First Quarter of the Fiscal Year Ending July 2026

Financial Results Highlights

Meiho Enterprise Co., Ltd.

8927

December 2025



I Revenues

4,921 million yen
(2Q earnings forecast progress rate: 30.5%)

■ Operating profit

411 million yen
(2Q earnings forecast progress rate: 29.3%)

Ordinary profit

180 million yen
(2Q earnings forecast progress rate: 18.0%)

- EL FARO and MIJAS recorded sales of 5 buildings (10 buildings in the previous fiscal year)
 Compared to the full-year plan of approximately 37 buildings, a total of 28 buildings are expected to be sold, including those with sales contracts already concluded (a progress rate of approximately 75%)
- Revenue of 1,173 million yen was recorded in the construction business, driven by an increase in external orders. The construction business segment turned profitable for the first time following the addition of 2 construction subsidiaries to the Group
- > Overall, progress remains broadly in line with both the 2Q and full-year forecasts, with no revisions required

Earnings for the first quarter of the fiscal year ending July 2026 were mainly attributable to the real estate development business.

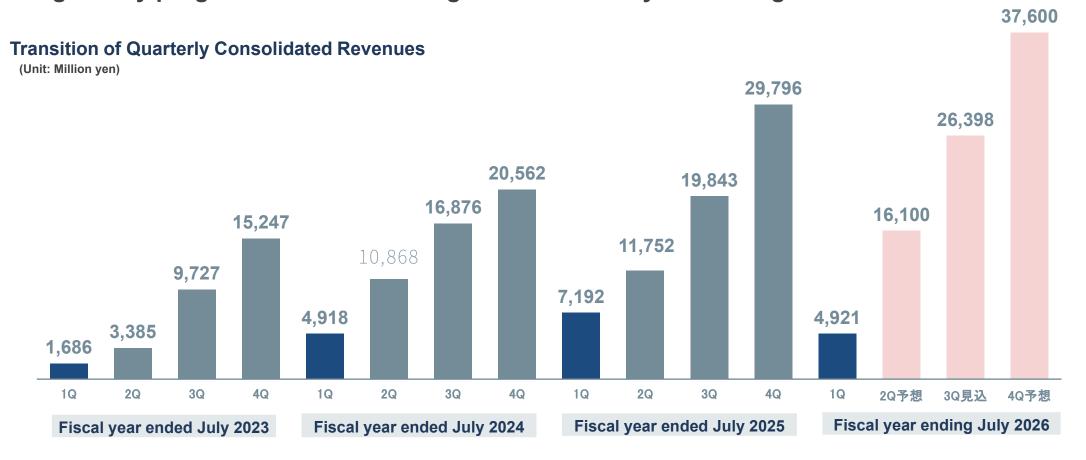
Due to delays in the timing of real estate development sales, both revenues and profits at each stage declined year-on-year; however, in light of the sales contracts concluded in the current fiscal year, revenues and profits at each stage remain on track to achieve the 2Q and full-year earnings forecasts without issue.

	Fiscal year ending July 2026 1Q results	Fiscal year ending July 2026 1H (2Q) plan	Progress rate	Fiscal year ended July 2025 1Q results	YoY
Revenues	4,921	16,100	30.5%	7,192	(31.6%)
Operating profit	411	1,400	29.3%	737	(44.3%)
Ordinary profit	180	1,000	18.0%	594	(69.7%)
Profit	115	600	19.1%	384	(70.1%)

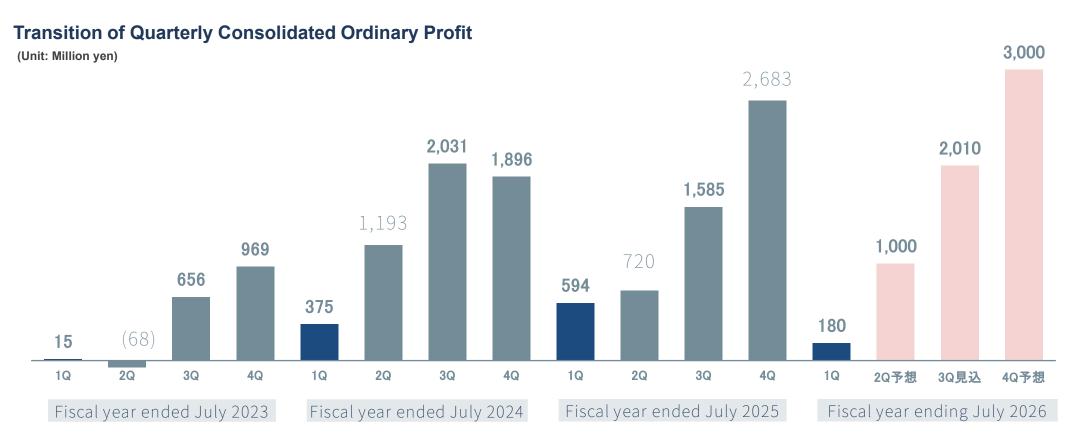
In the first quarter, revenue stood at 4,921 million yen (down 31.6% year-on-year).

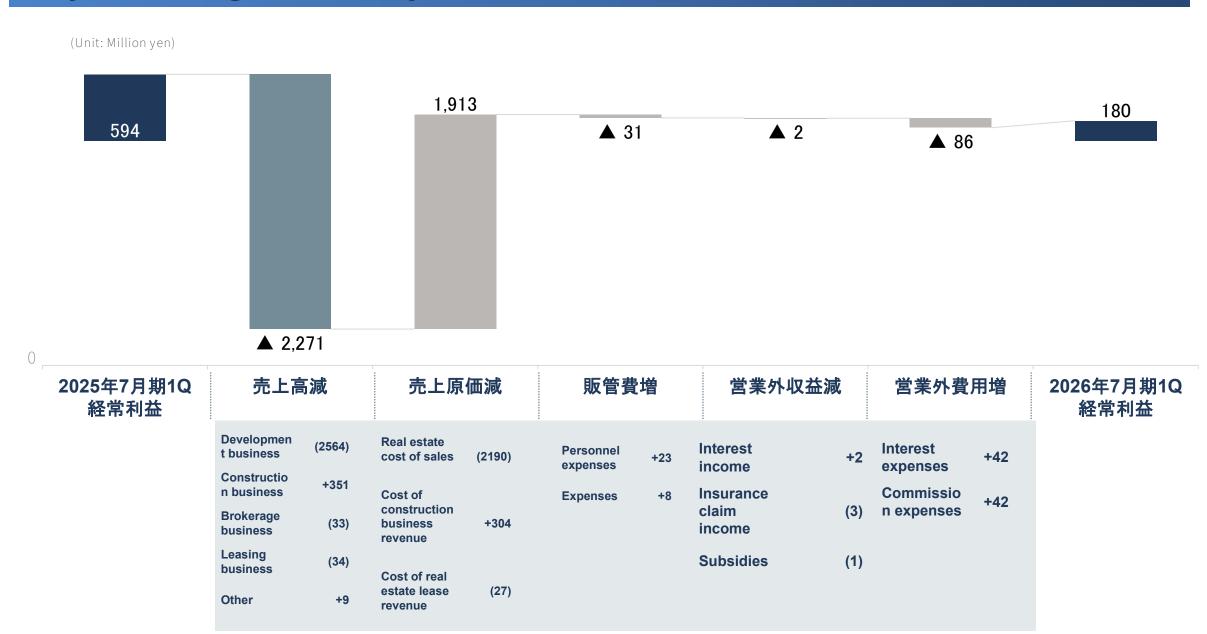
One contributing factor was that several property sales originally scheduled for the fiscal year ended July 2024 were performed in the previous first quarter due to delays in timing.

The year-on-year decline in sales has already been factored into the initial plan, and the performance is making steady progress toward achieving the 2Q and full-year earnings forecasts.



In the first quarter, ordinary profit stood at 180 million yen (down 69.7% year-on-year). Although personnel and borrowing-related expenses increased year-on-year, selling, general and administrative expenses as well as non-operating expenses are expected to be recovered in line with the projected increase in sales from the second quarter onward.







In the real estate development business, the core segment accounting for approximately 70% of sales, around 37 newly-built whole-building investment properties are scheduled to be sold during the current fiscal year. A total of 16 buildings are scheduled for delivery in the second quarter, of which approximately 93% have already been delivered or contracted, with sales scheduled to be recorded in the second quarter.

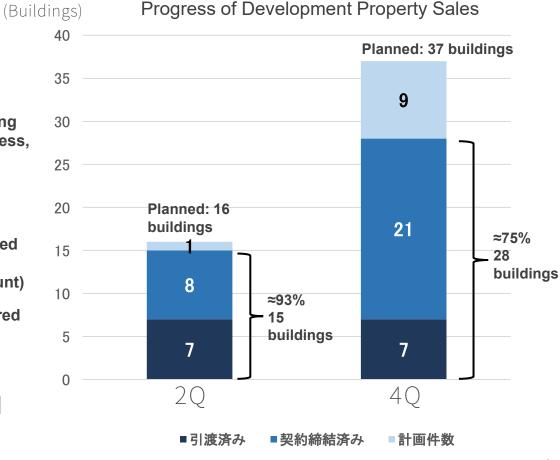
For the full fiscal year, approximately 75% of the plan has already been delivered or contracted, and the performance is expected to progress smoothly toward achieving the initial plan.

<< Progress Status>>

- In the first quarter, a total of 5 buildings were sold and delivered.
- The number of buildings delivered may fall below the previous fiscal year's level in certain periods, such as the first quarter of this year, due to fluctuations in the timing of contracts and payments depending on agreements made with buyers. Nevertheless, the sales plan is progressing smoothly toward the full-year forecast, including properties already delivered or contracted.

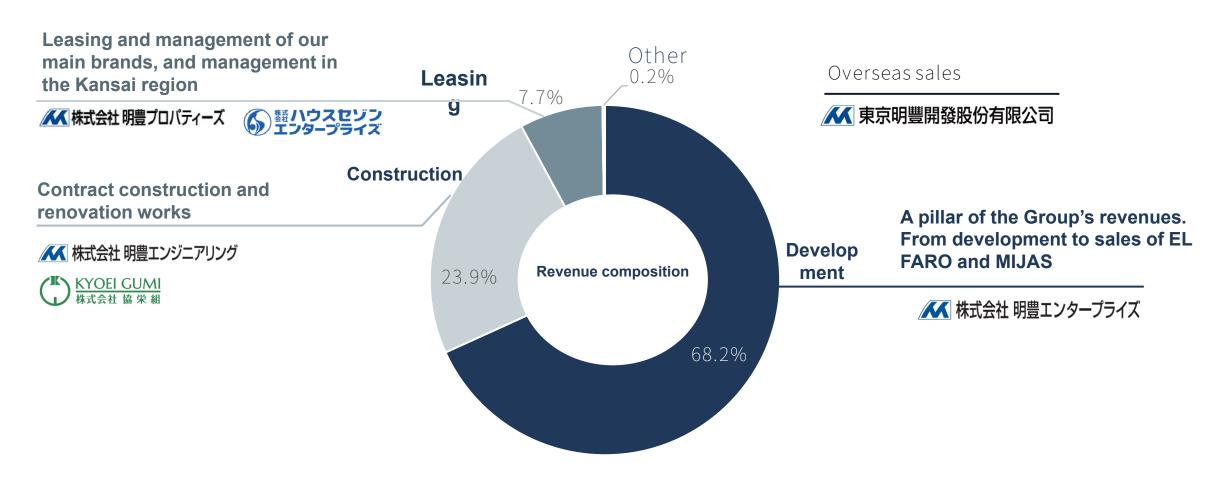
<<Outlook>>

- In the second quarter, 15 out of the planned 16 buildings have already been delivered or contracted.
 - (Securing approximately 93% of the second-quarter plan in terms of property count)
- For the full fiscal year, 28 out of the planned 37 buildings have already been delivered or contracted.
 - (Approximately 75% of the full-year plan in terms of property count has been secured)
- Both the second-quarter and full-year plans are expected to remain in line with the initial plan.



Operate the construction and real estate leasing businesses with real estate development at the core.

Approximately 70% of Group revenues come from the real estate development business.



In the first quarter, 5 properties were sold and 8 properties were acquired for development projects

Properties sold

4 minutes on foot from Shindaita Station on the Keio Inokashira Line

8 minutes on foot from Shimo-Kitazawa Station on the Odakyu and Keio Inokashira Lines

EL FARO Shimo-Kitazawa V



Sales price: 410,700 thousand yen

(incl. tax)

Gross rate of return: 4.00%

Structure/scale: Reinforced concrete

structure, 3 floors above ground

Total units: 9 units Completion: June 2025 1 minute on foot from Midorigaoka Station and 9 minutes on foot from Ookayama Station on the Tokyu Oimachi Line

14 minutes on foot from Jiyugaoka Station on the Tokyu Toyoko Line

EL FARO Midorigaoka



Sales price: 461,200 thousand yen (incl. tax)

Gross rate of return: 3.70%

Structure/scale: Reinforced concrete structure,

4 floors above ground Total units: 10 units

Completion: September 2025

· Properties acquired for development projects

Properties scheduled for development (tentative name)	Location	Site area
EL FARO Nakano Araiyakushi IV	Nakano- ku	310.16 sqm
EL FARO Ikejiri II	Setagaya- ku	245.98 sqm
EL FARO Yokohama	Yokoham a-shi	207.95 sqm
EL FARO Shirokane- Takanawa	Minato-ku	157.12 sqm
EL FARO Kotake- Mukaihara III	Itabashi- ku	410.56 sqm
EL FARO Sangenjaya VII	Setagaya- ku	167.92 sqm
EL FARO Yoyogi II	Shibuya- ku	344.61 sqm
EL FARO Jiyugaoka	Setagaya- ku	297.80 sqm



1) Regulations on real estate purchases by foreigners

Background of regulations

Due to speculative real estate acquisitions by foreigners in Japan, the surge in property prices has become a matter of concern.

Measures such as registration requirements, additional taxes on foreign buyers, and restrictions in designated areas are under consideration.

Our policy

There is currently no impact, and the potential impact going forward is expected to remain limited.

Our property sales do not rely solely on foreign investors, and we are focusing on the continuous expansion of the domestic investor base, as well as implementing risk-hedging measures across our sales channels.

2) Interest rate movements

Background of interest rates

On December 8, the yield on 10-year Japanese government bonds reached 1.966%, the highest level in 17 and a half years, leading to increased funding costs for banks and a corresponding rise in fixed interest rates.

Recently, an interest rate hike has been suggested at the Bank of Japan's December monetary policy meeting.

Our policy

The impact of rising interest rates is limited, as our developments are concentrated in central Tokyo, where rental increases driven by inflation help offset the effect.

While it remains necessary to closely monitor various market fluctuations, our focus on shortterm development projects enables flexible responses to changing conditions.

On August 26, 2025, the introduction of progressive dividends was announced.

The annual dividend for the fiscal year ending July 2026 is expected to be 13 yen per share, marking 7 consecutive terms of progressive dividends.

Dividend Policy

Increasing corporate value and returning profit to shareholders are positioned as the most important management issues.

The basic dividend policy is to continue progressive dividends while considering profit returns to shareholders and securing the internal reserves necessary for continuous growth.



Meiho Enterprise's first-ever shareholder benefit program has been introduced.

In addition to maintaining a stable dividend, we are committed to enhancing shareholder returns through the introduction of a shareholder benefit program.

Eligibility	Record date	Benefit details	Presentation date	
Shareholders holding at least 1,000 shares as of the record	The last day of October	A digital gift worth 8,000 yen	Approximately 3 months after the record date	
date	The last day of April	A digital gift worth 8,000 yen	Approximately 3 months after the record date	

Types of digital gifts covered

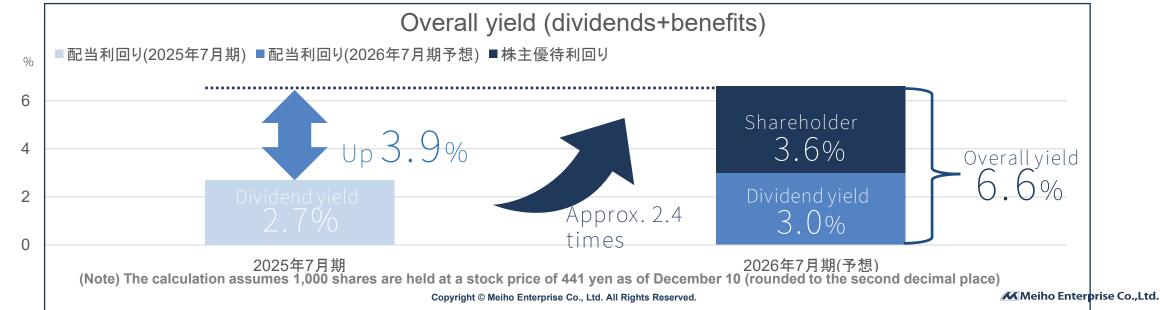
- Payment services
- PayPay Money Lite, QUO Card Pay, au PAY Gift Card, d Point, Visa e-Gift Vanilla
- E-commerce and retail services
- · Amazon Gift Card, Google Play Gift Code, PlayStation® Store Ticket, DMM Prepaid Card, Tosho Card NEXT
- Other
- Uber Taxi / Uber Eats Gift Card, Skylark Gift Certificate, etc.



The record dates for dividends are at the end of July and January, while the record dates for shareholder benefits are at the end of October and April, providing shareholder returns 4 times a year.

<<Shareholder Return Schedule>>

	2025 Oct.	Nov.	Dec.	2026 Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.
Dividends	Year-end dividend payment date			Interim dividend record date		Interim dividend payment date				Year-end dividend record date		
Shareholder benefits	Shareholder benefit record date (1Q)			Sharehold er benefit delivery date			Shareholder benefit record date (3Q)			Sharehold er benefit delivery date		



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Meiho Enterprise Co.,Ltd.