

October 30, 2025

Non-Consolidated Financial Results for the Six Months Ended September 30, 2025 (under Japanese GAAP)

Company name: CENTURY 21 REAL ESTATE OF JAPAN LTD. Listing: Tokyo Stock Exchange
 Securities code: 8898 URL: <https://www.century21japan.co.jp/en/>
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 Scheduled date to file semi-annual securities report: November 13, 2025
 Scheduled date to commence dividend payments: December 1, 2025
 Preparation of supplementary materials on financial results: Yes
 Holding of financial results briefing: Yes (for analysts, institutional investors and media)

Note: Amounts are rounded down to the nearest million yen.

1. Financial Results for the Six Months Ended September 30, 2025 (from April 1 to September 30, 2025)

(1) Operating results (Cumulative)

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2025	2,091	3.7	534	(14.9)	604	(7.0)	410	(7.9)
September 30, 2024	2,016	7.4	627	30.3	650	29.8	445	32.8

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2025	40.00		—	
September 30, 2024	43.44		—	

(2) Financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2025	7,952	6,792	85.4
March 31, 2025	7,922	6,611	83.4

Reference: Equity (Shareholders' equity + Valuation and translation adjustments):

As of September 30, 2025: ¥6,792 million

As of March 31, 2025: ¥6,611 million

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	20.00	—	30.00	50.00
Ending March 31, 2026	—	25.00	—	—	—
Ending March 31, 2026 (forecast)	—	—	—	25.00	50.00

Note: Revisions to dividend forecast published most recently: None

3. Earnings Forecast for the Fiscal Year Ending March 31, 2026 (from April 1, 2025, to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year	4,453	10.1	1,147	7.0	1,193	1.3	810	1.0	78.93

Note: Revisions to earnings forecast published most recently: None

* Notes

(1) Application of accounting methods used specifically for preparing the semi-annual financial statements: Yes

(2) Changes in accounting policies and accounting estimates, and restatements

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies other than 1) above: None
- 3) Changes in accounting estimates: None
- 4) Restatements: None

(3) Number of shares issued (common stock)

1) Number of shares issued (including treasury shares)

As of September 30, 2025: 11,325,000 shares

As of March 31, 2025: 11,325,000 shares

2) Number of treasury shares at end of period

As of September 30, 2025: 1,063,177 shares

As of March 31, 2025: 1,063,015 shares

3) Average number of shares outstanding

Six months ended September 30, 2025: 10,261,943 shares

Six months ended September 30, 2024: 10,262,055 shares

* This semi-annual financial results report is not subject to review procedures to be performed by certified public accountants or an audit firm.

* Notes to proper use of earnings forecast and other special matters

1. The forward-looking statements including earnings forecast contained in this report are based on information currently available to us and certain assumptions that we believe are reasonable. Actual results may therefore differ significantly from those anticipated in any forward-looking statements due to numerous factors.
2. The Company will hold a webcast financial results briefing for analysts, institutional investors and media on Friday, November 14, 2025 (available in Japanese only). The materials to be distributed in the briefing will be posted on the Company's website after the briefing.

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1. Qualitative Information on Financial Results for the First Six Months

(1) Explanation of operating results

During the first six months under review, Japan's overall economy has been recovering moderately, with signs of recovery in personal consumption and capital investment. However, regarding the outlook, attention should be paid to downside risks to the economy caused by the impact of U.S. trade policy. In addition, it is necessary to closely monitor the impact of continued inflation on consumer sentiment.

In the real estate distribution industry, we saw solid transactions, particularly in the pre-owned housing market. Against the backdrop of continued soaring prices for newly constructed houses, consumer demand is increasingly shifting to affordable pre-owned properties, particularly in urban areas. However, in the Tokyo metropolitan area's pre-owned condominium market, signs of a correction have begun to appear, with some months showing a year-on-year decline in the number of contracts concluded. On the other hand, the contracted price per square meter has been increasing year on year for more than 40 months, indicating the firmness of prices. In addition, there is concern that a rise in fixed interest rates for housing loans, resulting from an increase in long-term interest rates, could affect consumers' willingness to buy.

In this business environment, our company strives to promote various measures: 1. Increasing new franchisees; 2. Enhancement of support for franchised brokerage offices; and 3. Promotion of sustainability initiatives.

During the first six months under review, we continued to provide support for business succession and M&A as part of our efforts to strengthen support for franchised brokerage offices. In July, the first M&A support project was completed. In addition, we held an online seminar as part of our awareness activities for franchised brokerage offices. In addition, we newly established the Global Business Office in July to further enhance international transactions through cooperation with overseas headquarters and other activities.

With regard to sustainability initiatives, based on the agreement with Meikai University on industry-academia collaboration activities concluded in June, we also contributed to solving social issues by sponsoring the "Vacant Property Utilization Contest" hosted by the university's Faculty of Real Estate Sciences.

In addition, while the number of new franchised brokerage offices is sluggish, a certain number of franchised brokerage offices have withdrawn due to poor business performance and other factors, and the number of franchised brokerage offices is decreasing. We will continue to focus on acquiring new franchised brokerage offices.

Under these circumstances, our total operating revenue totaled ¥2,091 million (up 3.7% year-on-year). More specifically, service fee revenue was ¥1,725 million (down 1.7% year-on-year), IT service revenue was ¥257 million (up 62.8% year-on-year), franchise fee revenue was ¥65 million (down 4.8% year-on-year) and other revenue was ¥43 million (up 23.2% year-on-year). The rise in IT service revenue was driven by the start of recording system usage fees associated with the transfer of IT system assets from the Century 21 Franchise Advertising Fund Association. Meanwhile, operating costs amounted to ¥554 million (up 16.2% year on year). Selling, general and administrative expenses totaled ¥1,002 million (up 10.0% year-on-year) due to an increase in personnel expenses and other expenses, including internal training aimed at improving the ability to support franchised brokerage offices and external consulting expenses to strengthen the acquisition of new franchisees. As a result, the Company reported operating profit of ¥534 million (down 14.9% year-on-year), ordinary profit of ¥604 million (down 7.0% year-on-year), and net income of ¥410 million (down 7.9% year-on-year).

(2) Explanation of financial position

As of September 30, 2025, the total assets increased by ¥29 million from the end of the previous fiscal year, amounting to ¥7,952 million. Total liabilities decreased by ¥151 million from the end of the previous fiscal year to ¥1,159 million. Net assets increased by ¥181 million from the end of the previous fiscal year to ¥6,792 million. This was due to net income of ¥410 million and an increase of ¥78 million in valuation and translation adjustments, despite the payment of year-end dividends of ¥307 million.

(3) Explanation of earnings forecasts and other forward-looking information

The full-year earnings forecast for the fiscal year ending March 2026 remains unchanged from the earnings forecast announced on April 30, 2025.

Please note that the forecasts are based on currently available information, but the actual figures may differ from the forecasts due to various factors. Any revisions to our earnings forecasts will be communicated promptly.

2. Semi-Annual Financial Statements and Notes

(1) Semi-annual balance sheet

(Thousands of yen)

	Previous fiscal year (As of March 31, 2025)	First half of current fiscal year (As of September 30, 2025)
Assets		
Current assets:		
Cash and deposits	761,769	694,983
Trade accounts receivable	455,060	389,284
Securities	5,100,000	5,100,000
Other	196,746	160,629
Allowance for doubtful accounts	(28,379)	(20,913)
Total current assets	6,485,196	6,323,984
Non-current assets:		
Property, plant and equipment	117,924	144,329
Intangible assets:		
Software	403,084	450,514
Other	5,891	47,344
Total intangible assets	408,976	497,859
Investments and other assets:		
Investment securities	715,500	830,500
Other	271,298	234,302
Allowance for doubtful accounts	(75,982)	(78,711)
Total investments and other assets	910,815	986,091
Total non-current assets	1,437,716	1,628,279
Total assets	7,922,913	7,952,263
Liabilities		
Current liabilities:		
Trade accounts payable	195,139	204,225
Income taxes payable	240,578	208,393
Provision for bonuses	90,100	96,400
Other	623,788	481,670
Total current liabilities	1,149,607	990,689
Non-current liabilities:		
Provision for retirement benefits	134,493	142,510
Provision for renovation warranties	24,938	23,995
Asset retirement obligations	2,400	2,400
Total non-current liabilities	161,831	168,905
Total liabilities	1,311,438	1,159,594
Net assets		
Shareholders' equity:		
Share capital	517,750	517,750
Capital surplus	168,570	168,570
Retained earnings	6,605,538	6,708,161
Treasury shares	(890,168)	(890,349)
Total shareholders' equity	6,401,690	6,504,132
Valuation and translation adjustments:		
Valuation difference on available-for-sale securities	209,784	288,536
Total valuation and translation adjustments	209,784	288,536
Total net assets	6,611,474	6,792,668
Total liabilities and net assets	7,922,913	7,952,263

(2) Semi-annual statement of income

	(Thousands of yen)	
	Six months ended September 30, 2024 (From April 1, 2024, to September 30, 2024)	First half of current fiscal year (From April 1, 2025, to September 30, 2025)
Operating revenue	2,016,689	2,091,687
Operating costs	477,500	554,823
Operating gross profit	1,539,189	1,536,863
Selling, general and administrative expenses	911,500	1,002,472
Operating profit	627,689	534,390
Non-operating income:		
Interest income	913	10,081
Dividend income	14,812	15,960
Administrative service fee income	3,805	3,712
Compensation for delay damages	577	138
Foreign exchange gains	1,010	759
Compensation income	-	36,326
Other	1,377	2,985
Total non-operating income	22,497	69,964
Non-operating expenses:		
Other	0	0
Total non-operating expenses	0	0
Ordinary profit	650,187	604,355
Profit before income taxes	650,187	604,355
Income taxes	204,415	193,873
Net income	445,771	410,481

(3) Semi-annual statement of cash flows

	(Thousands of yen)	
	Six months ended September 30, 2024 (From April 1, 2024, to September 30, 2024)	First half of current fiscal year (From April 1, 2025, to September 30, 2025)
Cash flows from operating activities		
Profit before income taxes	650,187	604,355
Depreciation	130,222	141,575
Increase (decrease) in provision for bonuses	3,000	6,300
Increase (decrease) in provision for retirement benefits	837	8,017
Increase (decrease) in provision for renovation warranties	(645)	(942)
Increase (decrease) in allowance for doubtful accounts	(2,323)	(4,736)
Interest and dividend income	(15,726)	(26,041)
Foreign exchange losses (gains)	-	(9)
Compensation income	-	(36,326)
Decrease (increase) in trade receivables	70,153	63,047
Increase (decrease) in trade payables	(26,454)	9,086
Other	(163,098)	(112,077)
Subtotal	646,152	652,246
Interest and dividends received	15,087	22,865
Income taxes paid	(150,472)	(224,477)
Net cash provided by (used in) operating activities	510,767	450,634
Cash flows from investing activities		
Purchase of securities	(1,000,000)	(1,500,000)
Proceeds from redemption of securities	-	1,500,000
Purchase of property, plant and equipment	-	(43,747)
Purchase of intangible assets	(35,526)	(209,269)
Proceeds from collection of short-term loans receivable	-	40,000
Payments of guarantee deposits	(19,495)	(439)
Proceeds from refund of guarantee deposits	600	4,244
Other	(264)	(468)
Cash flows from investing activities	(1,054,686)	(209,679)
Cash flows from financing activities		
Purchase of treasury shares	(110)	(180)
Dividends paid	(257,164)	(307,569)
Cash flows from financing activities	(257,275)	(307,750)
Effect of exchange rate change on cash and cash equivalents	(65)	9
Net increase (decrease) in cash and cash equivalents	(801,259)	(66,785)
Cash and cash equivalents at beginning of period	2,137,938	761,769
Cash and cash equivalents at end of period	1,336,678	694,983

(4) Notes to semi-annual financial statements

(Note regarding the going concern assumption)

Not applicable.

(Note on significant changes in shareholders' equity)

Not applicable.

(Application of accounting methods used specifically for preparing the semi-annual financial statements)

(Calculation of tax expenses)

Tax expenses are calculated by multiplying profit before income taxes by the effective tax rate, which is reasonably estimated by applying the tax effect accounting to profit before income taxes for the current fiscal year.

(Notes to the segment information)

[Segment Information]

The Company does not provide segment information because it has only a single business segment, which is the real estate franchise business.

(Material subsequent events)

Not applicable.

3. Supplementary Information

Status of production, orders received and sales activities

The following are the number of franchised brokerage offices by geographic area and operating revenue by revenue type and geographic area for the first half of the previous fiscal year (from April 1, 2024, to September 30, 2024).

(Unit: Store)

	Greater Tokyo	Kansai	Chubu	Kyushu	Hokkaido	Total
Openings	4	5	4	3	2	18
Closures (Cancellations)	17	4	5	2	0	28
Number of offices at end of period	432	326	98	89	39	984
YoY change (%)	96.9	100.9	101.0	108.5	121.9	100.4

(Thousands of yen)

	Greater Tokyo	Kansai	Chubu	Kyushu	Hokkaido	Total
Service fee revenue	970,018	526,882	120,138	103,100	34,702	1,754,841
YoY change (%)	109.8	105.8	104.8	136.9	127.9	109.8
IT service revenue	157,970	-	-	-	-	157,970
YoY change (%)	100.1	-	-	-	-	100.1
Franchise fee revenue	29,245	24,050	7,712	5,004	2,765	68,777
YoY change (%)	67.5	96.6	83.6	110.2	80.7	80.5
Other	35,100	-	-	-	-	35,100
YoY change (%)	96.8	-	-	-	-	96.8
Total operating revenue	1,192,334	550,932	127,850	108,105	37,467	2,016,689
YoY change (%)	106.4	105.4	103.2	135.4	122.6	107.4

Note: The table below shows the total value and number of transactions executed and total commission income earned by the franchised brokerage offices, which correspond to the above service fee revenue for the same period. The figures are further broken down by geographic area where the brokerage offices operate.

	Greater Tokyo	Kansai	Chubu	Kyushu	Hokkaido	Total
Total value of transactions (Thousands of yen)	225,127,970	141,642,840	32,265,760	24,069,155	9,650,932	432,756,659
Total number of transactions	181,717	27,758	7,219	8,174	2,932	227,800
Total commission income (Thousands of yen)	16,002,537	8,699,928	1,936,725	1,636,453	558,678	28,834,323

The following are the number of franchised brokerage offices by geographic area and operating revenue by revenue type and geographic area for the first half of the current fiscal year (from April 1, 2025, to September 30, 2025).

(Unit: Store)

	Greater Tokyo	Kansai	Chubu	Kyushu	Hokkaido	Total
Openings	5	2	3	0	0	10
Closures (Cancellations)	9	15	0	1	2	27
Number of offices at end of period	406	308	102	92	35	943
YoY change (%)	94.0	94.5	104.1	103.4	89.7	95.8

(Thousands of yen)

	Greater Tokyo	Kansai	Chubu	Kyushu	Hokkaido	Total
Service fee revenue	930,857	524,605	124,968	106,177	39,201	1,725,810
YoY change (%)	96.0	99.6	104.0	103.0	113.0	98.3
IT service revenue	257,143	-	-	-	-	257,143
YoY change (%)	162.8	-	-	-	-	162.8
Franchise fee revenue	25,155	24,579	7,111	4,927	3,725	65,499
YoY change (%)	86.0	102.2	92.2	98.5	134.7	95.2
Other	43,232	-	-	-	-	43,232
YoY change (%)	123.2	-	-	-	-	123.2
Total operating revenue	1,256,389	549,185	132,080	111,104	42,926	2,091,687
YoY change (%)	105.4	99.7	103.3	102.8	114.6	103.7

Note: The table below shows the total value and number of transactions executed and total commission income earned by the franchised brokerage offices, which correspond to the above service fee revenue for the same period. The figures are further broken down by geographic area where the brokerage offices operate.

	Greater Tokyo	Kansai	Chubu	Kyushu	Hokkaido	Total
Total value of transactions (Thousands of yen)	229,117,732	142,055,787	31,702,794	25,703,287	10,186,877	438,766,479
Total number of transactions	178,929	26,901	7,345	8,622	2,826	224,623
Total commission income (Thousands of yen)	15,346,357	9,165,026	1,997,117	1,700,010	632,246	28,840,758