

# Medium-term Management Plan

- New Growth 2028 Updated -

**Leopalace21 Corporation**  
(Code : 8848)

May 15, 2026

 **Leopalace 21**

## Leasing Business

We have adjusted our occupancy rate forecast based on the occupancy rate at the end of the fiscal year 2025. In addition, we have raised our forecast for average unit rent for new contracts to reflect the robust demand environment driven by corporate customers.

FY 2027 Average unit rent for  
new contracts (index)

**116**  
(original 109)

## Earnings Forecast

The plan to achieve both net sales and profit growth over the three-year period remains unchanged; however, the forecast has been revised upward to account for higher average unit rent for new contracts and order intake in Development Business in the fiscal year 2025 significantly above plan, despite increased cost of sales and personnel expenses resulting from inflation and workforce expansion.

FY 2027 OP Plan

**JPY 43.1 billion**  
(original JPY 41.3 billion)

We have revised the forecasts to reflect the increase in average unit rent for new contracts in the fiscal year 2025 and the actual occupancy rate at the end of the fiscal year 2025.

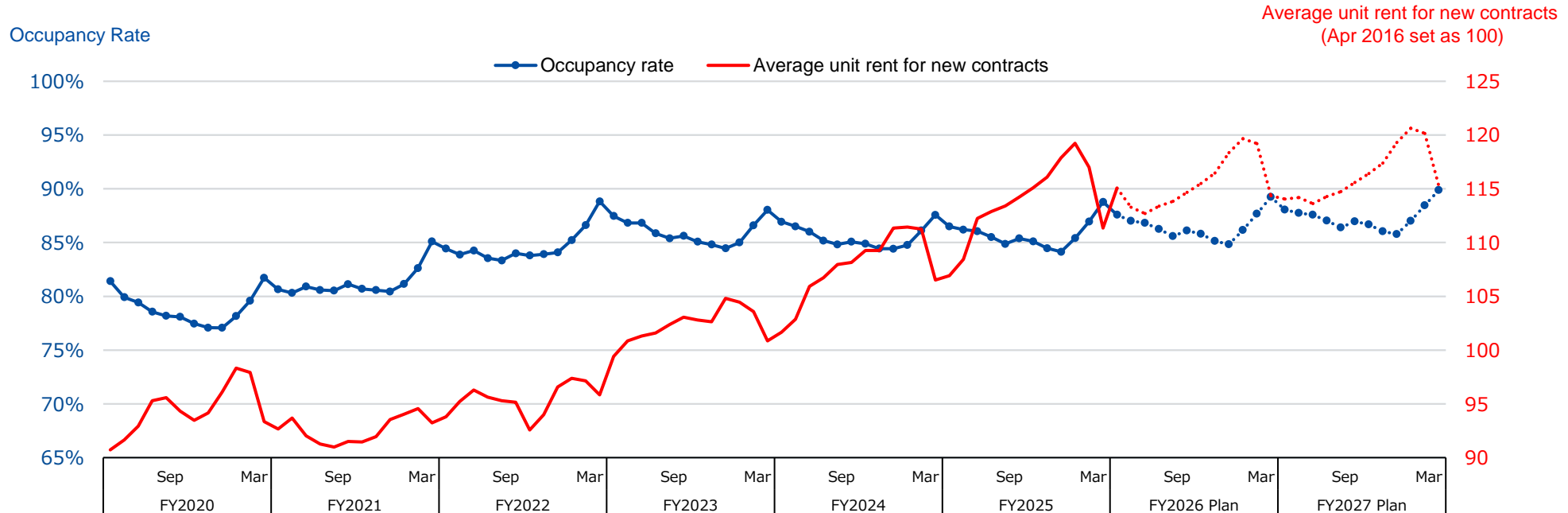
## Occupancy rate

## Average unit rent for new contracts (index)

	FY2024 Result	FY2025 Result	FY2026 Plan	FY2027 Plan
Average occupancy rate	85.56%	85.78%	<u>86.49%</u>	<u>87.30%</u>
Year-end occupancy rate	87.57%	88.78%	<u>89.24%</u>	<u>89.88%</u>

	FY2024 Result	FY2025 Result	FY2026 Plan	FY2027 Plan
Average unit rent for new contracts (index)	108	114	<u>116</u>	<u>116</u>

## Changes in Occupancy Rate and Average Unit Rent for New Contracts



The underlined numbers indicate revisions from the previously published figures.

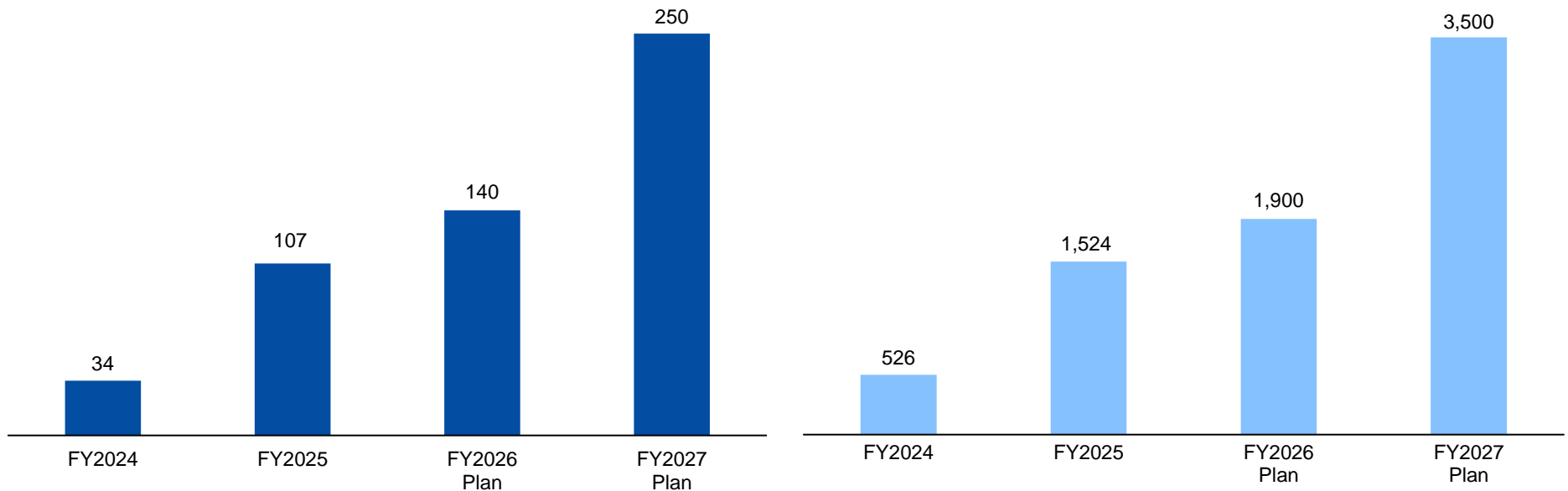
Reflecting the strong order intake significantly above plan in the fiscal year 2025, we have adjusted our target for the number of units under management by 1,000 units for the fiscal year 2027.

► Changes in the number of apartment units under management



► Number of order receipts for apartment buildings

► Number of order receipts in terms of apartment units



The underlined number indicate revisions from the previously published figure.

(JPY million)	Original Plan Announced May 2025		Updated Plan		Change		Elements behind the changes
	FY2026	FY2027	FY2026	FY2027	FY2026	FY2027	
Net sales	456,300	468,000	<b>465,000</b>	<b>477,800</b>	+8,700	+9,800	<b>Net Sales:</b> FY2026: The forecast was revised upward to reflect order intake above plan in the Development Business in FY2025 and an increase in average unit rent for all occupied units in the Leasing Business. FY2027: The forecast was also revised upward due to the continued increase in leasing income driven by higher average unit rent.
Cost of sales	362,100	368,900	<b>368,200</b>	<b>374,600</b>	+6,100	+5,700	
Gross profit	94,200	99,100	<b>96,800</b>	<b>103,200</b>	+2,600	+4,100	<b>Cost of sales:</b> FY2026: Costs are expected to rise due to strong order intake above plan in the Development Business and various expenses such as maintenance costs are expected to increase due to inflation FY2027: Various expenses such as maintenance costs are expected to increase due to inflation.
%	20.6%	21.2%	<b>20.8%</b>	<b>21.6%</b>	+0.2 p	+0.4 p	
SG&A	55,700	57,800	<b>58,300</b>	<b>60,100</b>	+2,600	+2,300	<b>SG&amp;A:</b> Reflected increased personnel expenses due to staff expansion and salary increases, as well as an increase in other operating expenses.
Operating profit	38,500	41,300	<b>38,500</b>	<b>43,100</b>	+0	+1,800	
%	8.4%	8.8%	<b>8.3%</b>	<b>9.0%</b>	△0.1 p	+0.2 p	<b>Non-operating expenses:</b> Reflected the impact of lower interest rates resulting from the refinancing conducted in February 2026.
Recurring profit	37,300	40,100	<b>38,100</b>	<b>42,700</b>	+800	+2,600	
Net income	22,100	23,900	<b>22,200</b>	<b>25,000</b>	+100	+1,100	

N.B. New lease accounting standard which is applicable for FY2027 onward is not considered in the above forecast.

**For inquiries regarding investor information and sustainability,  
please contact us here.**

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