Convertible bonds (CB)

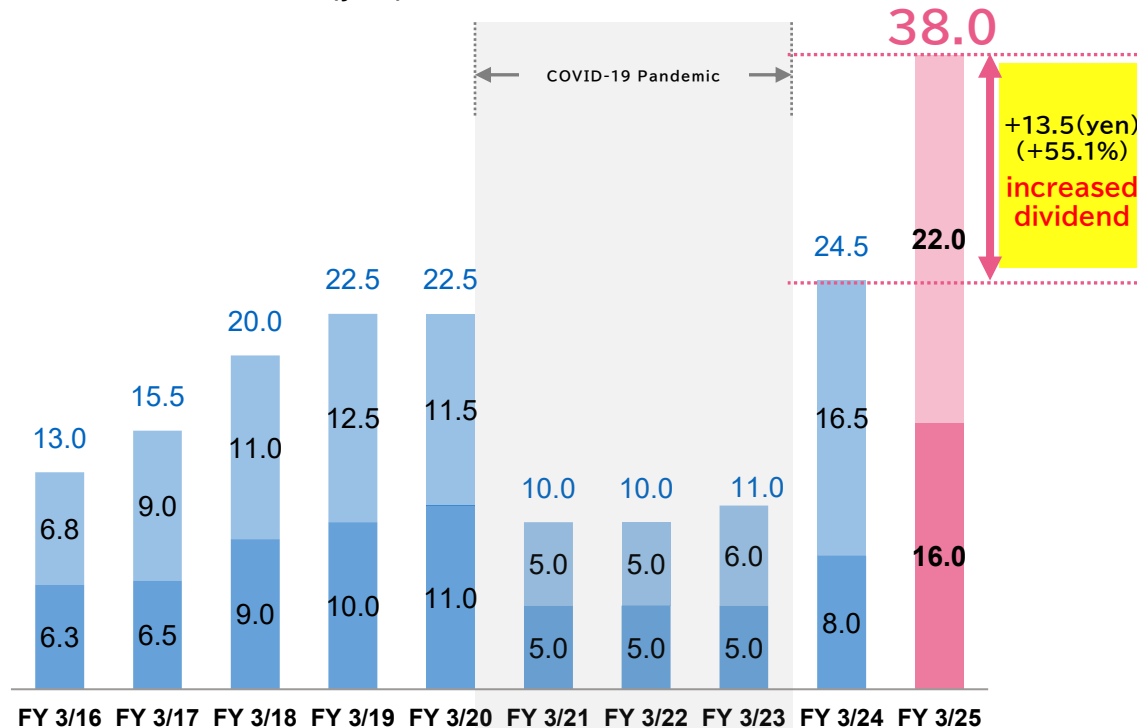
Net Debt-to-Equity (D/E) Ratio

■ Long-term loans payable
■ Short-term loans payable
■ Convertible bonds (CB)
— Interest-Bearing Liabilities (Net)(100 million yen)
— Net Debt-to-Equity (D/E) Ratio



Dividends

- Interim dividend (yen)
- Year-end dividend (yen)



EPS (yen)	78.6	92.2	112.9	122.7	88.8	-156.0	6.9	54.4	159.1	186.6
Payout ratio (%)	16.5	16.8	17.7	18.3	25.3	-	144.6	20.2	15.4*	20.4

* The dividend payout ratio excluding the effects of special factors in FY 3/24, i.e., the equity method investment gain of 5.02 billion yen and the impairment loss of 2.01 billion yen, is 20.3%.
Note: The dividend amount, EPS is calculated taking into account the 2-for-1 stock split of common shares both on April 1, 2017 and April 1, 2024.

Shareholder Benefits

- Enhancement of "Shareholder Benefit Vouchers" (twice yearly) and "Long-term Shareholder Benefit Vouchers" (once yearly)

Applicable to shareholders registered as of end of March 2025

Number of shares owned	Previous*	After change*	Difference
100 shares or more ~ Less than 200 shares	3,000	6,000	+3,000
200 shares or more ~ Less than 500 shares	3,000	12,000	+8,000
500 shares or more ~ Less than 1,000 shares	8,000	22,000	+14,000
1,000 shares or more ~ Less than 2,000 shares	21,000	42,000	+21,000
2,000 shares or more ~ Less than 5,000 shares	40,000	80,000	+40,000
5,000 shares or more ~ Less than 10,000 shares	70,000	140,000	+70,000
10,000 shares or more	150,000	300,000	+150,000

*Calculated by combining "Shareholder Benefit Vouchers" (twice yearly) and "Long-term Shareholder Benefit Vouchers" (once yearly). Please check our website for details.
*Long-term Shareholder Benefit Vouchers" are for shareholders who have held shares continuously for 3 or more years as of March 31

- Improving Shareholder Benefit Convenience

Extended usage period

6 months

12 months

Digitalization of shareholder benefit vouchers

Paper vouchers (1,000 yen)

Electronic points (1 yen unit)

<u>01</u>	Summary of Financial Results for FY 3/25	P.02
<u>02</u>	FY 3/26 Consolidated Financial Forecasts	P.15
<u>03</u>	Progress on the Medium-Term Management Plan	P.27

Expect highest profits also for FY26 in plan as three consecutive years, expect to hit 25 billion Yen operating income and 21.1% increase of dividend

Dormitory Business

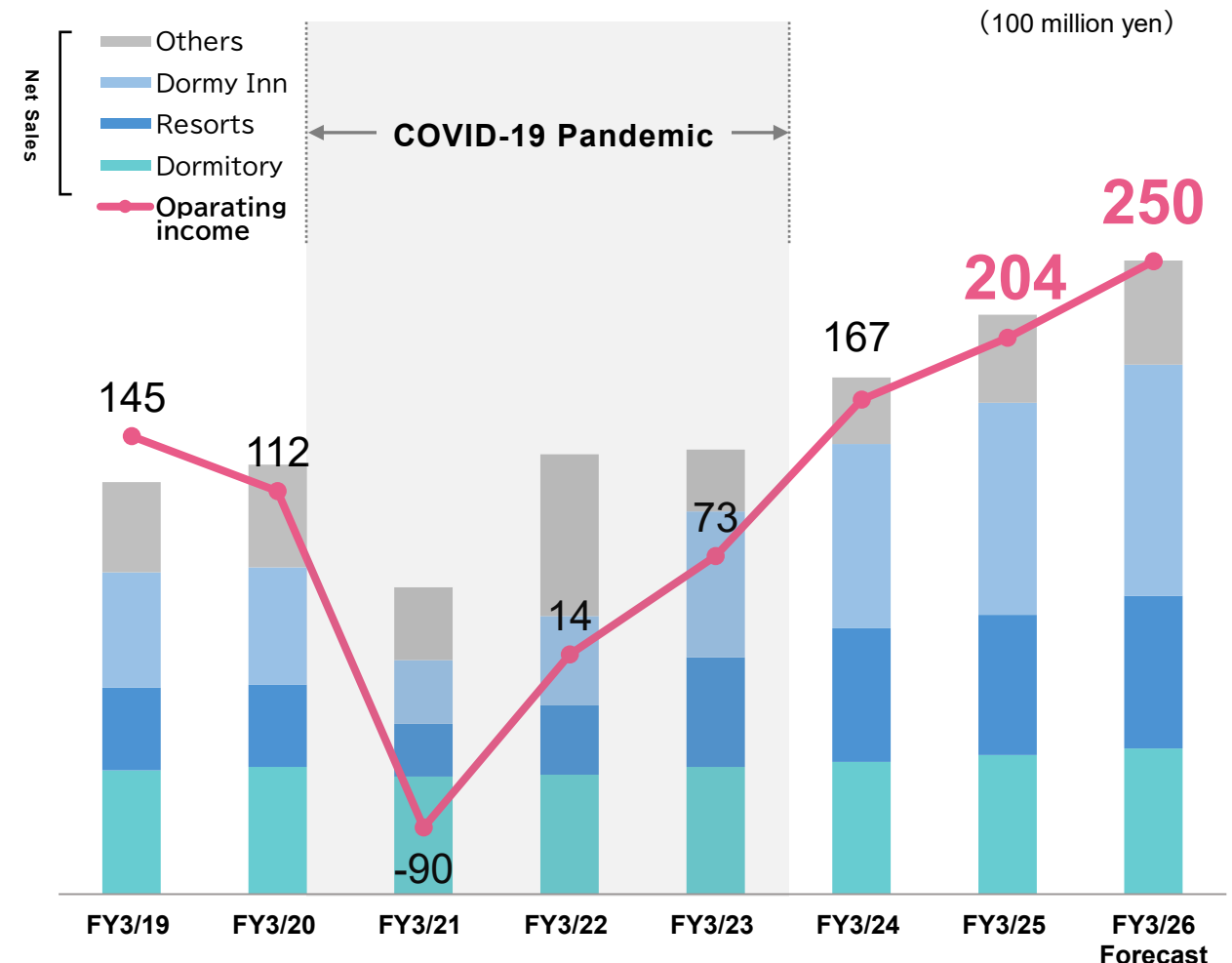
- In April, OCC ratio was successfully started high as 97.4% (0.4% higher on YoY basis) by newly opening 12 facilities with 1,364 rooms
- Increased income by opening new facilities and increased both sales and income by steadily optimizing sales prices.

Hotel Business

- 6 facilities with 943 rooms are expected to be opened as "First year of aggressive new development & new opening"
- Well capturing strong trend of demand both by domestic and inbound, strongly continued thorough revenue management by dynamic pricing.

Others

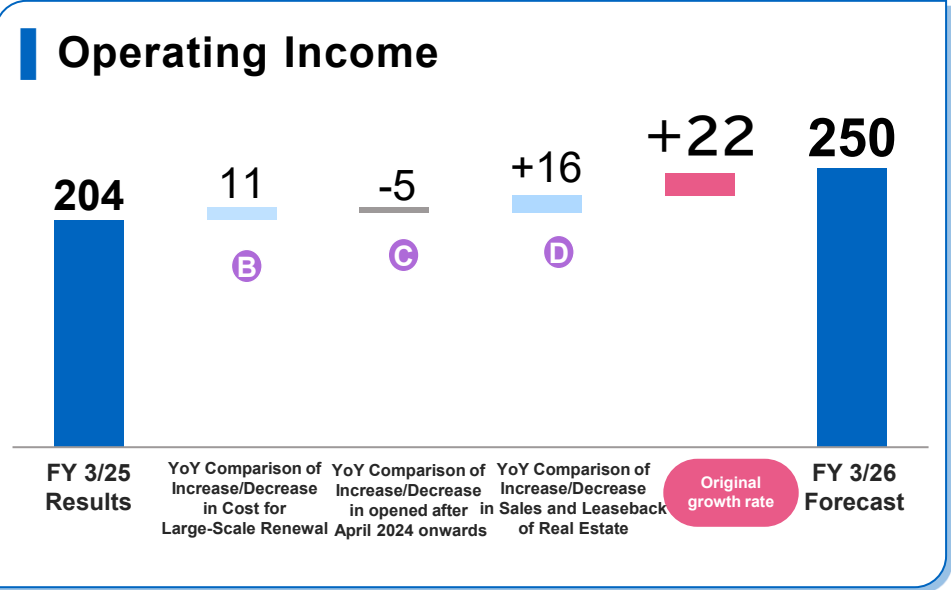
Expected 1.8 billion Yen sales profit by 4 facility's real estate securitization
In order to recover capital and offset start-up costs.



(100 million yen)

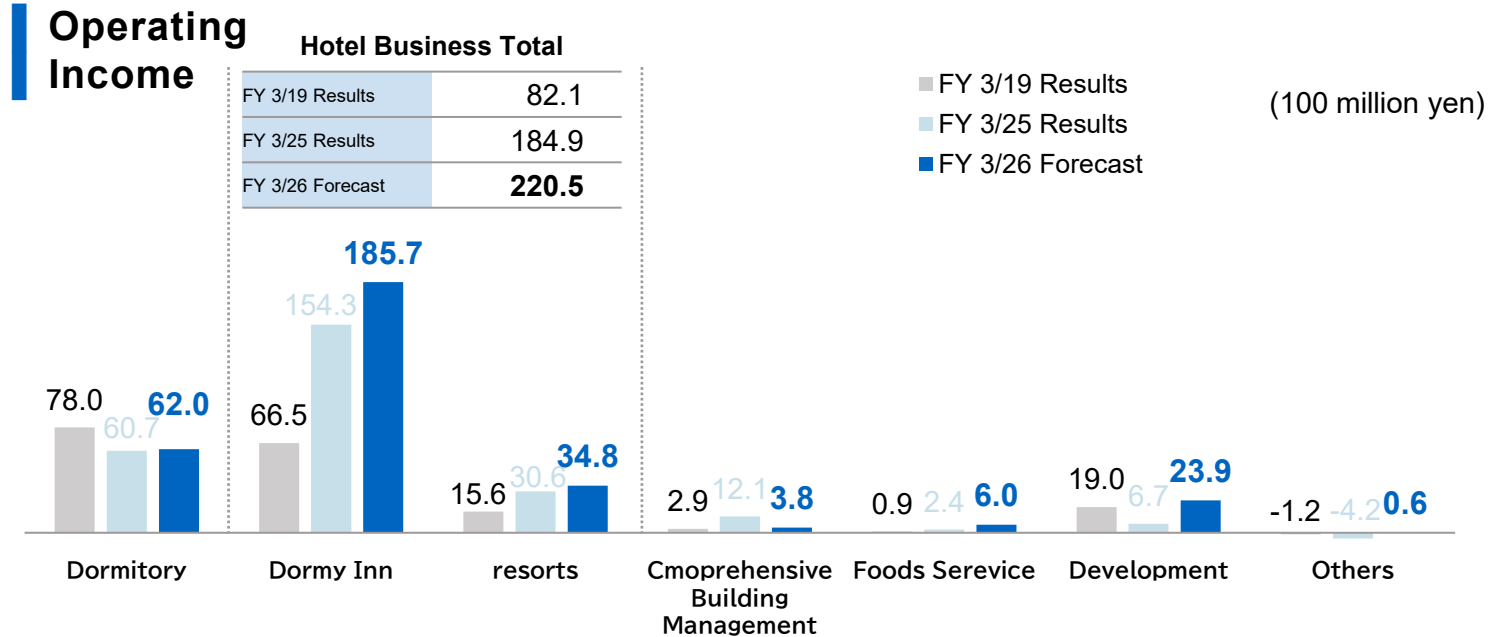
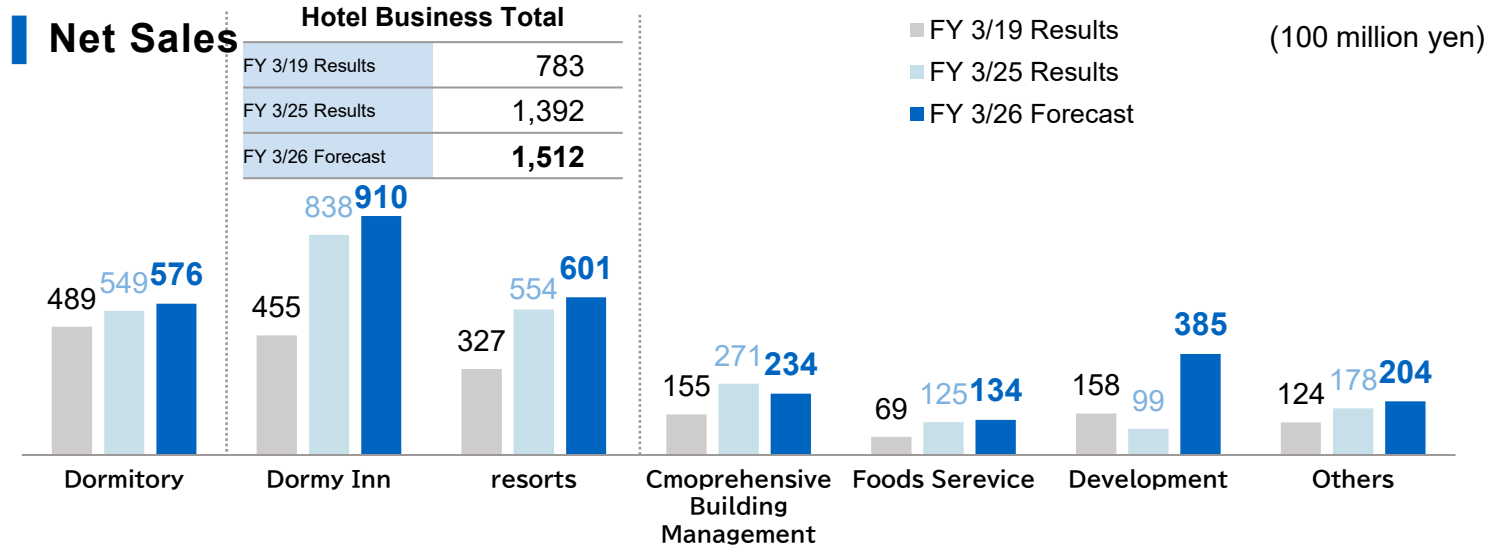
	FY 3/25 Results (4/2024–3/2025)	FY 3/26 Forecast (4/2025–3/2026)	YoY Comparison Ⓐ	
Net Sales	2,289	2,740	+450	+19.7%
Operating Income	204	250	+45	+22.0%
Ordinary Income	214	250	+35	+16.7%
Net Income	145	180	+34	+23.6%
EPS (yen)	186.6	230.6	+44.0	+23.6%
DPS (yen)	38.0	46.0	+8	+21.1%
Depreciation Expense	77	95	+17	+23.1%
Cash Flow*	222	275	+52	+23.4%
Capital Investment	480	550	+69	+14.5%

Special Causes			YoY Comparison without Factors on the Left Ⓐ-Ⓑ-Ⓒ-Ⓓ	
YoY Comparison of Increase/Decrease in Cost for Large-Scale Renewal Ⓑ	YoY Comparison of Increase/Decrease in opened after April 2024 onwards Ⓒ	YoY Comparison of Increase/Decrease in Sales and Leaseback of Real Estate Ⓓ		
-7	+39	+287	+131	+5.7%
+11	-5	+16	+22	+11.1%



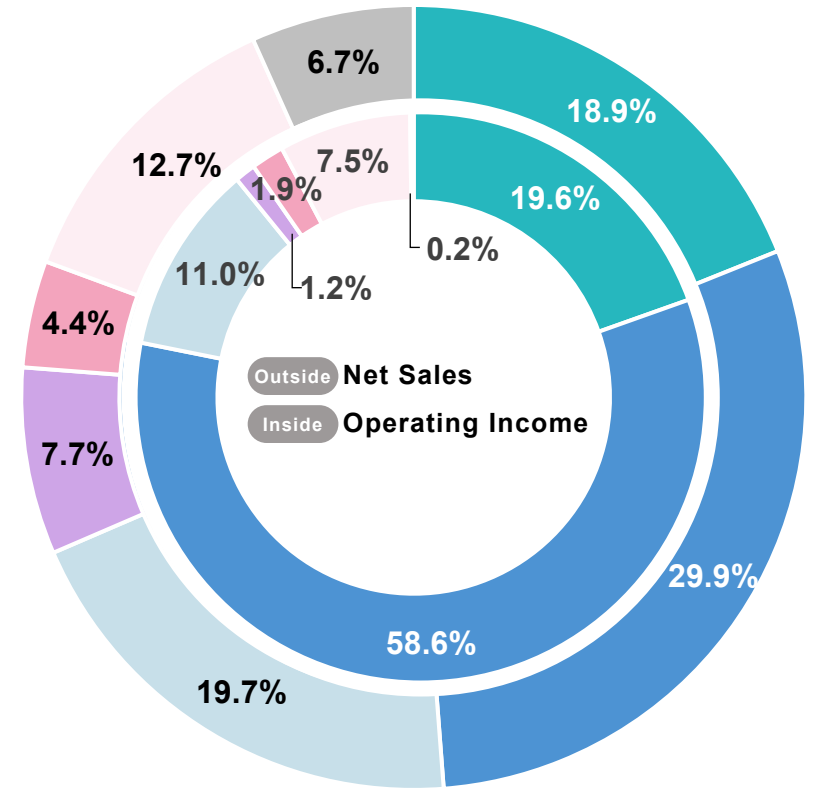
* Cash Flow: Net Income + Depreciation Expense

Consolidated Financial Forecast: Breakdown by Segments



Breakdown by Segments FY 3/26 Forecast (Before eliminations of intersegment transactions)

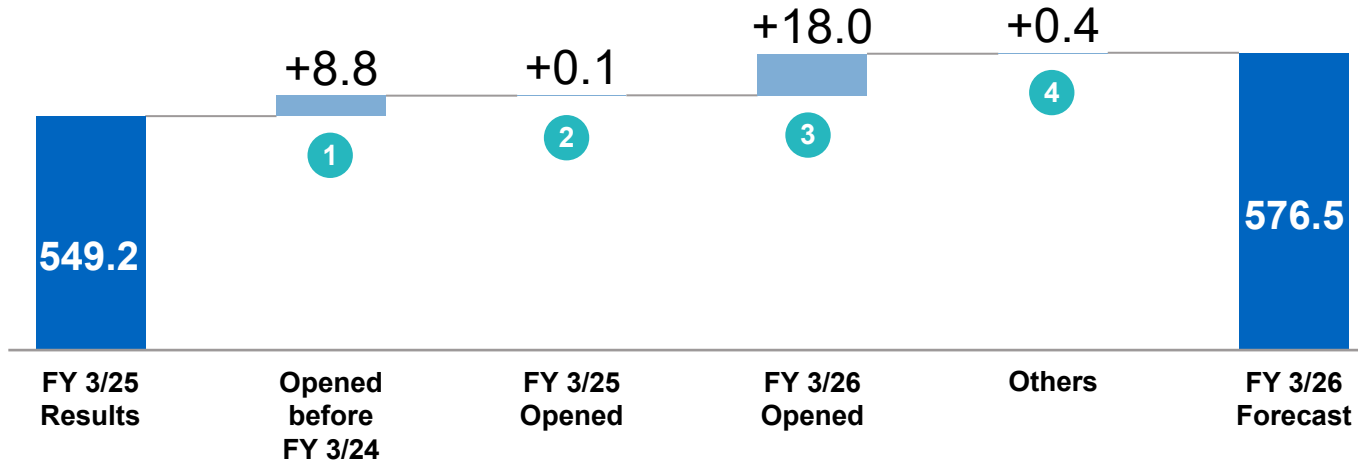
■ Dormitory
 ■ Dormy Inn
 ■ Resorts
 ■ Comprehensive Building Management
 ■ Foods Service
 ■ Development
 ■ Others



Net Sales

+27.3(+5.0%)YoY

(100 million yen)



1

Sales increase due to optimization of sales prices
Revenue decrease due to reduced occupancy

+11.9
-3.1

2

Sales increase due to optimization of sales prices
Revenue decrease due to reduced occupancy

+0.9
-0.8

3

FY 3/26 Newly opened:12 facilities 1,364 rooms

Dormy Sagami Ohno2	53	Dormy Mei Eki Kameshima Annex	89
Dormy Sagami Ohno2	172	Dormy MibuSanjo	77
Dormy Urayasu3	33	Dormy Nishioji Gojo	114
Dormy Sapporo Nishi 18	147	Dormy Okayama Minamigata	178
Dormy Sapporo Nishi 11	100	Dormy Takamatsu Nishikicho	126
Dormy Sendai Kawauchi Hills	156	Tokushima University affiliated International Dormitory Azur	119

4

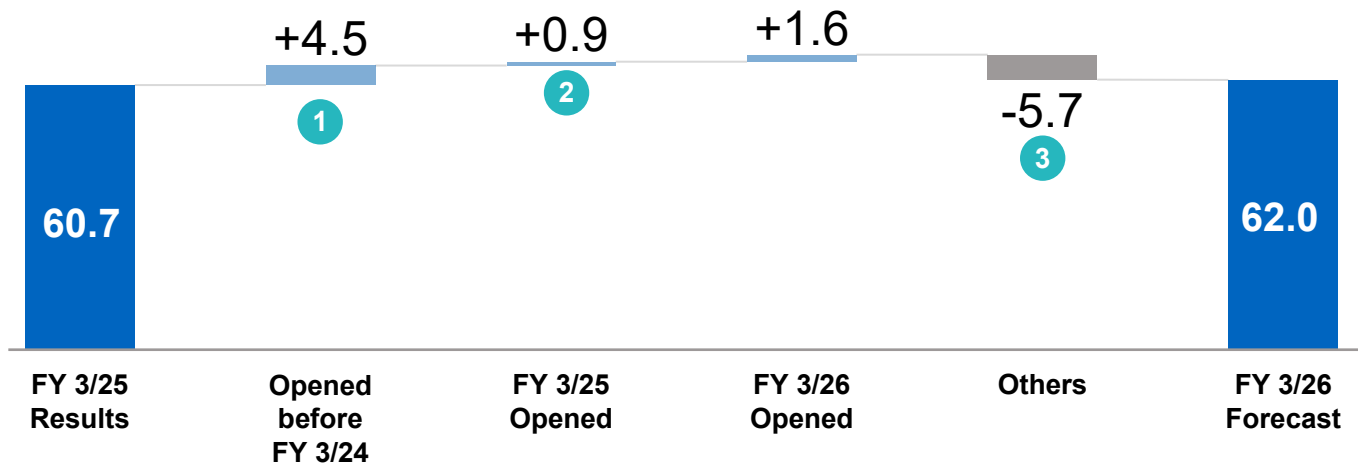
Contracted Business, etc.

+0.4

Operating Income

+1.2(+2.0%)YoY

(100 million yen)

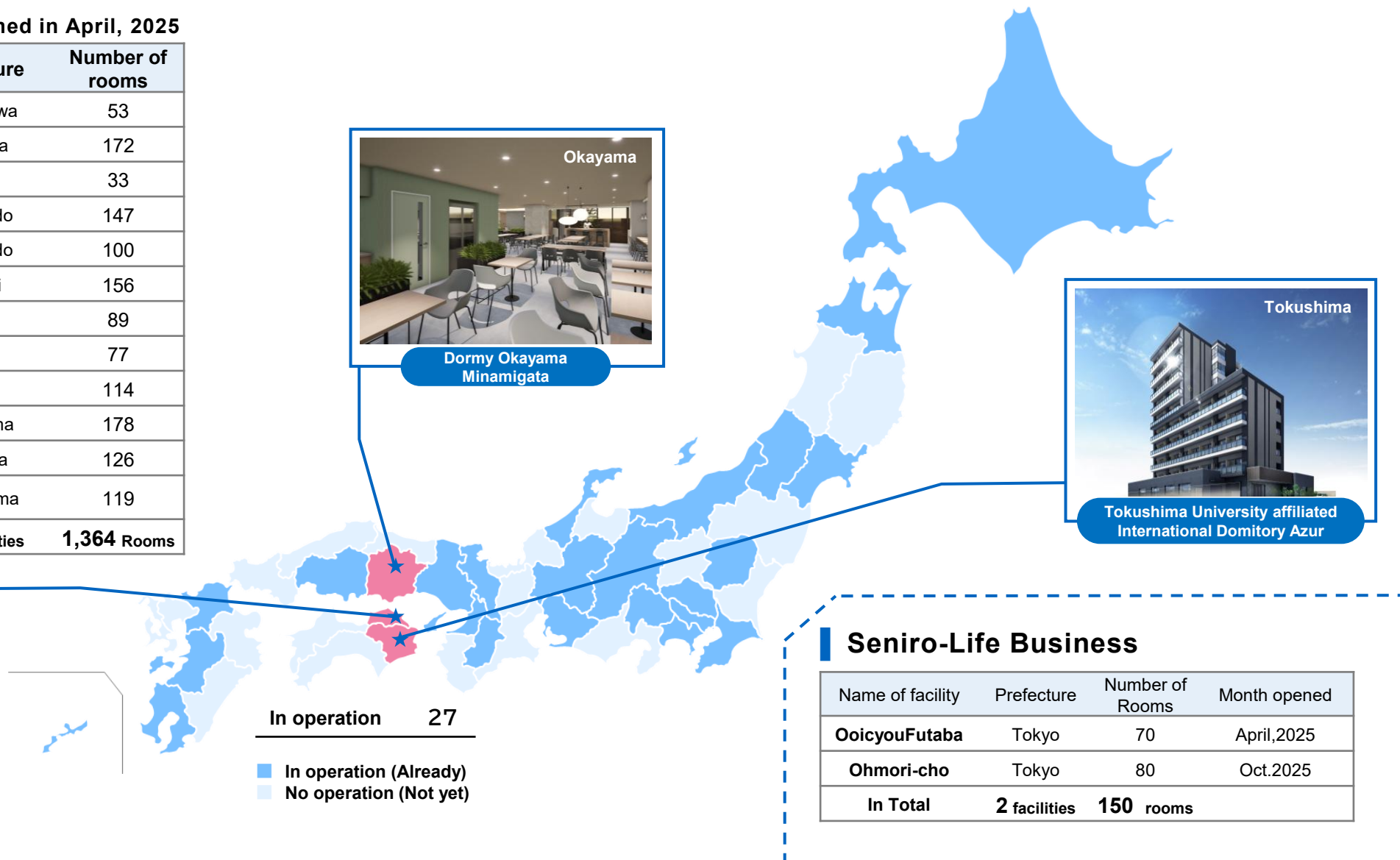


1	Profit increase due to optimization of sales prices	+11.1
	Profit decrease from reduced occupancy	-3.1
	Cost inflation, etc. (Food costs, renovation costs, utilities, etc.)	-3.5
2	Profit increase due to optimization of sales prices	+0.7
	Profit decrease from reduced occupancy	-0.8
	Decrease in opening expenses	+1.0
3	Headquarters costs (Sales promotion etc.)	-5.7

As for dormitory business, we opened newly for 3 prefectures
 in Okayama, Kagawa and Tokushima

Dormitory Business ※All opened in April, 2025

Name of facility	Prefecture	Number of rooms
Dormy Sagami Ohno2	Kanagawa	53
Dormy Sakado Ekimae	Saitama	172
Dormy Urayasu3	Chiba	33
Dormy Sapporo Nishi 18	Hokkaido	147
Dormy Sapporo Nishi 11	Hokkaido	100
Dormy Sendai Kawauchi Hills	Miyagi	156
Dormy Mei Eki Kameshima Annex	Aichi	89
Dormy MibuSanjo	Kyoto	77
Dormy Nishioji Gojo	Kyoto	114
Dormy Okayama Minamigata	Okayama	178
Dormy Takamatsu Nishikicho	Kagawa	126
Tokushima University affiliated International Dormitory Azur	Tokushima	119
In Total	12 Facilities	1,364 Rooms



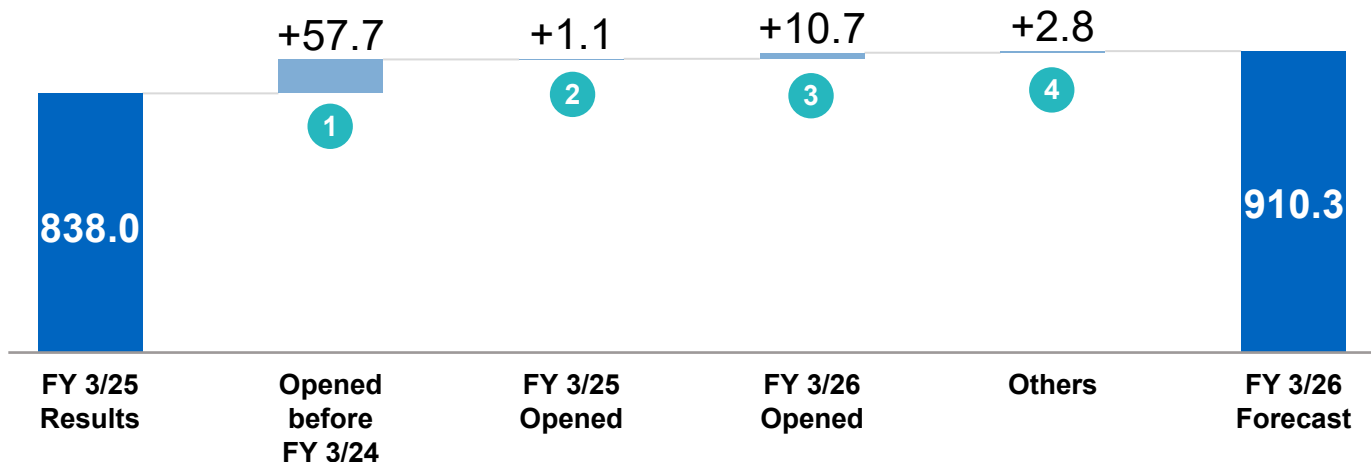
Seniro-Life Business

Name of facility	Prefecture	Number of Rooms	Month opened
OoicyouFutaba	Tokyo	70	April, 2025
Ohmori-cho	Tokyo	80	Oct. 2025
In Total	2 facilities	150 rooms	

Net Sales

+72.2(+8.6%)YoY

(100 million yen)



1 Sales growth due to higher RevPAR: **+57.7**
14,549 yen (YoY +753 yen)

2 FY 3/25 Newly opened: 1 facilities 78 rooms
Oct. global cabin Yokohama Chugoku town (reopening) 78

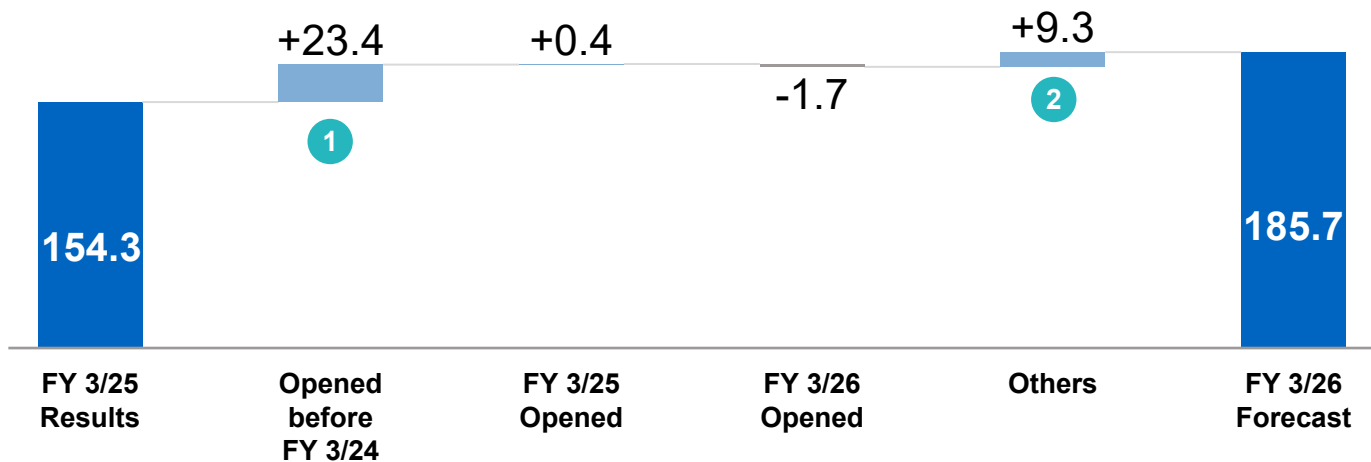
3 FY 3/26 Newly opened: 4 facilities 637 rooms
Oct. Tsuruga 199 Nov. Onyado Nono Kumamoto 191
Oct. EXPRESS Unnan 94 Feb. Onyado Nono Fukui 156

4 Large-scale renewal work increase/decrease **+2.3**
Seoul Gangnam(South Korea) , etc. **+0.5**

Operating Income

+31.3(+20.3%)YoY

(100 million yen)



1 Income growth due to higher RevPAR: **+41.5**
Cost inflation **-18.1**
(Food costs, renovation costs, utilities, etc.)

2 Large-scale renewal work increase/decrease **+15.4**
Headquarters costs, etc. **-6.1**

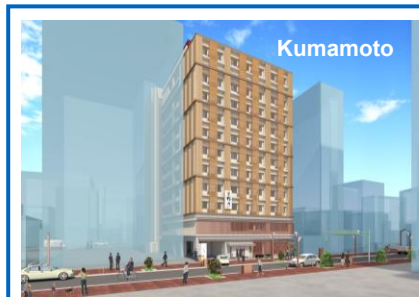
Newly opened 4 facilities mainly for series of “NONO”

Dormy Inn Business

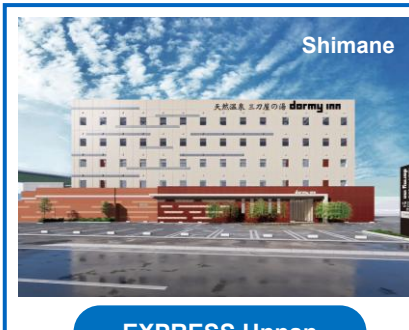
Name of facility	Prefecture	Number of rooms	Month to be opened
Tsuruga	Fukui	199	Oct. 2025
EXPRESS Unnan	Shimane	94	Oct. 2025
Onyado Nono Kumamoto	Kumamoto	191	Nov. 2025
Onyado Nono Fukui	Fukui	153	Feb. 2026
In Total	4 facilities	637 rooms	

In operation 40

■ In operation (Already)
 ■ No operation (Not yet)



Onyado Nono Kumamoto



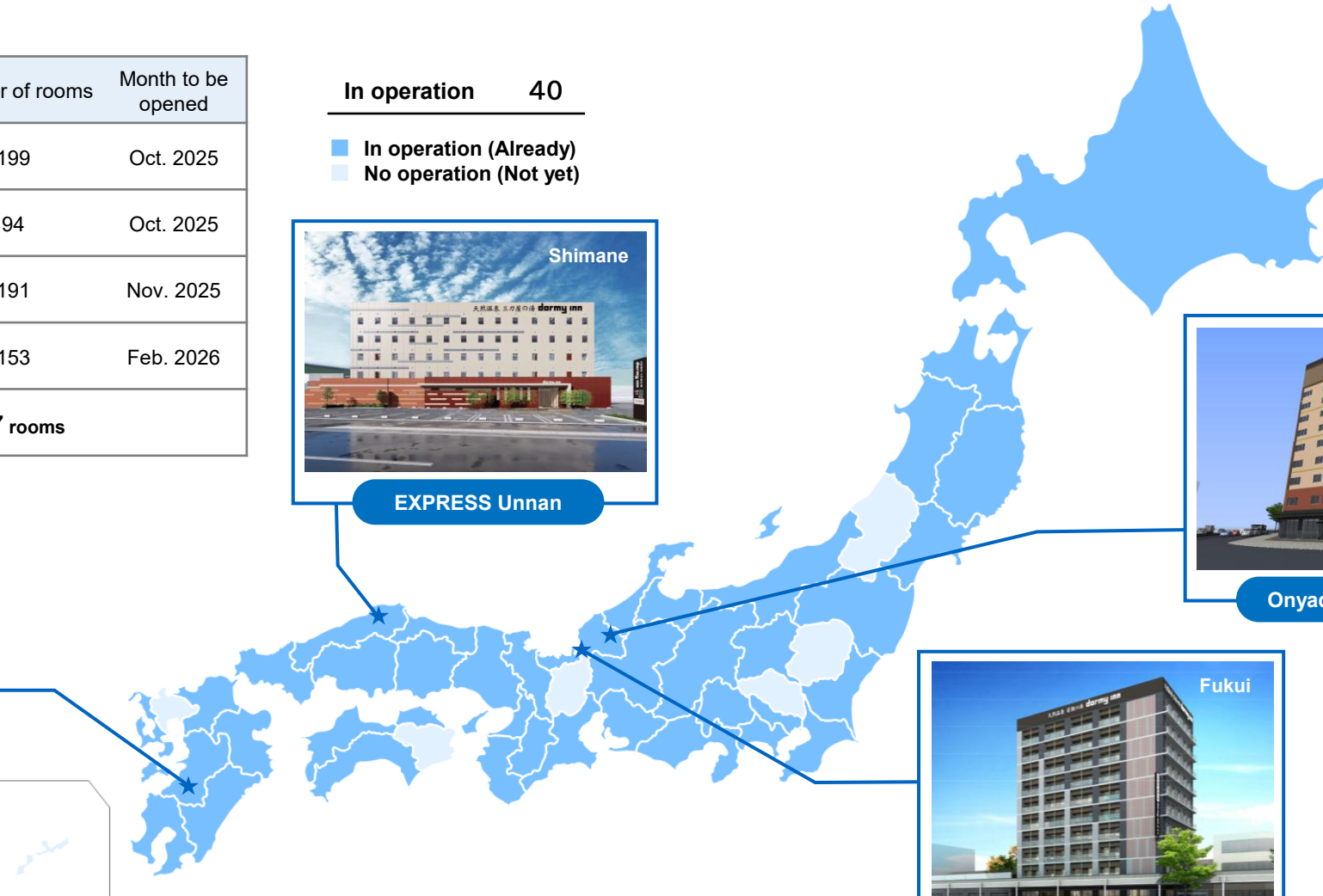
EXPRESS Unnan



Onyado Nono Fukui

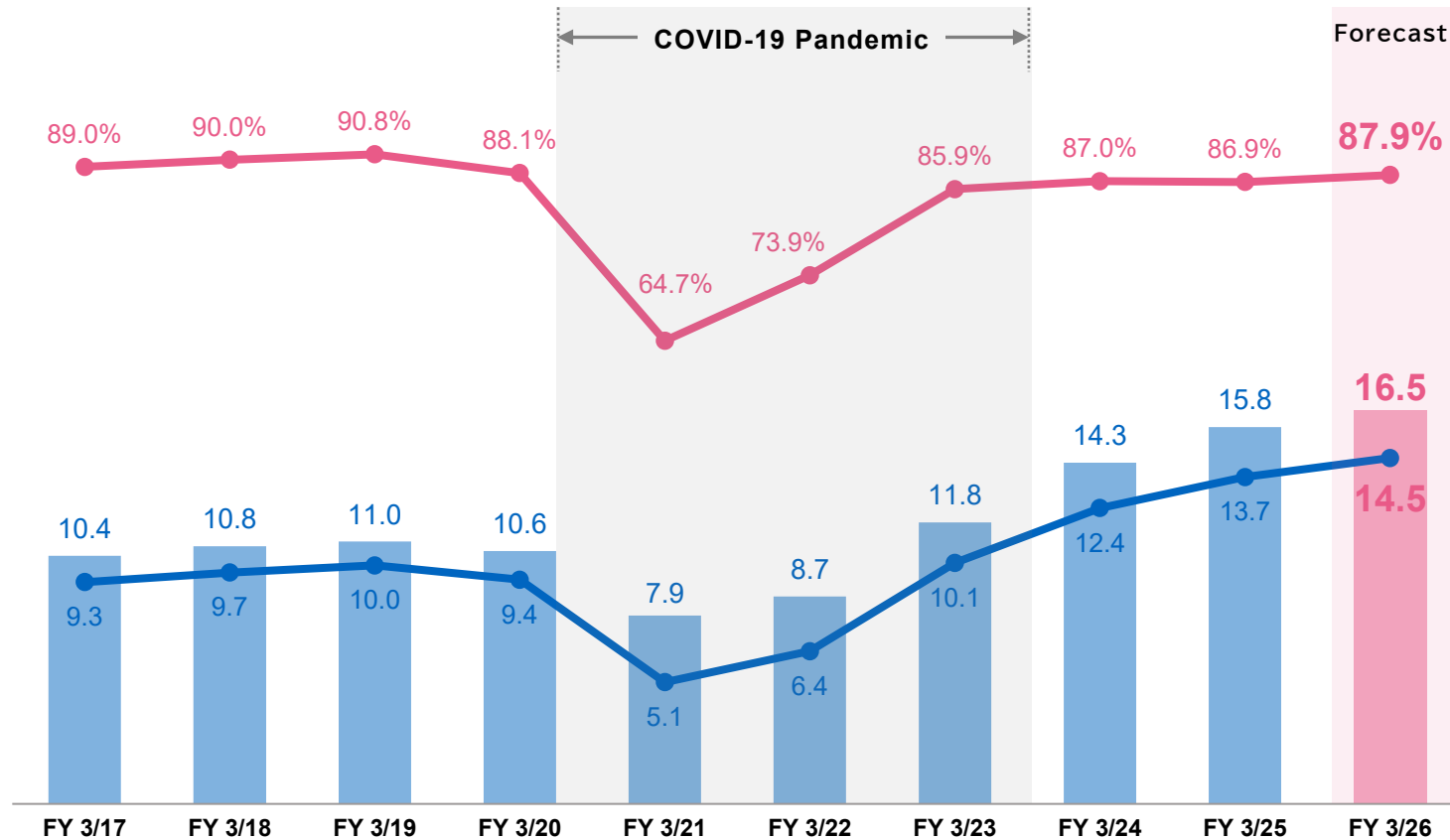


Tsuruga



—●— OCC ■ ADR —●— RevPAR

(Thousand yen)



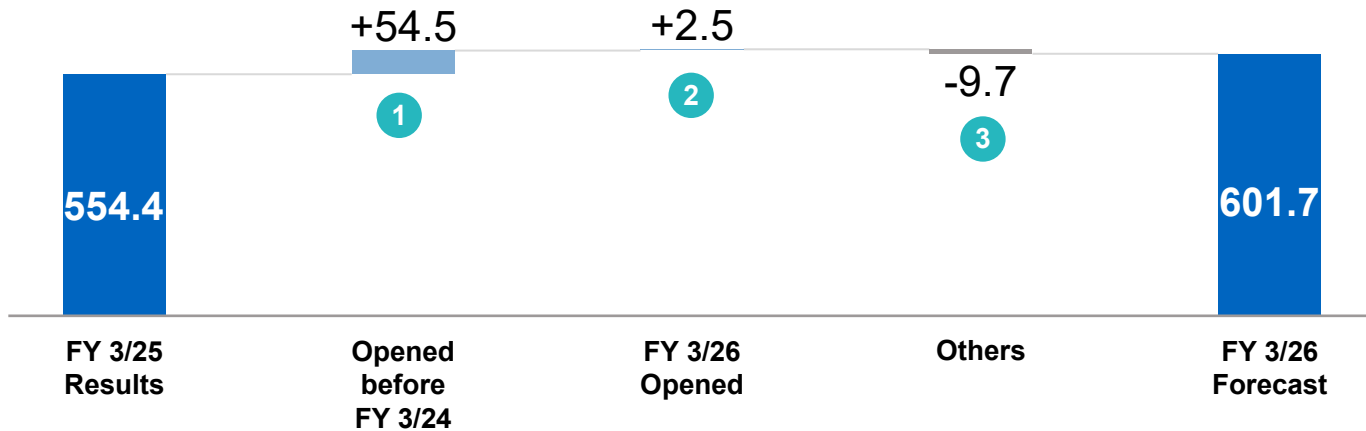
	FY 3/25	FY 3/26	YoY
OCC (%)	86.9	87.9	+1.0pt
ADR (thousand yen)	15.8	16.5	+4.3%
RevPAR (thousand yen)	13.7	14.5	+5.5%

Note: The table above shows figures excluding hotels that opened in April 2024 or later, in order to enable comparison under the same conditions.

Net Sales

+47.2 (+8.5%) YoY

(100 million yen)



1 Sales growth due to higher RevPAR: **+54.5**
41,833 yen (YoY +3,615 yen)

2 FY 3/26 Newly opened: 2 facilities 306 rooms

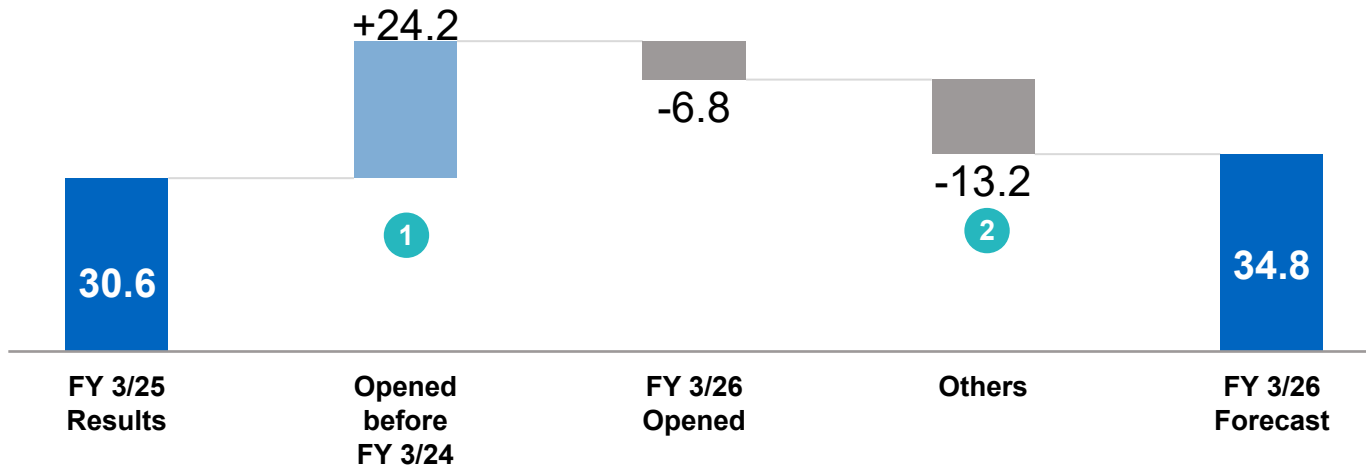
Mar.	Facility	Rooms
	Kyoto Omuro Kadensho	67
	La Vista Atami Terrace	239

3 Large-scale renewal work increase/decrease **-9.7**

Operating Income

+4.1 (+13.6%) YoY

(100 million yen)



1 Income growth due to higher RevPAR: **+34.7**
Cost inflation **-10.5**
(Food costs, renovation costs, utilities, etc.)

2 Large-scale renewal work increase/decrease **-3.5**
Headquarters costs, etc. **-9.7**

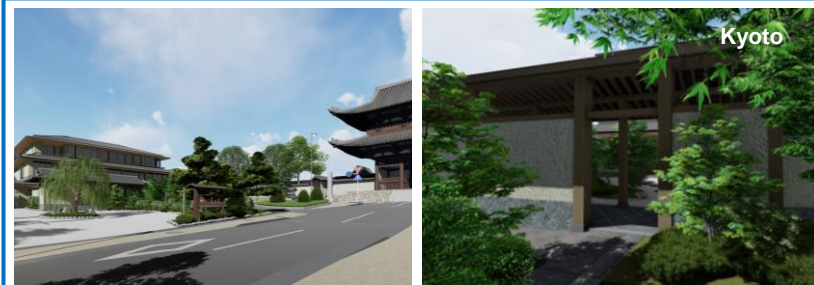
Opening a type of hotel complex "La Vista Atami Terrace"

Resort Business

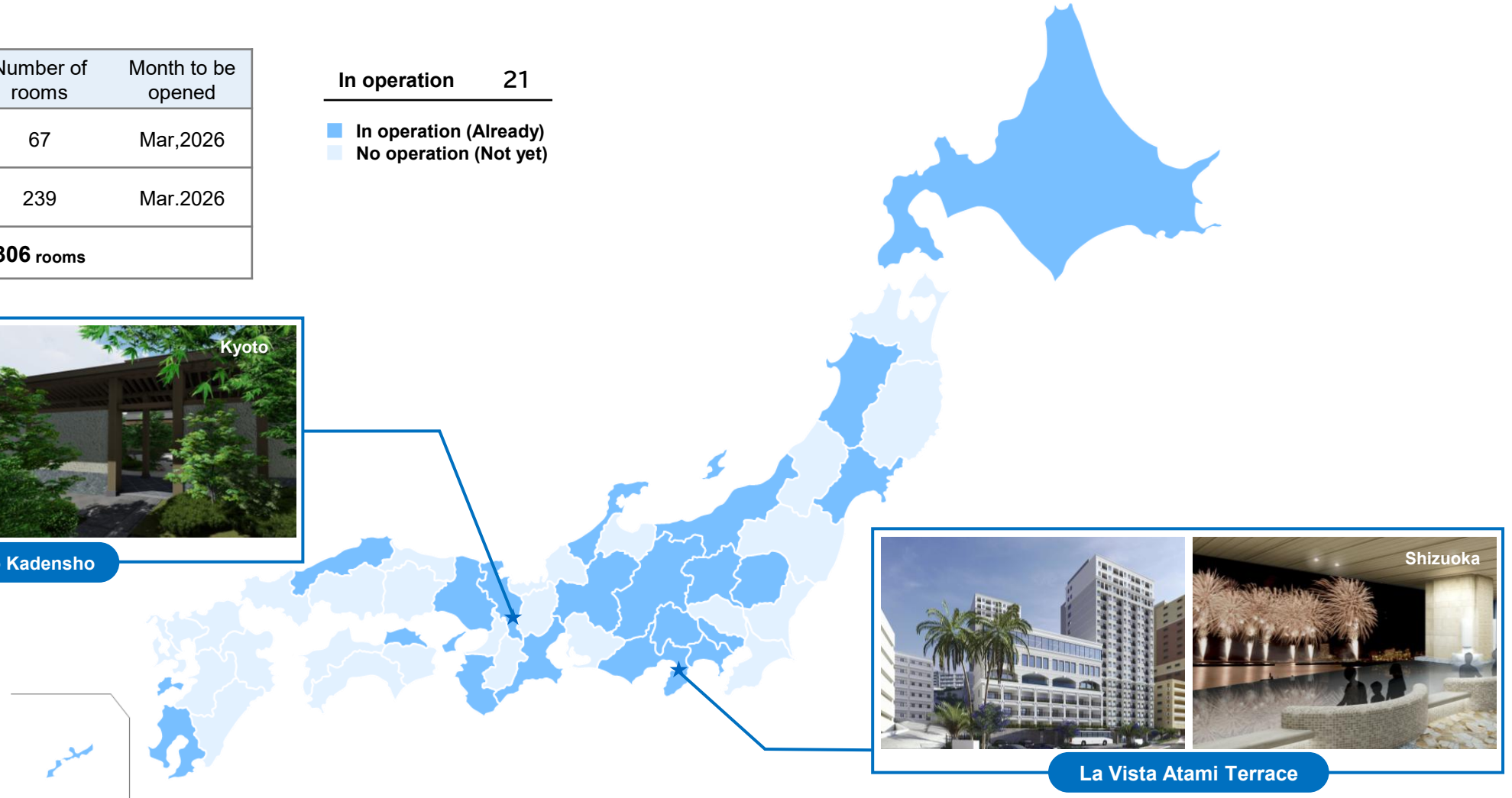
Name of facility	Prefecture	Number of rooms	Month to be opened
Kyoto Omuro Kadensho	Kyoto	67	Mar,2026
La Vista Atami Terrace	Shizuoka	239	Mar,2026
In Total	2 facilities	306 rooms	

In operation 21

■ In operation (Already)
■ No operation (Not yet)



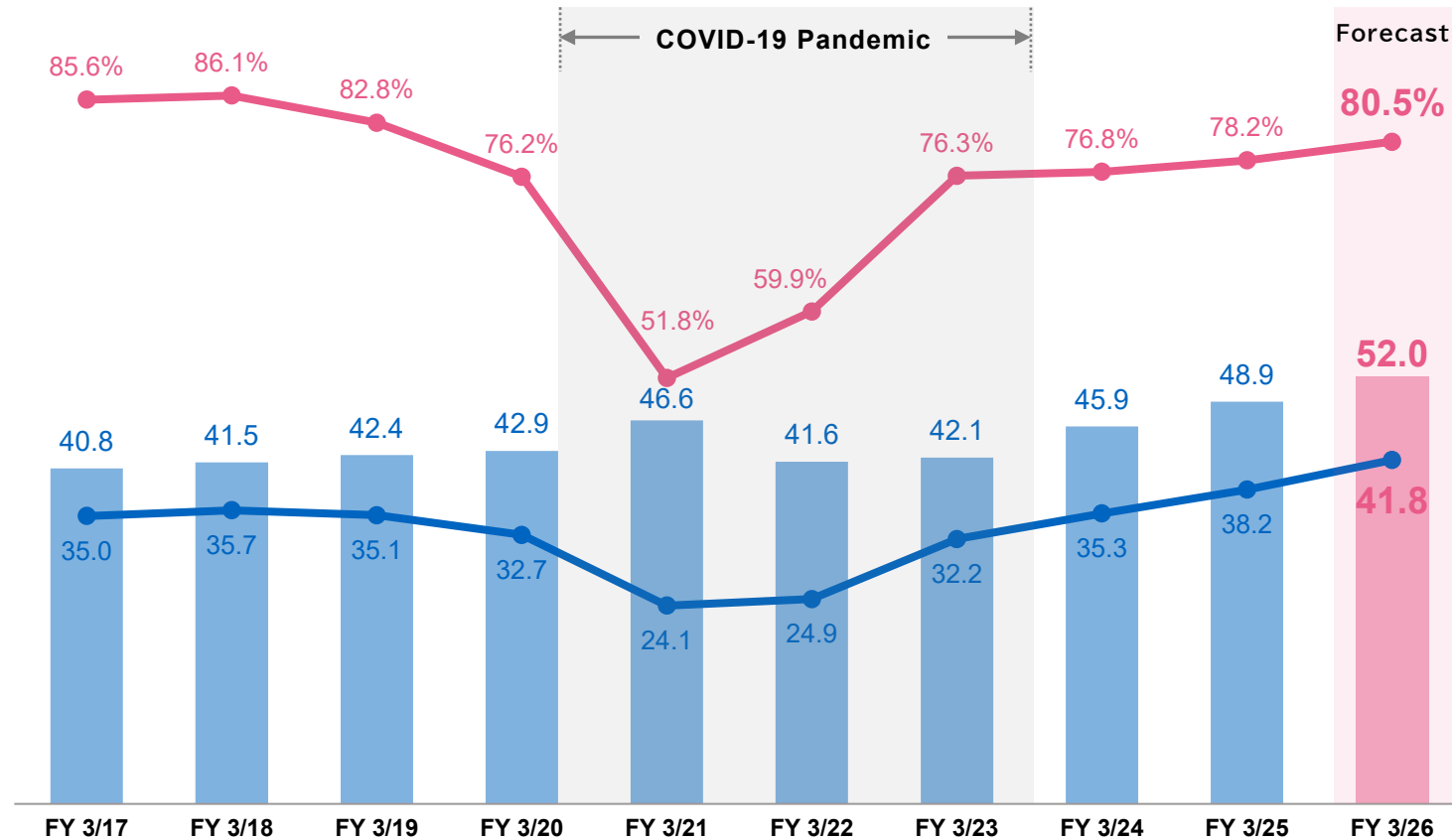
Kyoto Omuro Kadensho



La Vista Atami Terrace

● OCC ■ ADR ● RevPAR

(Thousand yen)

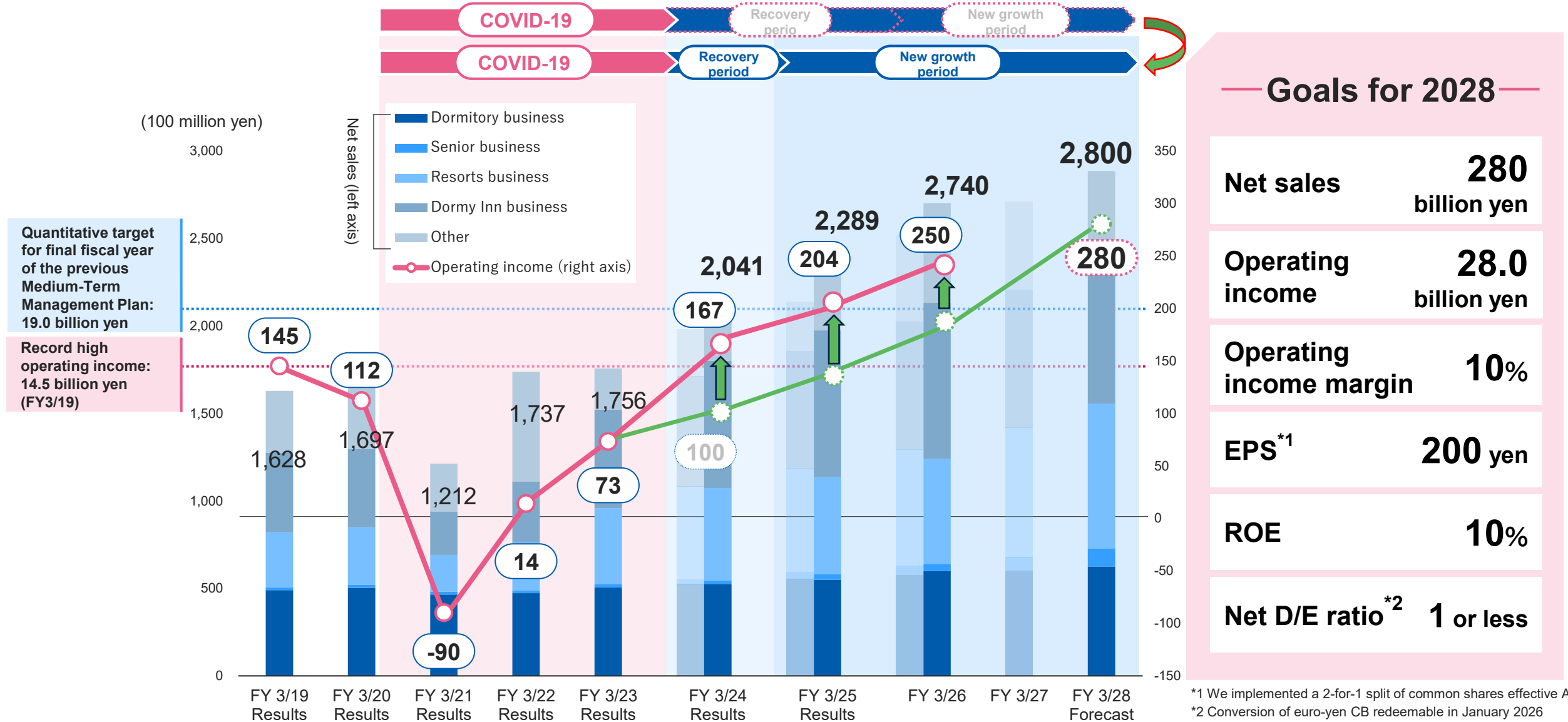


	FY 3/25	FY 3/26	YoY
OCC (%)	78.2	80.5	+2.2pt
ADR (thousand yen)	48.9	52.0	+6.4%
RevPAR (thousand yen)	38.2	41.8	+9.4%

Note: The table above shows figures excluding hotels that opened in April 2024 or later, in order to enable comparison under the same conditions.

- 01 Summary of Financial Results for FY 3/25 P.02
- 02 FY 3/26 Consolidated Financial Forecasts P.15
- 03 **Progress on the Medium-Term Management Plan P.27**

Targeting average rates of growth of 10% in net sales and 30% in operating income over five years based on steady growth in the dormitory and hotel businesses



*1 We implemented a 2-for-1 split of common shares effective April 1.

*2 Conversion of euro-yen CB redeemable in January 2026

Lifting the top line even higher by promoting new development and growth in numbers of residential and guest rooms as well as normalized selling prices

**Increasing numbers
of rooms through
new development**



**Normalizing selling
prices**



Raising the top line

Progress on development plans

Number of Rooms (Thousand rooms)	FY 3/28 Forecast	FY 3/26 Forecast	Rate of progress	FY 3/28 Estimated	Rate of progress
Dormitories	50.0	46.1	<u>92%</u>	49.6	<u>99%</u>
Dormy Inn	20.0	17.8	<u>89%</u>	20.0	<u>100%</u>
Resorts	5.5	4.5	<u>82%</u>	4.9	<u>89%</u>

Progress on selling prices

ADR (Thousand Yen)	FY 3/28 Forecast	FY 3/26 Forecast	Rate of progress
Dormitories (Monthly rent)	106.5	102.7	<u>96%</u>
Dormy Inn	12.9	16.5	<u>128%</u>
Resorts	56.6	52.0	<u>92%</u>

Status of cost inflation

- Offsetting cost inflation by rigorously enforcing appropriate pricing while curbing labor, food, linen, cleaning, and other costs

Net Sales

Net Sales (100 million yen)	FY 3/28 Forecast	FY 3/26 Forecast	Rate of progress
Dormitories	620	576	<u>93%</u>
Dormy Inn	840	910	<u>108%</u>
Resorts	830	601	<u>72%</u>
Others	510	653	<u>128%</u>
Total	2,800	2,740	<u>98%</u>

Striving to increase profitability by normalizing marketing costs and improving labor productivity through digital transformation (DX)

**Normalizing
marketing costs
through DX**



**Improving labor
productivity through
DX**



**Increasing
profitability**

■ Status of reservation ratio through Company website

- Promoting membership and app use
- Updating the hotel reservations system
- Promoting use of comprehensive corporate membership program
- Growing product planning in-house

FY 3/24 Results : 22.5%

(FY 3/20 Results : 18%)

2028 target: 40%

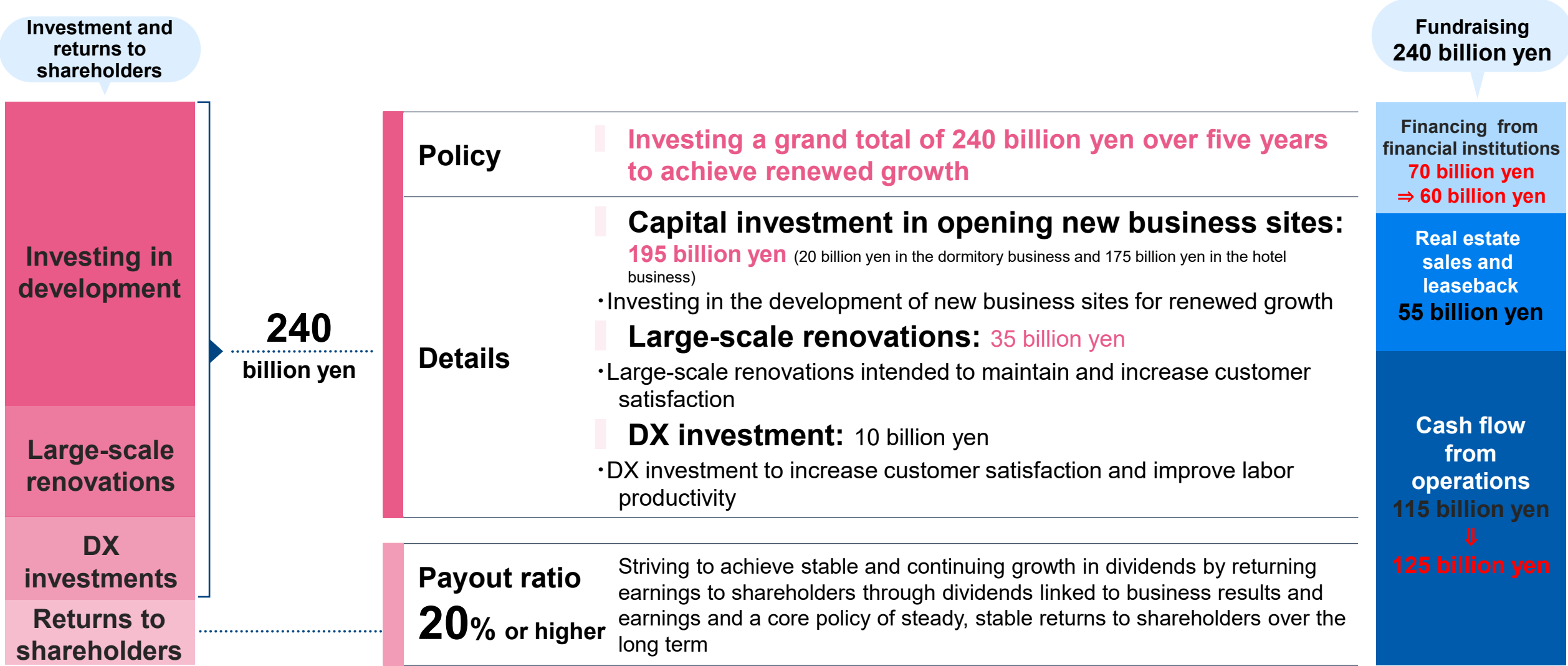
■ Status of staff and labor costs ■ Responding to labor shortages and higher labor costs

- Labor savings achieved through smart check-in systems at hotels and payment kiosks.
- **Promote the introduction of Dormy Inn automatic ticket machines 65% or more this fiscal year, 85% or more next fiscal year.**
- **Promote the introduction of smart check-in 40% or more this fiscal year, 85% or more next fiscal year.**
- Use of cleaning and maintenance robotics
- Labor savings through robotic process automation, paperless workflows, etc.

■ Positive Impact

Profit bases (100 million yen)	FY 3/28 Forecast	FY 3/26 Forecast	Rate of progress	FY 3/28 Estimated	Rate of progress
Effect	20.0	15.9	<u>80%</u>	27.8	<u>139%</u>
Costs	-5.0	-6.7	<u>134%</u>	-7.7	<u>154%</u>
Total	15.0	9.1	<u>61%</u>	20.1	<u>134%</u>

We plan to invest energetically in development, large-scale renovations, and DX to build the foundations needed for future growth.
We will raise the funds needed for investments through means such as real estate sales and leaseback and financing from financial institutions in addition to cash flow from operations, which is recovering.
We will implement more practical real estate sales and leaseback efforts under a new comprehensive basic agreement concluded with SMFL Mirai Partners Co., Ltd.



Dormitory / Hotel Development Plans

	Results				Decision made・Scheduled to be commercialized								
	FY 3/24		FY 3/25		FY 3/26		FY 3/27			FY 3/28			
Dormitories, Domeal	+12 facilities*	+1,037 rooms*	+8 facilities*	+907rooms*	+12 facilities*	+1,364 rooms*	+10 facilities*	+2,195 rooms*		+11 facilities*	+1,245 rooms*		
	Ending number of facilities	519 facilities	Ending number of facilities	526 facilities	Ending number of facilities	536 facilities	Ending number of facilities	546 facilities		Ending number of facilities	557 facilities		
	Ending guest capacity	44,057 rooms	Ending guest capacity	44,908 rooms	Ending guest capacity	46,185 rooms	Ending guest capacity	48,380 rooms		Ending guest capacity	49,625 rooms		
	Leasing rate	86.9%	Leasing rate	87.1%	Leasing rate	87.1%	Leasing rate	87.0%		Leasing rate	86.5%		
	[L] Hirosaki, [L] Sendai Komatsushima, [L] Sendai Teppochō, [L] Yamagata Honcho, [L] Asuto Nagamachi, [L] Otsuka, [L] Kasai Global House, [L] Sagami ono, [L] Nakano-sakaue, [L] Yamatominami, [L] Kyoto Saiin, [L] Kobe Yamate		[L] Omori-Kita, [L] Sakai Kaigan Dori, [L] Nishi-Kasai North Exit, [L] Nishi-Kasai South Exit, [L] Chikusa Minami, [L] Osaka Kyobashi, [L] Global House Nigawa, [L] KU ROKKO HOUSE		[L]Sapporo Nishi 11, [L]Sapporo Nishi 18, [L]Takamatsu, [L]Sendai Kawauchi, [L]Nishioji Gojo, [L]Mibu Sanjo, [L]Sakado Ekimae, [L]Mei Eki Kamejima Annex, [L]Tokushima, Okayama Minamigata, [L]Urayasu3, [L]Sagami Ohno2		Hokkaido	—	Tohoku	—	Hokkaido	—	Tohoku
Dormy Inn	+4 facilities*	+750 rooms*	+1 facility*	+78 rooms*	+4 facilities*	+637 rooms*	+6 facilities*	+1,135 rooms*		+6 facilities*	+1,123 rooms*		
	Ending number of facilities	95 facilities	Ending number of facilities	96 facilities	Ending number of facilities	100 facilities	Ending number of facilities	106 facilities		Ending number of facilities	112 facilities		
	Ending guest capacity	17,107 rooms	Ending guest capacity	17,180 rooms	Ending guest capacity	17,817 rooms	Ending guest capacity	18,952 rooms		Ending guest capacity	20,075 rooms		
	Leasing rate	97.5%	Leasing rate	98.5%	Leasing rate	96.9%	Leasing rate	92.1%		Leasing rate	89.8%		
	<u>Express Toyohashi</u> , <u>Nono Asakusa Bettei</u> , [L] Nono Beppu, [L] Aomori		[L] global cabin Yokohama China town. (reopening)		<u>Tsuruga</u> , <u>Express Unnan</u> , [L] Nono Fukui, [L] Kumamoto		Hokkaido	1 FAC	Tohoku	1 FAC	Hokkaido	1 FAC	Tohoku
Resorts	+1 facility*	+75 rooms*			+2 facility*	+306 rooms*	+3 facilities*	+203 rooms*		+2 facilities*	+146 rooms*		
	Ending number of facilities	42 facilities	Ending number of facilities	42 facilities	Ending number of facilities	44 facilities	Ending number of facilities	47 facilities		Ending number of facilities	49 facilities		
	Ending guest capacity	4,260 rooms	Ending guest capacity	4,260 rooms	Ending guest capacity	4,566 rooms	Ending guest capacity	4,769 rooms		Ending guest capacity	4,915 rooms		
	Leasing rate	73.8%	Leasing rate	73.8%	Leasing rate	74.1%	Leasing rate	71.0%		Leasing rate	67.5%		
	[L] La Vista Yokosuka Kannonzaki Terrace				<u>Kyoto Omuro Kadensho</u> , [L] La Vista Atami Terrace		Hokkaido	—	Tohoku	—	Hokkaido	—	Tohoku
Companywide leasing rate	88.7 %		89.2%		88.8%		87.3%			86.2%			

* Indicates numbers of increases in facilities and rooms from development projects (does not indicate numbers of increases from the end of the previous year for facilities and rooms in operation at the end of the year)

(Note) [L] indicates a leased property; texts with underline indicate properties planned for real-estate securitization in the future; Red letters indicate planned commercialization.

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