

FY 3/24 (4/2023-3/2024)
**Consolidated
Financial Results**

May 24, 2024

Kyoritsu Maintenance Co., Ltd.
〔Securities Code 9616〕



<u>01</u>	Summary of Financial Results for FY 3/24	P.02
<u>02</u>	FY 3/24 Consolidated Financial Forecasts	P.16
<u>03</u>	Progress on the Medium-Term Management Plan	P.27

01 Summary of Financial Results for FY 3/24

02 FY 3/24 Consolidated Financial Forecasts

03 Progress on the Medium-Term Management Plan

Marked new record high sales and income due to improvements in the business environment and by absorbing cost increases through promotion of appropriate selling prices.

Dormitory Business

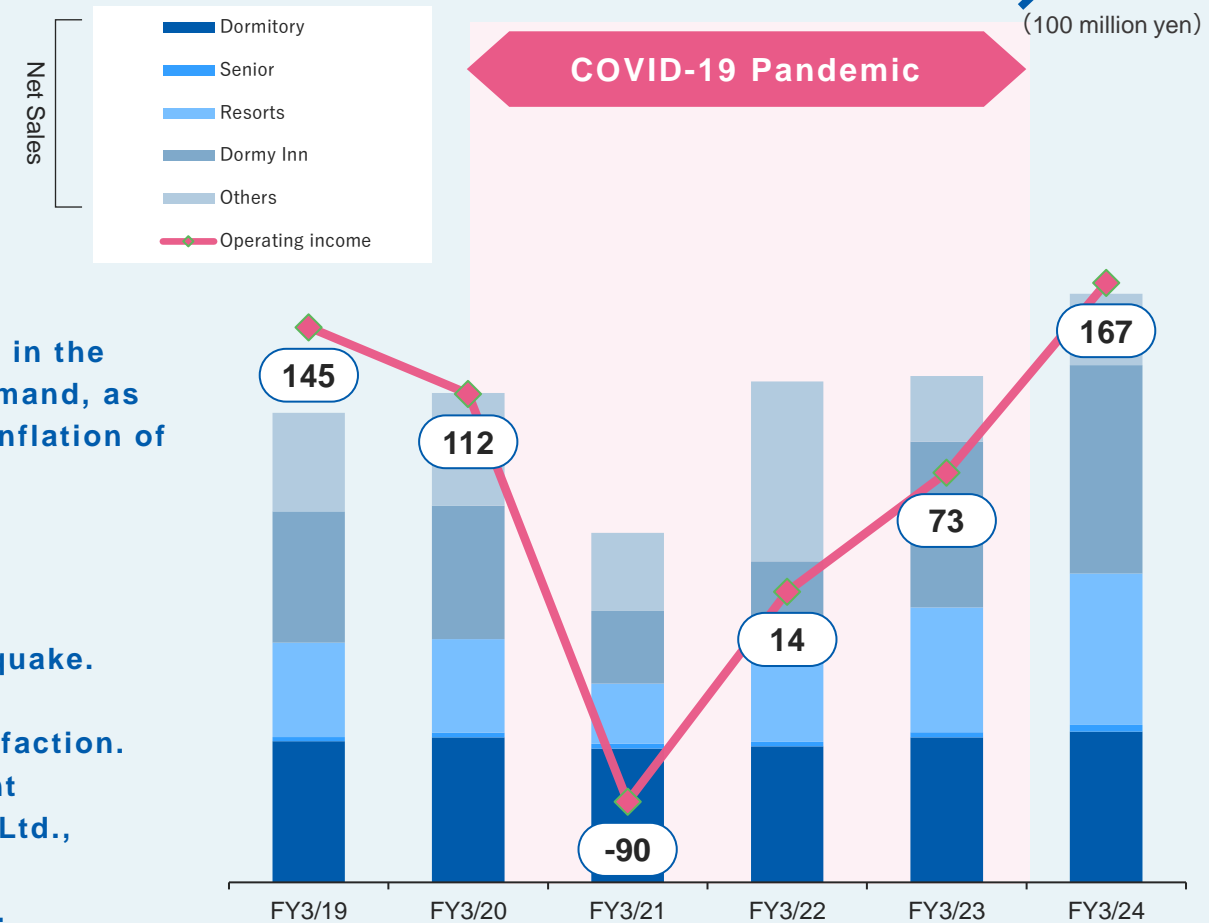
- Sales and income increased due to significant growth in numbers of rooms occupied from the previous fiscal year.

Hotel Business

- We achieved significantly higher sales and income due to improvements in the business environment driven by the growth in domestic and inbound demand, as well as success in setting appropriate selling prices, which offset cost inflation of food, linen, cleaning, and other costs.

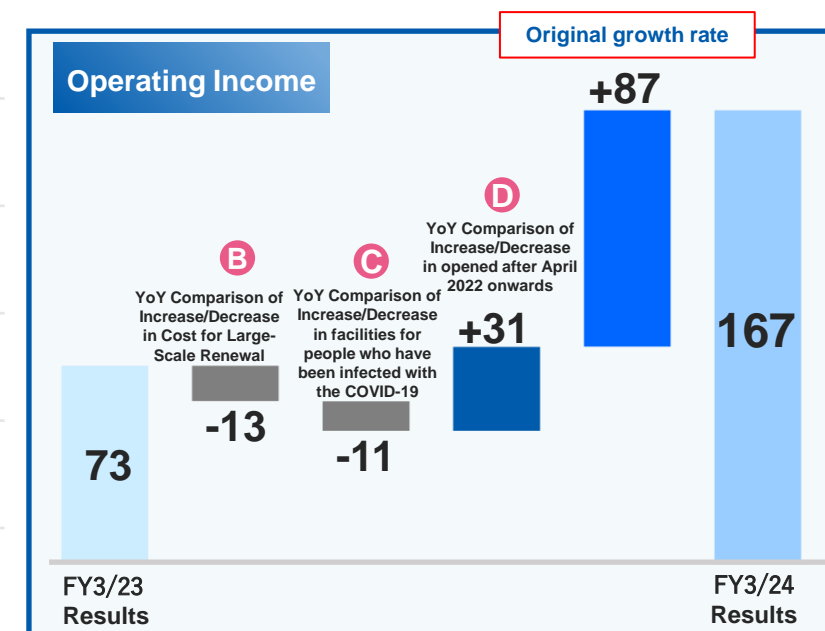
Others

- One resort hotel suspended operations due to the Noto Peninsula earthquake. (Noto Kaishu)
- We began large-scale renewal works to maintain/improve customer satisfaction.
- We formed a capital and business partnership to strengthen development capabilities with Daiwa House Industry Co., Ltd. and Cosmos Initia Co., Ltd., acquiring a 25% stake in the latter.
- We implemented a 2-for-1 split of common shares effective April 1, 2024.



Overview of Consolidated Financial Results and Main Financial Indicators

100 million yen	FY 3/19	FY 3/23	FY 3/24	FY 3/24	YoY Comparison		Comparison with Forecast		Special Causes			YoY Comparison without Factors on the Left
	Results (4/2018–3/2019)	Results (4/2022–3/2023)	Forecast (4/2023–3/2024)	Results (4/2023–3/2024)	A				B	C	D	A-B-C-D
									YoY Comparison of Increase/Decrease in Cost for Large-Scale Renewal	YoY Comparison of Increase/Decrease in facilities for people who have been infected with the COVID-19	YoY Comparison of Increase/Decrease in opened after April 2022 onwards	
Net Sales	1,628	1,756	2,030	2,041	+284	+16.2%	+11	+0.6%	-10	+13	+112	+169
Operating Income	145	73	150	167	+93	+128.0%	+17	+11.4%	-13	-11	+31	+87
Ordinary Income*1	143	71	140	211	+140	+196.8%	+71	+50.8%				
Net Income	95	42	85	124	+81	+192.7%	+39	+46.1%				
EPS (yen)	122.7	54.4	108.9	159.1	+104.7	+192.6%	+50.1	+46.1%				
Depreciation Expense	47	61	70	67	+6	+10.8%	-2	-3.1%				
Cash Flow*2	143	103	155	191	+88	+85.3%	+36	+23.8%				
Capital Investment	174	133	200	179	+45	+34.2%	-20	-10.5%				



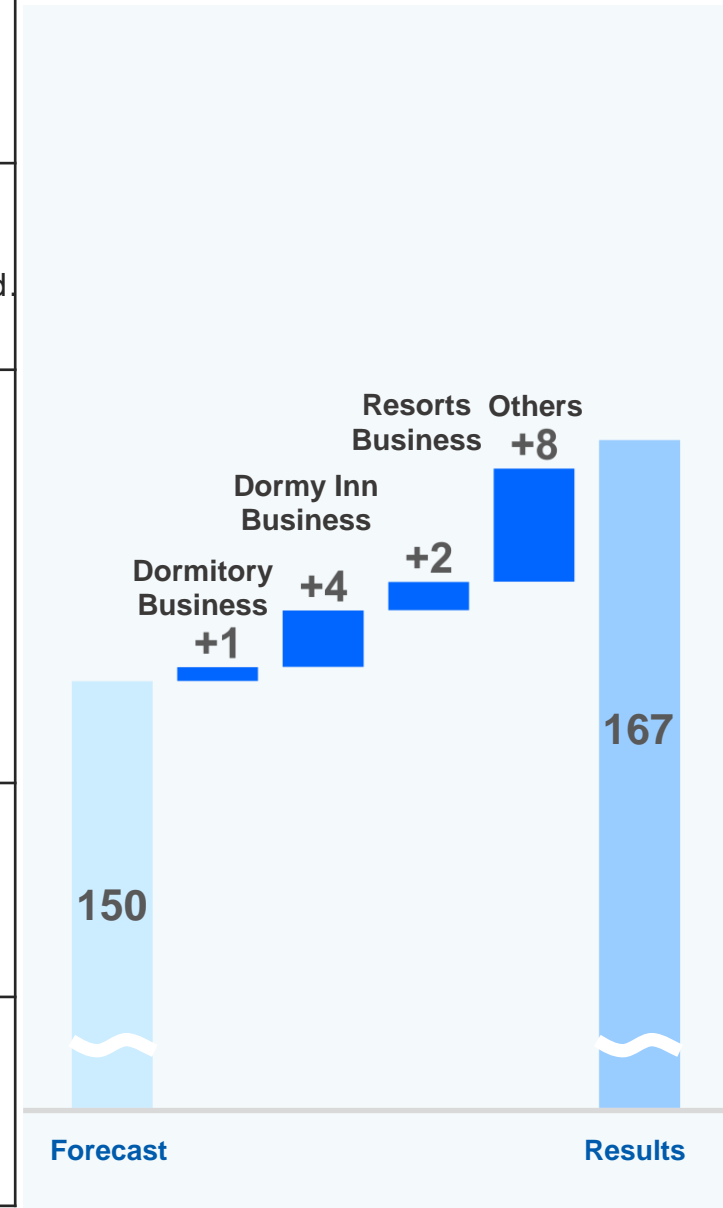
Note: We implemented a 2-for-1 split of common shares effective April 1, 2024. EPS is calculated based on the assumption that the stock split occurred at the beginning of the fiscal year ended March 2019.

*1 Recorded an equity method investment gain (gain from negative goodwill) of 5.02 billion yen due to the acquisition of Cosmos Initia Co., Ltd. shares.

*2 Cash Flow: Net Income + Depreciation Expense

Factors for Deviation from Operating Income Plans

Operating Income (100 million yen)		1Q (4-6/2023)	2Q (7-9/2023)	3Q (10-12/2023)	4Q (1-3/2024)	Full Year	Main Cause
Dormitory Business	Forecast	16.2	13.3	8.7	18.6	57.0	• Costs such as utilities and food were lower than expected.
	Results	16.2	13.3	8.7	20.4	58.8	
	Comparison with Plans	-	-	-	+1.8	+1.8	
Dormy Inn Business	Forecast	28.5	40.7	39.3	13.8	122.5	• Due to improvements in the business environment driven by the growth in domestic and inbound demand, as well as success in setting appropriate selling prices in response to cost inflation.
	Results	28.5	40.7	39.3	18.0	126.6	
	Comparison with Plans	-	-	-	+4.1	+4.1	
Resorts Business	Forecast	-6.2	9.5	13.8	2.2	19.4	• Comprehensive Building Management Business and Development Business exceeded plans and Consolidated elimination differences.
	Results	-6.2	9.5	13.8	4.5	21.7	
	Comparison with Plans	-	-	-	+2.2	+2.2	
Others	Forecast	-9.5	-8.8	-10.0	-20.5	-49.0	• Comprehensive Building Management Business and Development Business exceeded plans and Consolidated elimination differences.
	Results	-9.5	-8.8	-10.0	-11.7	-40.1	
	Comparison with Plans	-	-	-	+8.8	+8.8	
Total	Forecast	29.1	54.8	51.8	14.1	150.0	
	Results	29.1	54.8	51.8	31.2	167.0	
	Comparison with Plans	-	-	-	+17.0	+17.0	

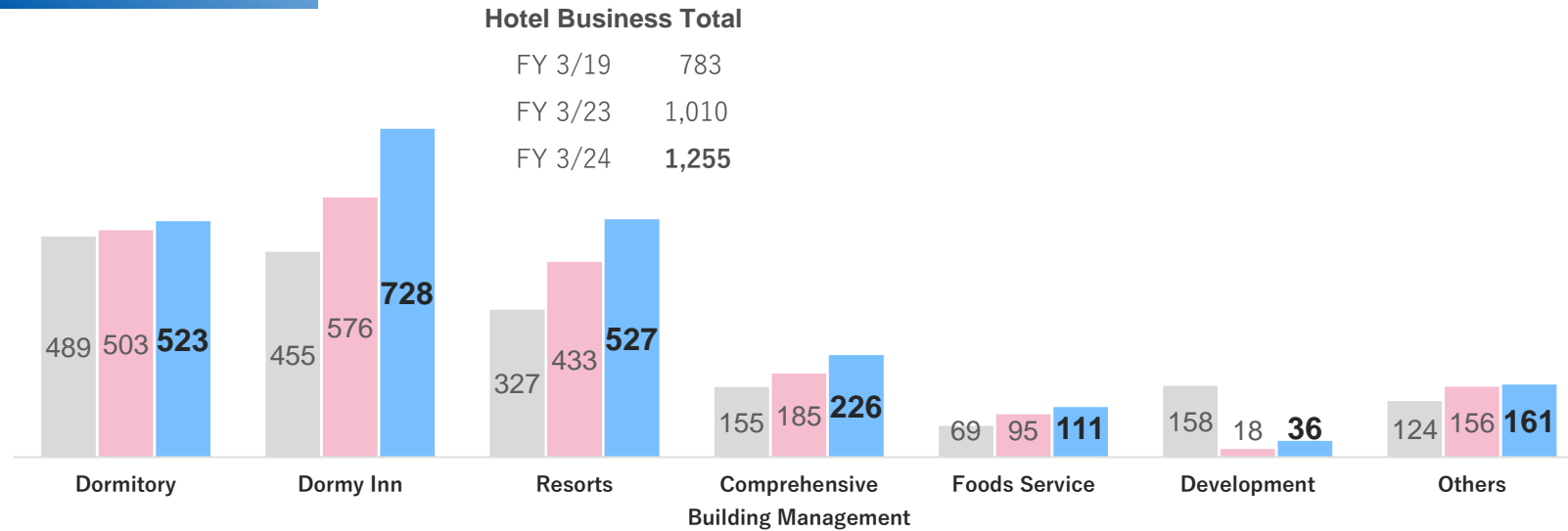


Breakdown of Net Sales and Operating Income by Business Segments

(100 million yen)

Net Sales

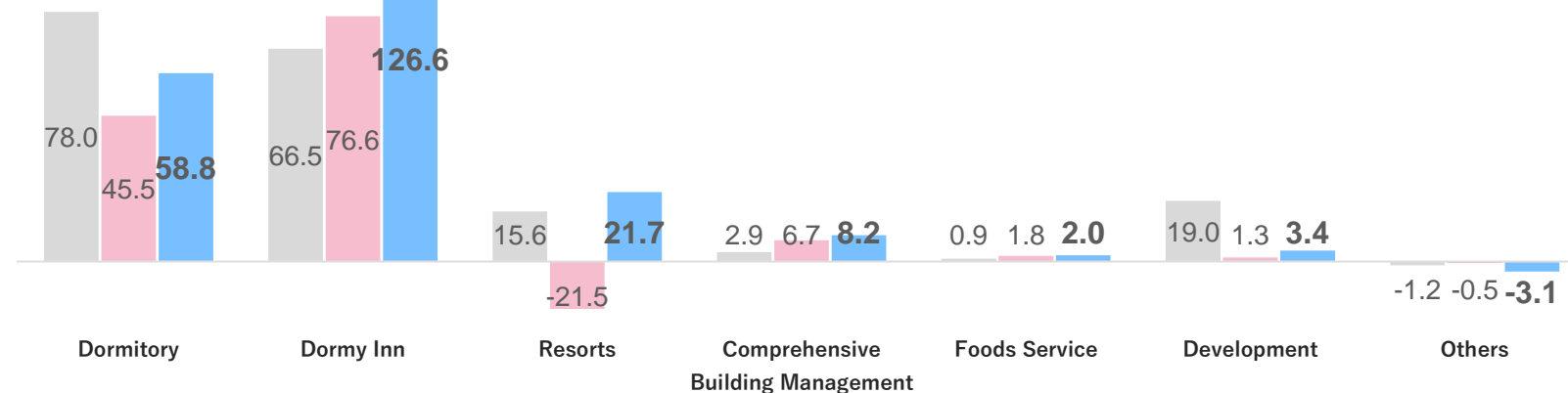
■ FY 3/19 Results ■ FY 3/23 Results ■ FY 3/24 Results



Operating Income

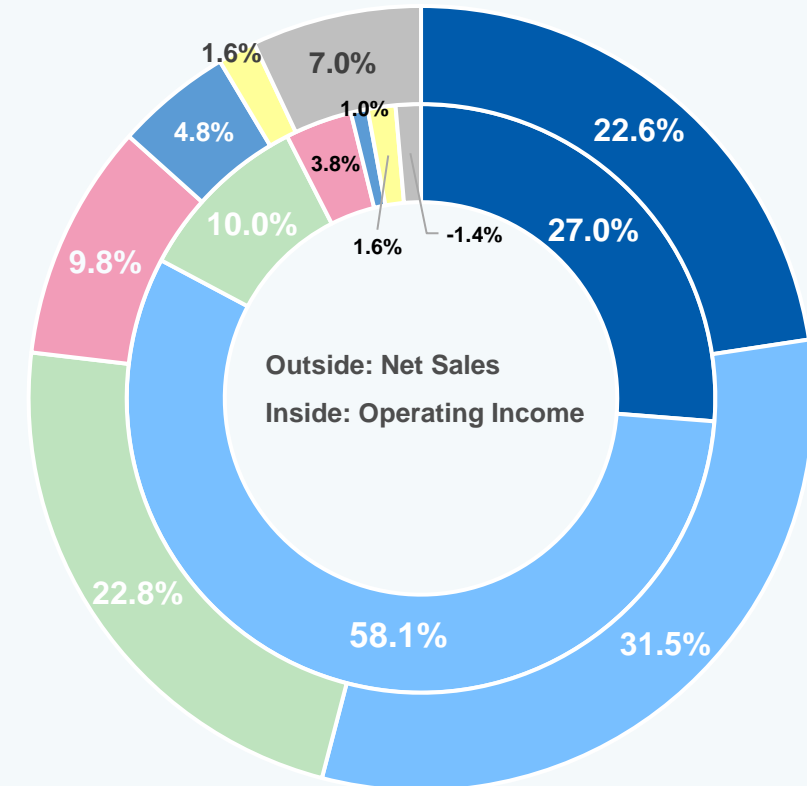
Hotel Business Total

FY 3/19	82.1
FY 3/23	55.1
FY 3/24	148.4



Breakdown by Segments FY 3/24 Cumulative
 (Before eliminations of intersegment transactions)

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



Dormitory Business: Net Sales and Operating Income

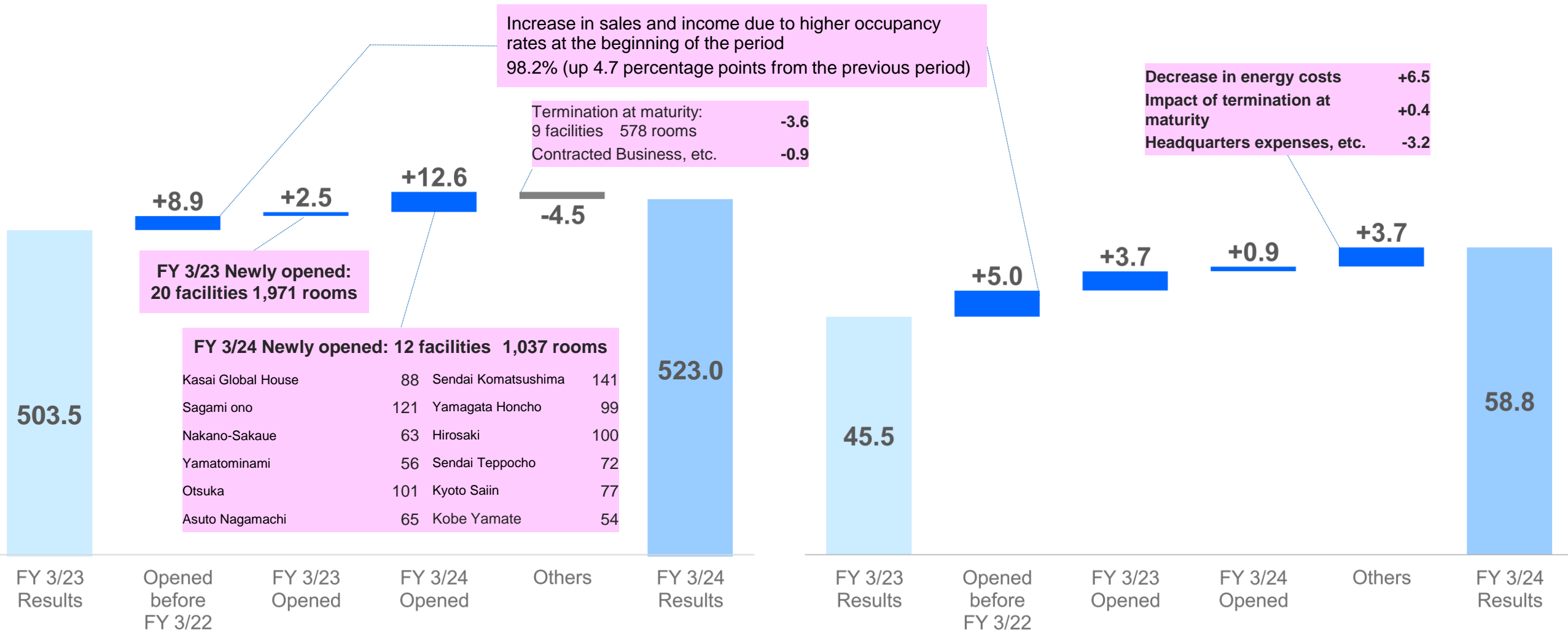
(100 million yen)

Net Sales

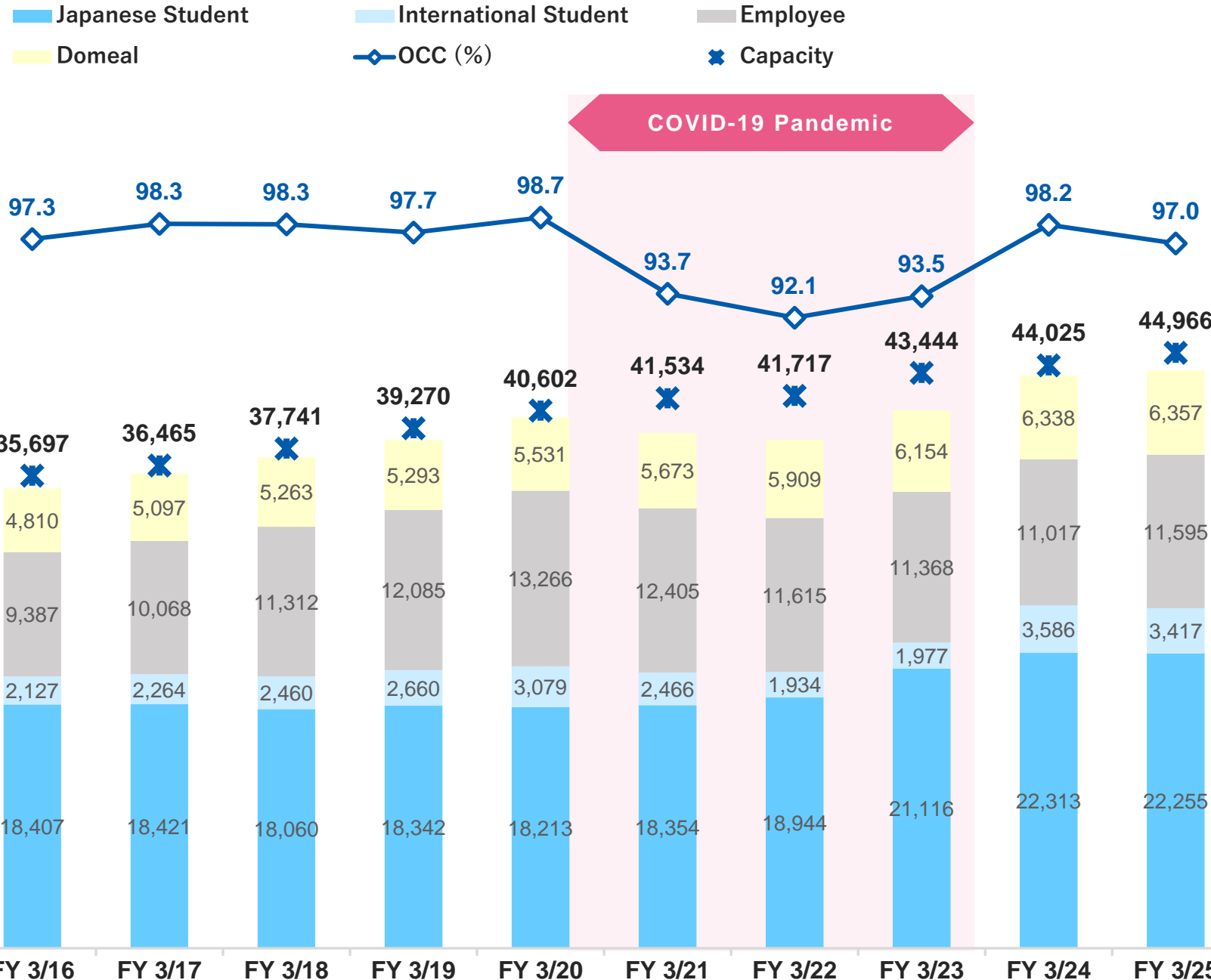
+19.4 (+3.9%) YoY

Operating Income

+13.2 (+29.0%) YoY



Dormitory Business: Trends in Initial Number of Leased Units & Occupancy Ratio



	FY 3/23	FY 3/24	YoY	FY 3/25	YoY
Occupancy Ratio at the Beginning	93.5%	98.2%	+4.7pt	97.0%	-1.2pt
Number of Properties (Facilities)	514	519	+5	526	+7
Number of Rooms	43,444	44,025	+581	44,966	+941
Number of Rooms Occupied	40,615	43,254	+2,639	43,624	+370

Breakdown of Occupied Rooms (Unit: rooms)

	FY 3/23	FY 3/24	YoY	FY 3/25	YoY
Domeal	6,154	6,338	+184	6,357	+19
Employee	11,368	11,017	-351	11,595	+578
International Student	1,977	3,586	+1,609	3,417	-169
Japanese Student	21,116	22,313	+1,197	22,255	-58

Dormy Inn Business: Net Sales and Operating Income

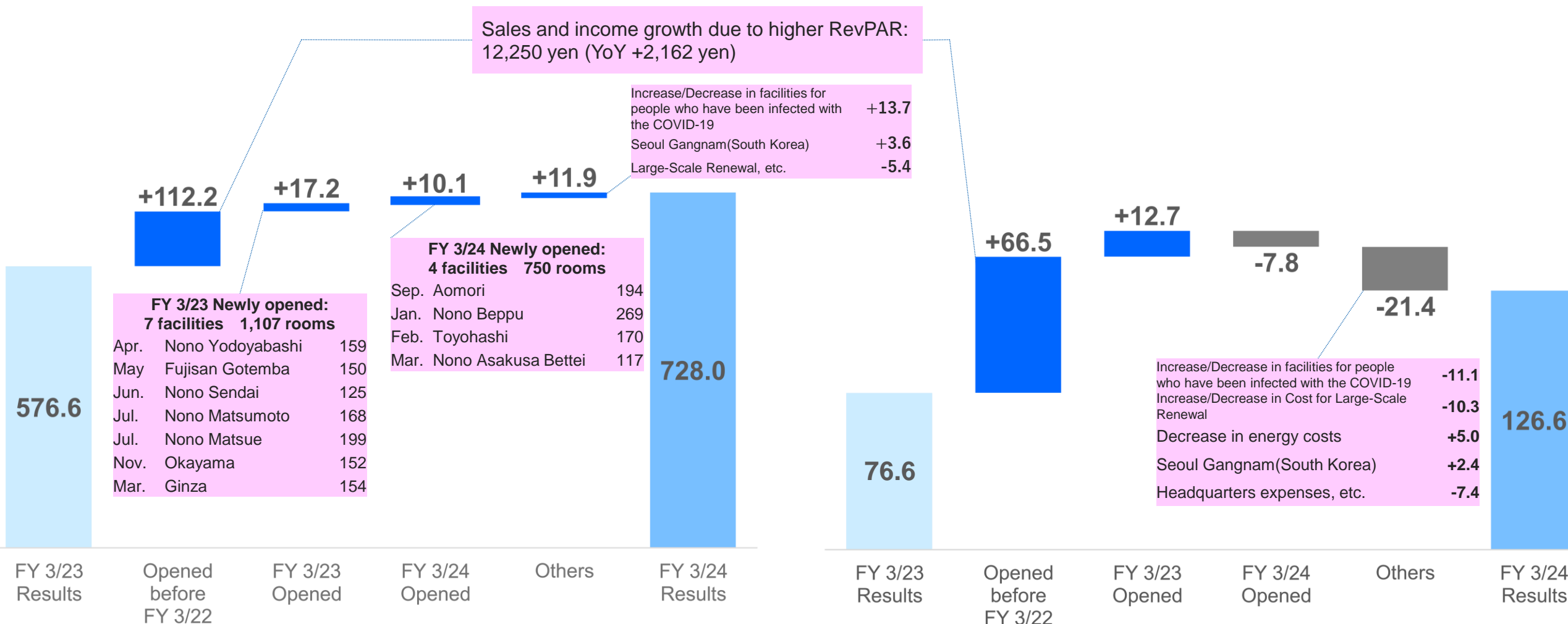
(100 million yen)

Net Sales

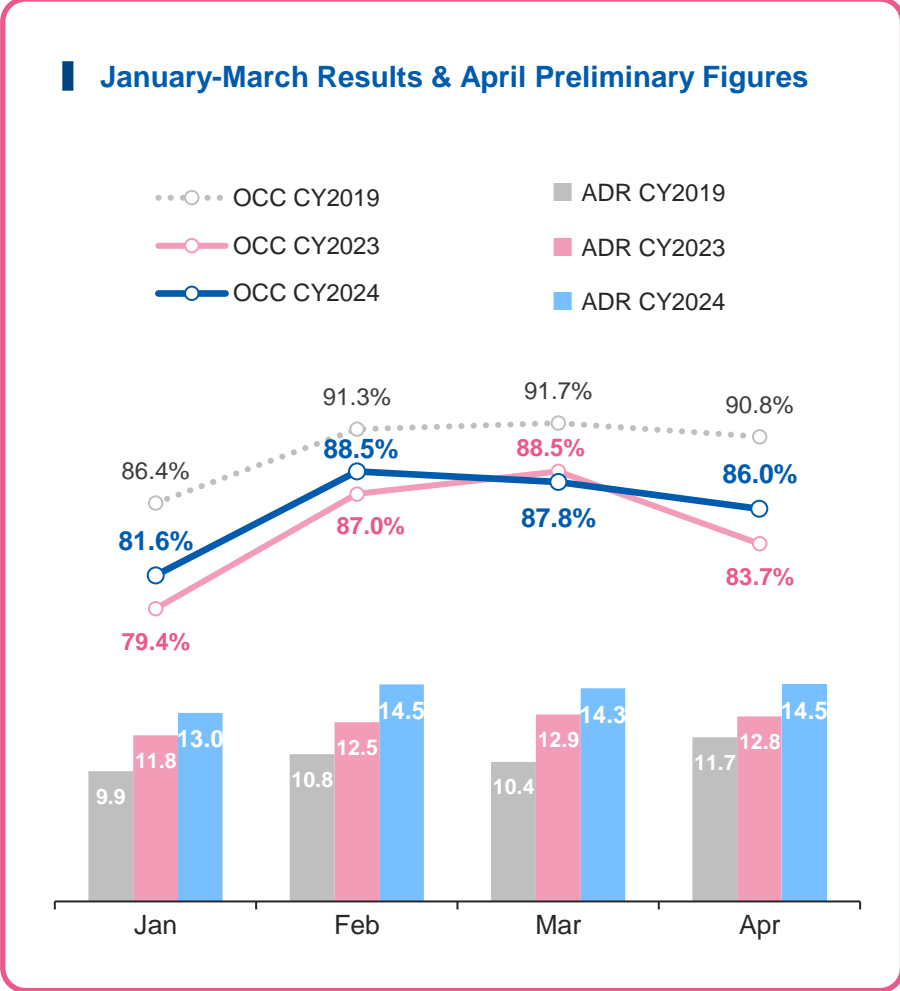
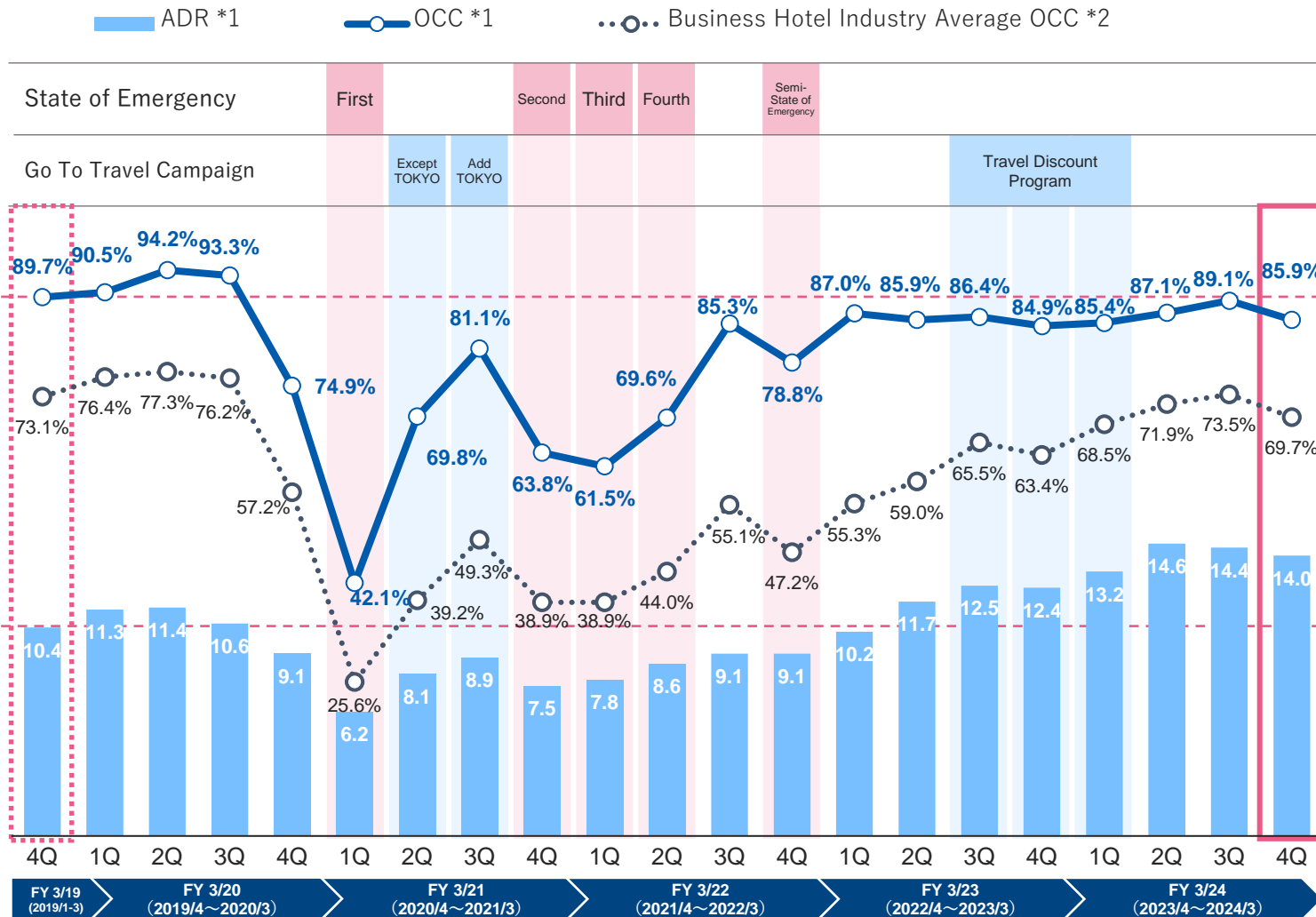
+151.3 (+26.2%) YoY

Operating Income

+50.0 (+65.2%) YoY



Dormy Inn Business: Quarterly Trends in Occupancy Ratio and Average Daily Rate



OCC (%)

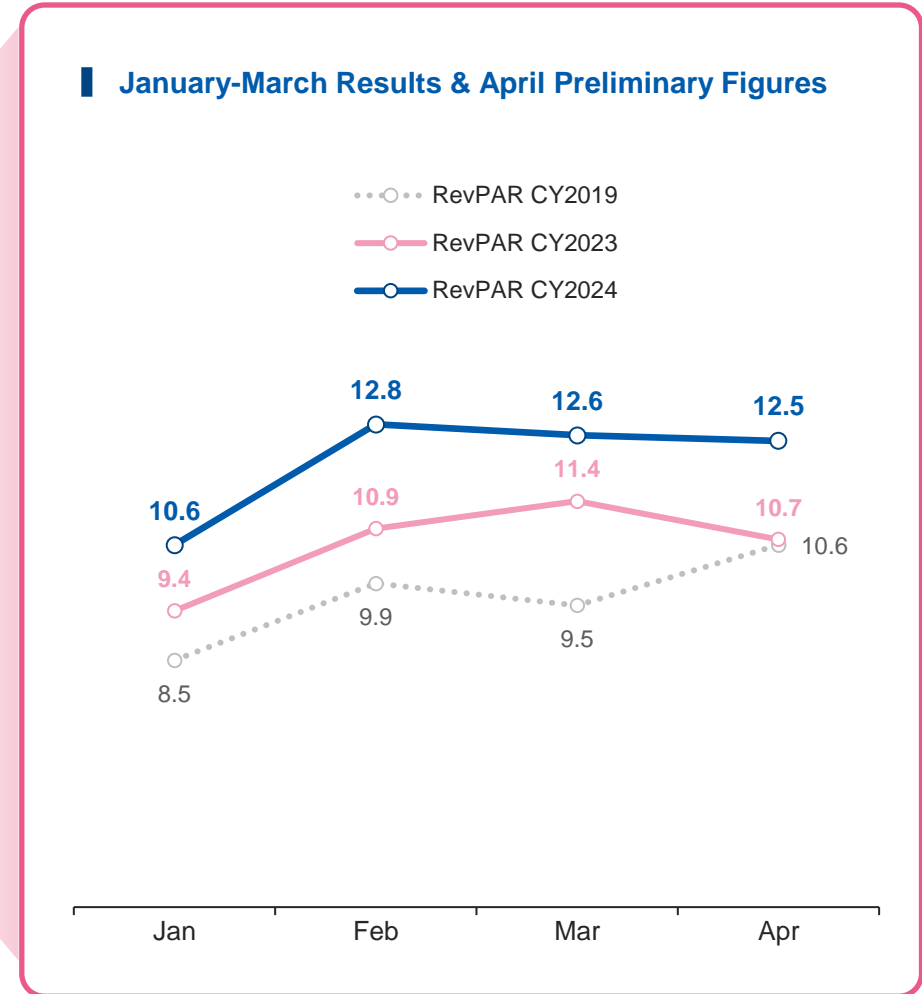
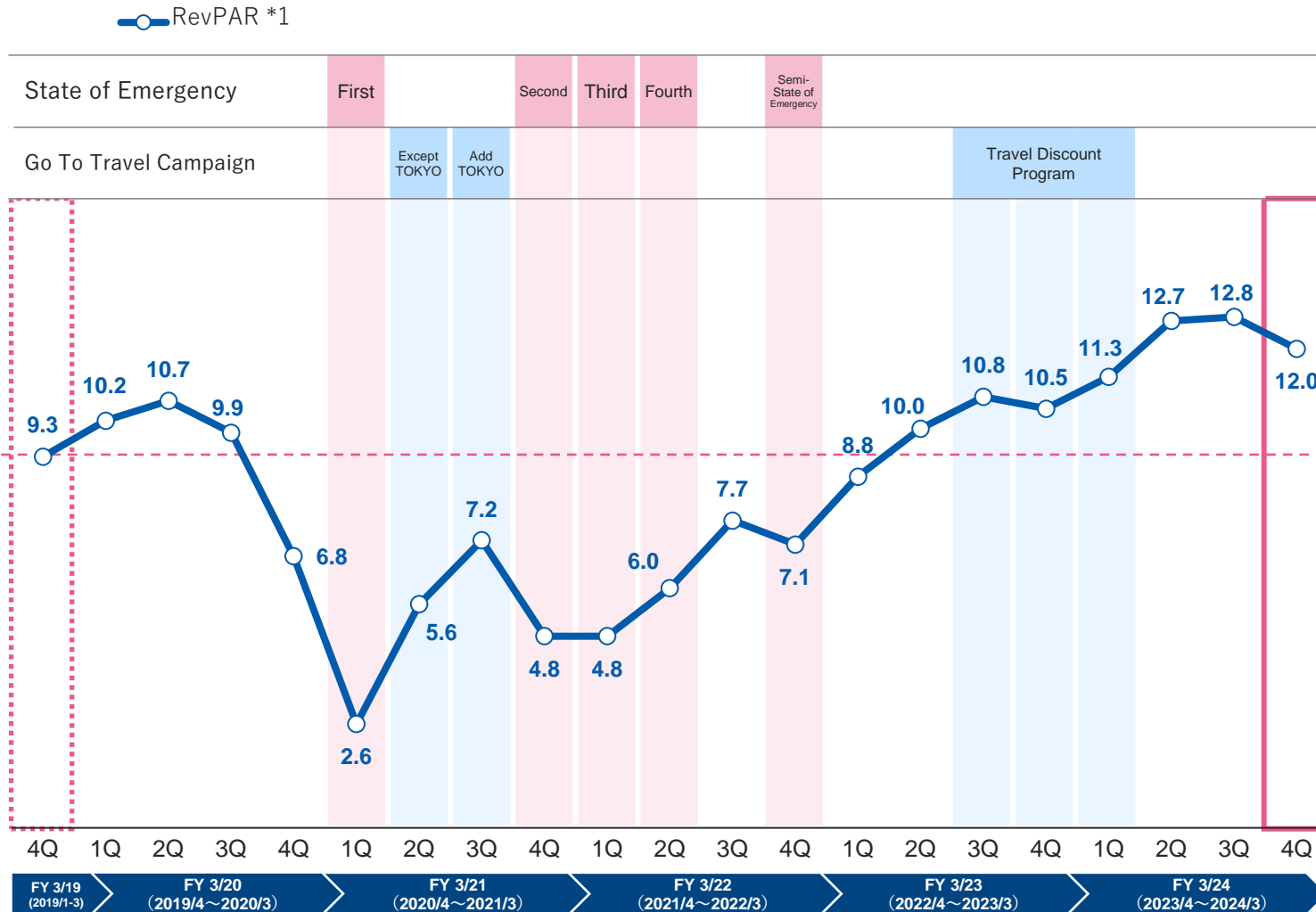
Full Year					
FY3/19	FY3/20	FY3/21	FY3/22	FY3/23	FY3/24
90.8%	88.1%	64.7%	73.9%	86.1%	86.9%

ADR (thousand yen)

Full Year					
FY3/19	FY3/20	FY3/21	FY3/22	FY3/23	FY3/24
11.0	10.6	7.9	8.7	11.7	14.0

*1 The table above shows figures excluding hotels that opened in April 2022 or later, in order to enable comparison between the three periods under the same conditions.
*2 Source: Japan Tourism Agency Homepage

Dormy Inn Business: RevPAR by Quarter



RevPAR
(thousand yen)

Full Year					
FY3/19	FY3/20	FY3/21	FY3/22	FY3/23	FY3/24
10.0	9.4	5.1	6.4	10.0	12.2

*1 The table above shows figures excluding hotels that opened in April 2022 or later, in order to enable comparison between the three periods under the same conditions.

Resorts Business: Net Sales and Operating Income

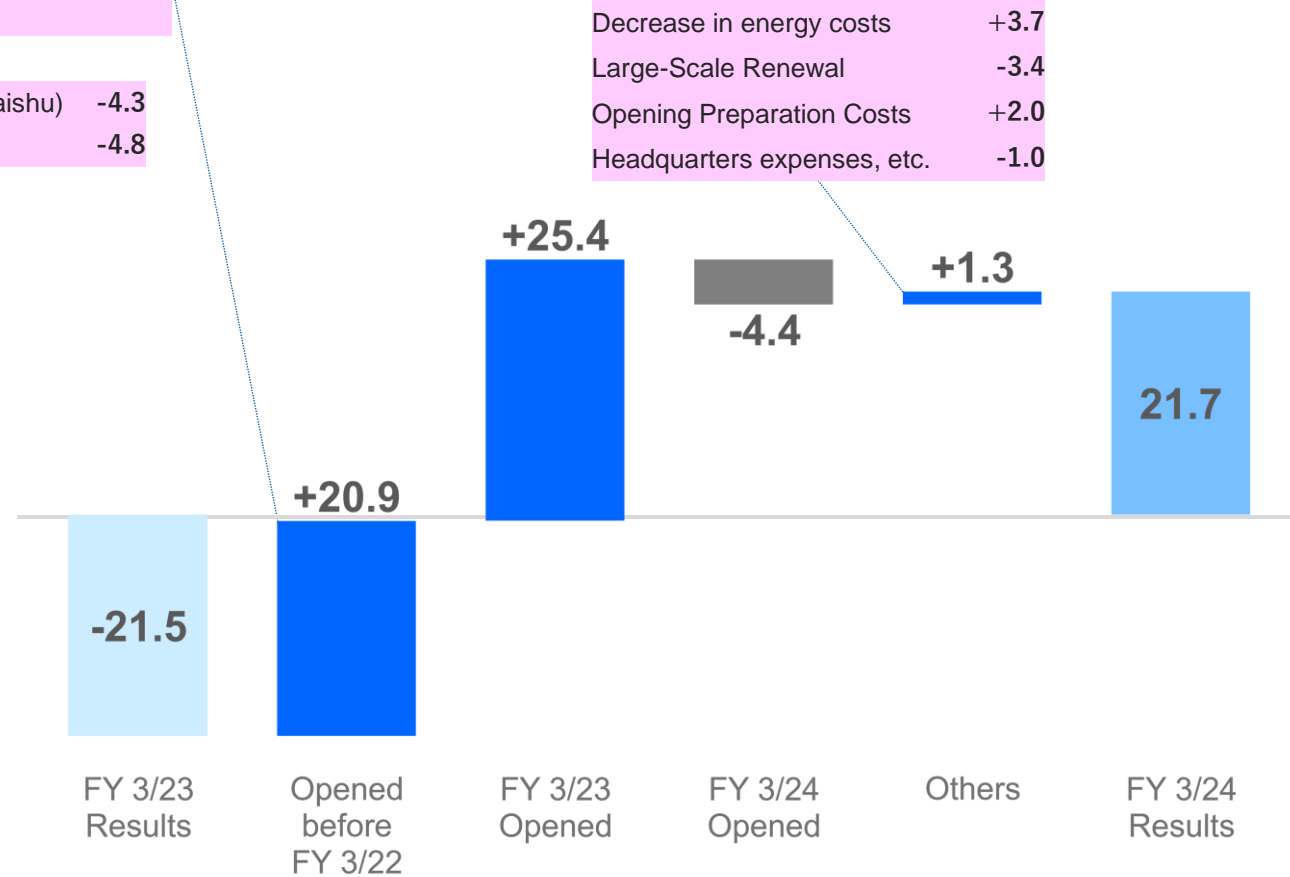
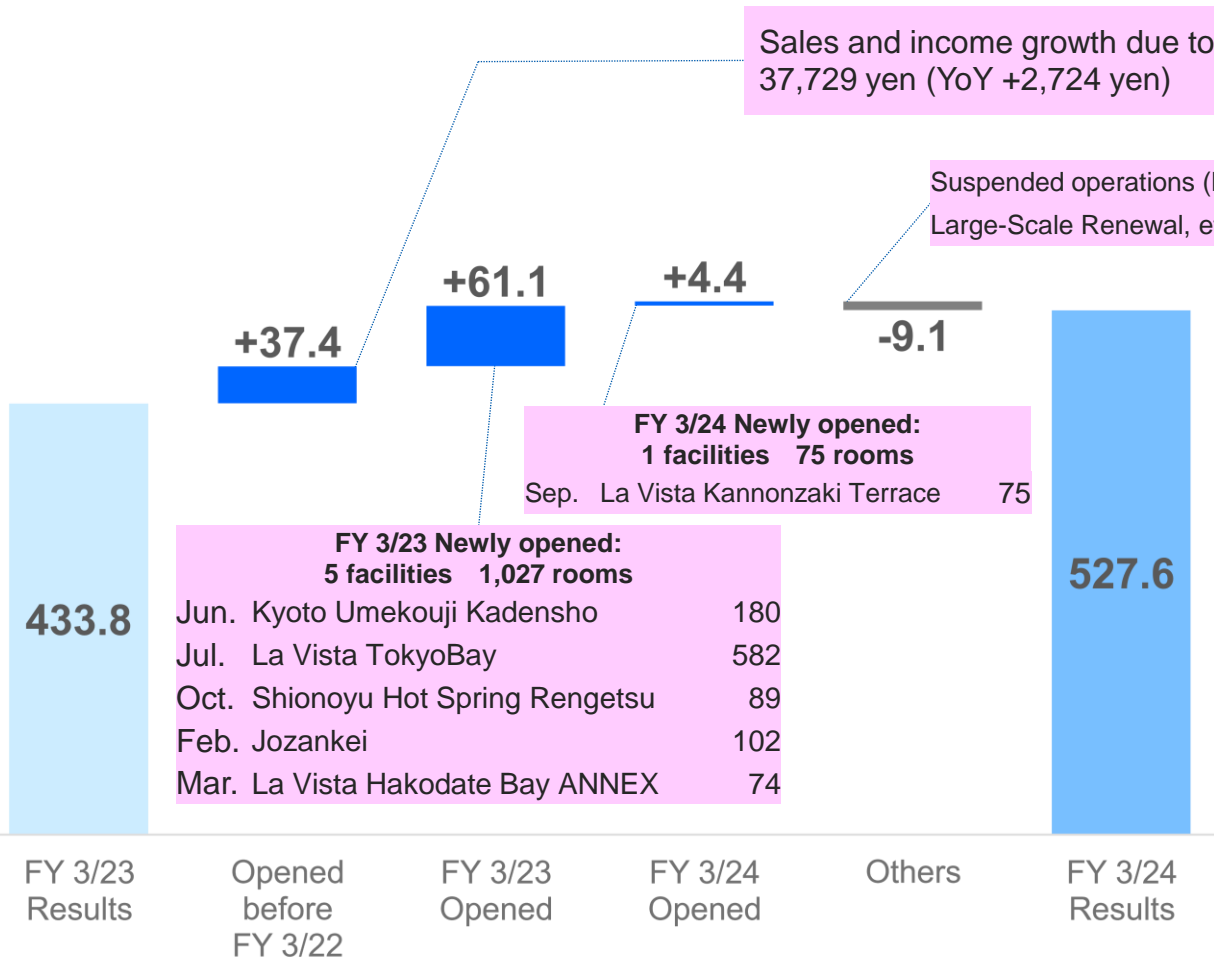
(100 million yen)

Net Sales

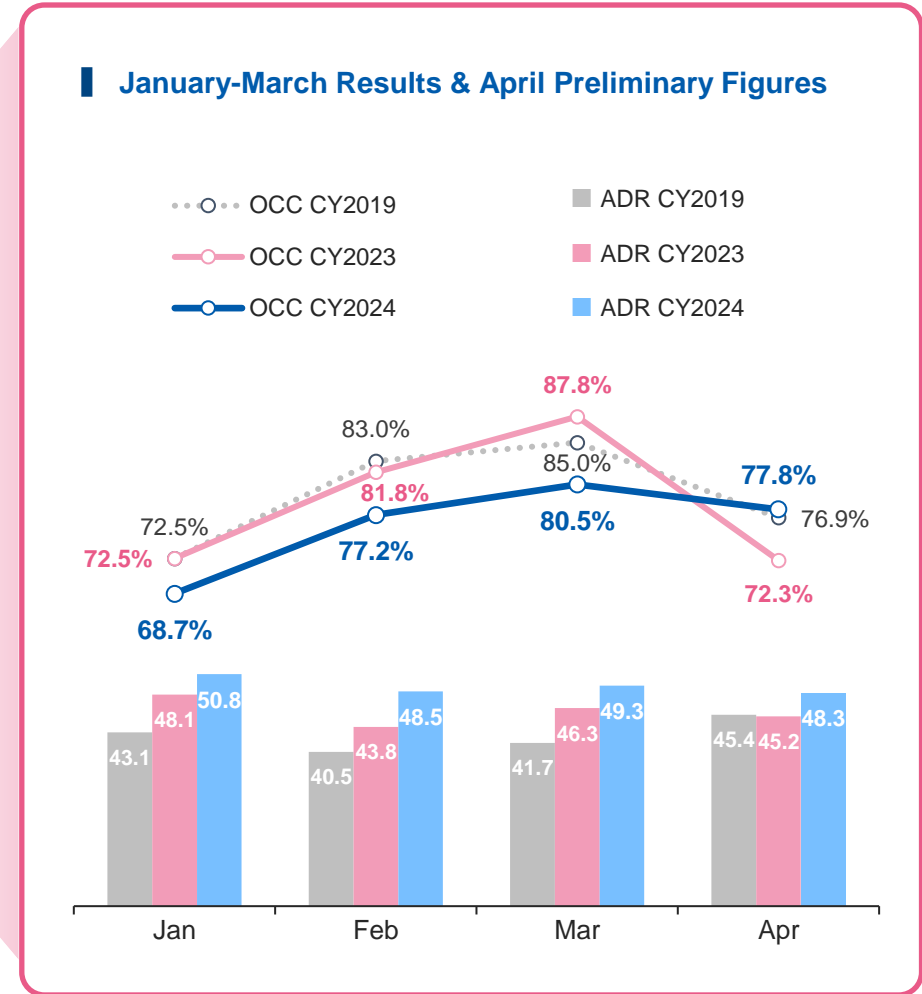
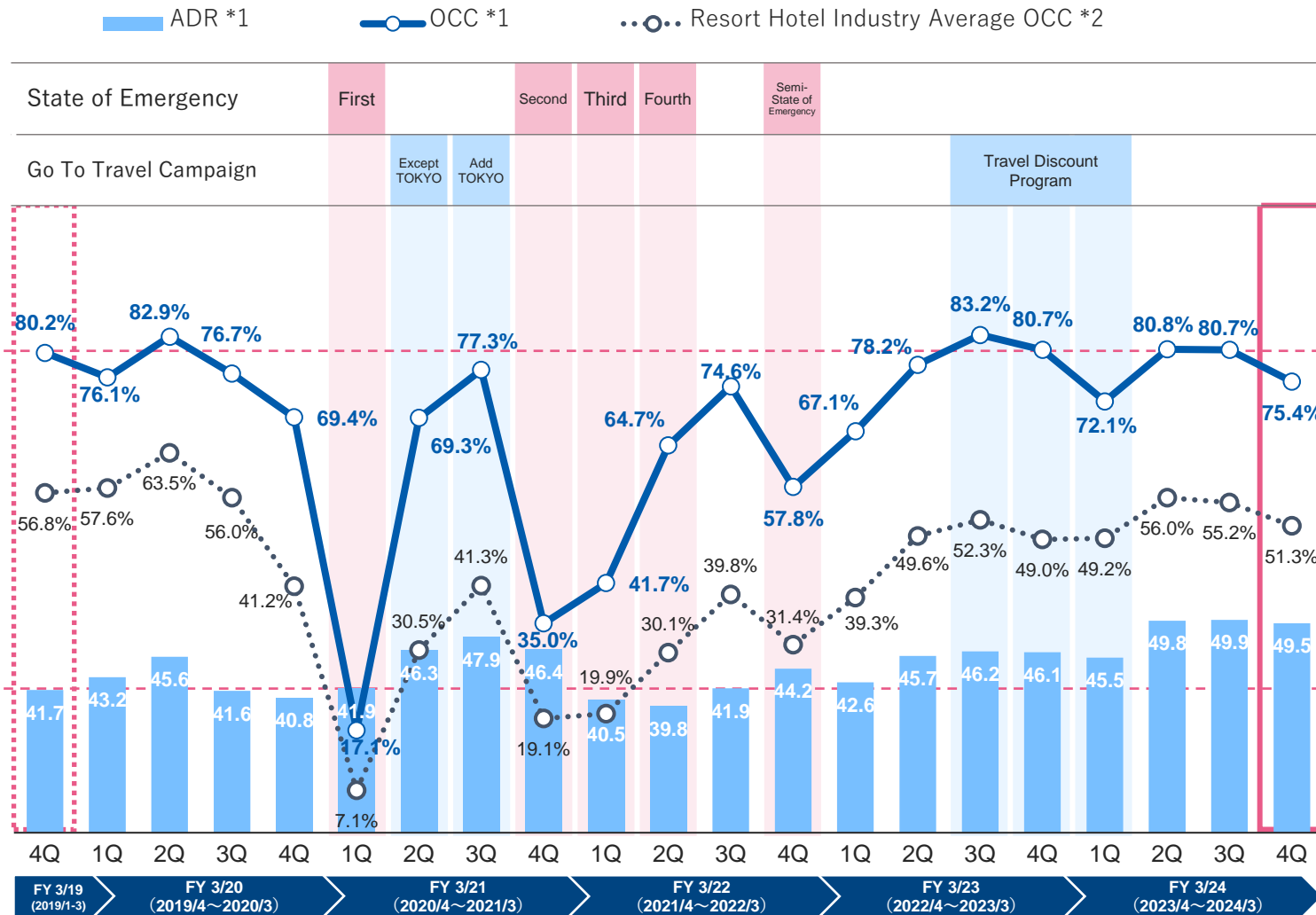
+93.8 (+21.6%) YoY

Operating Income

+43.2 YoY



Resorts Business: Quarterly Trends in Occupancy Ratio and Average Daily Rate



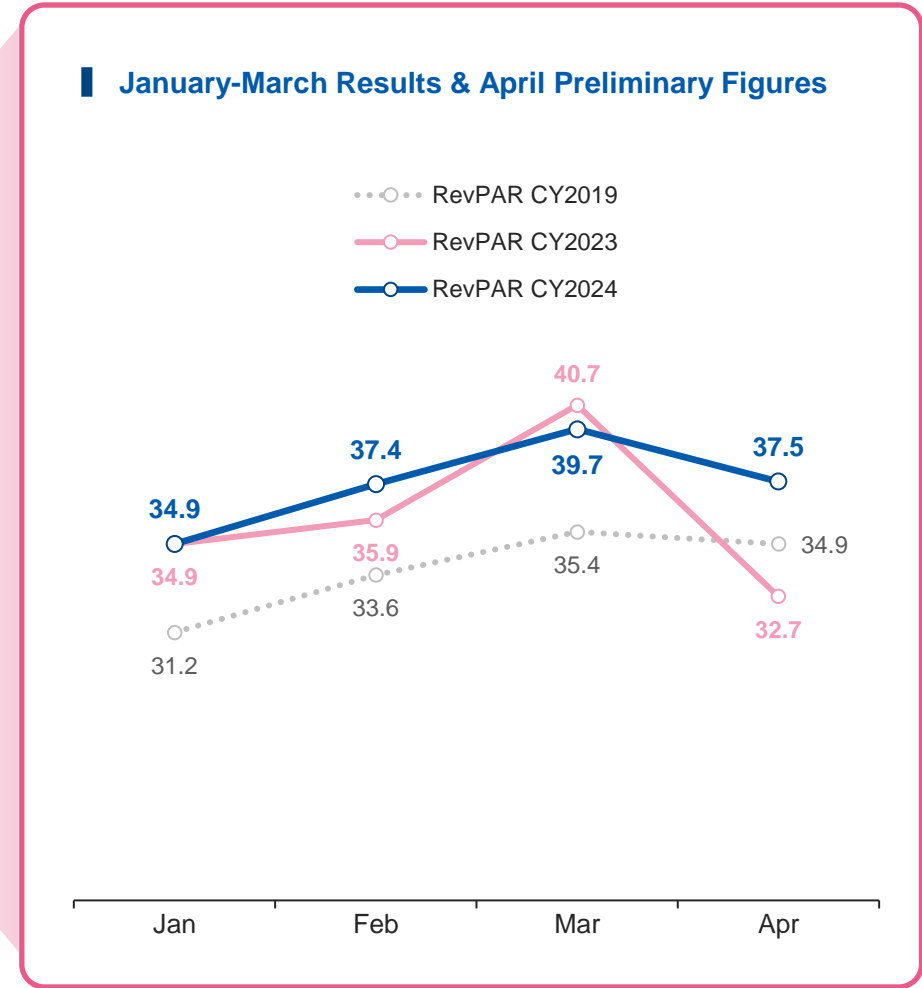
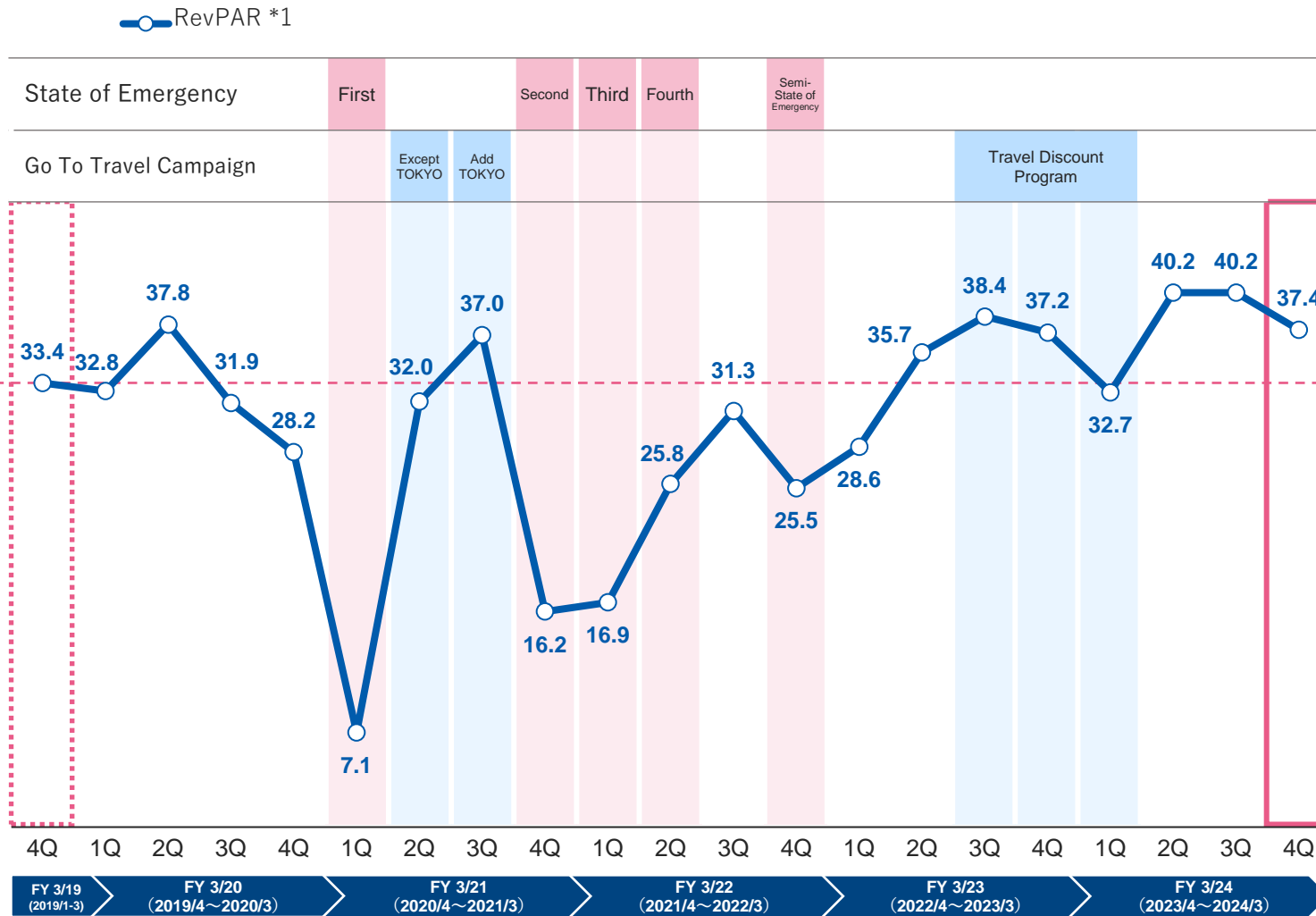
OCC (%)	Full Year					
	FY3/19	FY3/20	FY3/21	FY3/22	FY3/23	FY3/24
	82.8%	76.2%	51.8%	59.9%	77.3%	77.3%

ADR (thousand yen)	Full Year					
	FY3/19	FY3/20	FY3/21	FY3/22	FY3/23	FY3/24
	42.4	42.9	46.6	41.6	45.3	48.7

*1 The table above shows figures excluding hotels that opened in April 2022 or later, in order to enable comparison between the three periods under the same conditions.

*2 Source: Japan Tourism Agency Homepage

Resorts Business: RevPAR by Quarter

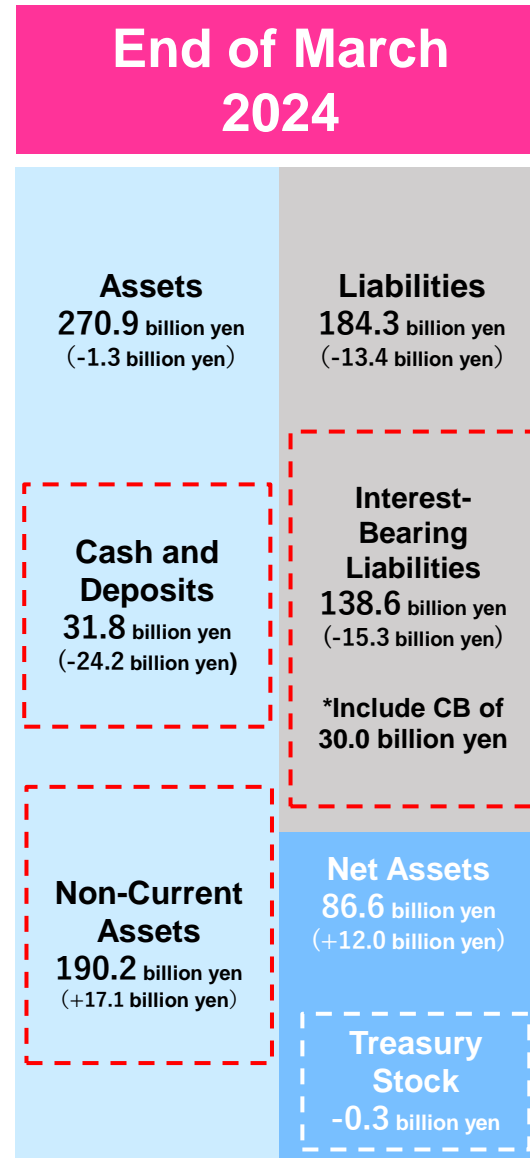
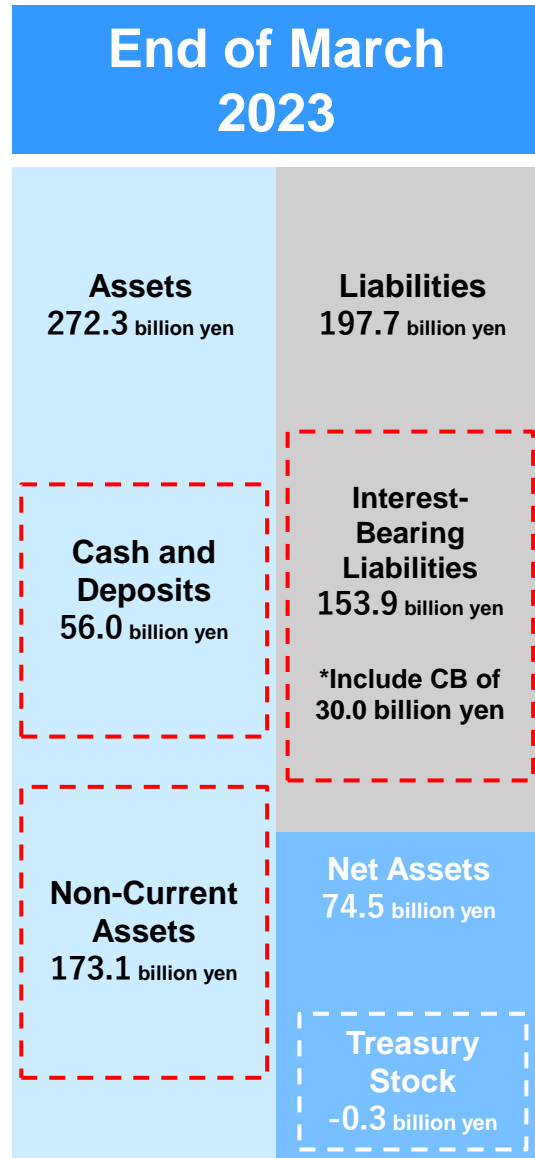


RevPAR
 (thousand yen)

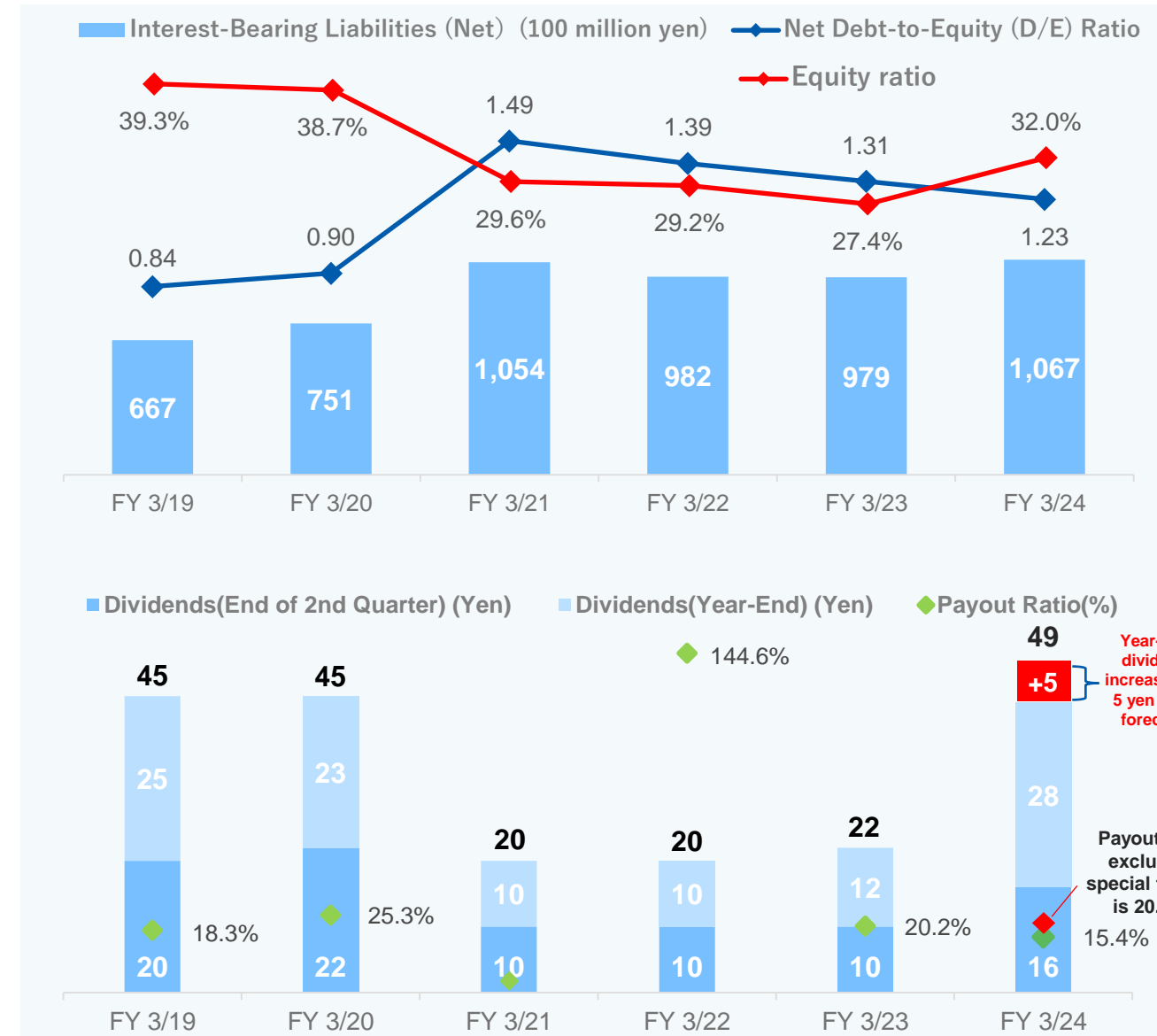
Full Year					
FY3/19	FY3/20	FY3/21	FY3/22	FY3/23	FY3/24
35.1	32.7	24.1	24.9	35.0	37.7

*1 The table above shows figures excluding hotels that opened in April 2022 or later, in order to enable comparison between the three periods under the same conditions.

Consolidated Balance Sheet, Net D/E Ratio, Dividend Trends



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



*The dividend payout ratio excluding the effects of special factors in the results for the fiscal year under review, i.e., the equity method investment gain of 5.02 billion yen and the impairment loss of 2.01 billion yen, is 20.3%.

01 Summary of Financial Results for FY 3/24

02 **FY 3/24 Consolidated Financial Forecasts**

03 Progress on the Medium-Term Management Plan

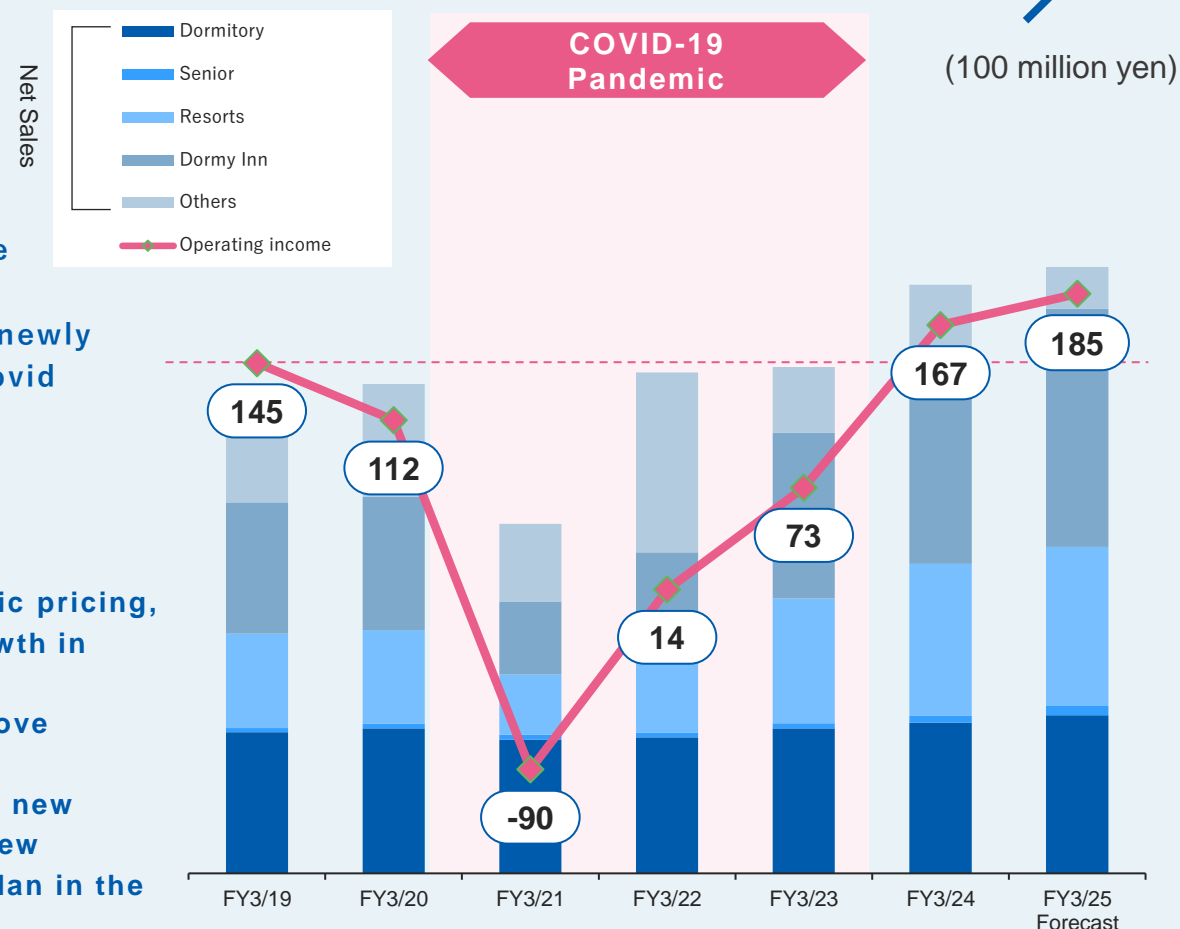
Rapid recovery of the Dormy Inn business has brought the stage of re-growth by a year earlier

Dormitory Business

- High level of occupancy is to be maintained, with occupancy rate at the beginning of the period of 97.0%.
- We plan to achieve higher sales and income with increased sales from newly opened facilities and through efforts to restore selling prices to pre-Covid levels and to set appropriate selling prices.

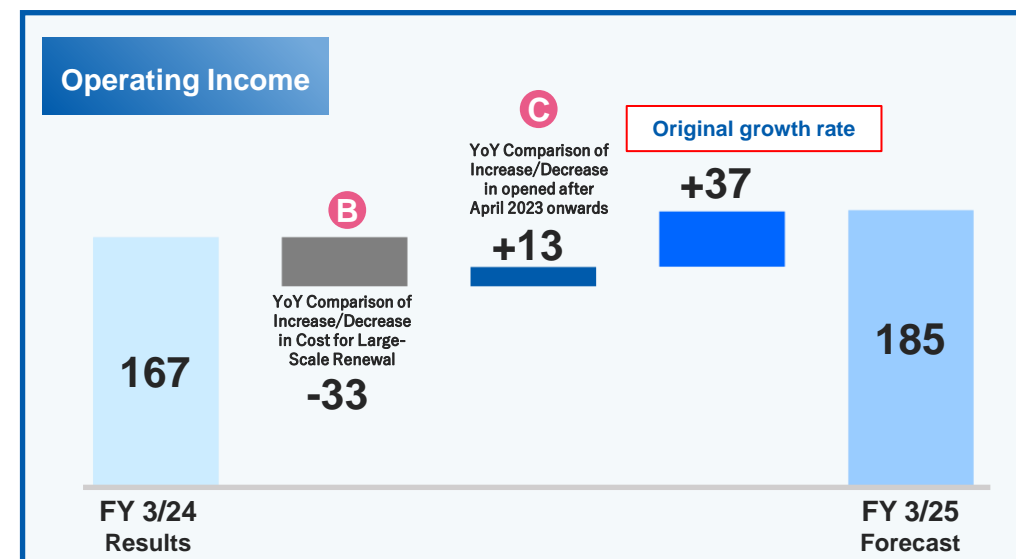
Hotel Business

- We will continue to implement rigorous revenue management through dynamic pricing, capitalizing on improvements in the business environment driven by the growth in domestic and inbound demand.
- We will strategically promote and execute large-scale renewal works to improve customer satisfaction.
- While the fiscal year ending March 2025 will suffer the effects of restraint on new openings under development adjustments related to COVID-19, the pace of new openings is set to return to that as given in the Medium-Term Management Plan in the next fiscal year (ending March 2026) and later.



Consolidated Financial Forecast: Main Financial Indicators

100 million yen	FY 3/24 Results (2023/4 – 2024/3)	FY 3/25 Forecast (2024/4 – 2025/3)	YoY Comparison A		Special Causes			YoY Comparison without Factors on the Left A - B - C - D
					YoY Comparison of Increase/Decrease in Cost for Large-Scale Renewal B	YoY Comparison of Increase/Decrease in opened after April 2023 onwards C	YoY Comparison of Increase/Decrease in equity method investment gain D	
Net Sales	2,041	2,260	+218	+10.7%	-19	+56	-	+181
Operating Income	167	185	+17	+10.7%	-33	+13	-	+37
Ordinary Income	211 ^{*1}	190	-21	-10.0%	-33	+13	-38	+37
Net Income	124	125	+0	+0.7%				
EPS (yen)	159.1	160.2	+1.08	+0.7%				
DPS (yen)	24.5	32.0	+8	+30.6%				
Depreciation Expense	67	78	+10	+15.0%				
Cash Flow ^{*2}	191	200	+8	+4.2%				
Capital Investment	179	400	+220	+123.4%				



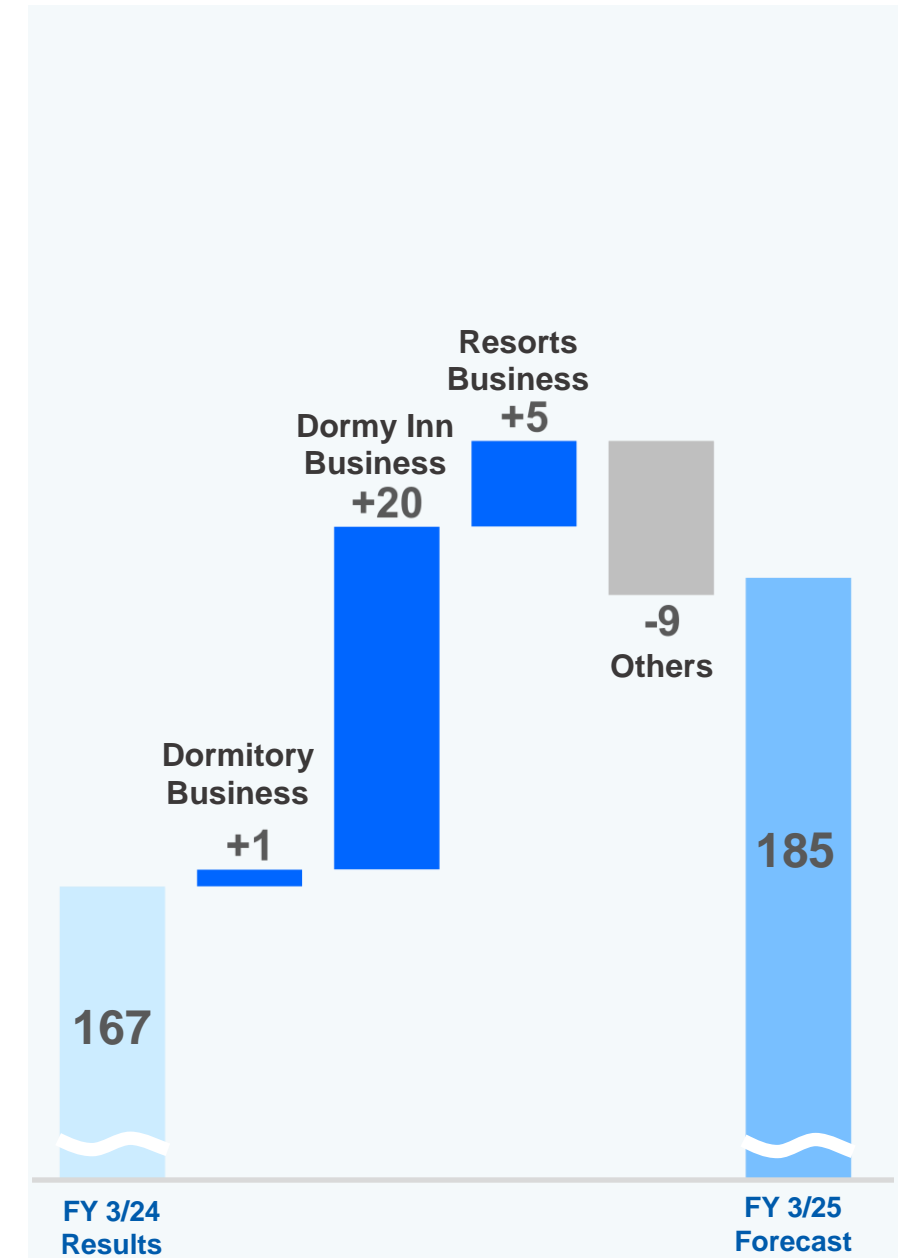
Note: We implemented a 2-for-1 split of common shares effective April 1, 2024. EPS and DPS are calculated based on the assumption that the stock split occurred at the beginning of the fiscal year ended March 2024.

*1 Recorded an equity method investment gain (gain from negative goodwill) of 5.02 billion yen in the fiscal year ended March 2024 due to the acquisition of Cosmos Initia Co., Ltd. shares.

*2 Cash Flow: Net Income + Depreciation Expense

Consolidated Financial Forecast: Quarterly Operating Income by Major Segments

Operating Income (100 million yen)		1Q (4 - 6)	2Q (7 - 9)	3Q (10 - 12)	4Q (1 - 3)	Full Year
Dormitory Business	FY 3/24 Results	16	13	8	20	58
	FY 3/25 Forecast	17	12	10	19	60
	YoY Comparison	+1	-0	+1	-0	+1
Dormy Inn Business	FY 3/24 Results	28	40	39	18	126
	FY 3/25 Forecast	34	61	47	3	147
	YoY Comparison	+5	+20	+8	-14	+20
Resorts Business	FY 3/24 Results	-6	9	13	4	21
	FY 3/25 Forecast	-5	17	14	-0	27
	YoY Comparison	+1	+8	+1	-4	+5
Others	FY 3/24 Results	-9	-8	-10	-11	-40
	FY 3/25 Forecast	-14	-10	-11	-14	-49
	YoY Comparison	-4	-1	-1	-2	-9
Total	FY 3/24 Results	29	54	51	31	167
	FY 3/25 Forecast	32	81	61	9	185
	YoY Comparison	+3	+26	+29	-21	+17



Consolidated Financial Forecast: Breakdown by Segments

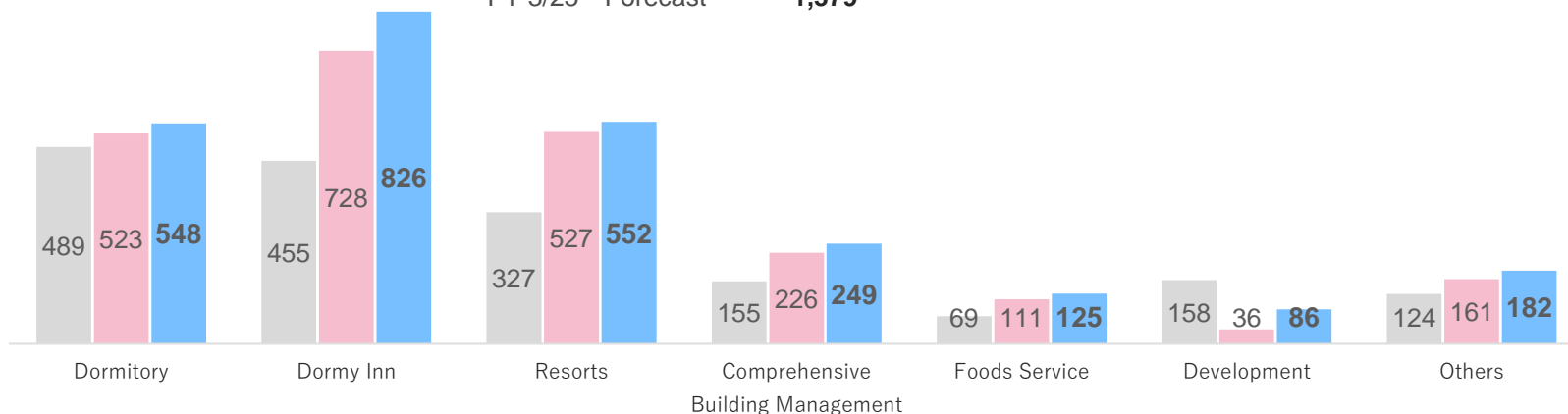
Net Sales

■ FY 3/19 Results ■ FY 3/24 Results ■ FY 3/25 Forecast

(100 million yen)

Hotel Business Total

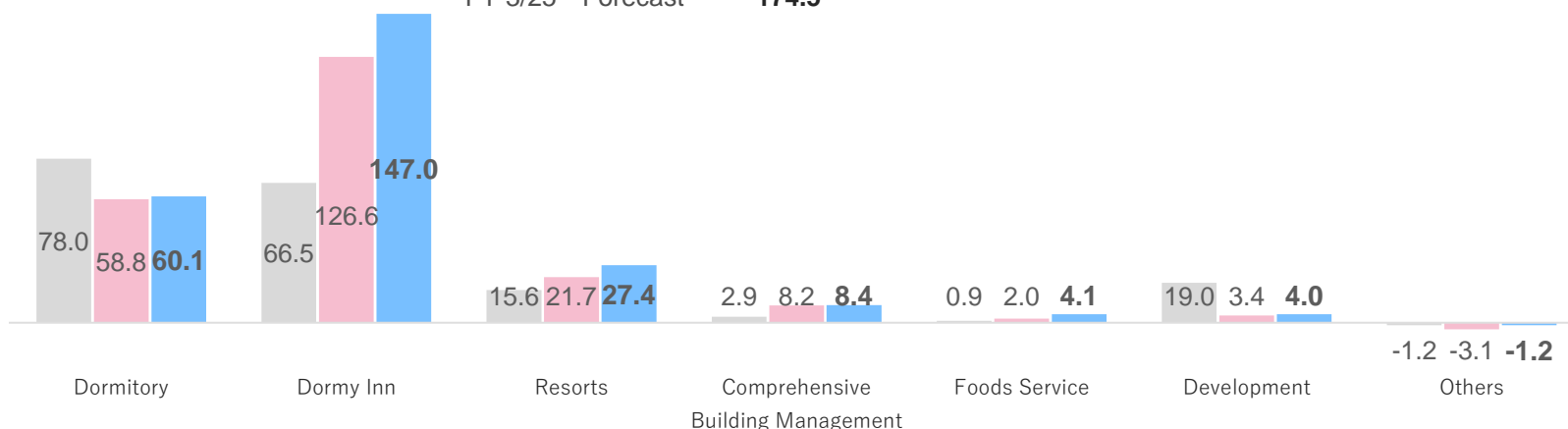
FY 3/19 Results	783
FY 3/24 Results	1,255
FY 3/25 Forecast	1,379



Operating Income

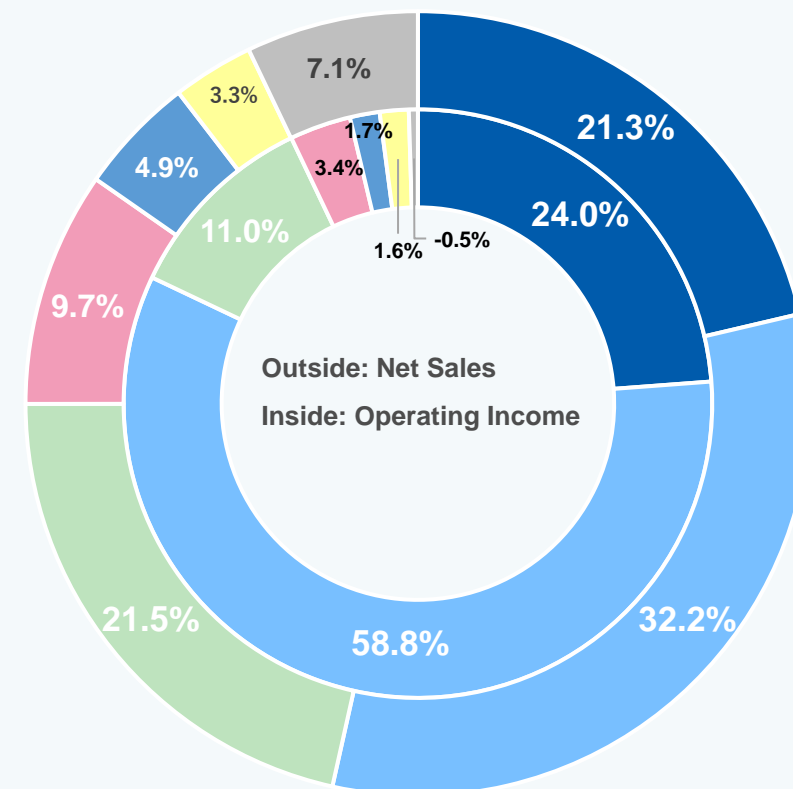
Hotel Business Total

FY 3/19 Results	82.1
FY 3/24 Results	148.4
FY 3/25 Forecast	174.5



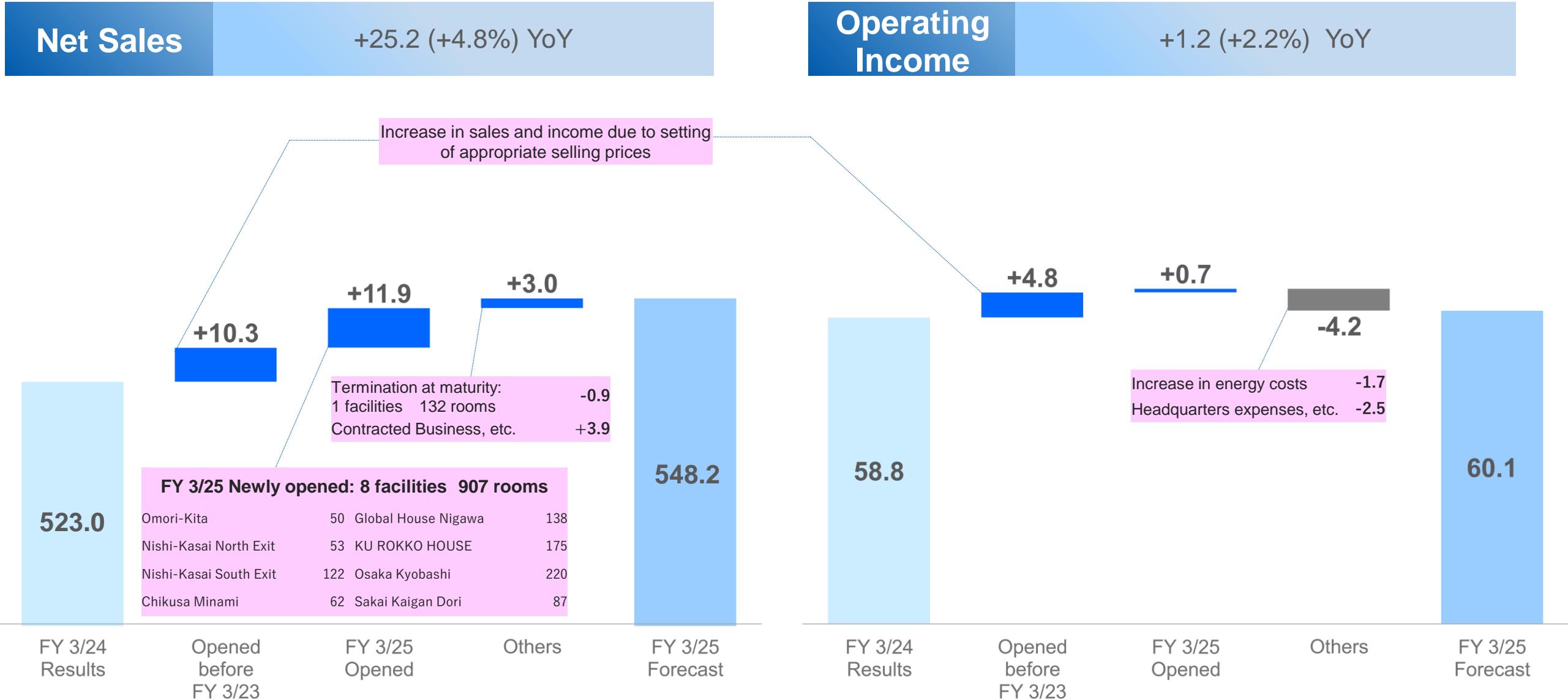
Breakdown by Segments FY 3/25 Forecast (Before eliminations of intersegment transactions)

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



Consolidated Financial Forecast, Dormitory Business: Net Sales and Operating Income

(100 million yen)



Consolidated Financial Forecast, Dormy Inn Business: Net Sales and Operating Income

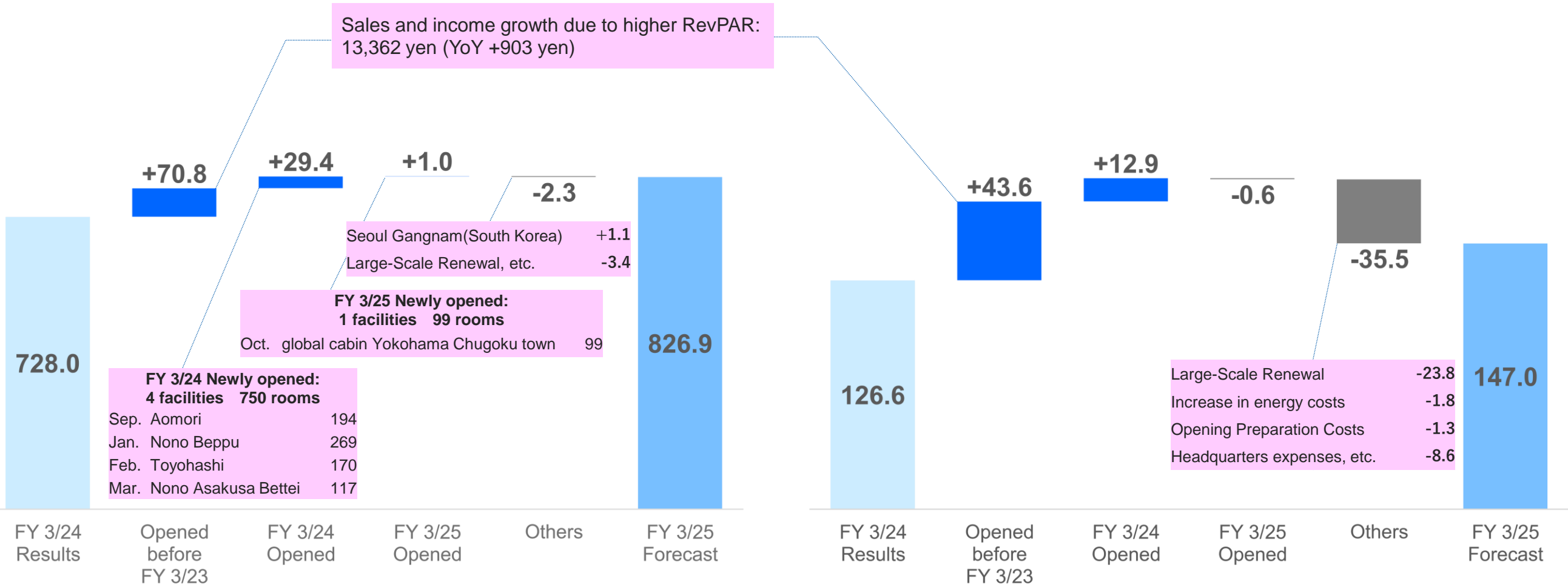
(100 million yen)

Net Sales

+98.9 (+13.6%) YoY

Operating Income

+20.3 (+16.1%) YoY



Consolidated Financial Forecast, Resorts Business: Net Sales and Operating Income

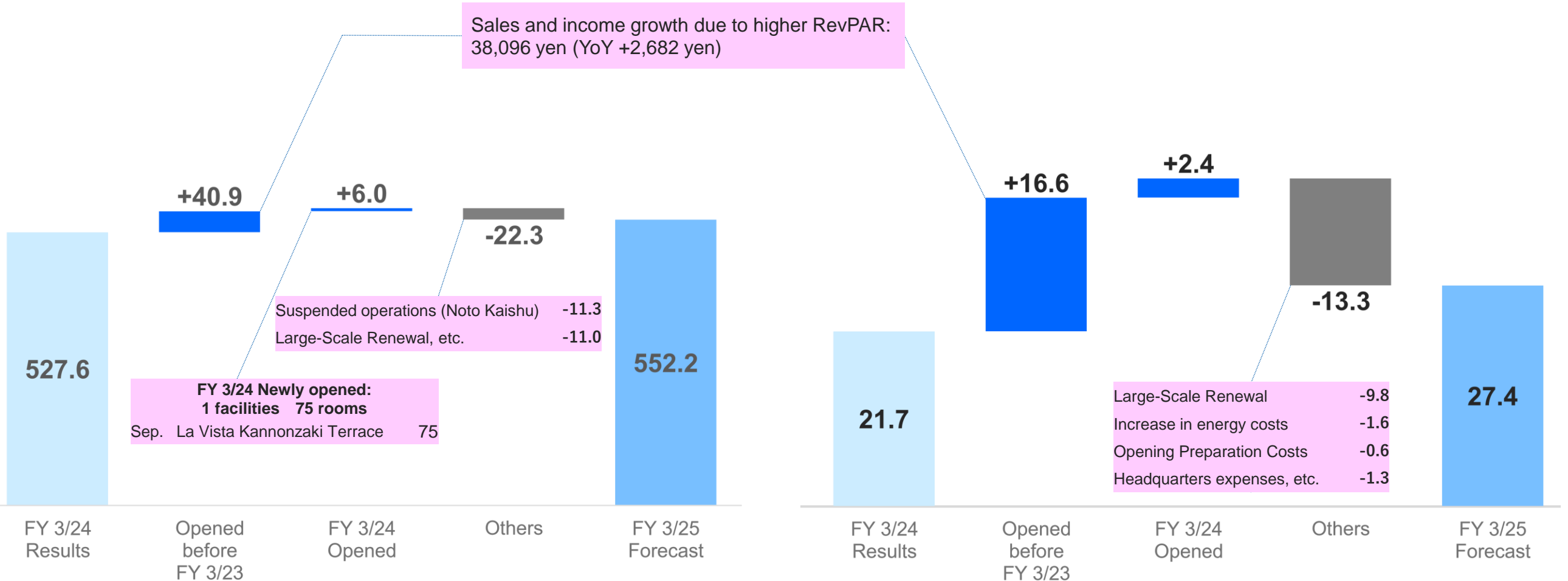
(100 million yen)

Net Sales

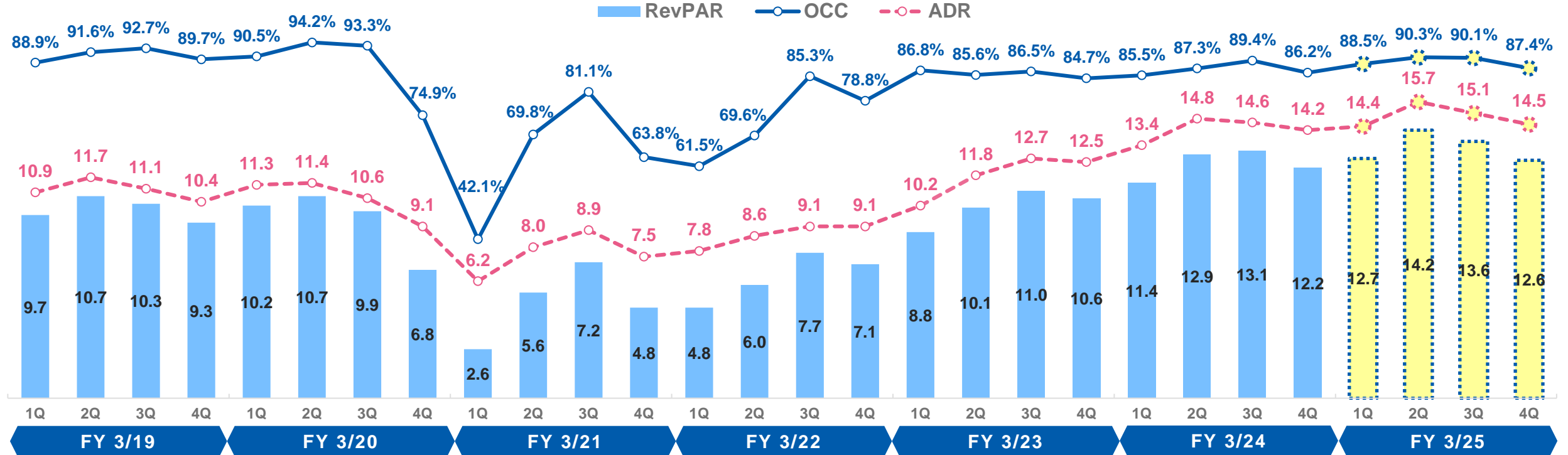
+24.6 (+4.7%) YoY

Operating Income

+5.5 (+26.2%) YoY



Consolidated Financial Forecast, Dormy Inn Business: Quarterly Trends in KPI



	OCC					ADR					RevPAR						
	(%)	1Q	2Q	3Q	4Q	Full year	(Thousand yen)	1Q	2Q	3Q	4Q	Full year	(Thousand yen)	1Q	2Q	3Q	4Q
FY 3/19	88.9	91.6	92.7	89.7	90.8	FY 3/19	10.9	11.7	11.1	10.4	11.0	FY 3/19	9.7	10.7	10.3	9.3	10.0
FY 3/20	90.5	94.2	93.3	74.9	88.1	FY 3/20	11.3	11.4	10.6	9.1	10.6	FY 3/20	10.2	10.7	9.9	6.8	9.4
FY 3/21	42.1	69.8	81.1	63.8	64.7	FY 3/21	6.2	8.0	8.9	7.5	7.9	FY 3/21	2.6	5.6	7.2	4.8	5.1
FY 3/22	61.5	69.6	85.3	78.8	73.9	FY 3/22	7.8	8.6	9.1	9.1	8.7	FY 3/22	4.8	6.0	7.7	7.1	6.4
FY 3/23	86.8	85.6	86.5	84.7	85.9	FY 3/23	10.2	11.8	12.7	12.5	11.8	FY 3/23	8.8	10.1	11.0	10.6	10.1
FY 3/24	85.5	87.3	89.4	86.2	87.1	FY 3/24	13.4	14.8	14.6	14.2	14.3	FY 3/24	11.4	12.9	13.1	12.2	12.4

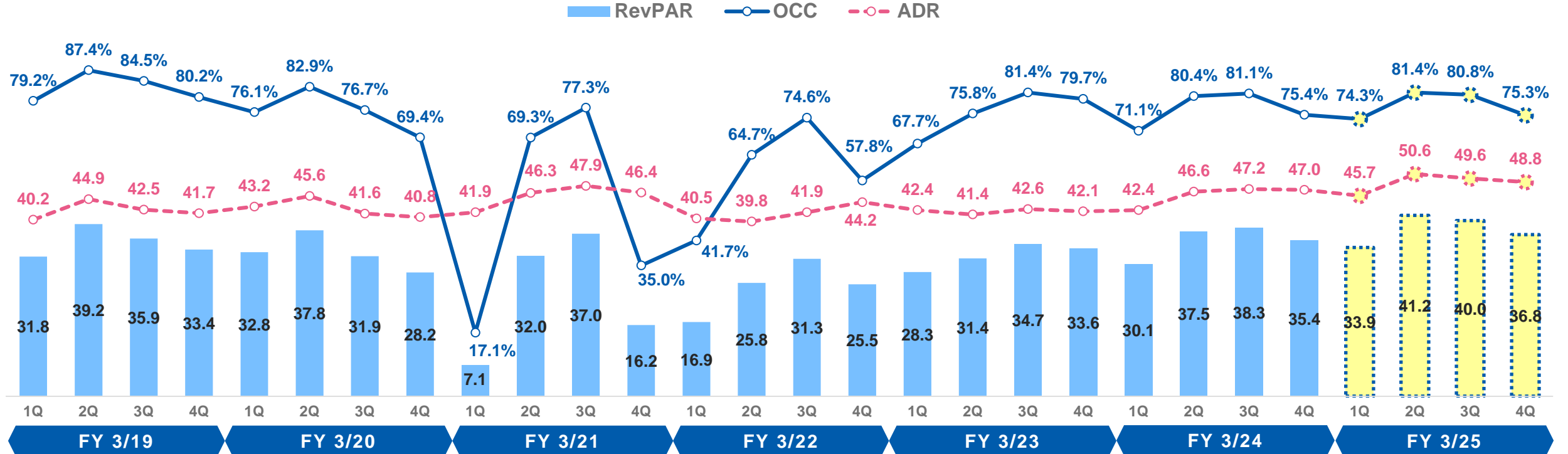
FY 3/25 Forecast	88.5	90.3	90.1	87.4	89.1
YoY	+3.0pt	+3.0pt	+0.7pt	+1.2pt	+2.0pt

FY 3/25 Forecast	14.4	15.7	15.1	14.5	14.9
YoY	+1.0	+0.9	+0.5	+0.3	+0.6

FY 3/25 Forecast	12.7	14.2	13.6	12.6	13.3
YoY	+1.2	+1.2	+0.5	+0.4	+0.9

Note) The table above shows figures excluding hotels that opened in April 2023 or later, in order to enable comparison between the three periods under the same conditions

Consolidated Financial Forecast, Resorts Business: Quarterly Trends in KPI



	OCC					ADR					RevPAR						
	(%)	1Q	2Q	3Q	4Q	Full year	(Thousand yen)	1Q	2Q	3Q	4Q	Full year	(Thousand yen)	1Q	2Q	3Q	4Q
FY 3/19	79.2	87.4	84.5	80.2	82.8	FY 3/19	40.2	44.9	42.5	41.7	42.4	FY 3/19	31.8	39.2	35.9	33.4	35.1
FY 3/20	76.1	82.9	76.7	69.4	76.2	FY 3/20	43.2	45.6	41.6	40.8	42.9	FY 3/20	32.8	37.8	31.9	28.2	32.7
FY 3/21	17.1	69.3	77.3	35.0	51.8	FY 3/21	41.9	46.3	47.9	46.4	46.6	FY 3/21	7.1	32.0	37.0	16.2	24.1
FY 3/22	41.7	64.7	74.6	57.8	59.9	FY 3/22	40.5	39.8	41.9	44.2	41.6	FY 3/22	16.9	25.8	31.3	25.5	24.9
FY 3/23	67.7	75.8	81.4	79.7	76.3	FY 3/23	42.4	41.4	42.6	42.1	42.1	FY 3/23	28.3	31.4	34.7	33.6	32.2
FY 3/24	71.1	80.4	81.1	75.4	77.1	FY 3/24	42.4	46.6	47.2	47.0	45.9	FY 3/24	30.1	37.5	38.3	35.4	35.4

FY 3/25 Forecast	74.3	81.4	80.8	75.3	78.1
YoY	+3.2pt	+1.0pt	-0.3pt	-0.1pt	+1.0pt

FY 3/25 Forecast	45.7	50.6	49.6	48.8	48.8
YoY	+3.2	+4.0	+2.3	+1.8	+2.8

FY 3/25 Forecast	33.9	41.2	40.0	36.8	38.0
YoY	+3.8	+3.7	+1.7	+1.3	+2.6

Note) The table above shows figures excluding hotels that opened in April 2023 or later, in order to enable comparison between the three periods under the same conditions

Dormitory / Hotel Development Plans

	FY 3/22		FY 3/23		FY 3/24		FY 3/25		FY 3/26	
Dormitories, Domeal	+21 facilities*	+1,928 rooms*	+20 facilities*	+1,971 rooms*	+12 facilities*	+1,037 rooms*	+8 facilities*	+907 rooms*	+10 facilities*	+1,282 rooms*
	Ending number of facilities	512 facilities	Ending number of facilities	511 facilities	Ending number of facilities	519 facilities	Ending number of facilities	526 facilities	Ending number of facilities	536 facilities
	Ending guest capacity	42,551 rooms	Ending guest capacity	43,291 rooms	Ending guest capacity	44,057 rooms	Ending guest capacity	44,966 rooms	Ending guest capacity	46,248 rooms
	Leasing rate	86.7%	Leasing rate	86.6%	Leasing rate	86.9%	Leasing rate	87.1%	Leasing rate	86.7%
	[L] Sakado Hanamachi, Niigata Akashidori, [L] Chuo University Minamidaira, [L] Iriya, [L] Duo Jiyugaoka, [L] Kameari, [L] Angelique Cour, [L] Tsuruma Park, [L] Osaka Fukushima, [L] Kyoto Kuinabashi, Gennanso, etc.		[L] Nishi-Shinjuku, [L] Utsunomiya, [L] Kashiwa, Teikyo University Hachioji, [L] Tokai University mae, [L] Sapporo Oyachi [L] Sendai Yamamotocho, [L] Minamimoricho, [L] Kyoto Yamashina, etc.		[L] Hirosaki, [L] Sendai Komatsushima, [L] Yamagata Honcho, [L] Asuto Nagamachi [L] Otsuka, [L] Kyoto Saian, [L] Sagami ono, [L] Yamatominami [L] Nakano-sakaue, etc.		[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] Sendai Kawauchi, [L] Nishioji Gojo, [L] Mibu Sanjo, [L] Sakado Ekimae, [L] Meieki Kamejima Annex, [L] Okayama Minamigata, [L] Tokushima, [L] Takamatsu.	
Dormy Inn	+2 facilities*	+471 rooms*	+7 facilities*	+1,107 rooms*	+4 facilities*	+750 rooms*	+1 facilities*	+99 rooms*	+6 facilities*	+954 rooms*
	Ending number of facilities	85 facilities	Ending number of facilities	91 facilities	Ending number of facilities	95 facilities	Ending number of facilities	96 facilities	Ending number of facilities	102 facilities
	Ending guest capacity	15,468 rooms	Ending guest capacity	16,435 rooms	Ending guest capacity	17,107 rooms	Ending guest capacity	17,206 rooms	Ending guest capacity	18,160 rooms
	Leasing rate	99.1%	Leasing rate	99.1%	Leasing rate	97.5%	Leasing rate	97.5%	Leasing rate	92.3%
	[L] Nono Kanazawa, [L] Hiroshima Annex.		[L] Nono Osaka Yodoyabashi, [L] Express Fujisan Gotemba, [L] Nono Sendai, [L] Nono Matsumoto, [L] Nono Matsue, [L] Okayama, [L] Premium Ginza.		<u>Express Toyohashi.</u> <u>Nono Asakusa Bettei.</u> [L] Nono Beppu, [L] Aomori.		[L] global cabin Yokohama Chugoku town.		<u>Nono Kumamoto, Nono Fukui,</u> <u>Komatsu, Express Unnan,</u> <u>Express Rikuzen-Takata, Tsuruga.</u>	
Resorts	+1 facilities*	+69 rooms*	+5 facilities*	+1,027 rooms*	+1 facilities*	+75 rooms*			+1 facilities*	+67 rooms*
	Ending number of facilities	37 facilities	Ending number of facilities	41 facilities	Ending number of facilities	42 facilities	Ending number of facilities	42 facilities	Ending number of facilities	43 facilities
	Ending guest capacity	3,239 rooms	Ending guest capacity	4,193 rooms	Ending guest capacity	4,268 rooms	Ending guest capacity	4,268 rooms	Ending guest capacity	4,335 rooms
	Leasing rate	66.0%	Leasing rate	71.6%	Leasing rate	72.1%	Leasing rate	72.1%	Leasing rate	71.0%
	[L] La Vista Kusatsu Hills.		[L] Kyoto Umekouji Kadensho, [L] La Vista Tokyo Bay, <u>Nasu Shiobara Rengetsu,</u> [L] Jozankei Yuraku Souan, [L] La Vista Hakodate Bay Annex.		[L] La Vista Kannonzaki Terrace.				<u>Kyoto Omuro Ninnaji.</u>	
Companywide leasing rate	88.7%	88.8%	88.7%	88.9%	87.1%					

* 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.

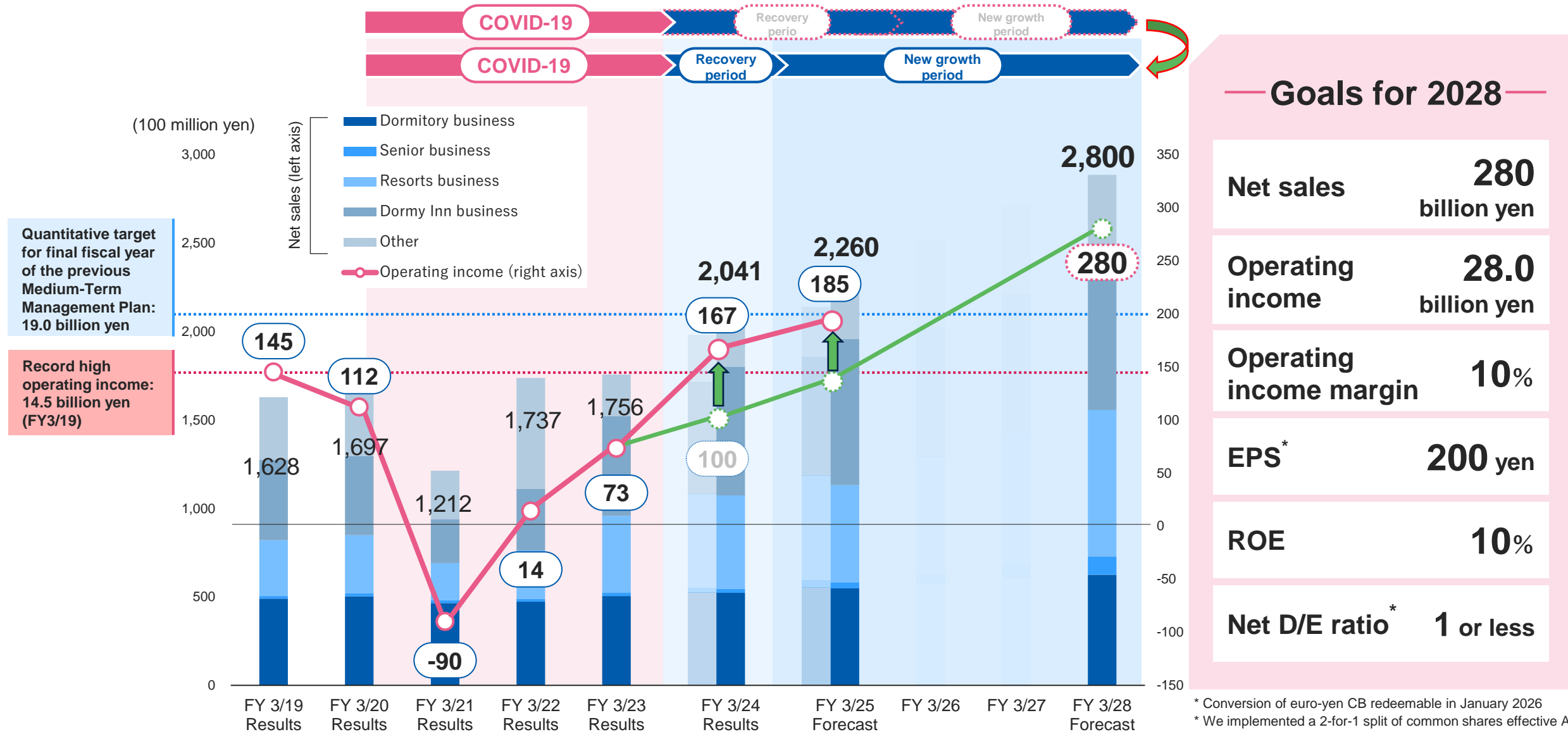
01 Summary of Financial Results for FY 3/24

02 FY 3/24 Consolidated Financial Forecasts

03 Progress on the Medium-Term Management Plan

Quantitative targets

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



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 3/23 Results	FY 3/28 Forecast	FY 3/25 Forecast	Rate of progress	Estimated at present	Rate of progress
Dormitories	43.2	50.0	44.9	90%	48.4	97%
Dormy Inn	16.4	20.0	17.2	86%	20.5	102%
Resorts	4.1	5.5	4.2	78%	5.4	98%

Progress on selling prices

ADR (Yen)	FY 3/23 Results	FY 3/28 Forecast	FY 3/25 Forecast	Rate of progress
Dormitories (Monthly rent)	98.0	106.5	99.8	94%
Dormy Inn	11.8	12.9	14.9	115%
Resorts	42.1	56.6	48.8	86%

Status of cost inflation

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

Net Sales

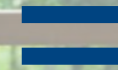
Net Sales (100 million yen)	FY 3/23 Results	FY 3/28 Forecast	FY 3/25 Forecast	Rate of progress
Dormitories	503	620	548	88%
Dormy Inn	576	840	826	98%
Resorts	433	830	552	67%
Others	244	510	334	65%
Total	1,756	2,800	2,260	81%

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 : 18%

(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.
- **To raise the penetration rate of automatic adjustment machines in Dormy Inns to 40% or higher in the fiscal year under review and to 100% the following fiscal year.**
- **Started trial operation of smart check-in systems.**
- Use of cleaning and maintenance robotics
- Labor savings through robotic process automation, paperless workflows, etc.



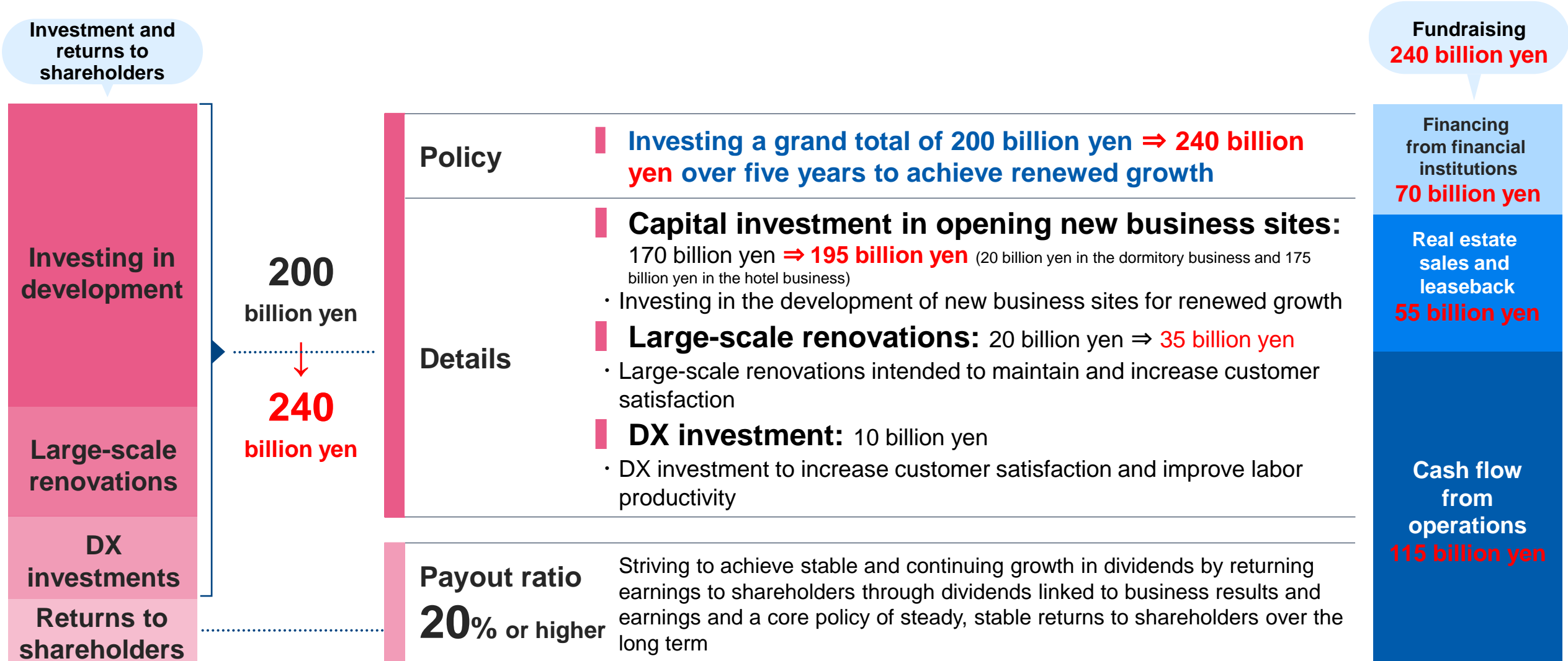
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Investments, returns to shareholders, and fundraising

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.



during the mid-term management plan period Dormitory / Hotel Development Plans

	Results		Forecast		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*	+907 rooms*	+10 facilities*	+1,282 rooms*	+11 facilities*	+1,969 rooms*	+3 facilities*	+366 rooms*
	Ending number of facilities	519 facilities	Ending number of facilities	526 facilities	Ending number of facilities	536 facilities	Ending number of facilities	547 facilities	Ending number of facilities	550 facilities
	Ending guest capacity	44,057 rooms	Ending guest capacity	44,966 rooms	Ending guest capacity	46,248 rooms	Ending guest capacity	48,217 rooms	Ending guest capacity	48,583 rooms
	Leasing rate	86.9%	Leasing rate	87.1%	Leasing rate	86.7%	Leasing rate	86.6%	Leasing rate	86.7%
	[L] Hirosaki, [L] Sendai Komatsushima, [L] Yamagata Honcho, [L] Asuto Nagamachi, [L] Otsuka, [L] Kyoto Saiin, [L] Sagami ono, [L] Yamatominami [L] Nakano-sakaue, etc.		[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] Sendai Kawauchi, [L] Nishioji Gojo, [L] Mibu Sanjo, [L] Sakado Ekimae, [L] Meieki Kamejima Annex, [L] Okayama Minamigata [L] Tokushima, [L] Takamatsu.		[L] hachiojioji, [L] Tokai University mae, [L] Kobe Rokkodai II, [L] Kofu Takeda, [L] Shigakusatsu, [L] Yamashina Higashino, Tojiin, [L] Amagasaki Kuise, Mito, [L] Takamatsu Saihocho, [L] Nagasaki Shindaikumachi.		[L] Temmabashi, [L] Keisei Okubo, [L] Kawasaki Minamiwatarida.	
Dormy Inn	+4 facilities*	+750 rooms*	+1 facilities*	+99 rooms*	+8 facilities*	+1,214 rooms*	+9 facilities*	+1,511 rooms*	+3 facilities*	+613 rooms*
	Ending number of facilities	95 facilities	Ending number of facilities	96 facilities	Ending number of facilities	104 facilities	Ending number of facilities	113 facilities	Ending number of facilities	116 facilities
	Ending guest capacity	17,107 rooms	Ending guest capacity	17,206 rooms	Ending guest capacity	18,420 rooms	Ending guest capacity	19,931 rooms	Ending guest capacity	20,544 rooms
	Leasing rate	97.5%	Leasing rate	97.5%	Leasing rate	91.1%	Leasing rate	86.2%	Leasing rate	86.6%
	<u>Express Toyohashi</u> , <u>Nono Asakusa Bettei</u> , [L] Nono Beppu, [L] Aomori.		[L] global cabin Yokohama Chugoku town.		<u>Nono Kumamoto</u> , <u>Nono Fukui</u> , <u>Komatsu</u> , <u>Express Unnan</u> , <u>Express Rikuzen-Takata</u> , <u>Tsuruga Naha</u> , <u>Nono Saga</u> .		[L] chitose, <u>Nono Kyoto Bettei</u> , <u>Yokkaichi</u> , <u>Tomakomai Annex</u> , <u>Nono Ise</u> , <u>Nono nagano</u> , [L] Kawagoe, [L] Nono Kochi, <u>Maebashi Inter</u> .		<u>Premium Yokohama</u> , <u>Nono kagoshima</u> , <u>Nono Nagoya Nishiki</u> .	
Resorts	+1 facilities*	+75 rooms*			+1 facilities*	+67 rooms*	+5 facilities*	+526 rooms*	+7 facilities*	+542 rooms*
	Ending number of facilities	42 facilities	Ending number of facilities	42 facilities	Ending number of facilities	43 facilities	Ending number of facilities	50 facilities	Ending number of facilities	56 facilities
	Ending guest capacity	4,268 rooms	Ending guest capacity	4,268 rooms	Ending guest capacity	4,335 rooms	Ending guest capacity	4,861 rooms	Ending guest capacity	5,403 rooms
	Leasing rate	72.1%	Leasing rate	72.1%	Leasing rate	71.0%	Leasing rate	63.3%	Leasing rate	58.3%
	[L] La Vista Kannonzaki Terrace.				<u>Kyoto Omuro Ninnaji</u> .		<u>La Vista Atami Terrace</u> , <u>La Vista Enoshima Terrace</u> , <u>Minamiaso</u> , <u>Kannawa Hot Spring</u> , <u>Kawaguchiko Lake side Villa</u> .		[L] <u>Hakone Terrace</u> , <u>sonzan</u> , <u>Yufuin</u> , <u>Ohiradai</u> , <u>Namekawa hotel</u> , <u>Unryu</u> , <u>Takayu Hot Spring</u> .	
Companywide leasing rate	88.7%		88.9%		87.0%		85.0%		84.7%	

* 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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