CREATION OF ATTRACTIVE TOWN DEVELOPMENT

LA HOLDINGS

Financial Results for the Second Quarter of 2023

August 10, 2023

1 - (1) 2Q 2023 Highlights

Summary (YoY)	Net sales	Ordinary profit	Profit	Total assets
	¥16.64 billion (+132.9%)	¥2.66 billion (+274.6%)	¥1.81 billion (+245.7%)	¥54.4 billion (+7.5%)

Second quarter highlights

- ✓ Completed the sale of THE EDGE (Ebisu) office building
- ✓ Sales of "L'attrait Premium-Renovation®" series remained strong
- ✓ Finished construction and started closing sales of "L'attrait RESIDENCE Meinohama" new condominium building in Fukuoka whose units were promptly delivered

Ongoing projects

- ✓ Completed construction of a building in the A*G Series of commercial buildings and THE EDGE (Shimomeguro) office building
  →Solid performance of leasing operations as many companies seek locations for new stores
- ✓ Plan to start closing sales in 3Q of 2023 at the newly constructed un rêve GRANDIT YAESE in Okinawa.

Others

- ✓ Increased purchases of land for new development projects and premium renovation properties, raising real properties for sale about ¥4.0 billion from the end of 2022.
- ✓ Dually listed on the Main Board of Fukuoka Stock Exchange (June 14, 2023)

2Q 2023 Balance Sheets

Major components

✓ **Many types of properties**
New/Remodeled: ¥32.7 billion

✓ **Major real properties for sale**

- A*G Futako Tamagawa
- A*G SAKAE
- A*G Nishi-Nakasu
- A*G Inogashira Park
- A*G Nishi-Ogikubo
- THE EDGE (Shimomeguro)
- Higashi-Shimbashi Project
- Maruyamacho Project
- un rêve GRANDIT series
- Million-Renovation series
- Hi▸La▸Re series
- Billion-Residence series

Total assets
¥54.4 billion

Assets

Current assets

Cash and deposits
¥10.2 billion

Real properties for sale
¥32.7 billion

Non-current assets

Property, plant and equipment
¥9.8 billion

Total liabilities and net assets
¥54.4 billion

Liabilities

Current liabilities

Short-term borrowings
¥4.4 billion

Current portion of long-term borrowings
¥8.8 billion

Non-current liabilities

Long-term borrowings
¥23.5 billion

Net assets

¥12.8 billion

Major components

Short-term borrowings

Borrowed funds for projects primarily by using overdraft facilities.

Long-term debt

Mainly debt for purchases for development projects of new real estate sales

Real properties for sale

Increased about ¥4.0 billion from end of 2022 because of purchases for development projects of new real estate sales and the Million-Renovation series

Property, plant and equipment

Decreased as some properties were reclassified as real properties for sale

Changes in major assets

(Billions of yen)	End of Dec. 2019	End of Dec. 2020	End of Dec. 2021	End of Dec. 2022	End of Jun. 2023 (2Q)
Real properties for sale	13.8	9.7	17.5	28.8	32.7
Property, plant and equipment	6.4	8.8	9.6	11.3	9.8
Total assets	24.8	23.6	36.3	50.6	54.4

Note: All indices are calculated based on consolidated figures.

1 - (3) 2Q 2023 Statements of Income

(Millions of yen)

	2Q 2022 results	2Q 2023 results	2023 plan	Progress ratio
Net sales	7,148	16,648	30,000	55.5%
Operating profit	932	2,881	5,500	52.4%
Ordinary profit	711	2,665	4,800	55.5%
Profit	525	1,818	3,400	53.5%

Note: All indices are calculated based on consolidated figures.

1 - (4) 2Q 2023 Sales by Business Segment

(Millions of yen)

		2Q 2022 results	2Q 2023 results	YoY	Overview
	Net sales	7,148	16,648	132.9%	
I	Real Estate Sales	6,697	16,124	140.7%	
1	New Real Estate Sales	4,850	7,631	57.3%	Sales significantly increased year on year due to the sale of an income-producing office building and a condominium building.
	(1) Land planning and sales	2,557	927	(63.7)%	
	(2) Newly-built property sales	2,292	6,703	192.4%	
2	Revitalized Real Estate Sales	1,846	8,493	359.9%	Sales more than doubled due to the large volume of sales of renovated condominiums. Sales of large properties completed in the investment business.
	(1) Renovated condominiums	1,846	4,240	129.6%	
	(2) Others	-	4,252	-	
II	Real Estate Leasing	423	502	18.7%	Increased year on year due to the purchase of a healthcare facility.

Note: All indices are calculated based on consolidated figures.

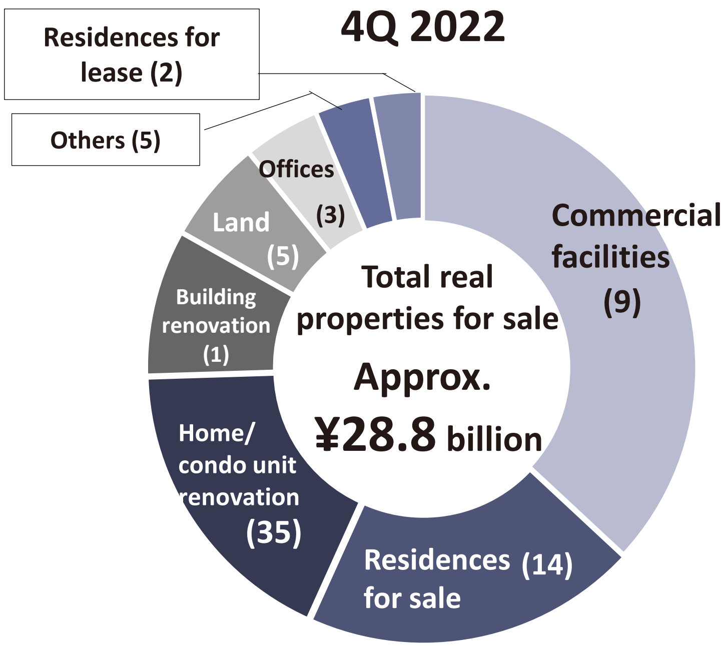
1 - (5) 2Q 2023 Gross Profit by Business Segment

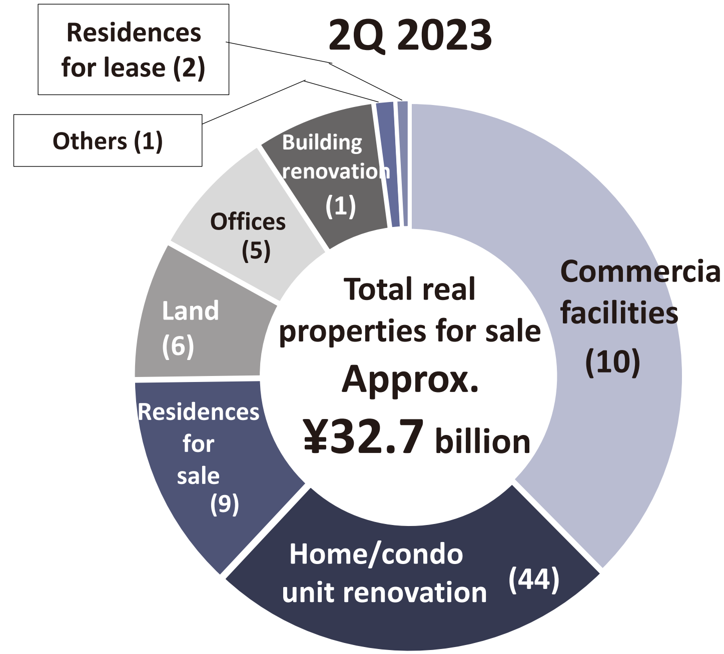
(Millions of yen)

	2Q 2022 results		2Q 2023 results		Overview
	Gross profit	Profit margin	Gross profit	Profit margin	
Total	1,736	24.3%	4,410	26.5%	
I Real Estate Sales	1,507	22.5%	4,120	25.6%	
1 New Real Estate Sales	1,240	25.6%	2,620	34.3%	Gross profit significantly increased year on year due to the sale of an income-producing office building and a condominium building.
(1) Land planning and sales	579	22.7%	100	10.8%	
(2) Newly-built property sales	660	28.8%	2,519	37.6%	
2 Revitalized Real Estate Sales	267	14.5%	1,500	17.7%	Gross profit was 2.6 times that of the same period of the previous year due to the large volume of sales of renovated condominiums. Sales of large properties completed in the investment business.
(1) Renovated condominiums	267	14.5%	702	16.6%	
(2) Others	-	-	798	18.8%	
II Real Estate Leasing	200	47.4%	267	53.2%	Increased year on year due to the purchase of a healthcare facility.

Note: All indices are calculated based on consolidated figures.

2Q 2023 Portfolio of Real Properties for Sale





*Number of properties is in parentheses.

Examples of ongoing projects

A*G Nishi-Ogikubo

A*G Futako Tamagawa

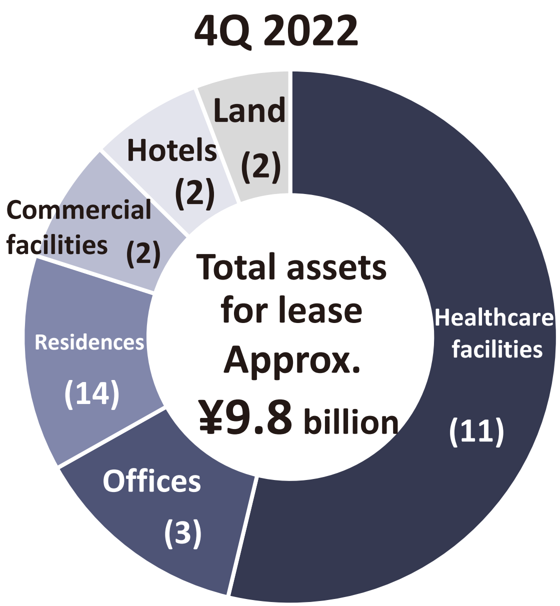
THE EDGE (Shimomeguro)

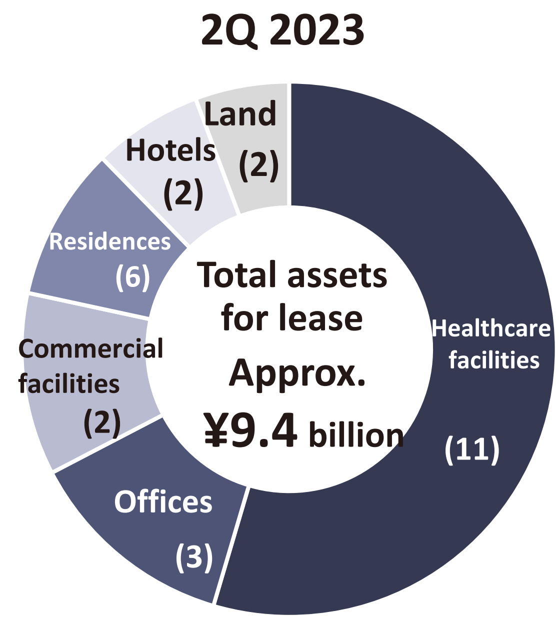
A*G Shimokitazawa

Ebisu 1-chome Project

Higashi-Shimbashi Project

1 - (7) 2Q 2023 Leasing Portfolio





*Number of properties is in parentheses.

Primary owned real estate

Healthcare facilities

Offices

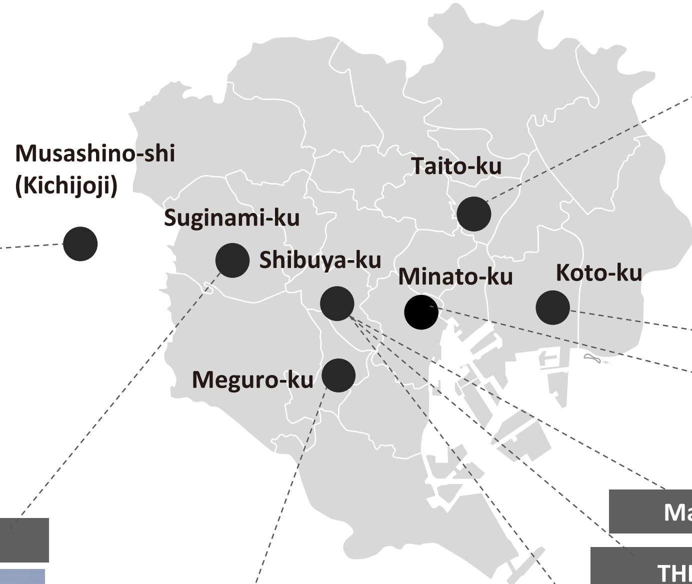
Commercial facilities

Residential hotels

2 - (1) Ongoing Projects (New real estate sales, income-producing development)

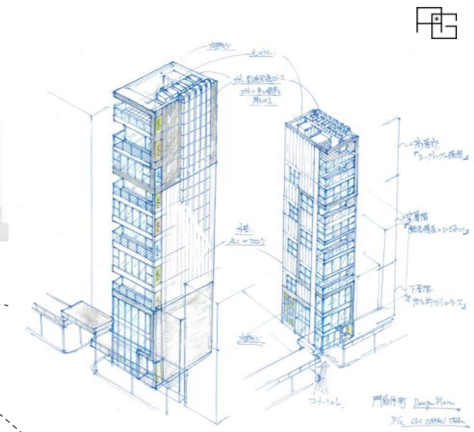
Many residential and commercial developments are ongoing

A*G Inogashira park



A*G Asakusa

A*G Monzen-nakacho



Maruyamacho Project

THE DOORS (Daikanyama)

A*G Nishi-Ogikubo

THE EDGE (Shimomeguro)

Ebisu 1-chome Project

Higashi-Shimbashi Project

2 - (2) Ongoing Projects (New real estate sales, condominium developments)

■ un rêve GRANDIT AGARIHAMA (Planned completion in 2024)


■ L'attrait Residence KYOTO
(Planned completion in 2024)

■ un rêve REALISER MIEBASHI
(Planned completion in 2024)

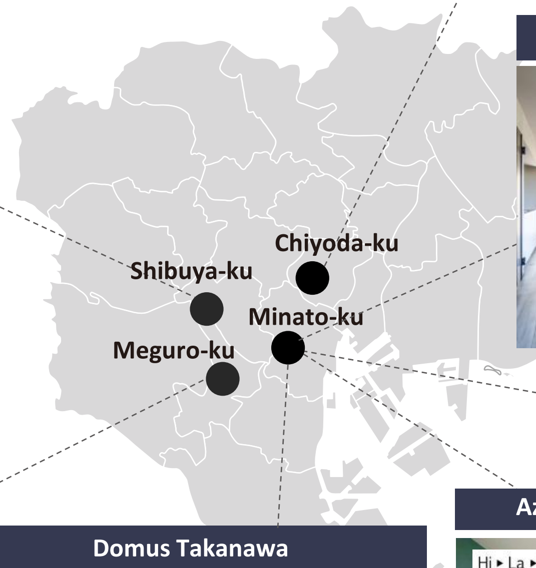
■ un rêve GRANDIT YAESE
(Plan to start closing sales in 3Q of 2023)


■ un rêve GRANDIT NAHA OMOROMACHI
(Planned completion in 2024)

2 - (3) Ongoing Projects (Revitalized real estate sales)

- ✓ **Several projects in central Tokyo in Million-Renovation series with prices of ¥100 - ¥600 million**
- ✓ **Started Premium Renovation sales using the new Hi▸La▸Re brand.**

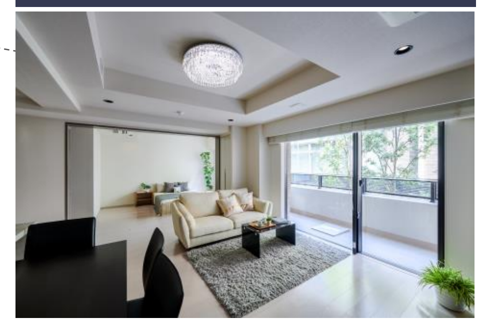
Belte Omotesando



Towa Hanzomon Coop

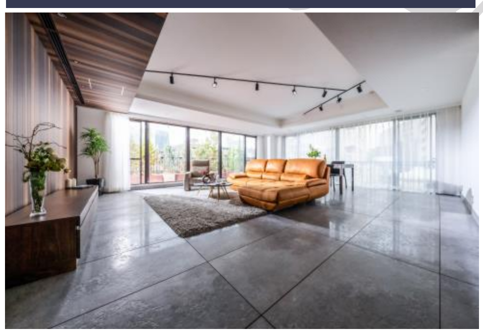
Shirokanedai House

The Parkhouse Nishiazabu Kasumicho

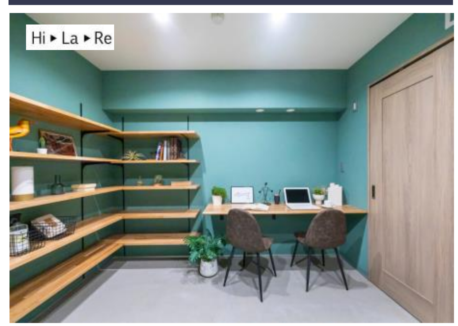


L'attrait Ebisu Grand Garden

Domus Takanawa



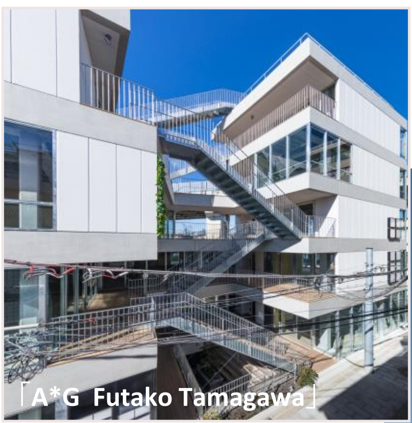
Azabu Higashimachi Mansion



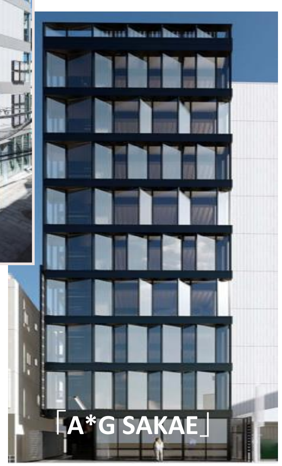
2 - (4) Completed Properties

“A*G” commercial buildings

The A*G Series combines “Attrait,” which means appeal in French, and “Generator,” which are linked by an asterisk symbolizing a small star. This expresses the brand’s concept of creating “small projects that shine brightly.”



「A*G Futako Tamagawa」

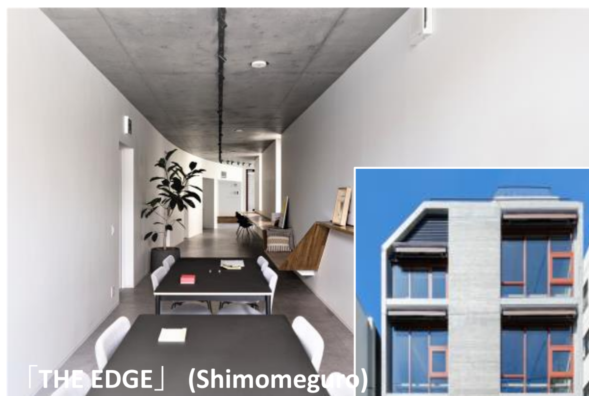


「A*G SAKAE」

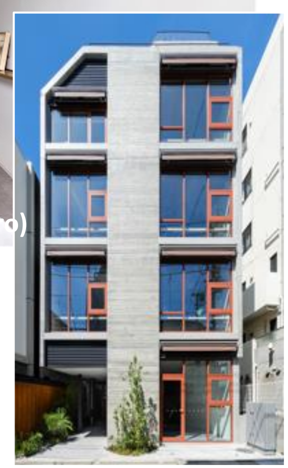
“THE EDGE” new office building

THE EDGE – Attractive and appealing office space

Based on the concept of offices with the atmosphere of a residence, THE EDGE is a new type of office building that provides comfort similar to a home with design elements that create a highly appealing and distinctive interior.



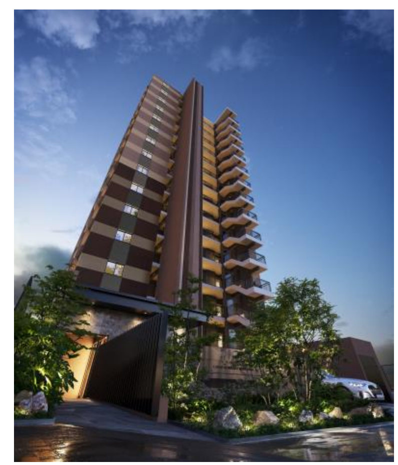
「THE EDGE」 (Shimomeguro)



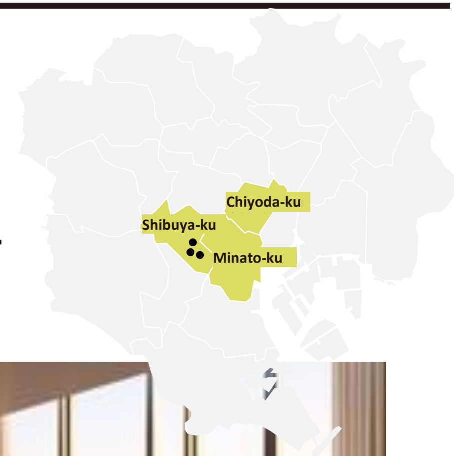
Condominium L’attrait RESIDENCE

--A New Style of Living--

L’attrait RESIDENCE Meinohama



Creation of New Value



- ✓ **Develop new "Billion-Residence" high-grade residences priced at over 1 billion yen**
- ✓ **Carefully select and supply the property based on the achievements and expertise cultivated over many years in the "L'attrait Premium-Renovation®" business and our extensive information network.**

* Image is for illustration purposes.

Reference: Medium-term Management Plan

Note: All indices are calculated based on consolidated figures.

(Millions of yen)	2022 results	2023 plan	2024 plan	2025 plan
Net sales	18,253	30,000	33,000	40,000
Operating profit	4,226	5,500	5,700	6,400
Ordinary profit	3,730	4,800	5,000	5,700
Profit	3,381 (Note)	3,400	3,500	4,000

Note: Includes extraordinary income of about ¥800 million due to negative goodwill.

Targets for earnings in the 2022-2024 medium-term plan announced on February 14, 2022 were achieved one year early. Furthermore, a new three-year medium-term plan (2023 to 2025) has been established due to the acquisition of FAN STYLE HD Co., Ltd. that was announced on January 5, 2023 in a release titled “Notice of Purchase of Stock and Simple Exchange of Stock to Make FAN STYLE HD a Wholly Owned Subsidiary.”

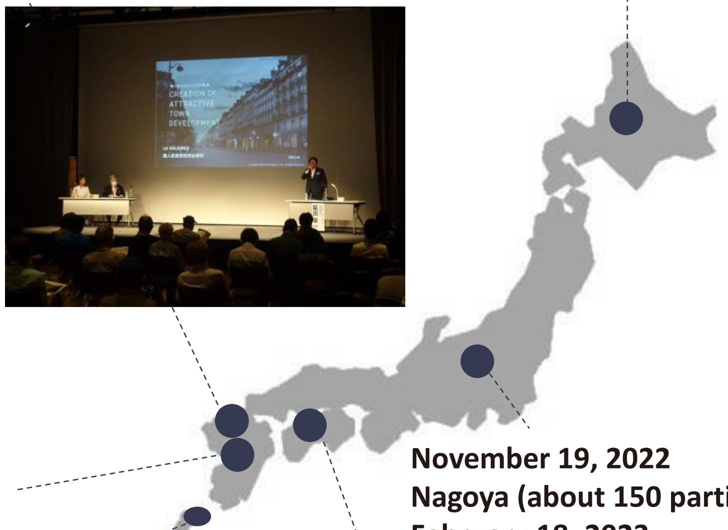
4 IR Activities

IR seminars

February 5, 2022 Fukuoka (about 90 participants)
July 30, 2022 Fukuoka (about 70 participants)
November 9, 2022 Fukuoka (about 80 participants)
February 4, 2023 Fukuoka (about 120 participants)

October 29, 2022
Sapporo (about 110 participants)
July 29, 2023
Sapporo (about 120 participants)

LA Holdings participated in an IR seminar held by Radio NIKKEI, Pronexus and the Nihon Securities Journal. At the seminar, Eiichi Wakita, president of LA Holdings, talked about business activities, the medium-term plan, performance indicators, shareholder distributions and other subjects.



November 19, 2022
Nagoya (about 150 participants)
February 18, 2023
Nagoya (about 120 participants)

July 15, 2023
Kumamoto (about 70 participants)

May 20, 2023
Okinawa (about 80 participants)

March 25, 2023
Matsuyama (about 70 participants)

Radio programs

Radio NIKKEI "Market God of Happiness"

Radio NIKKEI "Asazai"

LA Holdings conducts IR seminars on a regular basis for individual investors in major and regional cities of Japan where the company operates its real estate business. In addition to using IR events like this to provide information to investors, there are PR activities linked to IR for media exposure, such as appearances on radio programs.

Securities Code 2986

LA HOLDINGS

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