



CREATION OF ATTRACTIVE TOWN DEVELOPMENT

LA HOLDINGS

Financial Results for the Third Quarter of 2024

November 14, 2024

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■ New Real Estate Sales

➤ Newly-built property sales

- Income-producing development
 - Residences for lease
 - Luxury residences for lease “THE DOORS”
 - Commercial buildings
 - “A * G ”
 - “THE EDGE”
- New condominium buildings
 - “L’attrait RESIDENCE”
 - “un rêve GRANDIT”

➤ Land planning and sales

- Sale to other companies of land with a development plan

■ Revitalized Real Estate Sales

➤ Sales of revitalized condominiums

Main business is “L’attrait Premium-Renovation®”

➤ Sales of revitalized condominium buildings

➤ Others



■ Real Estate Leasing

The leasing of real estate owned by the LA Holdings Group and the leasing of real estate classified as real estate for sale to tenants until the properties are sold

- Healthcare facilities
- Residential hotels
- Commercial facilities and office buildings, etc.

Summary (YoY)	Net sales	Ordinary profit	Profit	Total assets
	¥31.71 billion (+39.8%)	¥4.37 billion (+34.3%)	¥2.99 billion (+43.5%)	¥66.68 billion

Third quarter highlights

- ✓ Finished sales of commercial buildings “A * G Inokashira Park” (Musashino City, Tokyo) and “A * G Nishi-Ogikubo” (Suginami Ward, Tokyo)
- ✓ Sales of “L’attrait Residence KYOTO” (Kyoto City, Kyoto Prefecture) and un rêve GRANDIT NAHA OMOROMACHI (Naha City, Okinawa Prefecture), which are new condominium buildings, contributed to sales
- ✓ Strong sales of the “BILLION RESIDENCE®” series, “L’attrait Premium-Renovation®” series, and “FAN TORII MANSION” (Nakagami district, Okinawa Prefecture)

Ongoing projects

- ✓ Started a land development project in Koga City, Fukuoka Prefecture that sets a new record for the size of an LA Holdings Group project
- ✓ Started “A * G Meieki” (Nagoya City, Aichi Prefecture), the third project in the “A * G” series in Aichi Prefecture
- ✓ Signed a sales contract for “THE EDGE Nagoya” (Nagoya City, Aichi Prefecture) and “THE EDGE Shimomeguro” (Meguro Ward, Tokyo)
- ✓ Started construction of “A * G Monzen-nakacho” (Koto Ward, Tokyo)
- ✓ Many other developments are ongoing

Others

- ✓ Included in the JPX-Nikkei Mid and Small Cap Index in 2022, 2023 and 2024
- ✓ Repurchase of treasury shares is completed (150,000 shares/652,217,000 yen)
- ✓ Used third-party allotments to issue the 15th and 16th share acquisition rights (with fixed exercise price)
- ✓ Started two businesses: M&A support and corporate investments

Major components

- ✓ Many types of properties
New/Remodeled: ¥44.9 billion
- ✓ Major real properties for sale
 - ◆ A * G Shimokitazawa
 - ◆ A * G Asakusa
 - ◆ A * G Ropponmatsu
 - ◆ A * G Monzen-nakacho
 - ◆ THE DOORS Yakuin
 - ◆ THE EDGE Shimoméguro
 - ◆ un rêve series
 - ◆ BILLION RESIDENCE® series
 - ◆ L'attrait Premium-Renovation® series
 - ◆ Hi▶La▶Re series

Total assets

¥66.6 billion

Assets

Current assets

Cash and deposits
¥11.8 billion

Real properties for sale
¥44.9 billion

Non-current assets

Property, plant and equipment
¥6.6 billion

Total liabilities and net assets

¥66.6 billion

Liabilities

Current liabilities

Short-term borrowings
¥12.8 billion

Current portion of long-term borrowings
¥9.2 billion

Non-current liabilities

Long-term borrowings
¥23.2 billion

Net assets

¥16.3 billion

Major components

Short-term borrowings

Borrowed funds for projects primarily by using overdraft facilities

Long-term borrowings

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

Real properties for sale

Increased about ¥8.8 billion from end of 2023 because of purchases for development projects of new real estate sales and the “L'attrait Premium-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 Dec. 2023	End of Sep. 2024 (3Q)
Real properties for sale	13.8	9.7	17.5	28.8	36.1	44.9
Property, plant and equipment	6.4	8.8	9.6	11.3	10.1	6.6
Total assets	24.8	23.6	36.3	50.6	61.2	66.6

Note: All indices are calculated based on consolidated figures.

(Millions of yen)

	3Q 2023 results	3Q 2024 results	2024 plan	Progress ratio
Net sales	22,678	31,712	38,900	81.5%
Operating profit	3,705	5,011	6,000	83.5%
Ordinary profit	3,254	4,371	5,300	82.5%
Profit	2,086	2,994	3,710	80.7%

Note: All indices are calculated based on consolidated figures.

3Q 2024 Sales by Business Segment

(Millions of yen)

	1Q-3Q 2023 results	1Q-3Q 2024 results	YoY	Overview
Net sales	22,678	31,712	+39.8%	
I Real Estate Sales	21,887	30,916	+41.3%	
1 New Real Estate Sales	10,138	15,338	+51.3%	Completed sales of a large property (Chuo Ward, Tokyo) in the land planning and sales Completed sales of commercial buildings “A * G Inokashira Park” and “A * G Nishi-Ogikubo”
(1) Land planning and sales	1,380	9,434	+583.6%	
(2) Newly-built property sales	8,758	5,904	(32.6)%	
2 Revitalized Real Estate Sales	11,748	15,578	+32.6%	Sales was 1.3 times that of the same period of the previous year due to strong sales of revitalized condominiums
(1) Revitalized condominiums	7,468	15,114	+102.4%	
(2) Others	4,279	463	(89.2)%	
II Real Estate Leasing	762	729	(4.3)%	

Note: All indices are calculated based on consolidated figures.

2 - (5) 3Q 2024 Gross Profit by Business Segment

(Millions of yen)

	1Q-3Q 2023 results		1Q-3Q 2024 results		Overview
	Gross profit	Profit margin	Gross profit	Profit margin	
Total	5,872	25.9%	7,622	24.0%	
I Real Estate Sales	5,414	24.7%	7,107	23.0%	
1 New Real Estate Sales	3,314	32.7%	4,030	26.3%	Completed sales of a large property (Chuo Ward, Tokyo) in the land planning and sales Completed sales of commercial buildings “A * G Inokashira Park” and “A * G Nishi-Ogikubo”
(1) Land planning and sales	162	11.8%	1,772	18.8%	
(2) Newly-built property sales	3,151	36.0%	2,258	38.3%	
2 Revitalized Real Estate Sales	2,100	17.9%	3,076	19.7%	Gross profit was 1.4 times that of the same period of the previous year due to strong sales of revitalized condominiums
(1) Revitalized condominiums	1,290	17.3%	2,909	19.3%	
(2) Others	809	18.9%	166	36.0%	
II Real Estate Leasing	428	56.2%	447	61.3%	Maintained favorable profit margin due to steady income from rental properties

Note: All indices are calculated based on consolidated figures.

Revitalized Real Estate Sales

■ "BILLION RESIDENCE®" series



■ "L'attrait Premium-Renovation®" series



Real Estate Leasing

■ Healthcare facilities etc.



3Q 2024

Sales ¥31.7 billion

Real Estate Leasing
2.3%Revitalized Real
Estate Sales
49.1%New Real
Estate Sales
48.4%

New Real Estate Sales

Income-producing development (B to B)

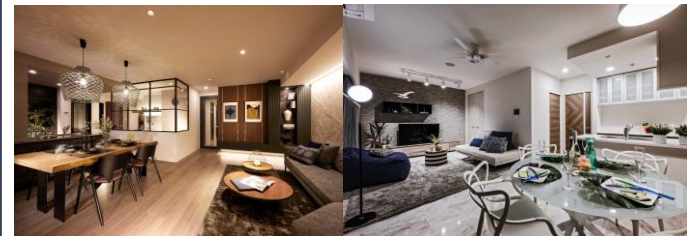
■ Residential developments



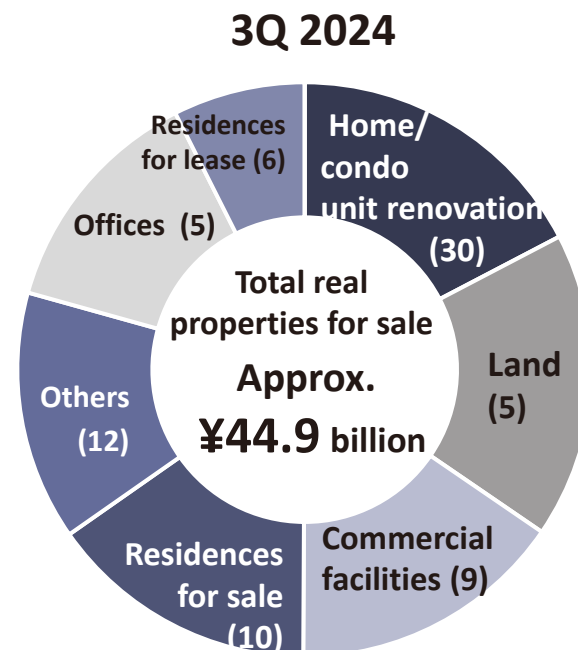
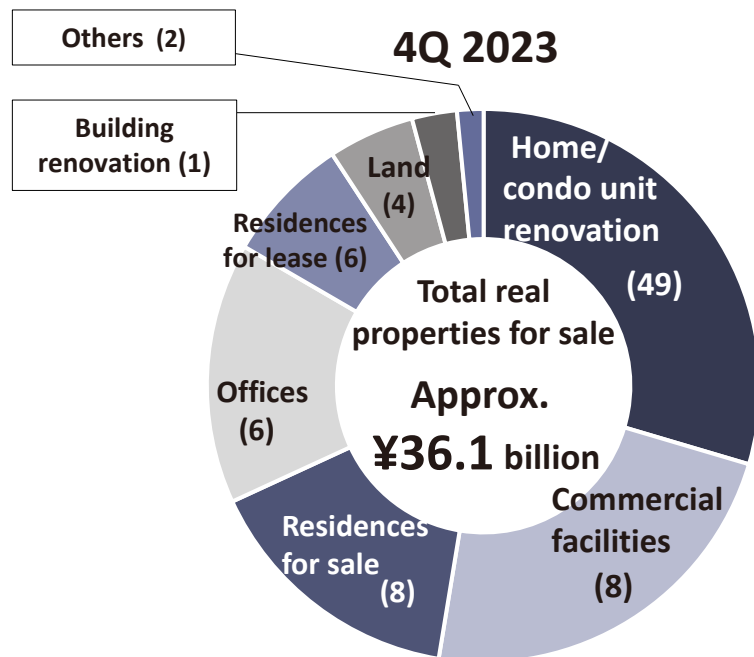
■ Commercial developments



Condominium developments (B to C)



2 - (7) 3Q 2024 Portfolio of Real Properties for Sale



*Number of properties is in parentheses.

Examples of ongoing projects

A * G Shimokitazawa



THE EDGE Shimomeguro



A * G Asakusa



A * G Monzen-nakacho

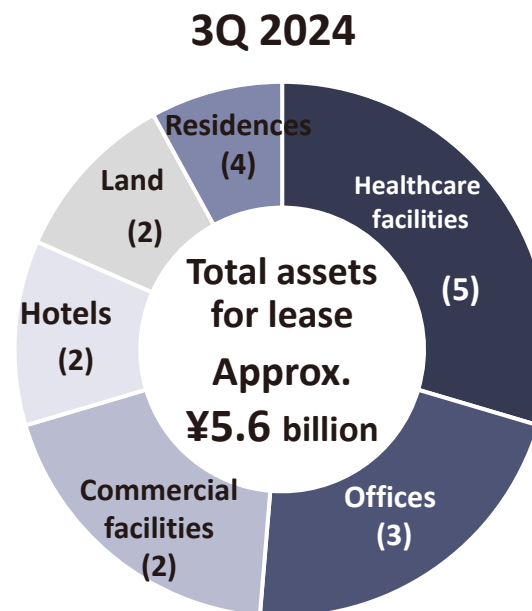
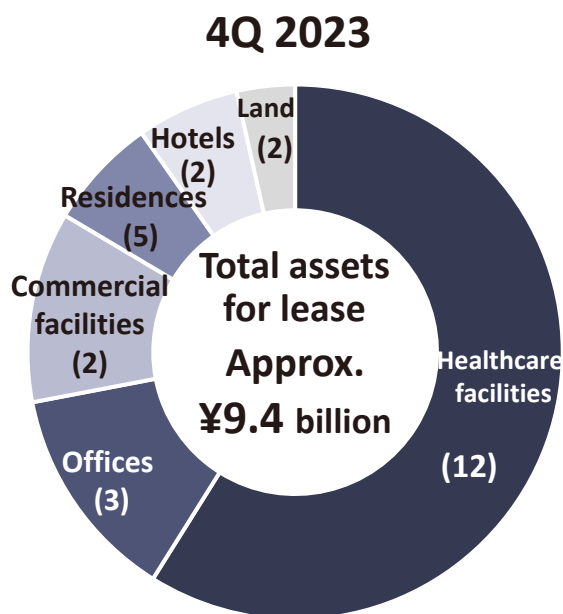


THE EDGE Meieki



A * G Ropponmatsu





*Number of properties is in parentheses.

Primary owned real estate

Healthcare facilities



Offices



Commercial facilities



Residential hotels



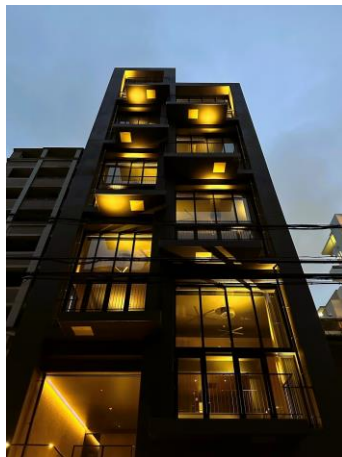
Many residential and commercial developments are ongoing



■ un rêve GRANDIT AGARIHAMA Sea & Park



■ THE DOORS Yakuin



■ L'attrait Residence KYOTO



■ un rêve REALISER MIEBASHI



■ un rêve GRANDIT TEDAKO URANISHI TOWER



■ un rêve GRANDIT MEKARU SHINTOSHIN III



■ un rêve GRANDIT NAHA OMOROMACHI

《Revitalized Real Estate Sales》
FAN TORII MANSION

Kyoto

Fukuoka

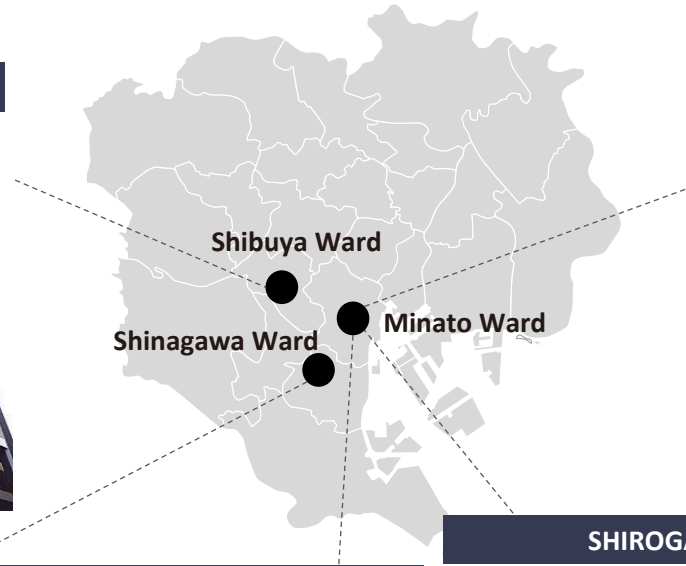
Okinawa

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

Several projects in central Tokyo

- ✓ The “L’attrait Premium-Renovation®” series with a price range of ¥100 - ¥900 million
- ✓ The “BILLION RESIDENCE®” series with a price of ¥1 billion or more
- ✓ Sales of Hi▶La▶Re series

SHIBUYA EINS



Tokyo Twin Parks



PAIRCITY RENAISSANCE



TOKAN MANSION MINAMIAOYAMA



SHIROGANE HOUSE



3 - (1) Medium-term Management Plan (Profit plan)

Revised full-year forecast for 2024 on September 12, 2024 as follows:

Net sales: 33,000→38,900, Operating profit: 5,700→6,000, Ordinary profit: 5,000→5,300

Profit attributable to owners of parent: 3,500→3,710

(Millions of yen)

	2022 results	2023 results	2024 forecast	2025 plan
Net sales	18,253	31,499	38,900	51,000
Operating profit	4,226	5,552	6,000	8,200
Ordinary profit	3,730	4,941	5,300	7,400
Profit attributable to owners of parent	3,381 (*)	3,293	3,710	5,100

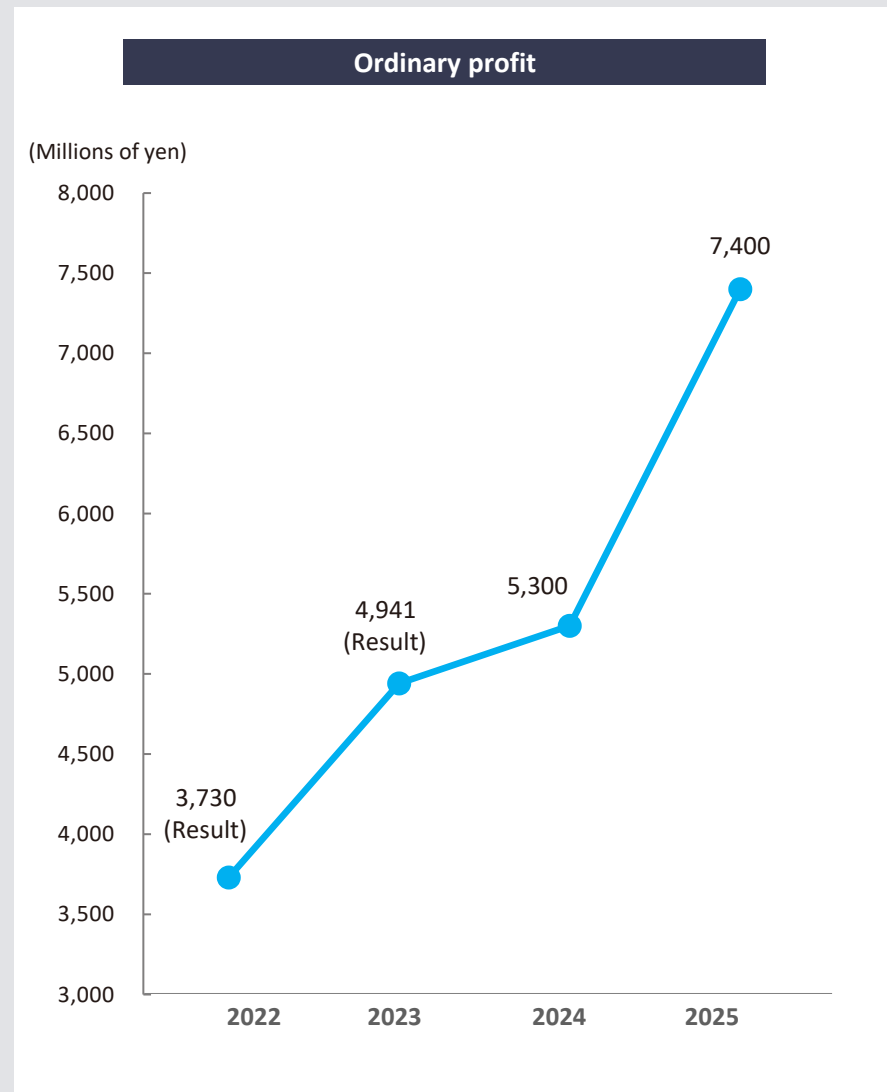
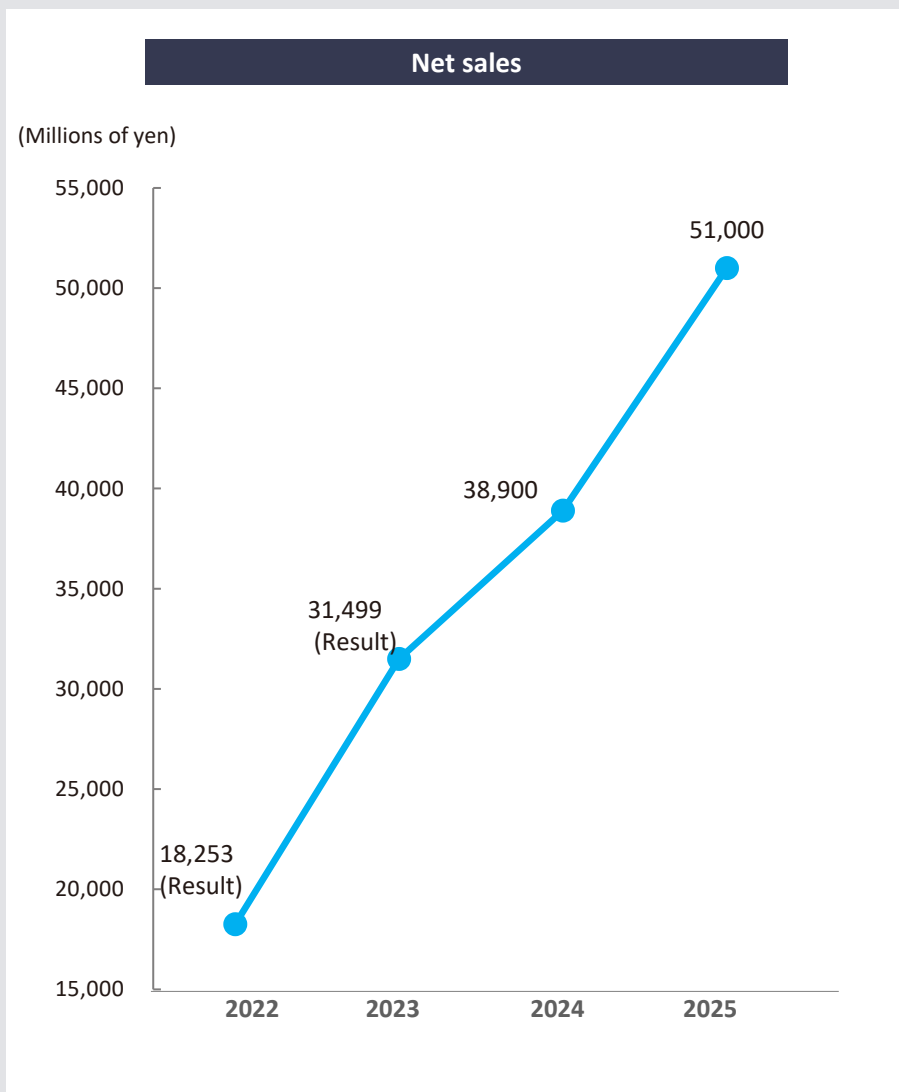
Note: All indices are calculated based on consolidated figures.

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

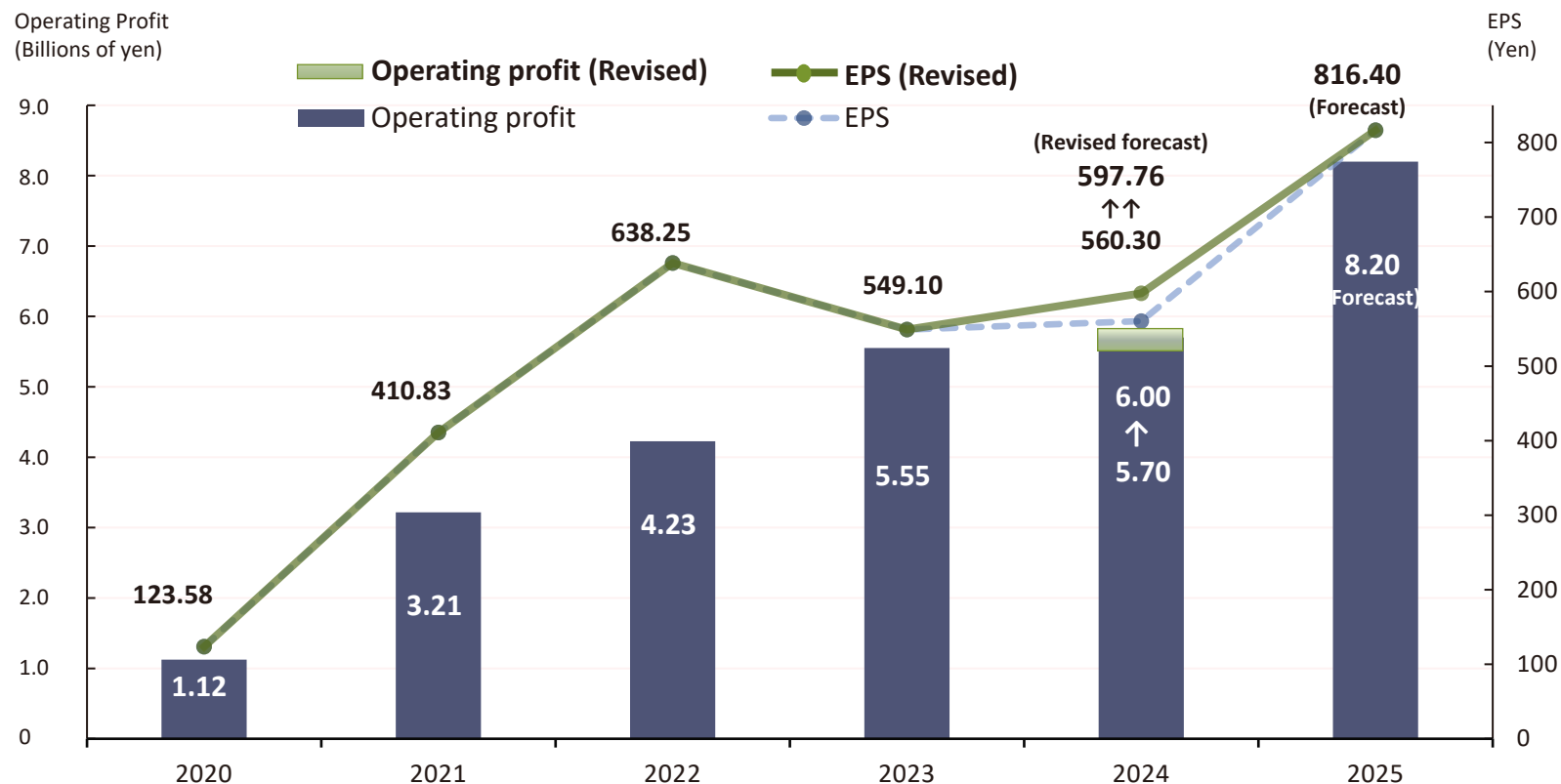
The LA Holdings Group has been using its ability to increase the procurement of funds for growth of investment business purchases in the three central wards of Tokyo. The 2024 forecast has been revised as net sales are expected to be higher than the initial plan because of completions of sales of large projects. Operating profit, ordinary profit and profit attributable to owners of parents are also expected to be higher because of the expected increase in net sales.

3 - (2)

Medium-term Management Plan (Net sales and ordinary profit)



3 - (3) Operating Profit and Earnings Per Share (EPS)



Aim for continuous earnings growth to further increase corporate value

Dividend policy

Basic policy

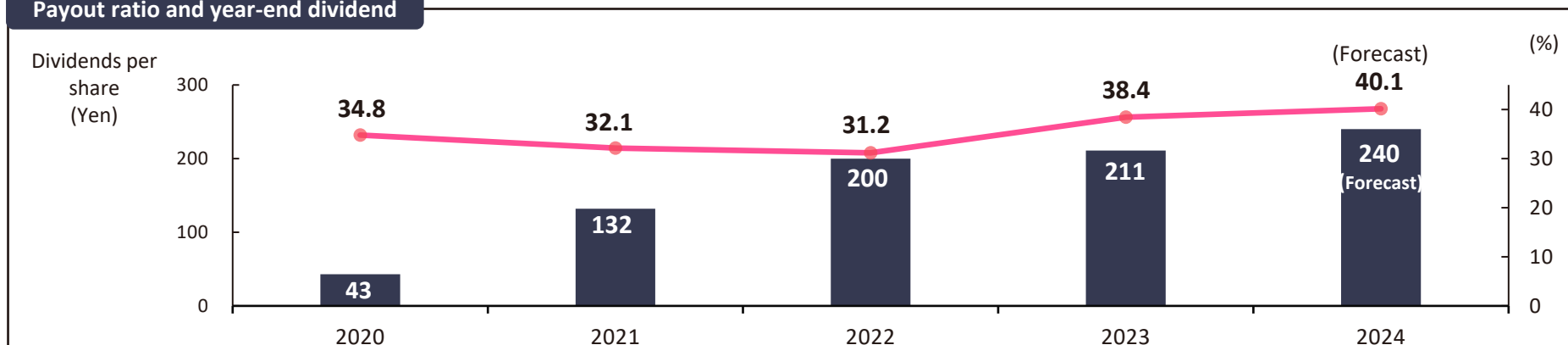
Distributing earnings to shareholders is one of the highest priorities of LA Holdings. The basic policy is to aim for a dividend payout ratio of **at least 30%** based on profit attributable to owners of parent. Dividends are determined by taking into account measures to strengthen business operations and achieve goals for future operations, the outlook for sales and earnings, and other factors.

Shareholder return

LA Holdings plans to pay a 2024 year-end dividend of **¥240, which is ¥19 higher than** the previous forecast of ¥221 that was announced on September 12, 2024.

	Dividends per share			Payout ratio
	Interim	Year-end	Total	
2022 results	-	¥200	¥200	31.2%
2023 results	-	¥211	¥211	38.4%
2024 forecast	-	¥221 → ¥240	¥221 → ¥240	40.1%

Payout ratio and year-end dividend



4. Reference

(1) Market Overview (The J-REIT Market)

(2) Market Overview (The Tokyo Area Existing Condominium Market)

(3) Market Overview (Japan's Aging Population and Outlook)

(4) Market Overview (Assets and Number of Households)

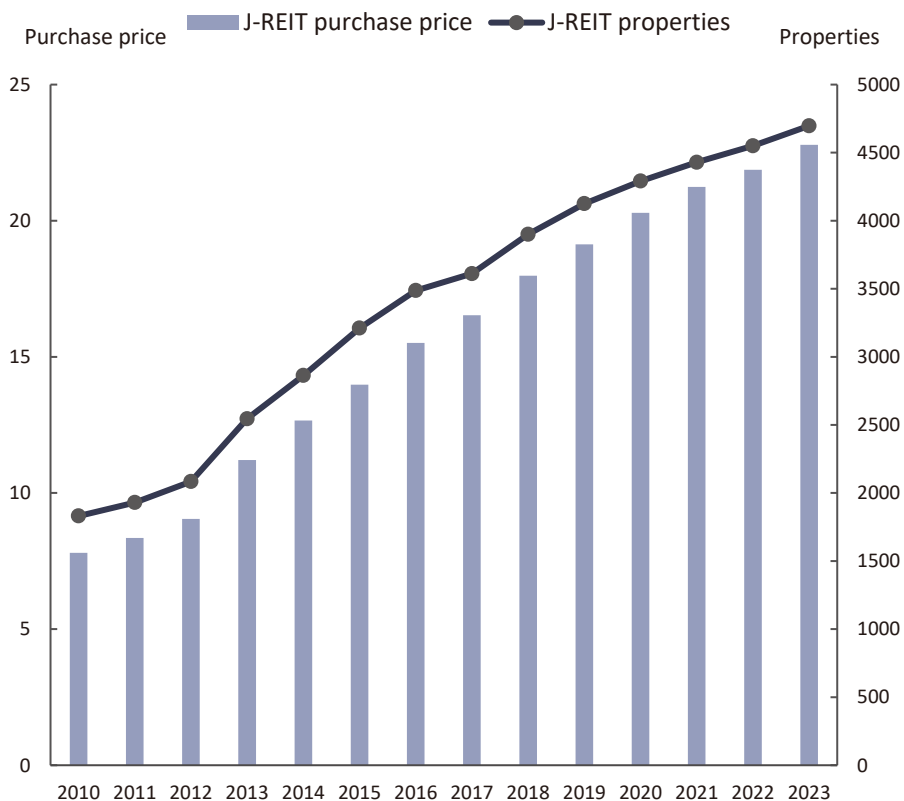
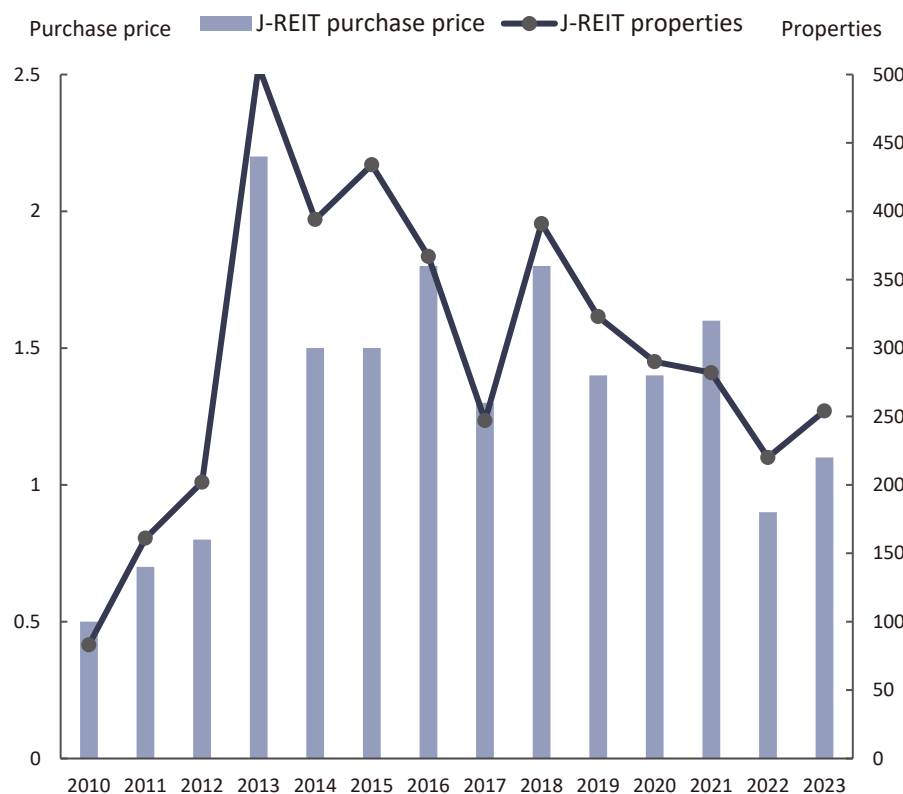
In 2023, J-REIT property acquisitions increased 26% to ¥1,104.3 billion, exceeding ¥1 trillion for the first time in two years.

*Source: The Association for Real Estate Securitization

Owned real estate (annual)

Owned real estate (total)

(Trillions of yen)

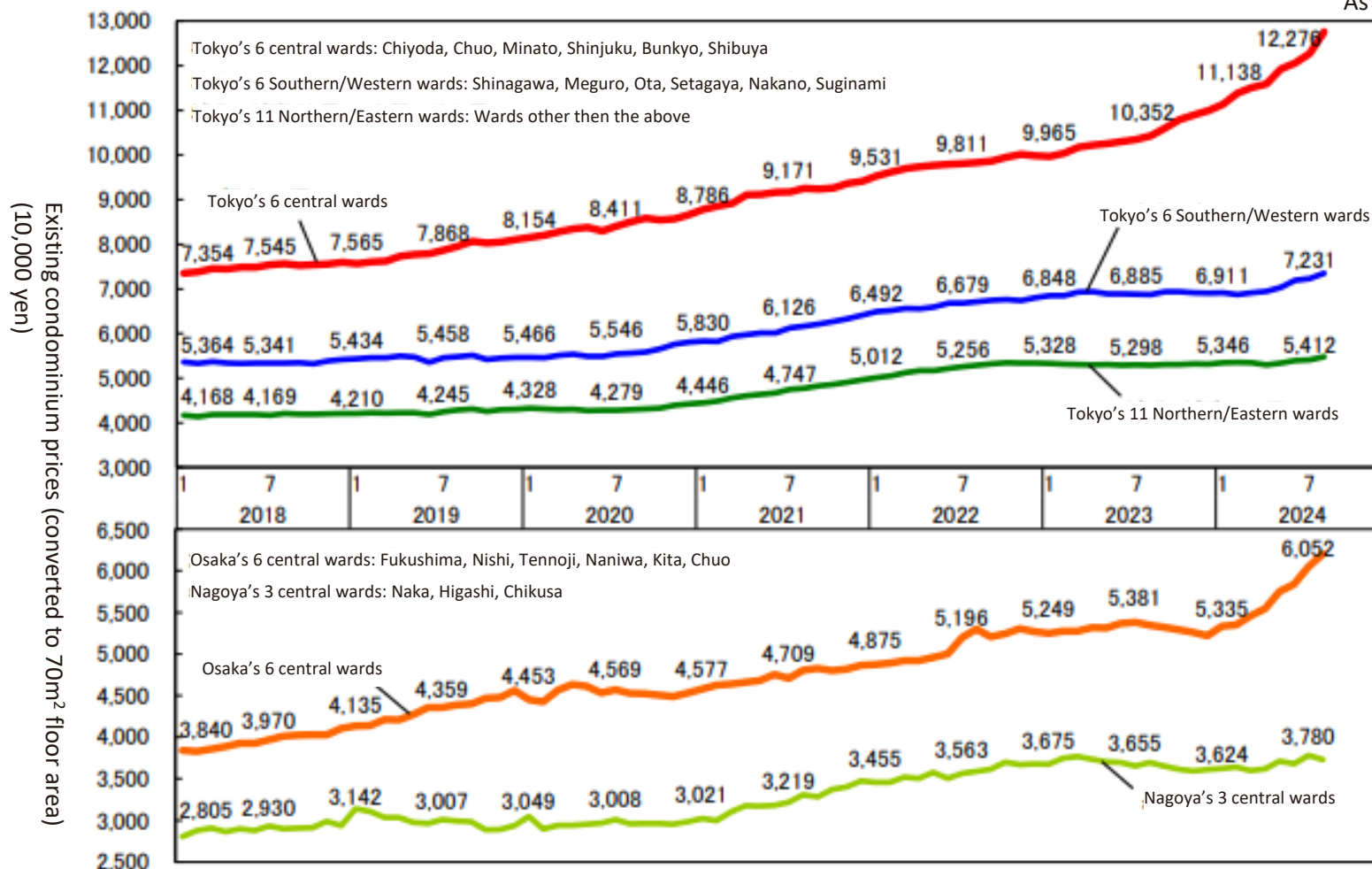


Market Overview (The Tokyo Area Existing Condominium Market)

According to market survey company TOKYO KANTEI, the average price of a condominium in central Tokyo (Chiyoda, Chuo, Minato, Shinjuku, Bunkyo, Shibuya Wards) increased 6.3% in 2023 to ¥104.19 million, surpassing ¥100 million for the first time. From January to August 2024, the average price rose to ¥122.76 million. Prices are continuing to climb.

Source: TOKYO KANTEI Co., Ltd.

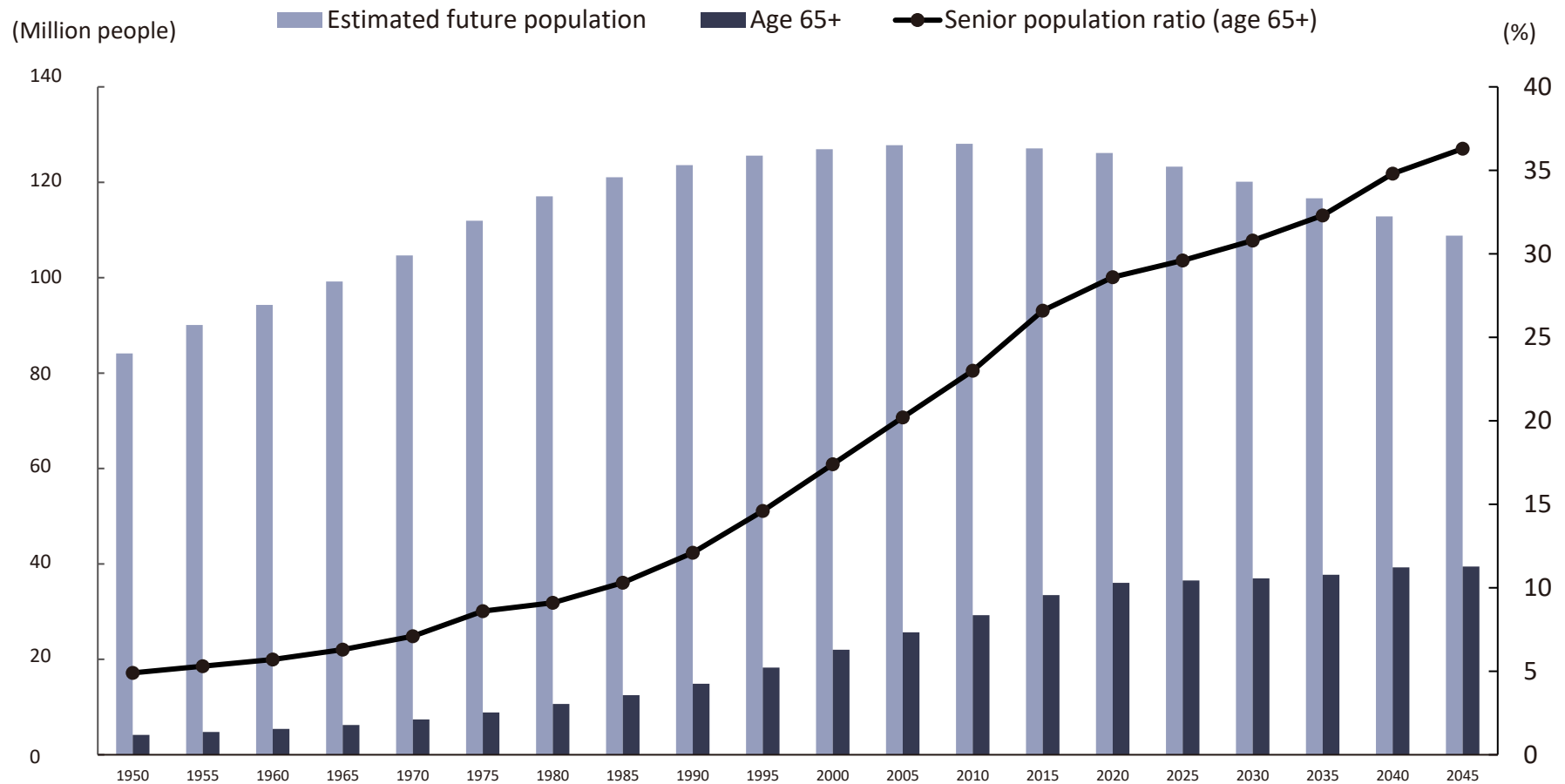
As of September 24, 2024



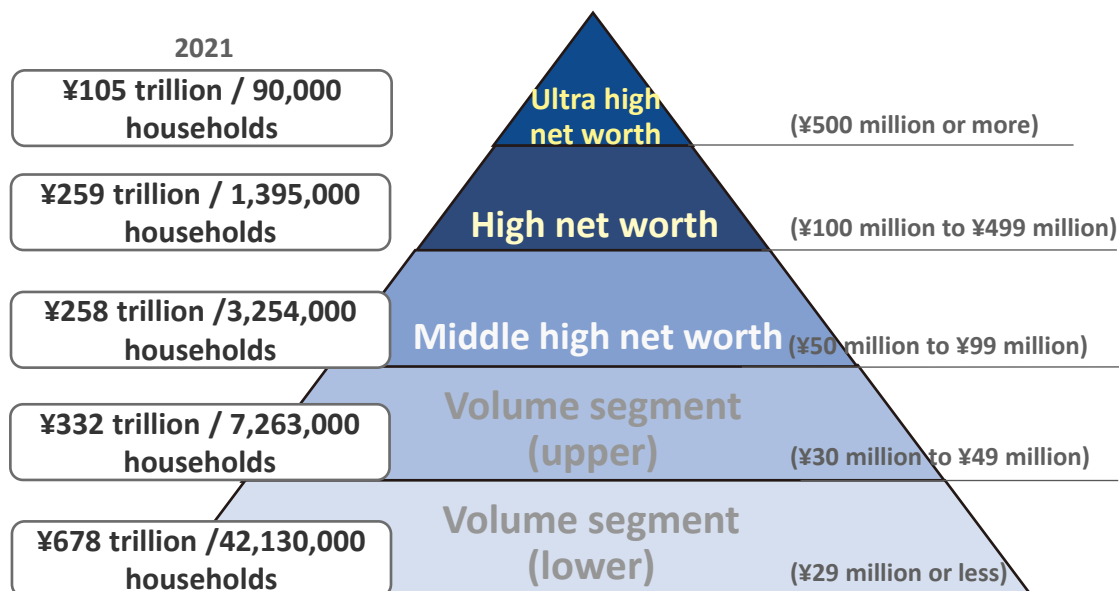
Market Overview (Japan's Aging Population and Outlook)

*Source: Cabinet Office "White Paper on the Aging Society" (2024)

Japan's population has been decreasing since reaching its peak in 2010. The senior population (age 65+) will increase until about 2043.



Number of households in net financial asset categories

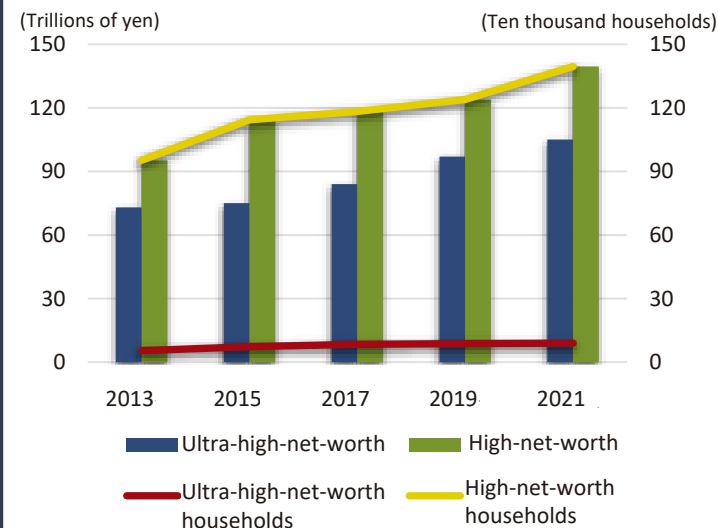


* NRI estimates based on "National Tax Agency Annual Statistics Report" by National Tax Agency, "National Survey of Household Income and Expenditure (formerly National Survey of Family Income and Expenditure)" by Ministry of Internal Affairs and Communications, "Vital Statistics" by Ministry of Health, Labor and Welfare, "Household Projections for Japan" by National Institute of Population and Social Security Research, "TOPIX" by TSE, "NRI 10,000 Sei-katsu-sha Survey" "NRI Wealthy Class Survey" and other data

Increases in net financial assets and number of households

Ultra high net worth		2013	2015	2017	2019	2021
	Net financial assets (trillion yen)	73	75	84	97	105
High net worth	Number of households (Ten thousands)	5.4	7.3	8.4	8.7	9.0
	Net financial assets (trillion yen)	168	197	215	236	259
High net worth	Number of households (Ten thousands)	95.3	114.4	118.3	124.0	139.5

Ultra-high-net-worth and High-net-worth Assets and Households



Real estate investments by high-net-worth individuals

➤ High-rise condominiums

A category that fully benefits from increases in prices of land and condominiums

➤ Entire condominium buildings

Ownership of many units has the benefit of generating substantial rental income. The value of the land and building can also make this a holding that with increasing value as an asset over time. However, a large initial investment is required to purchase a building.

➤ Older condominium units

Although the return on each unit is low, maintaining asset value is easy and investments can be diversified to purchasing several units.

Securities Code

2986

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