

**OPEN  
HOUSE**

**Consolidated Financial Highlights**  
for the Third Quarter of FYE September 30, 2021  
(2020/10-2021/06)

**OPEN HOUSE CO., LTD.**  
**[3288 TSE]**



**JPX-NIKKEI 400**  
2017-2020



# FY2021 3Q Topics

## Business performance <FY2021 3Q >

- Performance increased significantly due to the favorable single-family homes and the consolidation of Pressance Corporation Co., Ltd. as a subsidiary.

Revenue:	¥ 583.7 billion [ 52.2% YOY ]
Operating income:	¥ 72.8 billion [ 89.5% YOY ]
Profit attributable to owners of parent :	¥ 51.0 billion [ 21.7% YOY ]

## Continuing favorable performance of single-family homes related business

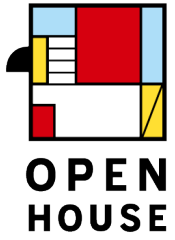
- Demand for single-family homes remained high, and the single-family homes related business was favorable.

Single-family homes related business	
Revenue:	¥ 350.5 billion [ 27.9% YOY ]
Operating income:	¥ 49.7 billion [ 71.7% YOY ]

## Performance forecasts for FY2021

- Steady progress toward setting new record highs in revenue and operating income for the ninth consecutive period.

	Forecast
Revenue:	¥ 788.0 billion [ 36.8% YOY ]
Operating income:	¥ 96.0 billion [ 54.5% YOY ]
Profit attributable to owners of parent :	¥ 67.0 billion [ 12.6% YOY ]



## **FY2021 3Q Consolidated Summary**

# Overview of Consolidated Income Statement

- ✓ All-time high revenue and income for 3Q.
- ✓ Due to increase in single-family related business and the consolidation of Pressance Corporation as a subsidiary, there were significant increases in revenue and income.

(Million yen)

	FY2020 3Q <2019/10-2020/06>		FY2021 3Q <2020/10-2021/06>		Inc.(Dec.)
	Actual	% of revenue	Actual	% of revenue	
<b>Revenue</b>	383,551	—	<b>583,758</b>	—	52.2%
<b>Operating income</b>	38,445	10.0%	<b>72,842</b>	12.5%	89.5%
<b>Ordinary income</b>	53,241	13.9%	<b>70,720</b>	12.1%	32.8%
<b>Profit attributable to owners of parent</b>	41,896	10.9%	<b>51,001</b>	8.7%	21.7%
<b>Amount equivalent to negative goodwill *</b>	13,708		<b>4,380</b>		(9,327)

\* FY2020 3Q: Amount equivalent to negative goodwill in conjunction with the acquisition of Pressance Corporation included in the share of profit of entities accounted for using equity method.

FY2021 3Q: Difference between gain on bargain purchase and loss on step acquisitions

## Performance by segment (Revenue/Operating income)

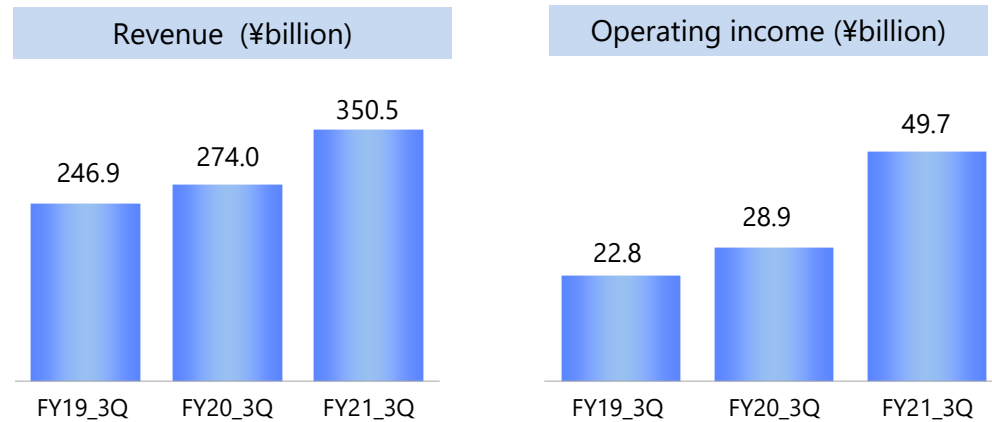
- ☑ Revenue increased in all segments. Performance was driven particularly by the single-family homes related business, which has been enjoying strong sales.
- ☑ In the condominiums business, progress is favorable, with deliveries concentrated in 4Q.

(Million yen)

	FY2020 3Q <2019/10-2020/6>		FY2021 3Q <2020/10-2021/6>		Inc.(Dec.)
	Actual	Ratio	Actual	Ratio	
<b>Revenue</b>	383,551	100.0%	<b>583,758</b>	100.0%	52.2%
Single-family homes related business	274,021	71.4%	<b>350,547</b>	60.1%	27.9%
Condominiums	12,848	3.3%	<b>13,500</b>	2.3%	5.1%
Property resales	80,169	20.9%	<b>85,354</b>	14.6%	6.5%
Others (including U.S. real estate business)	16,589	4.3%	<b>31,586</b>	5.4%	90.4%
Pressance Corporation	—	—	<b>103,506</b>	17.7%	—
Adjustments	(77)	—	<b>(736)</b>	—	—
	Actual	% of revenue	Actual	% of revenue	Inc.(Dec.)
<b>Operating Income</b>	38,445	10.0%	<b>72,842</b>	12.5%	89.5%
Single-family homes related business	28,969	10.6%	<b>49,745</b>	14.2%	71.7%
Condominiums	489	3.8%	<b>286</b>	2.1%	(41.6)%
Property resales	8,444	10.5%	<b>9,431</b>	11.0%	11.7%
Others (including U.S. real estate business)	1,402	8.5%	<b>3,655</b>	11.6%	160.7%
Pressance Corporation	—	—	<b>10,857</b>	10.5%	—
Adjustments	(859)	—	<b>(1,133)</b>	—	—

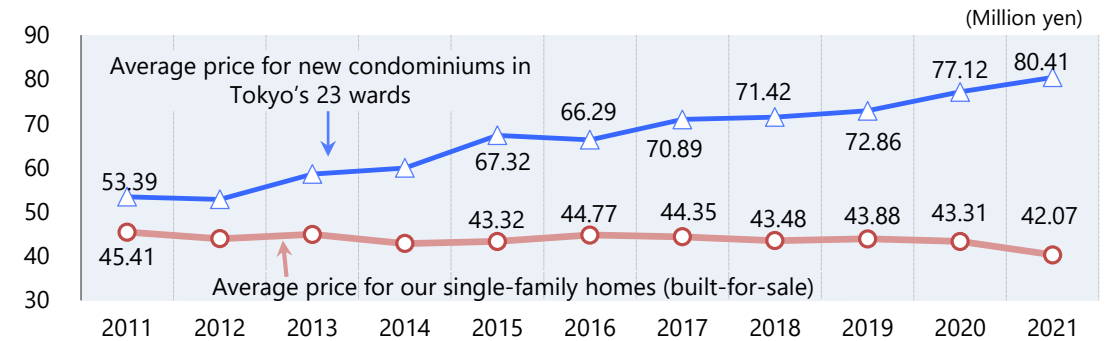
# Single-family homes related business as a whole

- ✓ Demand for single-family homes remained high, which increased revenue 27.9%.
- ✓ Gross profit margin improved 3.4 pt., and operating income was up 71.7%.



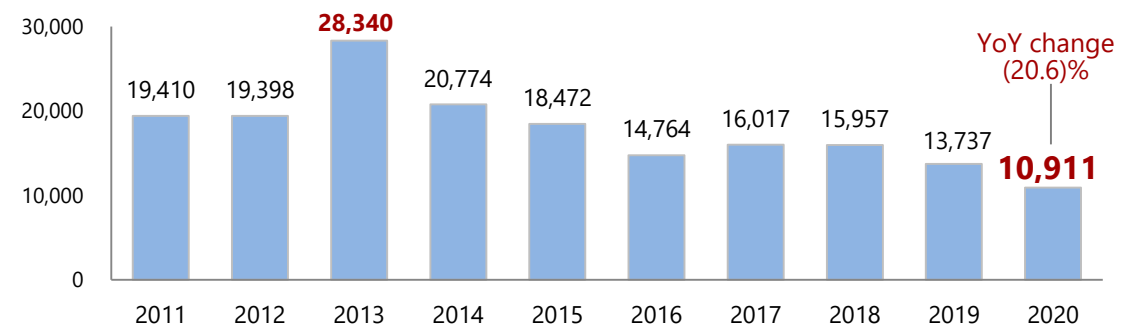
	FY2019 3Q 18/10-19/6	FY2020 3Q 19/10-20/6	FY2021 3Q 20/10-21/6	Inc. (Dec.)
Revenue (¥million)	246,932	274,021	<b>350,547</b>	27.9%
Gross profit(¥million)	37,237	44,089	<b>68,457</b>	55.3%
Gross profit margin	15.1%	16.1%	<b>19.5%</b>	3.4pt
Operating income (¥million)	22,835	28,969	<b>49,745</b>	71.7%
Operating income margin	9.2%	10.6%	<b>14.2%</b>	3.6pt

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



Source: MLIT, "Monthly marketing report of lands"  
 Fiscal years: Condominium prices are on a calendar-year basis. Prices for our homes are for the period Oct-Sep. Condominium prices for 2021 are for the Jan-Jun period.  
 Prices of our homes for 2021 are for the Oct 2020-Jun 2021 period in Tokyo metropolitan area.

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



Source: MLIT, "Monthly marketing report of lands"  
 Fiscal years: : Calendar-year basis for the Jan-Dec period

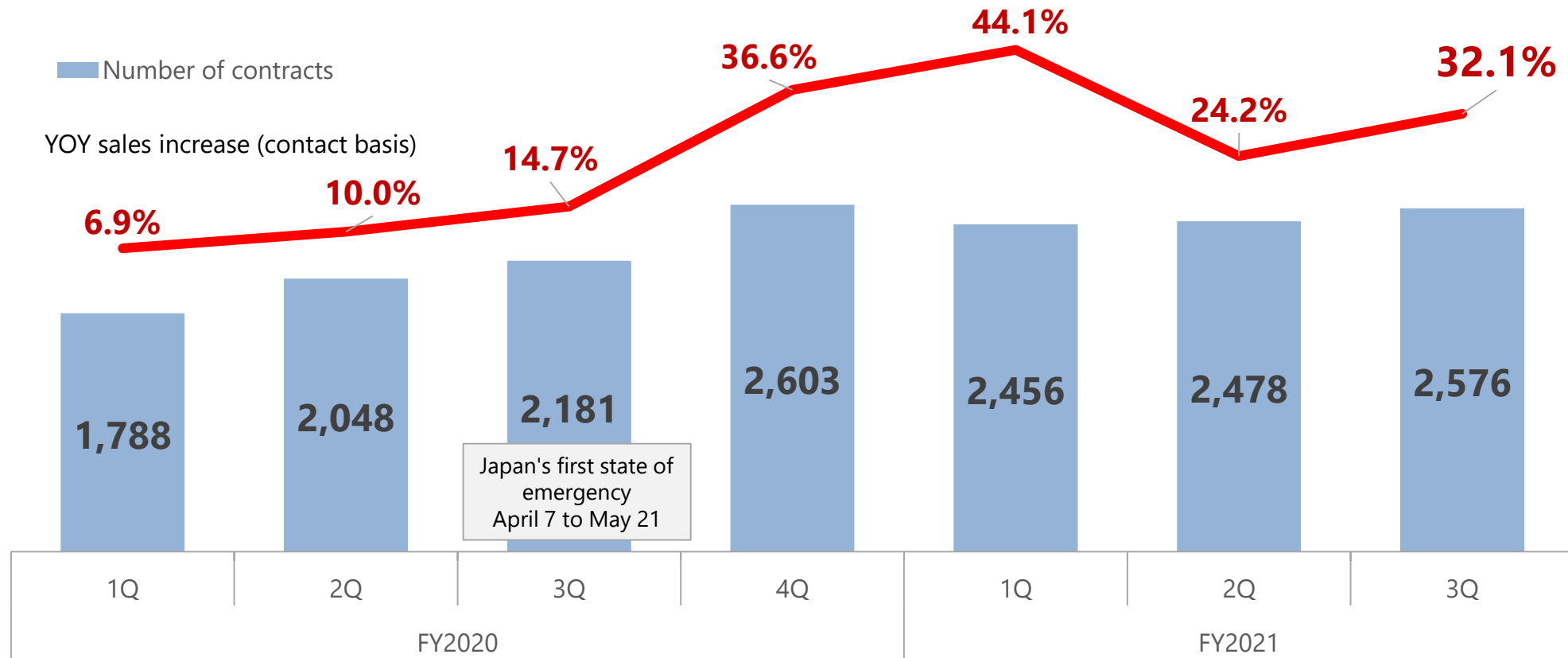
# Single-family homes related business (Revenue by Sub-business Segment/Number delivered)

		Revenue / Gross profit (¥million)				Number delivered / Unit price (¥million)		
		FY2019 3Q 18/10-19/6	FY2020 3Q 19/10-20/6	FY2021 3Q 20/10-21/6		FY2019 3Q 18/10-19/6	FY2020 3Q 19/10-20/6	FY2021 3Q 20/10-21/6
<b>Open House Development (Sale)</b>	Revenue	154,960	178,469	<b>225,844</b>	Built-for-sale houses	1,574	1,888	<b>2,612</b>
	Gross profit	24,629	29,779	<b>44,262</b>	Lands	1,728	1,960	<b>2,412</b>
	Gross profit margin	15.9%	16.7%	<b>19.6%</b>	Built-to-order houses	1,167	1,172	<b>1,342</b>
					Built-for-sale houses (unit price)	42.7	42.3	<b>40.6</b>
					Lands (unit price)	41.0	41.3	<b>413</b>
<b>Hawk One (Sale)</b>	Revenue	65,521	63,127	<b>88,138</b>	Built-for-sale houses	1,578	1,528	<b>1,820</b>
	Gross profit	8,055	8,973	<b>16,188</b>	Lands	51	90	<b>225</b>
	Gross profit margin	12.3%	14.2%	<b>18.4%</b>	Built-to-order houses	44	29	<b>68</b>
					Sales (unit price) *	39.4	38.5	<b>42.6</b>
<b>Open House Architect (Construction)</b>	Revenue	32,825	39,776	<b>43,367</b>	Built-to-order houses except number delivered to OHD	1,565	1,978	<b>2,043</b>
	Gross profit	3,672	4,520	<b>6,201</b>	Number delivered to OHD	953	1,055	<b>1,214</b>
	Gross profit margin	11.2%	11.4%	<b>14.3%</b>				

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

# Single-family homes related business (Sales trend)

- ✓ YOY sales increase rate of revenue (contract basis) for built-for-sale houses and lands (Open House Development + Hawk One) is a leading indicator for revenue going forward.
- ✓ Number of contracts continued to be at a high level, thanks to the strong demand for single-family homes.

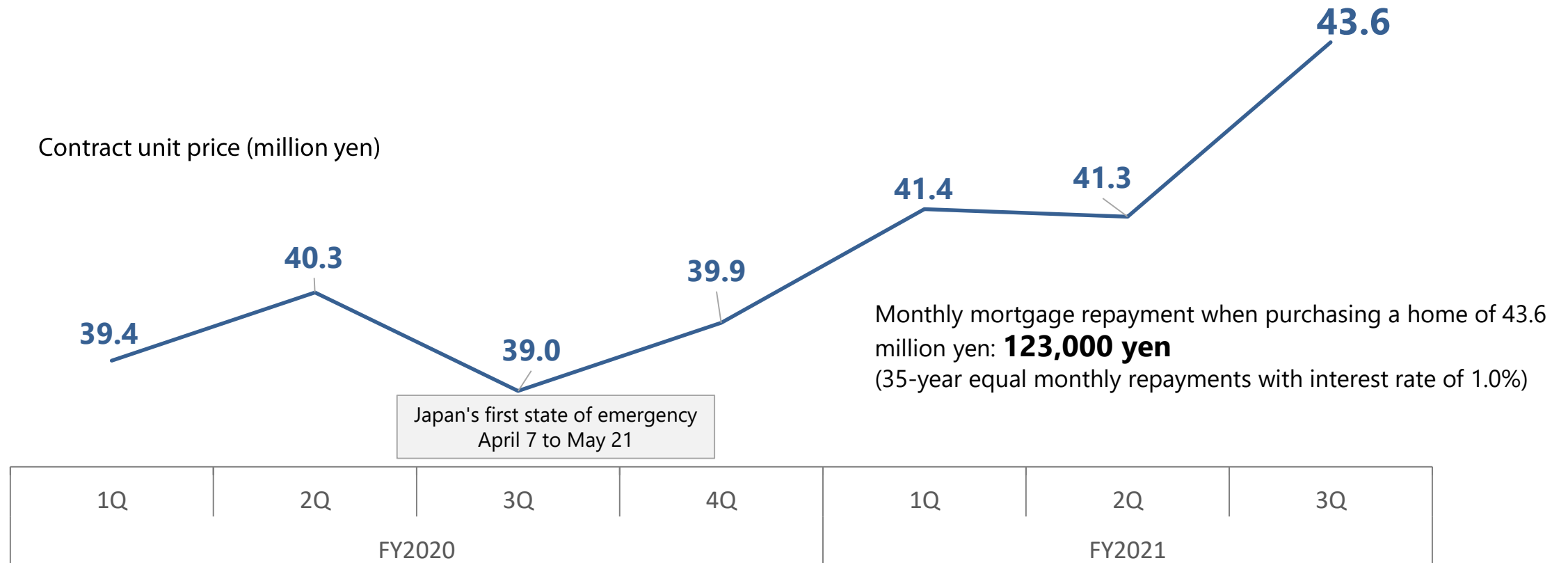


Scope: Combined number of built-for-sale houses and lands of Open House Development and Hawk One, not included number of built-to-order houses.



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

- ☑ Contract unit price was on an upward trend due to improved recognition of the attractiveness of homes in terms of location, price, design, etc. in addition to high demand.
- ☑ Under the “new lifestyle” concept, people started reexamining single-family homes, and couples with two high incomes are showing more interest in houses.



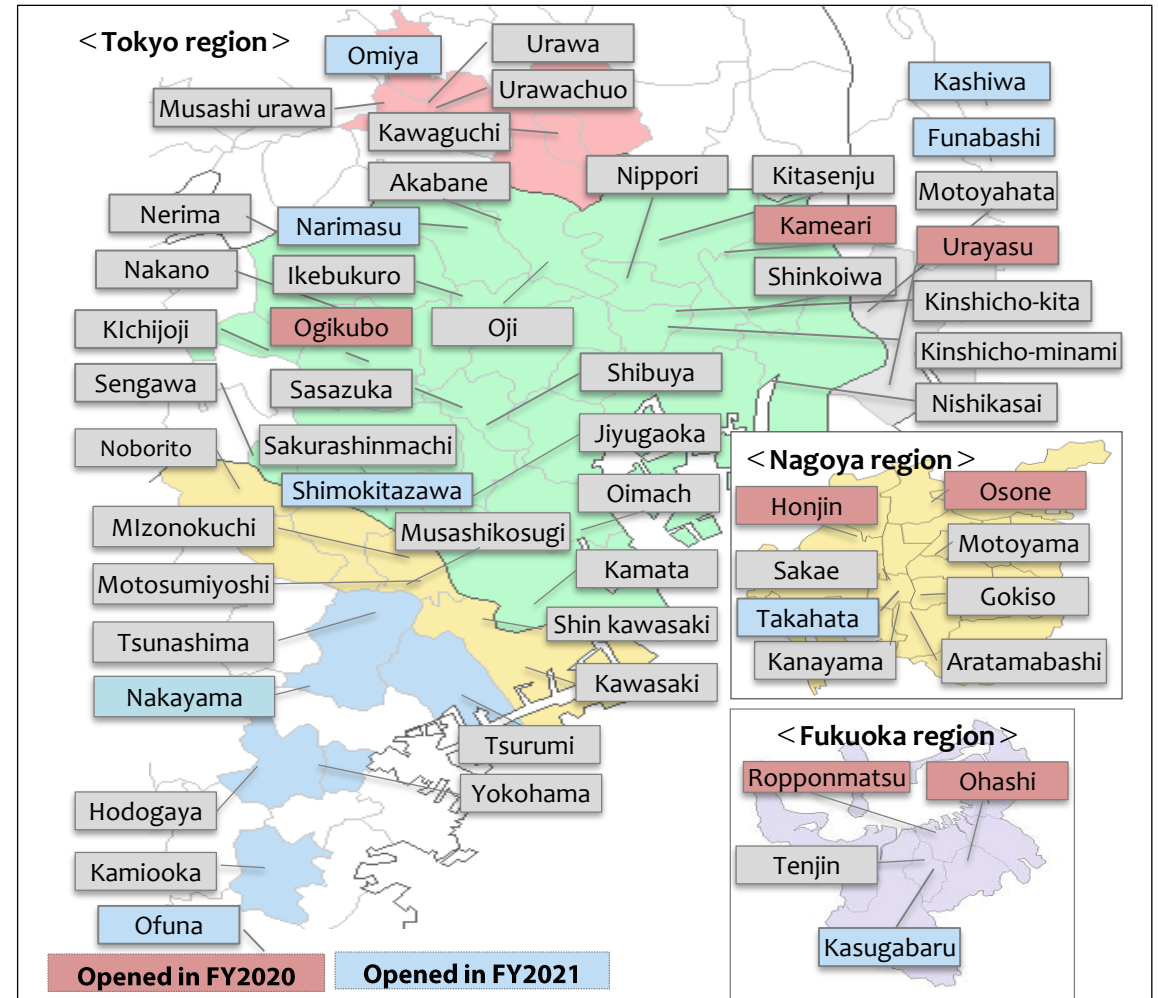
Scope: Combined number of built-for-sale houses and lands of Open House Development and Hawk One, not included number of built-to-order houses.

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

☑ The Company opened nine new sales centers \* in FY2021, and operates a total of 57 sales centers

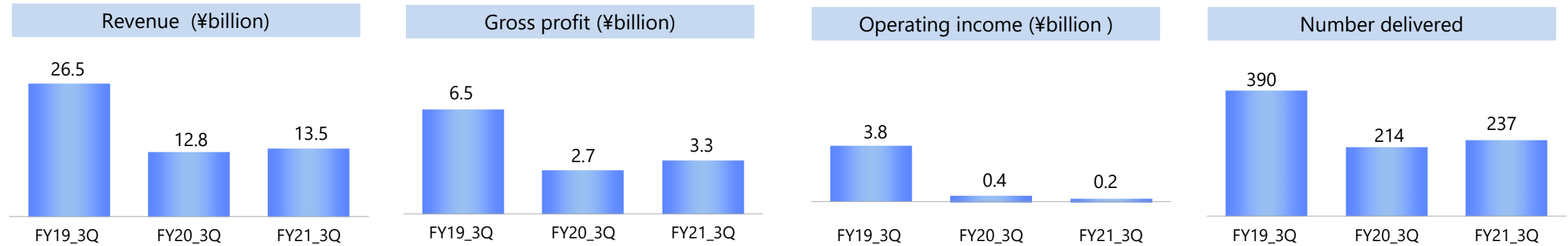
No. of sales centers of each area				
	FY2018 17/10-18/9	FY2019 18/10-19/9	FY2020 19/10-20/9	As of 2021.8.14
Tokyo	17	19	21	<b>23</b>
Kanagawa Prefecture	10	12	12	<b>13</b>
Aichi Prefecture	3	5	7	<b>8</b>
Saitama Prefecture	2	4	4	<b>5</b>
Fukuoka Prefecture	-	1	3	<b>4</b>
Chiba Prefecture	-	1	2	<b>4</b>
<b>Total</b>	<b>32</b>	<b>42</b>	<b>49</b>	<b>57</b>

\* Including sales center that was relocated



# Condominiums Business

☑ Sales and purchases in the Condominiums business progressed as planned. Unit deliveries are concentrated in 4Q.



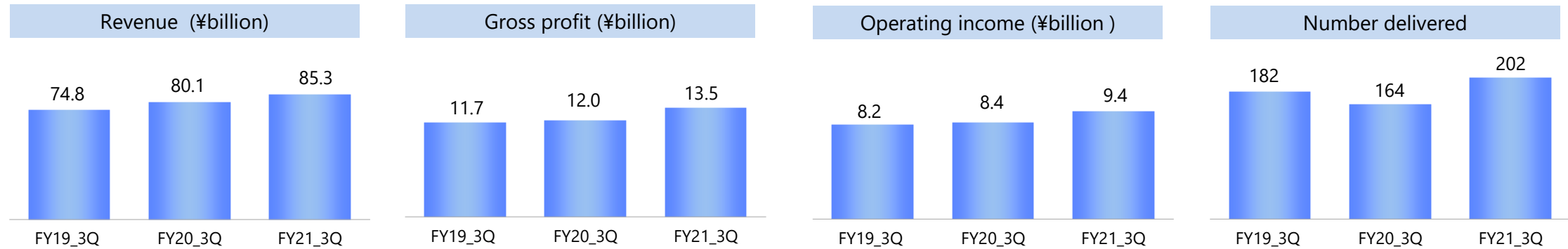
	FY2019 3Q 18/10-19/6	FY2020 3Q 19/10-20/6	FY2021 3Q 20/10-21/6	Inc. (Dec.)
Revenue (¥million)	26,508	12,848	<b>13,500</b>	5.1%
Gross profit (¥million)	6,531	2,782	<b>3,386</b>	21.7%
Gross profit margin	24.6%	21.7%	<b>25.1%</b>	3.4pt
Operating income (¥million)	3,863	489	<b>286</b>	(41.6)%
Operating income margin	14.6%	3.8%	<b>2.1%</b>	(1.7)pt
Number delivered	390	214	<b>237</b>	23
Unit price (¥million)	67.5	59.5	<b>54.7</b>	(4.8)

## — Major condominiums delivered in FY2021 —

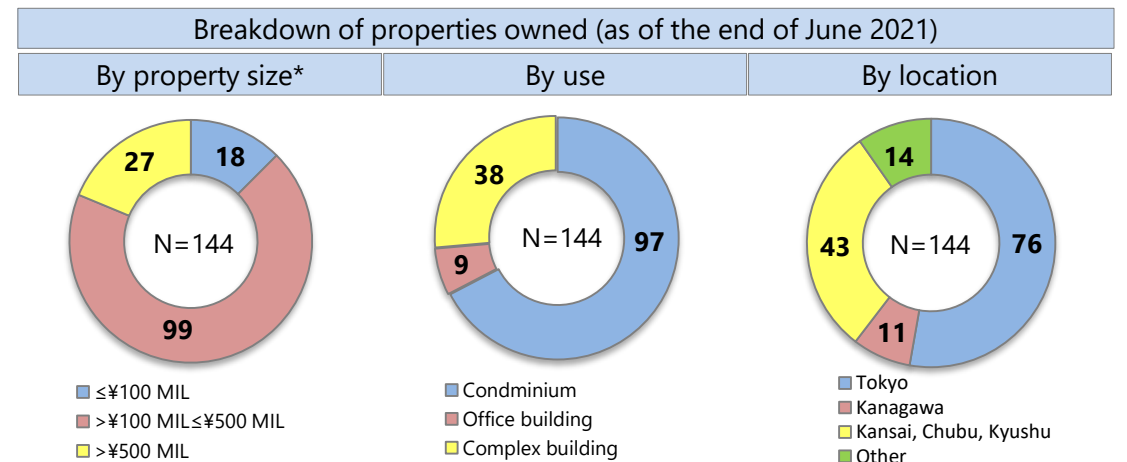
Name	Units	Average price
Open Residencia Shirokane Chojamaru (Tokyo)	19	¥90million
Open Residencia Koishikawa Harimazaka (Tokyo)	41	¥70million
Open Residencia Takamiya Hills (Fukuoka)	21	¥40million
Open Residencia Nagoya Avenue (Nagoya)	50	¥30million

# Property Resale Business

- ✓ Strong demand for investment property backed by continued easy monetary policy.
- ✓ Because the Company primarily handles rental condominiums in metropolitan areas, there is only a minor impact from the novel coronavirus.

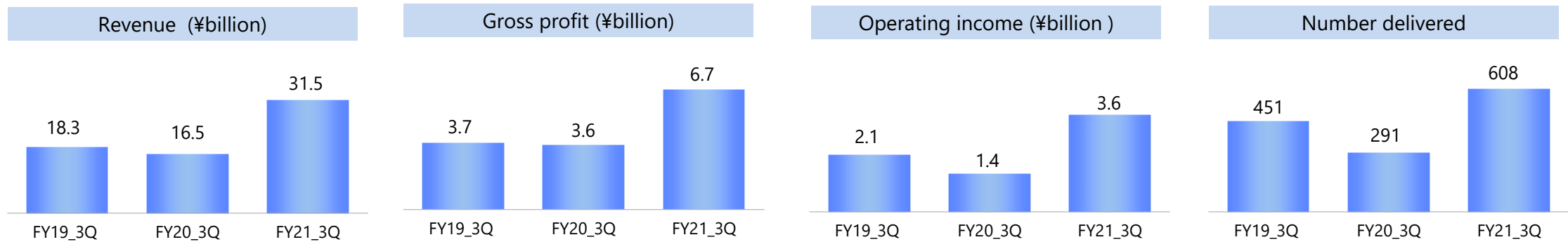


	FY2019 3Q 18/10-19/6	FY2020 3Q 19/10-20/6	FY2021 3Q 20/10-21/6	Inc. (Dec.)
Revenue (¥million)	74,893	80,169	<b>85,354</b>	6.5%
Gross profit (¥million)	11,702	12,012	<b>13,524</b>	12.6%
Gross profit margin	15.6%	15.0%	<b>15.8%</b>	0.9pt
Operating income (¥million)	8,217	8,444	<b>9,431</b>	11.7%
Operating income margin	11.0%	10.5%	<b>11.0%</b>	0.5pt
Number delivered	182	164	<b>202</b>	38
Unit Price (¥million)	400	478	<b>412</b>	(66)



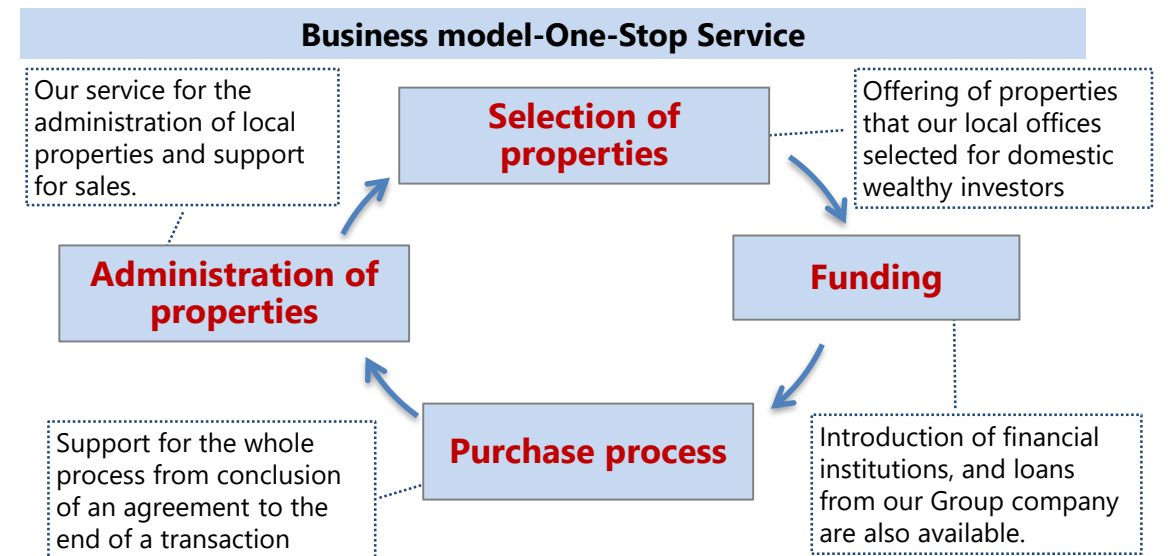
# Other Segment (U.S. Real Estate Business )

- With good recognition received for our local property management, etc., revenue increased steadily, supported by net investment by domestic companies and individuals.
- By liquidating operating loans partially, we improved cash flows, asset efficiency, and financial soundness.



	FY2019 3Q 18/10-19/6	FY2020 3Q 19/10-20/6	FY2021 3Q 20/10-21/6	Inc. (Dec.)
Revenue (¥million)	18,316	16,589	<b>31,586</b>	90.4%
Gross profit (¥million)	3,784	3,659	<b>6,716</b>	83.5%
Gross profit margin	20.7%	22.1%	<b>21.3%</b>	(0.8)pt
Operating income (¥million)	2,197	1,402	<b>3,655</b>	160.7%
Operating income margin	12.0%	8.5%	<b>11.6%</b>	3.1pt
Number delivered	451	291	<b>608</b>	317
Multi family homes included above	4	9	<b>15</b>	6

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





# Pressance Corporation

- ☑ In January 2021, Pressance Corporation Co., Ltd. was consolidated as a subsidiary.
- ☑ Sales contracts, etc. progressed favorably in 2Q and 3Q of the current fiscal year (January through June of 2021).

	FY2021 2Q-3Q 2021/1-2021/6
Revenue (¥million)	<b>103,506</b>
Gross profit (¥million)	<b>19,442</b>
Gross profit margin	<b>18.8%</b>
Operating income (¥million)	<b>10,857</b>
Operating income margin	<b>10.5%</b>

FY2021 3Q Actual by product	
Product	Units
Studio-type condominium	<b>3,714</b>
family-type condominium	<b>797</b>
Total	<b>4,511</b>



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)

	FY2020 3Q 2019/10-2020/6		FY2021 3Q 2020/10-2021/6		Inc. (Dec.)		FY2020 3Q 2019/10-2020/6		FY2021 3Q 2020/10-2021/6		Inc. (Dec.)
	Actual	% of revenue	Actual	% of revenue			Actual	% of revenue	Actual	% of revenue	
<b>SG&amp;A expenses</b>	24,345	6.3%	<b>38,763</b>	6.6%	14,417	<b>Non-operating income</b>	16,803	4.4%	<b>2,266</b>	0.4%	(14,537)
Personnel expenses	7,482	2.0%	<b>12,059</b>	2.1%	4,577	Share of profit of entities accounted for using equity method	16,322	4.3%	<b>1,435</b>	0.2%	(14,886)
Sales commissions	3,296	0.9%	<b>4,023</b>	0.7%	726	Other	480	0.1%	<b>830</b>	0.1%	349
Office maintenance cost	2,866	0.7%	<b>3,836</b>	0.7%	969	<b>Non-operating expenses</b>	2,007	0.5%	<b>4,387</b>	0.8%	2,380
Advertising expenses	1,738	0.5%	<b>2,513</b>	0.4%	774	Interest expenses	1,682	0.4%	<b>2,248</b>	0.4%	566
Promotion expenses	788	0.2%	<b>1,038</b>	0.2%	249	Commission expenses	192	0.1%	<b>724</b>	0.1%	532
Others	8,173	2.1%	<b>15,293</b>	2.6%	7,120	Other	132	0.0%	<b>1,414</b>	0.2%	1,281

# Consolidated Balance Sheet

	Sep 30, 2020	June 30, 2021	Inc. (Dec.)
<b>Current assets</b>	507,123	<b>781,379</b>	274,256
Cash and deposits	219,227	<b>304,754</b>	85,526
Inventories	237,287	<b>417,317</b>	180,030
Others	50,608	<b>59,307</b>	8,699
<b>Non-current assets</b>	61,890	<b>47,025</b>	(14,864)
Property, plant and equipment	5,010	<b>18,497</b>	13,486
Intangible assets	3,080	<b>3,094</b>	13
Investments and other assets	53,798	<b>25,433</b>	(28,365)
<b>Deferred assets</b>	24	<b>20</b>	(4)
<b>Total assets</b>	569,038	<b>828,425</b>	259,387

## <Safety index>

(times)	Sep 30, 2020	June 30, 2021	Inc. (Dec.)
D/E ratio	1.2	1.5	0.4
Net D/E ratio*	0.2	0.4	0.2

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

(Million yen)

	Sep 30, 2020	June 30, 2021	Inc. (Dec.)
<b>Liabilities</b>	335,342	<b>501,593</b>	166,250
Current liabilities	176,713	<b>241,909</b>	65,195
Non-current liabilities	158,628	<b>259,683</b>	101,054
<b>Net Assets</b>	233,695	<b>326,832</b>	93,136
Shareholders' equity	234,666	<b>274,666</b>	40,000
Valuation and translation adjustments	(970)	<b>761</b>	1,731
Non-controlling interests	—	<b>51,404</b>	51,404
<b>Total liabilities and net assets</b>	569,038	<b>828,425</b>	259,387

	Sep 30, 2020	June 30, 2021	Inc. (Dec.)
Equity ratio	41.0%	<b>33.2%</b>	(7.8) pt
Net equity ratio**	66.7%	<b>52.5%</b>	(14.3) pt

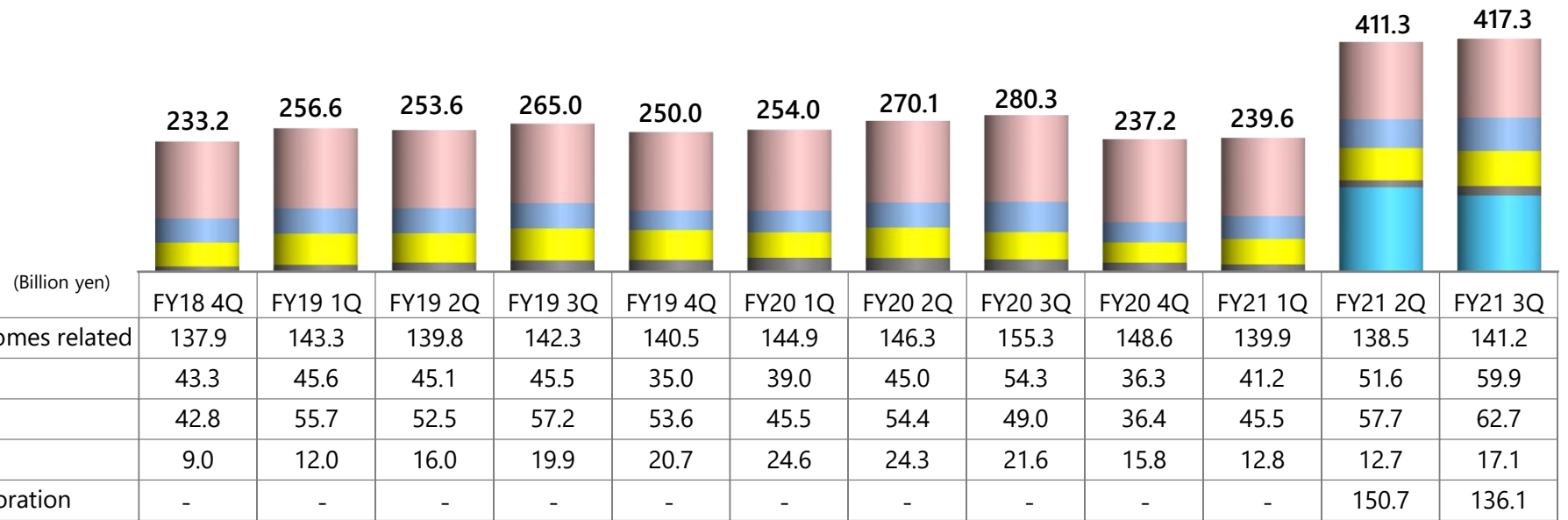
\*\* Net equity ratio : Equity capital / (total assets-cash and deposits)



# Inventory Details

(Million yen)

	End of FY2018 (Sep 30, 2018)	End of FY2019 (Sep 30, 2019)	End of FY2020 (Sep 30, 2020)	End of FY2021 3Q (June 30, 2021)	Ratio	Inc. (Dec.)
Single-family homes related	137,991	140,560	148,676	<b>141,240</b>	33.8%	(7,436)
Condominiums	43,322	35,065	36,339	<b>59,993</b>	14.4%	23,653
Property resales	42,873	53,691	36,445	<b>62,780</b>	15.0%	26,334
Others	9,084	20,735	15,825	<b>17,158</b>	4.1%	1,333
Pressance Corporation	—	—	—	<b>136,145</b>	32.6%	136,145
<b>Total</b>	<b>233,272</b>	<b>250,054</b>	<b>237,287</b>	<b>417,317</b>	<b>100.0%</b>	<b>180,030</b>



# Other Topics

- ✓ Issuance of the 1st Unsecured Bonds: Demand ratio from investors in marketing was 3.6 times.
- ✓ Selected as JPX-Nikkei400 constituent for the fifth consecutive year since 2017. The Company will continue striving to pursue investor-focused management.

## Issuance of the 1st Unsecured Bonds

Name of issue	Issue date	Total issue amount	Coupon rate	Maturity date
<b>Open House Co., Ltd. 1st Unsecured Bonds (with inter-bond pari passu clause)</b>	<b>July 20, 2021</b>	<b>¥ 10 billion</b>	<b>0.95%</b>	<b>July 19, 2024</b>

Purport: Aim for continuous issuance of corporate bonds for the purpose of diversifying funding methods.

Ratings: BBB- (Rating & Investment Information, Inc.) / Issuer Ratings: : BBB- [Outlook: Stable]

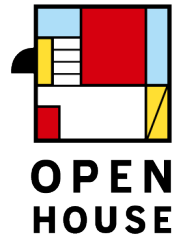
## Outline of JPX-Nikkei400

JPX-Nikkei400 is composed of **companies with high appeal for investors**, which meet requirements of global investment standards, such as efficient use of capital and investor-focused management perspectives.

### Scoring based on Quantitative Indicators

- **3-year average ROE: 40%**
- **3-year cumulative operating profit: 40%**
- **Market capitalization on the base date for selection: 20%**





# **Consolidated Business Performance Forecasts for FY2021**

# Consolidated Business Performance Forecasts

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

(Million yen)

	FY2020 (2019/10-2020/9)		FY2021 Revised forecast announced on Feb 12, 2021 (2020/10-2021/9)		FY2021 Revised forecast announced on May 14, 2021 (2020/10-2021/9)	
	Actual	Inc. (Dec.)	Forecast (A)	Inc. (Dec.)	Forecast (B)	Inc. (Dec.)
Revenue	<b>575,951</b>	6.6%	<b>767,600</b>	33.3%	<b>788,000</b>	36.8%
Operating income	<b>62,129</b>	7.5%	<b>83,800</b>	34.9%	<b>96,000</b>	54.5%
Ordinary income	<b>77,357</b>	40.8%	<b>82,500</b>	6.6%	<b>93,000</b>	20.2%
Profit attributable to owners of parent	<b>59,491</b>	51.0%	<b>60,000</b>	0.9%	<b>67,000</b>	12.6%
EPS* (yen)	<b>525.36</b>	—	<b>476.86</b>	—	<b>532.39</b>	—
Annual dividends per share* (yen)	<b>80.00</b>	17.00	<b>100.00</b>	20.00	<b>110.00</b>	30.00
Payout ratio	<b>*1 15.2%</b>	—	<b>21.0%</b>	—	<b>20.7%</b>	—

\*1 The dividend payout ratio excluding share of profit of entities accounted for using equity method is **21.7%**



# Consolidated Business Performance Forecasts (Revenue by business segment)

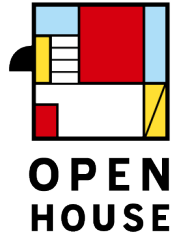
☑ Revenue is expected to grow in the single-family homes related business where sales continue to be strong.

(Million yen)

	FY2020 (2019/10-2020/9)		FY2021 Revised forecast announced on Feb 12, 2021 (2020/10-2021/9)		FY2021 Revised forecast announced on May 14, 2021 (2020/10-2021/9)	
	Actual	Inc. (Dec.)	Forecast (A)	Inc. (Dec.)	Forecast (B)	Inc. (Dec.)
Revenue	575,951	6.6%	<b>767,600</b>	33.3%	<b>788,000</b>	36.8%
Single-family homes related business	379,656	11.5%	<b>436,500</b>	15.0%	<b>446,500</b>	17.6%
Condominiums	58,169	(4.6)%	<b>46,500</b>	(20.1)%	<b>46,500</b>	(20.1)%
Property resales	112,207	3.5%	<b>112,500</b>	0.3%	<b>112,500</b>	0.3%
Others (including U.S. real estate business)	26,027	(14.8)%	<b>38,500</b>	47.9%	<b>38,500</b>	47.9%
Pressance Corporation	—	—	<b>133,600</b>	—	<b>144,700</b>	—
Adjustments	(110)	—	—	—	<b>(700)</b>	—

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

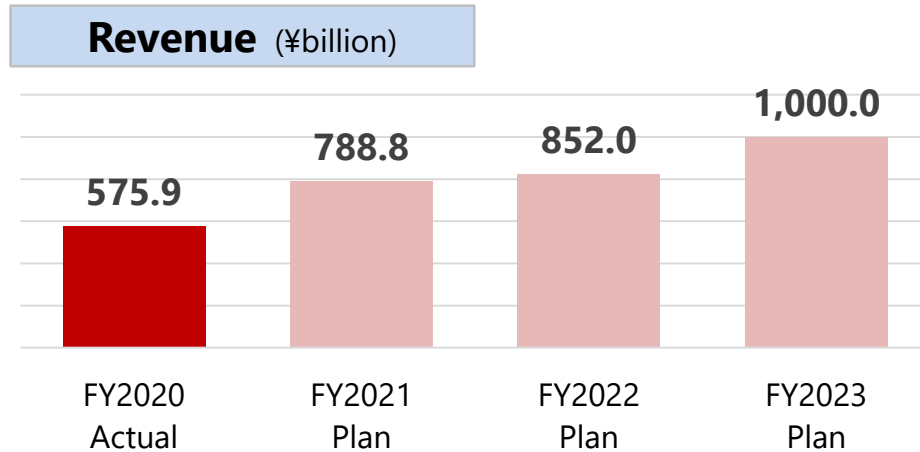
		Revenue (¥billion)			Number delivered				
		FY2019 (18/10-19/9) Actual	FY2020 (19/10-20/9) Actual	FY2021 (20/10-21/9) Plan	FY2019 (18/10-19/9) Actual	FY2020 (19/10-20/9) Actual	FY2021 (20/10-21/9) Plan		
<b>Open House Development</b>	Built-for-sale houses	98.7	116.6	<b>140.2</b>	Built-for-sale houses	2,296	2,804	<b>3,430</b>	
	Lands	100.1	108.0	<b>127.3</b>	Lands	2,458	2,645	<b>3,190</b>	
	Built-to-order houses	21.9	23.6	<b>26.4</b>	Built-to-order houses	1,555	1,597	<b>1,810</b>	
<b>Open House Architect</b>					Built-to-order houses	3,674	4,158	<b>4,100</b>	
					Number delivered to OHD	1,484	1,535	<b>1,480</b>	
<b>Hawk One</b>			82.2	87.0	<b>105.0</b>	Built-for-sale houses	1,989	2,063	<b>2,170</b>
						Lands	66	145	<b>260</b>
						Built-to-order houses	50	39	<b>110</b>
<b>Condominiums</b>		60.9	58.1	<b>46.5</b>	Units	949	1,224	<b>1,120</b>	
<b>Property resales</b>		108.4	112.2	<b>112.5</b>	Buildings	255	230	<b>240</b>	
<b>U.S. real estate business</b>			30.5	26.0	<b>38.5</b>	Homes	711	501	<b>730</b>
						Multi family homes included above	7	12	<b>20</b>



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

# “Ikouze 1 cho!, 2023” — “Jump to 1 trillion, 2023”

- Strive to achieve FY2023 target revenue of ¥1 trillion



## Growth Strategy

- Sustainable growth focusing on single-family home-related business
- Synergies with Pressance
- M&A and strategic investments
- New businesses

## Capital Policy

- Dividend payment ratio 20%
- Annual dividend increase of 10 yen
- Flexible Share buyback

## Financial Strategy

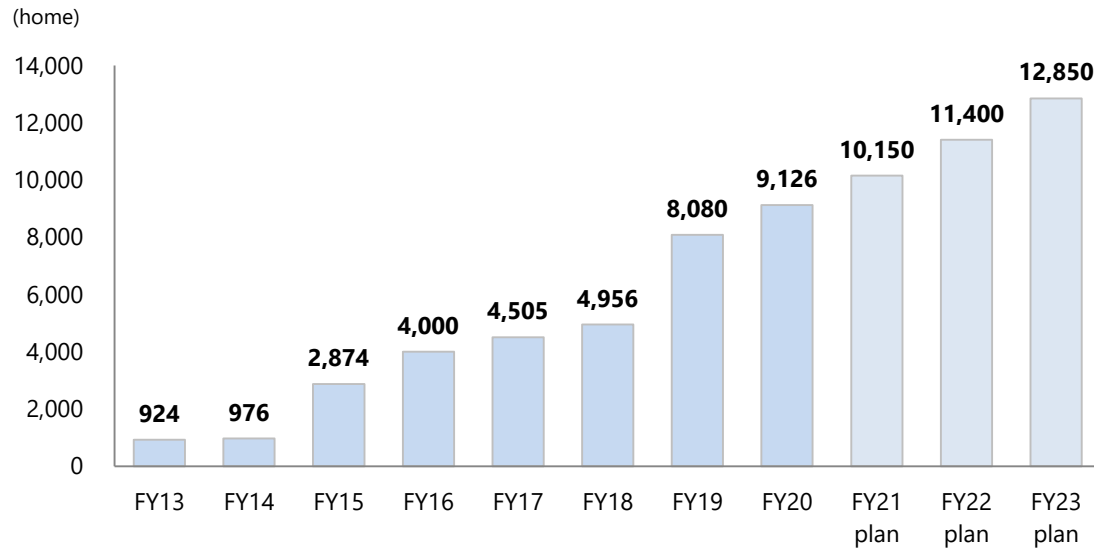
- Equity ratio 30% or more
- Within 1x or less of net D/E ratio.
- ROE 20% or more
- Actively invest in growth opportunities  
(Investment capacity based on assumption above: About ¥100 billion)



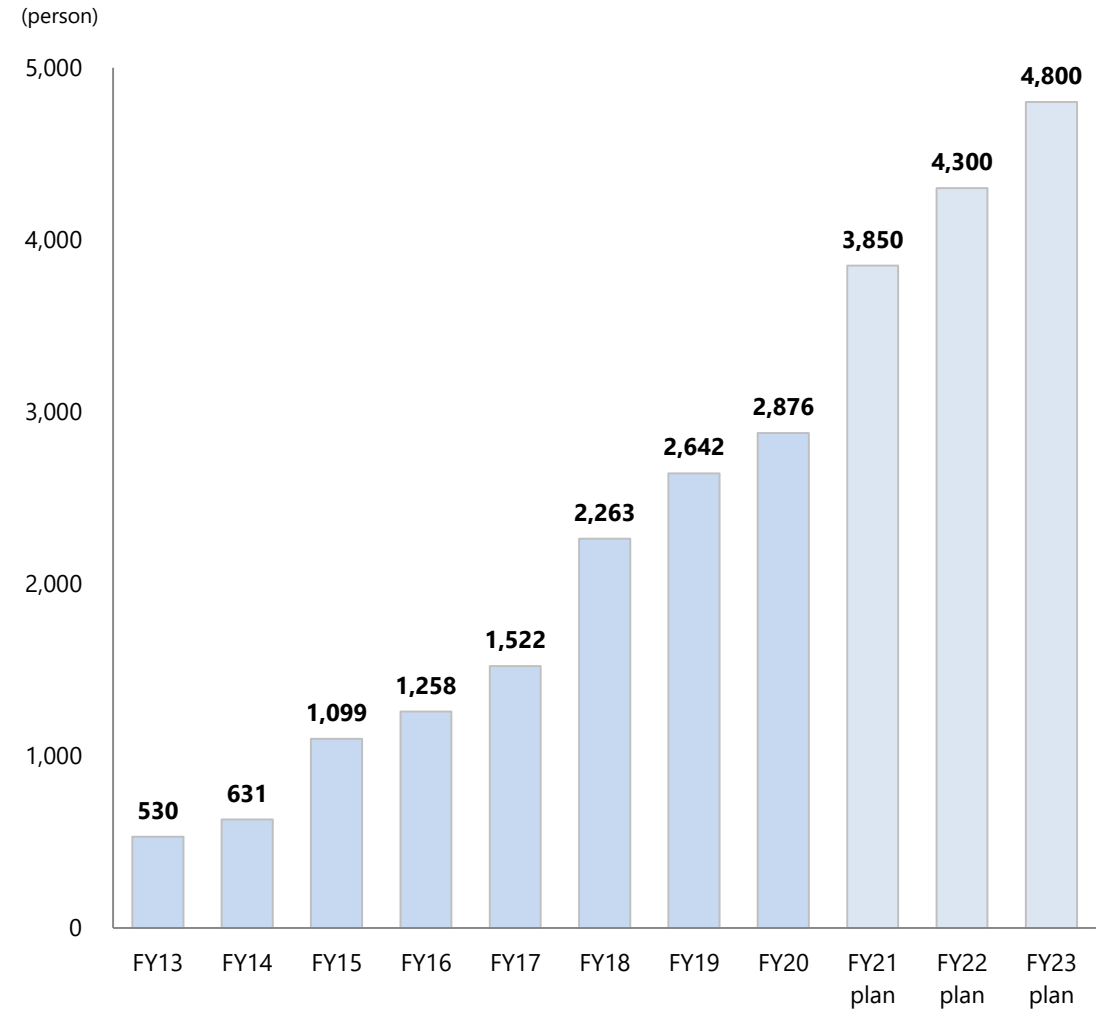


# Quantitative Goals

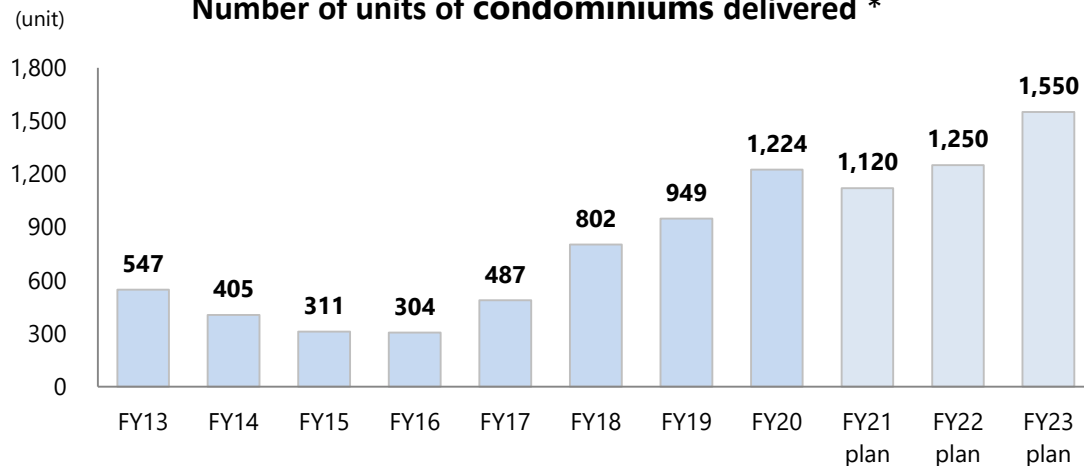
### Number of units of Single family homes delivered



### Number of employees



### Number of units of condominiums delivered \*



\* Excluding number of units of Pressance Corporation



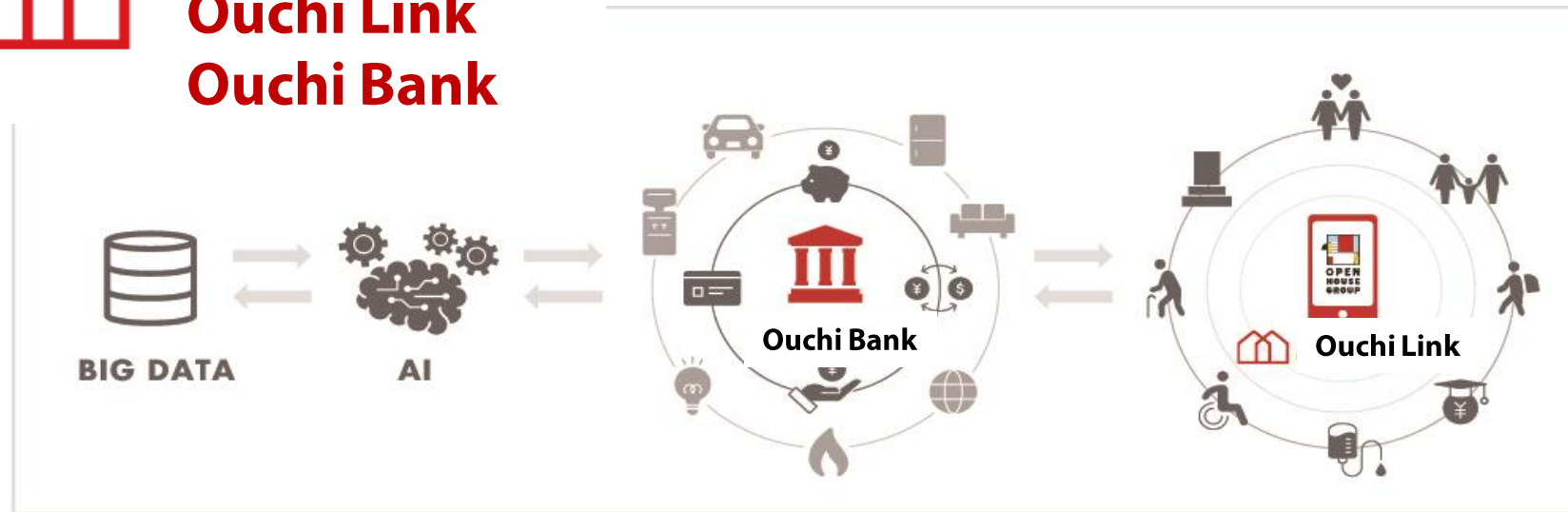
**DX (Digital Transformation)**

# Launch of “Ouchi Link・Ouchi Bank” Using Fin Tech

- Subsidiary Ouchi Link Co., Ltd. acquired authorization for conducting the bank agency business.
- Providing housing-related services to customers who purchased housing through Open House Group.



## Ouchi Link Ouchi Bank



### Ouchi Link

Electricity

No change in electricity charge! Earn points as electricity is used!

### Ouchi Link

Gas

Greater benefit when applying for gas and electricity as a set! Earn double points!

### Ouchi Link

Network

Smooth and fast! High-speed optical network from day 1!

### “Ouchi” services

Plan to provide more good-deal “Ouchi” services going forward.

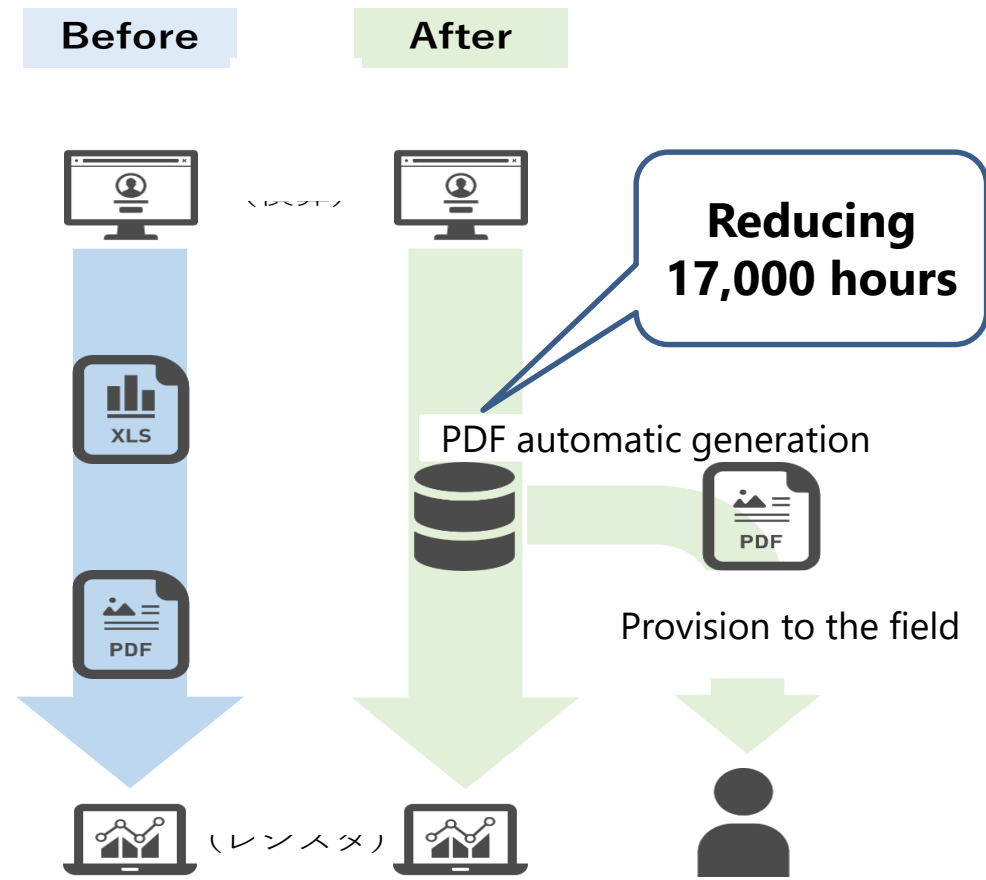
Bank transactions can be completed via a smartphone.  
Earn points by using Ouchi Bank.



# Improved Efficiency through Automatic Preparation of Property Overview Sheet

- Adopting AI technology to prepare sales materials used when proposing properties improves operating efficiency and also contributes to increasing the business turnover rate.
- Reducing 17,000 hours per year by using the sales material app developed by in-house engineers.

## Schematic image of improvement in operation flow



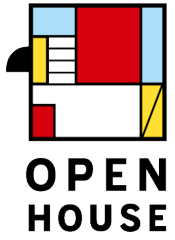
## Sales materials

- **Sales price**  
(land price, land area, building area, delivery schedule, etc.)
- **Transportation**  
(means of transportation, walking time from the nearest station, etc.)
- **Property overview**  
(location, designated use of area, building coverage ratio, floor area ratio, structure, surrounding environment, etc.)

The process of creating/updating sales materials had been dependent on manual work. However, the Company developed a sales material preparation app that, when a user specifies a property, gathers the necessary property information, batch-downloads the information, and automatically creates materials as a PDF.

The latest property sales prices, detailed information, etc., which had not been digitalized thus far, are digitalized with the introduction of this app, and AI technology is used to improve operating efficiency.













This has enabled us to more promptly propose properties to customers by providing the salespersons in the field with property information on a real-time basis.



**Sustainability**

# To realize a sustainable society

- Identified six key issues the Company should address
- To be examined in view of inputs from external assessment institutions, stakeholders, experts, and priorities to the Company

ESG	Key Issues	Initiatives	Relevant SDGs
<b>Environment</b>	Environmental conservation	<ul style="list-style-type: none"> <li>■ Established the Japan Wood Housing Association</li> <li>■ Open House Forest</li> </ul>	 
<b>Social</b>	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>	 
	Talent development	<ul style="list-style-type: none"> <li>■ Utilization of a diverse workforce</li> <li>■ Establish a training course reflecting the Company's founder</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>■ Establish a counseling office for empowering women</li> </ul>	 
	Supply Chain Management	<ul style="list-style-type: none"> <li>■ Share sustainability guidelines with business partners</li> </ul>	 
	Compliance	<ul style="list-style-type: none"> <li>■ Conduct compliance training</li> <li>■ Invite female talent to join the board as an external director and a corporate auditor</li> </ul>	 

# (Practical Example 1) Initiative to Empower Women

- To develop work environments comfortable and pleasant for women for Open House to become a company where women can unleash their talents
- Training by the founder held for female salespersons

## Establishing a female-friendly working environment

- Establishment of a consulting office for promoting women's empowerment
- Introduction of women's empowerment promotion system
  - Professional careers system that enables employees to temporarily change the working style
  - Support for employees to continue working while raising children
- Training for female salespersons
  - Date implemented: July 2021
  - Participants: Approximately 150 female employees as salespersons (total for participants onsite and online)
  - Contents: Increasing motivation, etc. through the training program by the founder

### Ratio of females in new recruitment

	April 2018	April 2019	April 2020	April 2021
Ratio of female employees	15.3%	30.5%	29.1%	32.8%

(Target: Open House. Open House Development, Open House Architect, Hawk One)

### Target setting based on Act on Promotion of Women's Participation and Advancement in the Workplace

	FY2020 (Actual)	FY2025 (Target)
Childcare leave return rate	100.0%	100.0%

(Target: Open House. Open House Development)

## Temporary change in work style (framework for professional careers)



### ■ For career-track jobs

Work in an environment where a scheme similar to flex time is introduced, enabling working staggered hours in accordance with Variable Work Rules

### ■ For general & career-track jobs

Work in an environment that allows for temporary changes in work patterns and shortening regular working hours.

## Support for employees to work while raising a child



### ■ Financial assistance for nursery

Partially subsidize expenses for nursery, regardless of whether the school is licensed or not.



### ■ Support for balancing work & child rearing (Financial assistance for babysitter)

Partially subsidize expenses for using babysitter services for preschool children

## (Practical Example 2) Contribution to regional revitalization through basketball

- Gunma Crane Thunders to be promoted to the B1 League in the second year of the Company's participation.
- Use of corporate-version hometown tax system toward constructing a home arena in the City of Ota.

### Gunma Crane Thunders

Operating company:

Gunma Professional Basketball Commission Co., Ltd.

Performance:

To be promoted to B1 League next term. Winner of the B2 Playoff 2020-2021  
B2 East area No.1, 33 consecutive win (New record in B2 league)

Home Arena:

Gunma Ota New civic gymnasium [OTA ARENA (tentative name)]  
(Start in 2021, completion in the spring of 2023)

Contribution to local communities:

- Contribution by players to local residents through sport
- Participation in greeting activities at elementary and secondary schools
- Support for basketball club activities at junior high and high schools

### Taking the platform at Nikkei Regional Revitalization Forum (July 2021)

"Regional Revitalization using Basketball – Example of City of Ota, Gunma"

<https://channel.nikkei.co.jp/chihou202107/3589.html>



Winner of the B2 Playoff 2020-2021



Image of Ota City Sports Park Gymnasium (Exterior and interior)



### (Practical Example 3)

## OPEN HOUSE's Employee Selected to Represent Japan in the Tokyo 2020 Paralympic Games

- Participation in the men's long jump at the track & field event of the Tokyo 2020 Paralympic Games.
- Realized his goal by continuing to train while working as the Company's employee.

Name of athlete: Junta Kosuda

Event: Tokyo 2020 Paralympic Games; track & field; men's long jump (T63)

Record: His personal best of 5.88 m in the long jump is ranked second in Japan and tenth in the world.

He is also active as a para-snowboarder. Having been selected as an athlete designated under the High Performance Program, he is aiming to participate also in the Beijing 2022 Winter Paralympic Games.

The Company carries out sport promotion activities as part of its sustainability initiatives and supports the para-athlete Mr. Kosuda.

[https://oh.openhouse-group.com/company/news/pdf/20210713\\_1.pdf](https://oh.openhouse-group.com/company/news/pdf/20210713_1.pdf)



Junta Kosuda

## (Practical Example 4) Initiatives concerning Climate Change

- We recognize that initiatives to realize a decarbonated society are urgently needed also in Japan.
- Open House Group prepares information disclosure in line with the TCFD Recommendations.

### **Declaration of support for the TCFD Recommendations**

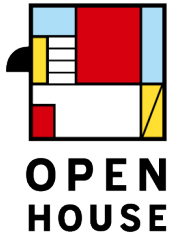
In January 2021, the Group declared support for the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) that encourage businesses, etc. to disclose information on climate change-related risks and opportunities. Also, as a member of the Japan TCFD Consortium composed of Japanese corporations that support TCFD, we will disclose information in line with the TCFD Recommendations.



### **Concept on climate change**

Global warming is rapidly accelerating as GHG emissions increase worldwide.

The advancement of global warming causes a rise in sea level, abnormal climates and other factors, bringing significant impacts to the habitat of people and other living creatures. We also recognize that an abnormal climate increases the risk of damage to the Group's business activities.

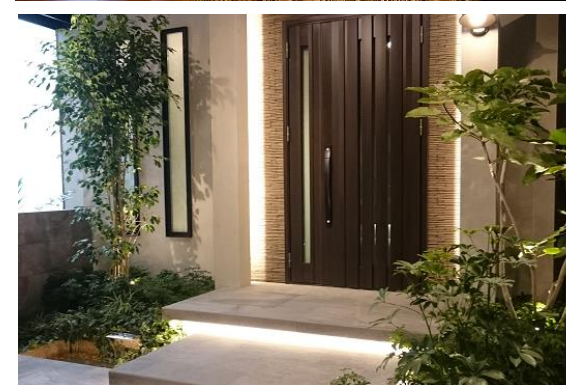


**Reference: Wide Variety of Designs of Single-Family Homes**



## Open House Group Shibuya Show Room

A showroom opened in Shibuya-ku, Tokyo in December 2016 for customers considering purchasing a new single-family home. There is a model room, exhibits of interior and exterior samples, coordination ideas and more in a floor area totaling 1,285 m<sup>2</sup>. (OHD)



# LIFE DESIGN PARK



## 『LIFE DESIGN PARK』 Hisaya-odori

A concept shop opened in Nagoya City, Aichi in July 2021 for customers considering custom-built homes. Following "LIFE DESIGN PARK Sangenjaya," which opened in Setagaya-ku, Tokyo in May 2020 and received favorable recognition from customers, a site in the same series was established also in Nagoya City. (OHA)



# EXTERIOR



# EXTERIOR



# ENTRANCE & PLANTING

## ONE TREE, MAKE A FOREST PROJECT

PLANNING



*with*

WORK & AFTER CARE



### 「ONE TREE, MAKE A FOREST PROJECT」

The project was launched in May 2021. Using a plant area placed by the entrance, proposing everyday life with greenery close by for families living in single-family homes in the heart of a city. (Collaboration project with Universal Engeisha Co., Ltd.)

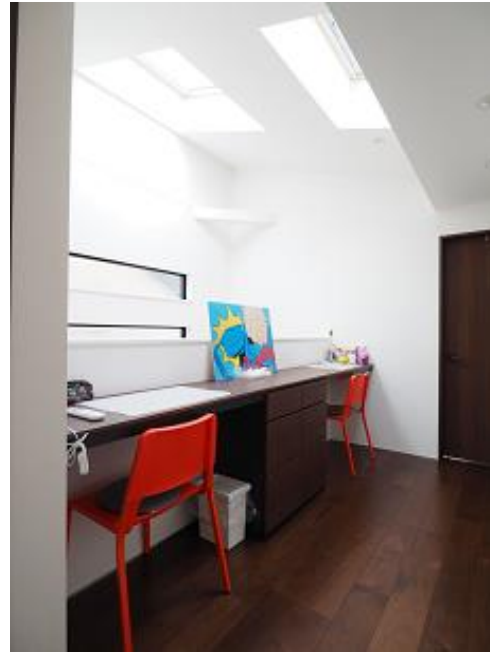




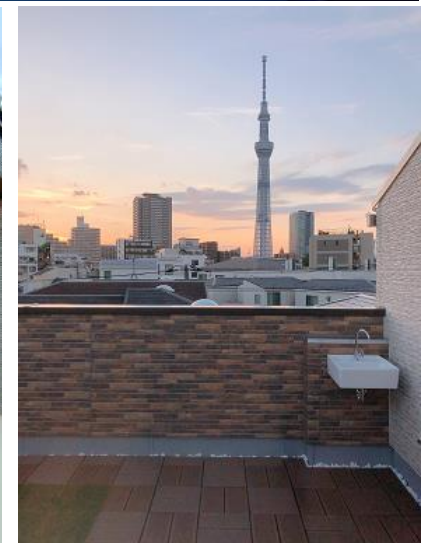
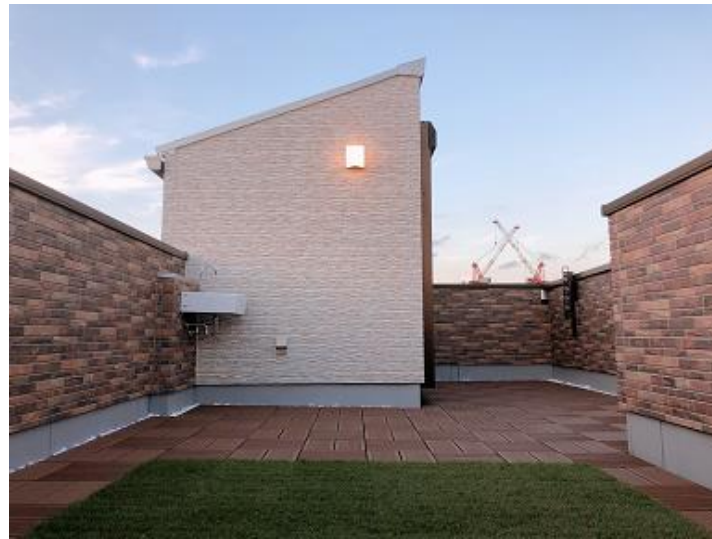
# LIVING ROOM, etc.



# WORK SPACE



# ROOF BALCONY



Examples of single-family homes built are available on Instagram.



openhause.gr





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

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