RELO GROUP







Integrated Report

2026












As a problem-solving company, we continuously create businesses that address a variety of social issues.

These include relocation services, from which we derived the "Relo" in our name.

Our relocation services provide total support for the troublesome procedures involved in transfers and global relocation, including managing one's house, making arrangements for moving and housing at one's new location, obtaining a visa, and booking airline tickets.

At the time of our founding, many transferees were troubled with managing their houses during their assignments. For many people, their house is their greatest asset, and they take out large loans to pay for it. In response to this dilemma, many companies began to support transferees by introducing systems where their houses were leased to colleagues. However, there were many issues, with some complaining about rents that were too low to cover their loan payments and others dealing with trouble arising from leasing their houses to colleagues. Even for transferees who went through real estate companies and found tenants who could pay a satisfactory amount for rent, when it came time for them to return from their assignments, their houses would oftentimes not be returned at their convenience.

To address such problems related to unoccupied housing, our founder, Masanori Sasada, devised a model for relocation services tailored to the Japanese market, in which those leaving their houses unoccupied for a given period of time could lease said properties, thereby allowing them to earn income through rent. He went on to commercialize this service as the first provider in Japan.

At the Relo Group, we have managed more than 100,000 unoccupied houses of transferees while creating a helpful system that solves a variety of social issues. In addition, we have launched numerous businesses to solve the problems faced by the human resources and general affairs departments of Japanese companies. Through these efforts, the Group has continued to grow. Moving forward, we will continue to provide comprehensive support to Japanese companies facing structural changes, including a declining birthrate, an aging population, diversification of lifestyles, and globalization, carrying on the challenge of creating an industry of comprehensive lifestyle support services.





Editorial Policy

In creating this integrated report, we have compiled management policies and strategies, financial information, ESG information, and other necessary information to provide investors, shareholders, and all other stakeholders with a deeper understanding of the Relo Group's values and its initiatives towards the enhancement of corporate value over the medium to long term.

Forward-Looking Statements

The forward-looking statements contained in this integrated report, such as forecasts, include uncertainties and are based on available information and certain assumptions that are regarded as reasonable. Actual results may differ due to a range of factors.

CONTENTS

Introduction

Why Relo, Why Now?

01 Contents
02 Our Business Environment
03 Corporate Policy
04 Encouraging Every Employee to Participate in Corporate Management
05 The Words and Beliefs That Define Relo

Section 1

Management Messages

06 Message from the CEO
10 Message from the CFO
14 Roundtable Discussion with Outside Directors
16 Message from the Founder

Section 2

The Relo Group's Value Creation

18 The Relo Group's Story
19 At a Glance
20 The Relo Group's Value Creation Process
21 Materiality
22 Overview of Business Segments

Section 3

Growth Strategy

23 The Position of the Medium- to Long-Term Strategy
24 Fourth Olympic Plan
26 Outsourcing Business: Fringe Benefit Business
28 Outsourcing Business: Leased Corporate Housing Management Business
30 Outsourcing Business: Global Relocation Support Business
32 Residential Property Management Business
34 Tourism Business

Section 4

Foundations for Value Creation

36 Sustainability Promotion Structure
37 Human Capital
42 Dialogue Between Award Recipients
44 Environment
45 Governance
47 List of Board Members

Section 5

Data

49 Financial and Non-Financial Highlights
50 Company Profile and Stock Information

Our Business Environment

As macro trends bring social issues into sharper focus, Japanese companies are facing structural changes.
We will continue creating services and businesses that help solve these challenges.

Social Issues

- Labor shortages
- Declining birthrate and aging population
  Long-term structural challenges facing all Japanese companies
- Shrinking domestic market

Japan's Major Transformation

Corporate Challenges
Arising from Transformation

Structural changes in Japanese companies
From a self-contained domestic society to an open economy that draws on people, goods, and capital from around the world

Management transformation at Japanese companies
Toward management that concentrates resources on core operations and uses external expertise for other necessary functions

- Recruitment and securing of talent
- Improvement of operational efficiency and reduction of costs
- Acceptance of foreign talent
- Global expansion
- Regional revitalization
- Business succession

Three Trends
Identified by Relo

1 Expansion of Outsourcing
Accelerating use of external providers for non-core operations to concentrate limited human resources on core operations

2 Acceleration of Global Expansion
Progress in overseas market expansion and workforce globalization

3 Supporting the Survival of Regional and Small and Medium-Sized Companies
A growing need for business succession and management support to address labor shortages and a lack of successors

Businesses Developed in Response to These Three Trends







Corporate Policy

MISSION

To support the non-core operations of Japanese companies, enabling them to concentrate on their core operations and compete on the world stage

To facilitate the global expansion of Japanese companies, empowering them to unleash their true potential

To aid in the great transformation that awaits Japan

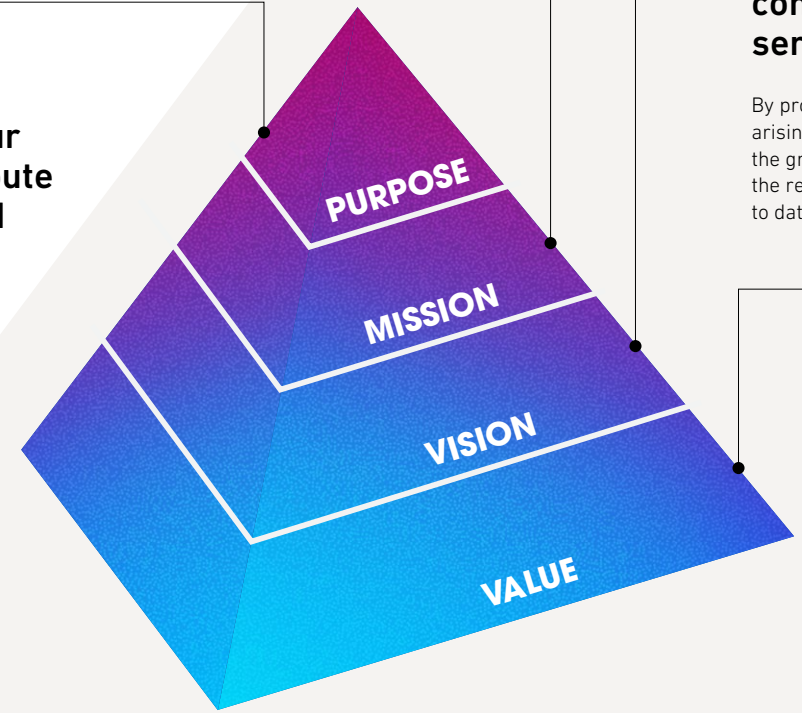
The Relo Group's Mission

PURPOSE

The Relo Group's Purpose

As a problem-solving company, all of our employees will work together to contribute to the prosperity of all stakeholders and realize a sustainable society

We started with a mission of solving problems regarding the unoccupied houses of transferees. We have created a business of solving issue after issue faced by clients, including those in charge of companies' personnel and general affairs, transferees, small and medium-sized enterprises, people who have just relocated, and regional small and medium-sized hotels and Japanese inns. We will keep moving forward as a problem-solving company addressing the issues faced by society and as an unpredictable, interesting group with a strong sense of ownership in our work, continuing to contribute to the development of Japanese companies undergoing major transformations.



VISION

The Relo Group's Vision

Creating an industry of comprehensive lifestyle support services that we provide globally

By providing solutions that meet the new challenges and needs arising from Japan's major transformation, we will accelerate the growth of each business. At the same time, we will leverage the recurring revenue business foundation we have developed to date, expanding the scope of our problem-solving capabilities.

VALUE

The Relo Group's Values

The Three Principles of the Relo Group

- **With every employee's participation in corporate management, we shall respect each other and together pursue the prosperity of all.**
- **We shall provide the best possible services to our customers.**
- **We shall strive to do our very best in every situation and occasion.**

The Relo Group's Culture: Encouraging Every Employee to Participate in Corporate Management

One of the Relo Group's Three Principles is on the importance of encouraging every employee to participate in corporate management. Since its founding, the Group has recruited like-minded employees (partners) who share the dreams and visions of its founder. We have upheld our "**Partnership Management**" philosophy of achieving the prosperity of both the Company and its employees and taking on the challenge of realizing our dreams and visions, and our "**Management That Gives Opportunities**" philosophy of encouraging employees to demonstrate their abilities and grow in an environment where everyone can flourish regardless of gender, nationality, or career backgrounds. These two philosophies form the foundation for developing the human resources necessary to advance the Group's businesses.

Realize personnel affairs, organizational culture, and governance as management foundations supporting growth

Achieve participation of all employees in corporate management



We view partnership management not as a mere employer–employee relationship but rather as a comradery where we all share and strive to achieve the Group's vision. With a culture in which every employee holds shares in the Company and approaches it as an owner, every employee participates in corporate management with a sense of ownership, thinking and acting autonomously in response to new needs and challenges. It is only natural that not everything will succeed. However, the Group has grown through its relentless commitment to taking action first and withdrawing when an initiative does not work out. Therefore, we believe it is important that each individual has the "Will" (aspirations) to take action. By doing so, the Company and each employee strive to realize the Group's vision, improving and prospering together.

Initiatives to promote employee share ownership
P.37
By strengthening employees' sense of ownership in management, we aim to foster greater interest in and responsibility for the Company's growth.

Dialogue with senior management
P.38
Through direct dialogue with the CEO, employees deepen their understanding of senior management's thinking and become more conscious of their participation in corporate management.

An award system that supports growth
P.38
The system provides opportunities to celebrate employees' achievements and gives future leaders a chance to challenge and learn from one another.

We actively promote ambitious employees to positions of responsibility early in their careers, providing numerous opportunities for self-growth and self-realization so they can fully demonstrate their abilities. We also promote programs to encourage each employee to envision and achieve their future goals, rather than following company-defined career paths. These include a system to challenge new fields and realize career paths through open recruitment across a wide range of business categories within the Group and a career vision program in which employees reflect on their careers and share the direction they wish to take with their superiors once a year. We are also expanding a range of initiatives that give employees opportunities to turn their own and their teams' ideas into reality regardless of when they joined the Company, including the Mirai Souzou Fund, an internal innovation and growth support fund, and the Sekai Bouken Fund, an internal global growth and exploration fund.

Concurrent managerial positions
P.40
By continually reviewing concurrent managerial appointments and developing and promoting employees, we are broadening opportunities for more people to demonstrate their abilities.

Average age of managers
P.40
We provide opportunities for self-growth and self-realization to ambitious employees of all ages and genders.

Career programs that encourage new challenges
P.39
We support employees in taking on challenges and realizing their ideas, helping create new businesses and develop our people.

The Words and Beliefs That Define Relo

Will

Guided by our belief in "will over skill," we value the determination and passion to pursue goals through to completion while facing difficulties with a positive attitude.

Even when a customer's request is difficult, I work diligently to understand their needs and explore every possible way to help before deciding something cannot be done. In my daily work, I focus on getting the basics right, including responding promptly, and always strive to be someone customers can truly rely on.



Relocation International, Inc.
Inbound Sales Unit
Inbound Sales Group

Since joining the Company, I have set goals every quarter and placed great importance on having a strong determination to "do everything I can" without giving up until the very end. I have held on to my passion for contributing to regional revitalization since those early days, and give my all each day to make a difference in local communities.



Relo Vacations, Ltd.
Hotel Marketing Unit 2
Central Japan Hotel Marketing Group
(Group Manager)

I am motivated to take on challenges by the colleagues who joined alongside me, with whom I continually learn and grow, as well as by the example set by the senior colleagues I look up to. I hope that my junior colleagues can also experience the joy of taking on challenges and growing. With that in mind, I work to grow alongside them and become someone who will help lead the Company forward.



Relo Club, Limited
Consulting Sales Unit 1
Consulting Sales Group 1

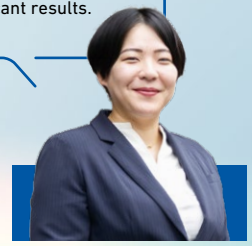
From Dreams and Visions to Reality

We describe the vision we have upheld since our founding as our "dreams and visions." We view management as a means of making those dreams and visions into reality as we create new businesses and services by solving the challenges facing society and companies.

Forever a Venture Company

Even as the Company grows, we value holding on to the spirit of taking on challenges that we have had since our founding, and creating new businesses and services while adapting to change. This expresses our corporate culture that embraces the need to evolve to meet the challenges facing society and our customers.

In my daily work, I make a point of staying in touch with customers' needs, because I believe that treating every transaction with care and steadily building trust will ultimately lead to significant results.



Relo Estate, Limited
Sales Unit 2
Corporate Housing Brokerage Group 3
(Group Manager)

Olympic Plan

Since our founding, we have affectionately called our medium-term management plans "Olympic Plans." The name reflects both their four-year duration, matching the Olympic cycle, and our commitment to pursuing ambitious goals through sustained daily effort, much like athletes preparing to compete in the Olympics.

From the time I was entrusted with a major transaction as a mid-level staff member, I have approached my work with a strong sense of my responsibility to help the whole team achieve its sales plan. I approach my work each day with the belief that prompt execution helps the team achieve its goals.



Relocation Japan, Limited
Contract Services Unit
Contract Administration Group 2

Employees = Like-Minded Partners

We see employees as partners who participate in management on an equal footing and work together toward shared goals. With this in mind, we value each employee's commitment to growing the business with a sense of ownership.

Message from the CEO

Fully Supporting Japan's Major Transformation as a Problem-Solving Company



Kenichi Nakamura
Representative Director and CEO of Relo Group, Inc.

The External Environment and Relo's Value

Last fiscal year, we kicked off the Fourth Olympic Plan, our new medium-term management plan. With this, the Second Founding—our long-term business concept, launched the year after I became president of the Relo Group—has now entered its second stage toward passing the baton to the next generation.

The business environment surrounding Japan has shifted significantly, which I interpret as the start of "Japan's major transformation," a period in which we must confront head-on the structural challenges of population decline and labor shortages along with the reality of a shrinking domestic market.

I believe this transformation will give rise to at least three major trends.

First, as labor shortages worsen due to population decline, Japanese companies will accelerate the outsourcing of non-core operations.

Second, as the domestic market contracts, Japanese companies will seek global markets and pursue further international expansion, while human resources will also continue to globalize at the same time.

Third, population decline driven by the falling birthrate and aging population will lead to labor shortages and a lack of successors at regional companies and small- and medium-sized enterprises. I believe that a function to solve these issues and serve as a platform for business succession will be a necessary social infrastructure for the future.

The Relo Group began with our founder's words, "Transferees are filled with concerns, and it will be a tough business that nobody wants to take on, but let's be the ones to solve this problem of unoccupied houses," and has grown to where it is today. This spirit of being a "problem-solving company" subsequently gave rise to our then-unprecedented Fringe Benefit Business, our all-inclusive corporate housing subleasing scheme, and our global relocation support services, and has since expanded into the Tourism and Residential Property Management Businesses, which support the Fringe Benefit and Leased Corporate Housing Management Businesses from the periphery. The foundations for our businesses thus far are able to contribute directly to problem-solving in the three trends above, and I believe that—by linking individual businesses together—we can respond to any arising issues and continue to grow.

The halt in activity during the COVID-19 pandemic, the greatest challenge we have faced in the 21st century, struck our business to the core. In response, we set our course back

Message from the CEO



toward long-term prosperity and strove to ensure that we were practicing our founding principle of providing customers with the best possible service and carrying on our spirit as a problem-solving company.

Moreover, we have strengthened the connections between our businesses in order to contribute more to society. As a result, the number of clients concurrently using multiple BtoB services has grown significantly, with the number of companies where such cross-selling has been achieved now at roughly three times the pre-pandemic level. Furthermore, starting this fiscal year, we are moving beyond simply having clients use multiple services concurrently and are rolling out new, higher-value services that combine the customer bases and product strengths of our individual businesses, marking the start of unprecedented inter-business collaboration. Through these cross-business collaborations, the customer bases and capabilities that our individual businesses have built through solving challenges will give rise to the creation of new services, which will in turn generate new opportunities for solving challenges. This cycle is becoming the foundation of value creation at the Relo Group.

Many new challenges arise right when the world is undergoing major change. I believe the foundation we have built thus far will contribute significantly when it comes to solving these challenges.

Management Progress and the Direction of Our Business Strategy

In the previous fiscal year—the first year of the Fourth Olympic Plan—we proactively promoted human capital investment and forward-looking investment across our businesses toward achieving our target of ¥50 billion in operating profit for FY2029/3.

The shift to a post-pandemic world, further population decline and labor shortages, and other structural changes in Japanese society have shifted the business environment significantly over this past year, with global fragmentation and the depreciation of the yen advancing rapidly.

Despite this, over the past fiscal year, our investment in our personnel—who form the very foundation of our service businesses—as well as the forward-looking investments made so that individual businesses can expand contributions, have continued to progress, and we are now prepared for our next phase of growth.

As a result, while growth may have appeared more moderate than in typical years, our revenue base with its high proportion of recurring revenue—one of our core strengths—showed the underlying resilience, enabling us to achieve record profit.

Turning to the current business environment, labor shortages have grown increasingly severe in Japan, and the effects are most apparent in areas directly tied to efforts to secure and retain talent, such as fringe benefits and corporate housing management.

Our Fringe Benefit Business has become increasingly important as a core function of company personnel strategies, and it is currently benefiting from strong tailwinds. Meanwhile, despite intensifying competition accompanying this rise in demand, we believe that the impact of this peaked in the previous fiscal year, and that our Fringe Benefit Business will also return to a stable growth trajectory going forward, as tailwinds drive market growth. In light of this, we plan to add problem-solving services to our core fringe benefit menu, contributing more directly to our client companies' efforts to secure and retain talent.

As with our Fringe Benefit Business, our Leased Corporate Housing Management Business has also benefited from tailwinds driven by labor shortages and efforts to secure talent, with recurring orders remaining solid and both the number of housing units under management and the number of relocations growing. Meanwhile, individual corporate relocations, such as those due to employee transfers, have not declined significantly even compared to pre-pandemic levels.

On the other hand, soaring housing prices have made whole-building properties suitable for corporate housing nearly impossible to find, significantly affecting our corporate brokerage division. For the same reason, individual relocations handled by our Residential Property Management Business are also slowing.

We expect this trend to continue for some time, which is why we are promoting a framework to further increase collaboration between our Leased Corporate Housing Management and Residential Property Management

Message from the CEO

Businesses, so that we can focus on the property brokerage needs accompanying corporate relocations, which have shown no decline. We will accelerate capturing this demand by managing these businesses as one, appointing a single leader to oversee both operating companies and related businesses whose services address the labor shortage in residential property management.

In our Global Relocation Support Business, which supports the globalization of human resources in Japanese companies, the number of overseas assignees has remained below pre-pandemic levels, but labor shortages have created a clear shift toward outsourcing among major companies, and new needs are also emerging around the global deployment of talent. Building on the foundation we have developed in arranging and administering overseas assignments, we are bringing services in-house and adding new functions to establish ourselves as a unique provider of comprehensive support in this area while also steadily seizing growing business opportunities.

Finally, turning to our Tourism Business, while domestic demand is currently being tempered by frugality amid soaring prices, the major trend, we recognize, is that Japan's drive to make tourism a major industry will serve as a tailwind for this business. To prepare for this larger trend, we will invest proactively in the facilities we own with the aim of growing revenue, and we will draw on our operations consulting and recruitment businesses—where we have already made forward-looking investments—to provide problem-solving services to regional small- and medium-sized hotels. Both the residential property management and tourism industries also face the challenges of business succession and labor shortages in regional areas. As the issue of successor absence accelerates in the years ahead, new areas of contribution will open up in these industries for the Relo Group, which has built a track record of growth through M&A and more. This is why we must demonstrate our capacity as a problem-solving company by fulfilling our increasingly important role as a platform for business succession.

Amid a rapidly changing business environment, we intend to increase our contribution and generate profit growth by having each of our businesses not only ride these tailwinds but also work together to take on new challenges.

In the final year of the current medium-term management plan, we plan to achieve an operating profit of ¥50 billion, and we expect continued high growth to drive cash generation. Strong cash generation is one of our strengths, and by channeling this cash into growth investments, we will achieve further business expansion.

Going forward, we will also put the cash we generate toward further enhancing shareholder returns and, through this, improve capital efficiency as we press further ahead with management that treats growth, returns, and capital efficiency as one and aims to maximize corporate value.

With this in mind, we have raised our ROE target from the previous 20% or above to between 25% and 30%, and we have substantially raised both the dividend payout ratio—from 35% to 50%—and the total return ratio, including share repurchases, to 60%. While balancing growth investments and shareholder returns, we will strive to make major contributions and achieve high growth.



Message from the CEO

The People and Organizations That Support Our Growth

Our Second Founding began with the recognition that we have far more potential than we have demonstrated and that there are virtually infinite things we can do to achieve high growth.

Of course, turning such a vision into reality depends on the people who carry it out and the culture of the organization they belong to, and our way of thinking at Relo Group has been passed down consistently since our founding. At the core of this thinking is the idea that, rather than one-sidedly "developing" human resources, we give opportunities early on to those with drive and aspiration in order to draw out the potential within them. While taking on such challenges may not always go smoothly, they learn to think for themselves with a sense of ownership and persist through trial and error to produce results. Through this process, we see people growing as they play with difficulties supported by those around them. We believe that creating such an environment through the company is the very foundation of our human capital management.



Difficult Conditions Are Our Real Opportunities

In recognition of my sales performance up to that point, I myself was given a major stage within just a few years of joining the company. However, I failed to show sufficient leadership, and that stage was dismantled after little more than a year. I felt, "I no longer have a place at this company." However, in this desperate situation, I reconsidered why I had joined the company in the first place. I reminded myself: "I joined because the founder's aspiration for this small group —to take on societal problems that nobody else would—deeply resonated with me. All right, then, I will make the most of this situation and launch a new business in an entirely different field." With this resolve, I gained the experience of launching a business together with my colleagues, despite countless hardships along the way.

This experience illustrates the fundamental philosophy of our Partnership Management, in which our approach to human capital focuses not merely on systems and training but on giving a stage to those with aspiration, where the challenges they take on produce many individuals with a sense of ownership, along with a wealth of management talent. I believe this is the very source of our competitiveness and the foundation that supports sustainable growth.

"Japan's major transformation" is now getting underway in earnest. We will turn this rapidly shifting business environment into opportunity and further expand our contributions to society. We already have the foundation needed to do so in place. Our founder often says, "Play with difficulties," and what these words mean is that circumstances that seem difficult are exactly what will spur us to become a true problem-solving company. This is how I interpret those words, and I will move forward with that in mind.

Going forward, we will continue to face the major transformation of our era head-on and achieve sustainable growth by further expanding the value we provide through problem-solving, and then build on that to enhance corporate value.

We kindly ask for the continued understanding and support of our shareholders and investors in these endeavors.

Message from the CFO

Reaping the Benefits of Forward-Looking Investments and Entering a New Phase of Quality Growth

Yasushi Kadota

Director, CFO, and CIO of Relo Group, Inc.



Opening Remarks

The business environment surrounding the Company has changed significantly over the past few years, and these changes have also reshaped our pursuit of growth and our view of corporate value. I would like to take this opportunity to look back on our initiatives during the fiscal year under review and offer a CFO's perspective on how our earnings structure and the conditions underpinning our growth are changing, how management interprets those changes, and how we will use these insights to guide future decisions.

Review of FY2026/3 and Its Role as the First Year of the Medium-Term Management Plan

In FY2026/3 (the fiscal year under review), we achieved growth in both revenue and profit, with revenue of ¥151.0 billion and operating profit of ¥30.8 billion, setting an all-time record for operating profit. However, operating profit grew more slowly than in a typical year and fell slightly short of our initial plan.

This reflects changes in our business environment and the medium-term initiatives we are pursuing in response.

The slight shortfall against our plan was due to developments that differed from our initial assumptions, including a change in the pace of membership growth in the Fringe Benefit Business as the competitive environment shifted, and a shortage of properties available for rental brokerage in the Residential Property Management Business, particularly in the Tokyo metropolitan area.

On a more fundamental level, structural labor shortages are worsening among companies, particularly in Japan, and demand for our services, including fringe benefits, corporate housing management, and global relocation support, is trending upward over the medium to long term. We view this rising demand as a sustained trend rather than a temporary one, and it provides an important part of the foundation for our future growth.

These changes are medium- to long-term growth opportunities that we must tackle head-on as a company that solves problems for Japanese businesses. We positioned the fiscal year under review, the first year of our medium-term management plan, as a year to strengthen our foundations to meet further growth in demand. Specifically, we made forward-looking investments in product development,

Message from the CFO

stronger sales capabilities, and upgrades to the data infrastructure in the Fringe Benefit Business, in addition to investing in people and developing operational infrastructure across our businesses.

These investments increase costs in the short term, so we set a lower growth rate than usual in our annual plan, but they will support higher-quality growth over time by adding more value to our services, thereby increasing revenue per customer. In our recurring revenue businesses in particular, each new contract adds to future revenue opportunities, which will contribute to earnings growth over the medium term.

For example, even when raising membership fees is difficult in the Fringe Benefit Business, improving the usability of our services encourages members to use them more, expanding revenue opportunities and increasing revenue per member.

In leased corporate housing management and global relocation support, we continue to add new value by handling more sophisticated operations and helping customers comply with regulatory requirements. This approach is already helping us win customers and improve profitability.

As a result of these initiatives, KPIs in our Outsourcing Business, including the number of leased corporate housing units under management and the number of global relocation support cases, performed well and recurring revenue increased. In the Residential Property Management Business, M&A increased the number of units under management despite the previously mentioned shortage of vacant properties, and each division achieved growth in gross profit, demonstrating steady expansion of the recurring revenue base itself. In the Tourism Business, our program of regular asset sales each fiscal year supported earnings, allowing us to generate solid value across the portfolio as a whole.

As with these forward-looking investments, steadily building our capacity to deliver services in line with growing demand will be essential to sustaining future growth. Recognizing that people are a key management resource underpinning service value, particularly in a service business such as ours, we actively pursued a range of investments in human capital during the fiscal year under review. This temporarily raised the ratio of selling, general, and administrative expenses to revenue, but we expect revenue growth to gradually offset the increase and improve our operating profit margin over the medium term.

Although one-time factors, including the gain on the sale of shares in Nihon Housing Co., Ltd. recorded in the previous fiscal year and gains on foreign currency translation adjustments, make our underlying performance somewhat difficult to discern in profit before income taxes and subsequent profit measures, profit before income taxes increased year on year excluding these factors and the upward trend in our earning power remains largely unchanged.

With this in mind, we regard the fiscal year under review as one in which we increased both revenue and profit while making forward-looking investments and completing preparations for our next phase of growth. Building on this foundation, from FY2027/3 onward, we will move into a phase of delivering growth aimed at achieving our medium-term management plan. We believe our earnings structure is becoming even stronger, as the recurring revenue we have accumulated is now providing a stable earnings base and newly introduced products and services are beginning to contribute to earnings.

Pursuing Growth in Both Scale and Quality

With these factors in mind, we have set our FY2027/3 plan at revenue of ¥165.0 billion and operating profit of ¥34.0 billion, representing double-digit growth in profit. We will maintain steady earnings growth as we gradually reap the benefits of our forward-looking investments and step up efforts to capture growing demand driven by macroeconomic structural changes. While we expect competition in the Fringe Benefit Business to remain intense, we are confident that the appeal of our products and our sales capabilities will gradually give us a competitive advantage. We aim to achieve double-digit growth across our



Message from the CFO

entire business portfolio through both growth in our other core businesses and synergies between businesses.

We will pursue improvements in profit margins as well as growth in scale. One of our major efforts in this direction is advancing digital transformation (DX), including the use of AI, and continuously reviewing our workflows to improve the efficiency of our own operations and reduce the cost per transaction. Although the BtoB nature of many of the Group's businesses makes it difficult to simply pass on cost increases, we will seek to raise average unit prices and improve our operating profit margin through measures such as differentiating our services, adding value that meets the latest needs, and establishing unique positions in niche business areas.

We also focus on using invested capital efficiently, as reflected in our high ROIC. Overall, our structure combines recurring revenue businesses that generate stable cash flows with the expansion of revenue opportunities arising from that base, while some businesses also enhance profitability through asset turnover. In the Fringe Benefit Business, Leased Corporate Housing Management Business, and Residential Property Management Business, revenue grows continuously as contracts and units under management accumulate, supporting a stable earnings base and our ability to generate cash.

Alongside its recurring revenue model, the Residential Property Management Business also generates transactional revenue through activities such as asset purchases and sales, while the Tourism Business uses an asset-based business model that combines capital recovery through the acquisition, revitalization, and sale of facilities with operating revenue, increasing returns on invested capital through asset turnover.

By combining the stability of an expanding recurring revenue base with broader revenue opportunities and the efficiency of capital turnover, we have achieved both growth and capital efficiency. This is the foundation that can support an adjusted ROIC of over 15%.

With these principles in mind, we will continue to pursue growth in both scale and quality, focusing on profit margins and returns on invested capital as well as the actual profit numbers.

Strengthening Our Financial Foundation and Capital Efficiency While Enhancing Shareholder Returns

In FY2024/3, our equity ratio deteriorated because the COVID-19 pandemic led to impairment losses on a large overseas acquisition. Since then, earnings growth across our businesses and the expansion of our recurring revenue base have steadily strengthened our financial foundation, bringing an equity ratio of 30% within reach during the current medium-term management plan.

However, when we examined future financial indicators on this basis, we found that if profit continued to grow in line with the medium-term management plan, the accumulation of equity could cause ROE to decline from its current level. Although the resulting ROE would still be well above the market average, we are concerned that the market could interpret this as a deterioration in capital efficiency.

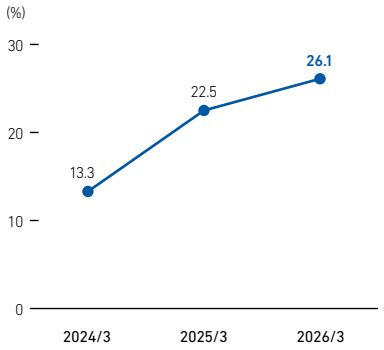
Based on this analysis, we concluded that management needs to clearly define and manage the level of capital efficiency at which we pursue the next stage of growth. Specifically, our medium-term management plan sets five key KPIs: adjusted ROIC, ROE, the adjusted net D/E ratio, the equity ratio, and the dividend payout ratio. We have decided to raise the ROE target from 20% or above to a range of 25% to 30%.

We will manage ROE through comprehensive management decisions encompassing our capital structure and cash allocation, since profit growth alone cannot deliver the desired improvement. We expect to generate approximately ¥100.0 billion in operating cash flow during the medium-term management plan and have adopted a policy of allocating ¥50.0 billion each to growth investments and shareholder returns. Through this framework, we will pursue both growth and capital efficiency.

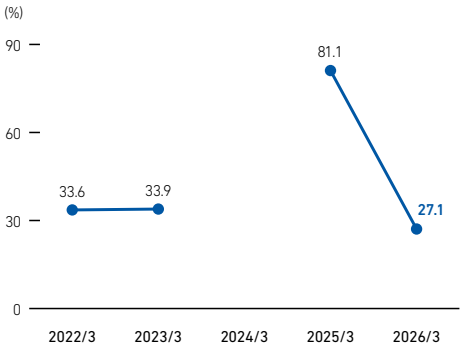
For shareholder returns, we are targeting a dividend payout ratio of 50% and a total return ratio of 60% and will further enhance dividends while improving their stability and continuity by introducing a progressive dividend policy and twice-yearly dividend payments.

We also decided to address our outstanding convertible bonds from a capital structure perspective, taking into account the risks of future dilution, downward pressure on EPS and ROE, and the impact on our share price, and after canceling most of

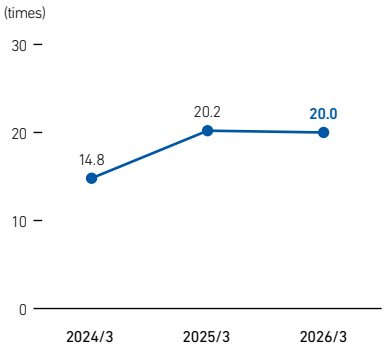
Equity Ratio



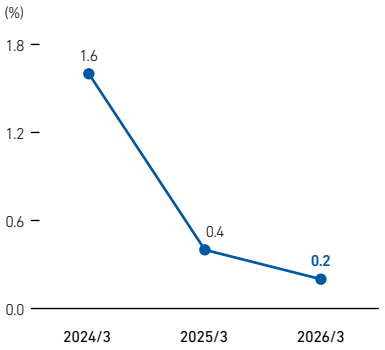
ROE



Adjusted ROIC



Adjusted Net D/E Ratio



* The adjusted net D/E ratio and adjusted ROIC are calculated using adjusted net interest-bearing debt, which has been adjusted for cash and cash equivalents.
* ROE for FY2024/3 is left blank because a loss was recorded.

Message from the CFO

these bonds in the first quarter of FY2027/3, we redeemed the remainder early. These measures will make our capital structure more transparent, improve capital efficiency, and help stabilize value per share.

We believe that, together, these measures will enable us to grow profit while maintaining ROE at a stable, high level over the medium-to-long term. We will continue to steadily improve capital efficiency and sustainably enhance corporate value by addressing profit growth and the optimization of capital allocation and capital structure as an integrated management priority.

Growth Investments, M&A, and Investment Discipline



The ¥50.0 billion remaining after shareholder returns will be allocated to growth investments. Growth investments and M&A are important means of sustaining earnings growth, and our medium-term management plan positions them as core initiatives to strengthen existing businesses and expand into adjacent and new areas.

Of this amount, we plan to invest approximately ¥30.0 billion, primarily in M&A in existing areas, with a focus on residential property management. As business succession challenges and labor shortages drive consolidation among our industry peers, we will expand our business foundation by providing a platform for these companies to join the Group. We completed three M&A transactions during the fiscal year under review and intend to continue these efforts.

We also plan to expand the use of M&A in our other businesses, with approximately ¥10.0 billion in investments. We have already completed several M&A transactions in areas including Global Relocation Support Business and Tourism Business and have begun strengthening our presence in these business areas through strategic investments. We have grown thanks to our unique business models, including creating the fringe benefit market and gaining a top share of the leased corporate housing management market despite entering it later than our competitors. Building on these achievements, we will continue making growth investments that enhance our services and
the value they provide, drawing on the customer bases that underpin our leading market shares and the expertise we have accumulated in each industry.

We will also continue investing approximately ¥10.0 billion to strengthen our foundation through DX and human capital investments, initiatives we began during the fiscal year under review. The aim of this series of investments is to increase revenue per customer, reduce cancellation rates, and strengthen the foundation for future growth, thereby expanding earnings over the medium to long term.

Maintaining discipline is essential as we pursue these investments. Excessive risk aversion can hinder business development, but investment decisions must also take account of potential risks such as pandemics. Our experience with past large-scale overseas M&A has reaffirmed the importance of carefully assessing the realities of each business when making investment decisions, with an emphasis on synergies with existing businesses and compatibility with our earnings structure.

Understanding how we can build on our track record of steadily delivering results through dozens of M&A transactions and turn our diverse investment experience and talent into strengths and accumulated expertise is another important responsibility of the CFO.

We will continue making growth investments under disciplined capital allocation and translating them into tangible results to sustainably enhance corporate value while maintaining capital efficiency.

Market Valuation and Dialogue with Investors

In our ongoing dialogues with institutional investors, we are increasingly being asked to explain more clearly not only the sustainability of our growth strategy but also our level of capital efficiency and approach to cash allocation.

We have reviewed our management priorities in light of the perspectives gained through these dialogues. Specifically, the measures to strengthen our capital policy, including the higher ROE target and revised shareholder return policy, were also developed through repeated interactions with investors.

We will continue to focus on clearly explaining the results of our growth strategy to shareholders and investors as we implement it. We view the external perspectives gained through this communication as an important opportunity to improve the quality of management and aim to deepen mutual understanding with capital markets through ongoing dialogue.

Roundtable Discussion with Outside Directors

Drawing on External Perspectives for Sustainable Growth That Is True to the Relo Group

The Relo Group has grown by building businesses that solve social issues. We asked four outside directors about the current state of governance and their expectations for enhancing corporate value.



What role do you play as an outside director?

Sakurai I draw on my expertise as a certified public accountant and certified tax accountant to offer opinions, particularly on M&A and PMI. Another important part of my role is to monitor whether the Board of Directors is engaging in sufficient discussion about enhancing corporate value. In BtoB business in particular, a company's reputation among its customers has a significant impact on its business. We also need to oversee governance measures that protect the business, including the management of reputational and other risks.

Sato As a lawyer, my focus is mainly on compliance and governance, and I am very conscious of my supervisory role as an outside director. Our position as outside directors also allows us to take a perspective closer to that of investors and other stakeholders. Something that seems obvious internally may prompt someone outside the Company to ask, "What does this mean?" I see actively raising these questions as part of my role.

Yamamoto My work has given me many opportunities to interact with leaders of Japanese companies, and I have also been involved in protocol services for visiting overseas dignitaries and hotel consulting. For the hotels and resorts we operate, I offer my views on whether the services will truly delight our guests. When needed, I also work with people within the Company to think things through together.

Homma As a certified public accountant, I am responsible for auditing listed companies. In that capacity, I explain to company auditors and audit and supervisory committee members that their role is to audit and supervise directors' execution of their duties, including the establishment and operation of financial reporting processes. Now that I find myself in that role, I take responsibility for assessing whether the Company has adequate management systems in place and is managed in an organized and systematic manner.

What is needed to further improve the effectiveness of the Board of Directors?

Sakurai Some may assume that a founder's wishes strongly influence decision-making at companies where the founder remains involved, but our Board of Directors is different, with younger directors also taking part in open and vigorous discussions. Our questions are always answered, and the environment is such that we can candidly ask for clarification and explore issues in greater depth.

Homma For the Board to make informed decisions and hold thorough discussions, it is essential to review information in advance and organize the issues to be considered. The Company provides the necessary materials in advance and the CFO gives us thorough explanations so we can focus discussions on important decisions. We sometimes receive explanations directly from presidents of Group companies or people responsible for overseas operations. These are valuable opportunities both to understand conditions on the ground and to see what options the people who will shape the Group's future have considered, how they assessed risks, and how they reached their decisions.

Yamamoto I think it is important to create more opportunities for outside directors to interact with the executive teams and next-generation talent at each Group company. Last December's briefing on the policies of the medium-term management plan was valuable because it gave us a chance to speak with people from the operating companies. Meeting face to face reveals ideas and challenges that documents alone cannot convey.

A more concrete understanding of how marketing and product development work on the ground also allows for deeper discussion. Customers' needs are constantly changing, so I feel that outside directors also have a role in objectively discussing whether a trend may be short-lived, whether an investment can be recovered, and whether assets can be repurposed in the future.

Sato For us as outside directors, the information underpinning decisions is extremely important. We receive the information we need through advance briefings and Board meetings, but I think sharing a little more about changes in the external environment and competitive conditions would help deepen our discussions further. We are also responsible for assessing the executive team's decisions, so I would like to gain a fuller understanding of the context behind them. Wouldn't that also lead to better discussions on enhancing corporate value?

Roundtable Discussion with Outside Directors

How do you view the development of the next generation of management leaders?

Yamamoto The Company gives employees opportunities to gain management experience, for example by appointing department head-level employees to lead companies that have joined the Group through M&A. This is an excellent way to develop young talent.

The next generation of leaders needs to value people. They need the ability to care for people and listen to them. Leaders may be tempted to prioritize their own opinions and make quick decisions, but people who carefully listen to others and bring their views together in a shared direction make stronger leaders.



The Company has many young employees and a lively atmosphere, and women are playing increasingly active roles. As more role models emerge and opportunities to interact with them increase, I believe this will also help develop the people who will lead the next generation.

Homma I feel the Company has many potential future leaders. Beyond its directors and executive officers, many people, including the presidents of Group companies, have already demonstrated their abilities as business leaders. Developing successors is an important task, but the depth of our talent pool gives me high expectations that outstanding next-generation leaders will emerge from within it.

Sato In addition to strong individual capabilities, the next generation will need the ability to engage others, balance different perspectives, and bring more people together to work toward common goals.

Outside directors have a role in encouraging these people to take on challenges, while also saying, "Let's pause for a moment," when necessary. I also think it is important to monitor how investments in people contribute to future growth and provide advice as needed.

Sakurai I also see monitoring as an important part of our role. From a long-term perspective, I am particularly interested in developing the next generation of management leaders and succession planning. The CEO succession plan has taken shape in recent years, making it all the more important to properly monitor its implementation. We will also need to consider succession for the management team, including the CFO, and for outside directors.



As expectations for the monitoring role of outside directors increase, how we respond is also an important consideration for the effectiveness of the Board as a whole.

How do you view growth through M&A and Group governance?

Sakurai PMI is extremely important because there are substantial differences in management systems and corporate culture between small and medium-sized enterprises and listed companies. The Company has accumulated expertise within the Group through extensive experience in M&A and PMI. Some companies that joined the Group through M&A have subsequently taken responsibility for another company's PMI, and I believe we have made good progress in establishing a framework for integration.

We are also a service company centered on people. The key to integration is helping people at newly acquired companies understand our philosophy and corporate culture and building a sense of unity across the Group. Recently, employees from companies that joined through M&A have received awards at the RELO PARTNERS' MEETING, which gives me a sense that integration is progressing steadily.

Sato The first step in advancing PMI is to get to know the company. What kind of business does it conduct and what is its leadership thinking? The Audit and Supervisory Committee sometimes hears directly from presidents of Group companies.

Once we understand the current situation, each committee member draws on their expertise to identify areas that need attention or strengths that should be developed further and uses those judgments to offer supervision and advice. When an M&A deal is being considered, the director responsible explains whether the company is a suitable addition to the Group, but what happens after it joins is also important. It's vital to ensure the joining company understands our philosophy and is well positioned to grow together with us. We need to carefully monitor this process.

Homma I am not aware of any significant corporate governance issues at present, but we need to pay close attention to companies newly joining the Group. Particular care is needed when unlisted or overseas companies join. For unlisted companies, we must check whether they have the management systems required of a listed corporate group. Although I am not aware of any significant issues at our overseas subsidiaries at present, I hope to deepen my understanding of their businesses and management systems.

Yamamoto I would also appreciate a little more information, particularly about our overseas subsidiaries, covering both local conditions and how they work with our domestic businesses. I believe global relocation support has considerable growth potential, so sharing more concrete information would help us discuss it more effectively.

What should we prioritize to sustainably enhance corporate value?

Sakurai One of our current challenges is that the market does not fully recognize our value. Financial measures regarding shareholder returns have been announced, and I expect implementation to move forward, but another important issue is how to raise expectations for growth. There is still room to consider how we can communicate our distinctive position and growth potential through a convincing strategy and narrative.



Outside directors are the directors closest to shareholders. An important part of our role is to listen to shareholders about where they feel our explanations fall short and reflect their feedback in Board discussions and our communications.

Yamamoto I believe the Company provides services that society needs. I would like our younger employees to explore a wide range of information and develop a feel for what those needs actually are. That perspective is important when considering new products and services, and I believe it will also help us remain a company that plays a vital role in society.

Homma To build expectations for growth, it is also important to clearly explain why our stated targets are achievable. The targets in the Fourth Olympic Plan are more than slogans. They were set after each Group company and division gathered and analyzed information and thoroughly discussed their feasibility.

Our corporate culture supports their achievement. I have worked with many listed companies, and I have been pleased to find a high degree of integrity and sound judgment among our people. I believe we have a sound corporate culture because the sense of mission that has guided us in addressing social issues as a problem-solving company since our founding has become a sense of ownership throughout the organization. This is an intangible source of value at the Company that I would like our stakeholders to understand.

Sato Governance is not merely about complying with the Corporate Governance Code; it is essential to earning the trust of all stakeholders.

While the Company retains its founding spirit and the energy of a venture company, it is also a mature business with more than half a century of history, and I hope it will strive to make a positive impact on society and serve as a model for other Japanese companies. I will carry out my own duties with a firm awareness of my responsibility to support that goal.



Message from the Founder

The Founding Spirit and the Essence of Management Entrusted to Partners

Even as business changes, our underlying mindset has remained unchanged since our founding.
As our partners with aspirations take on challenge after challenge, their collective journey becomes a source of strength for our organization.
This accumulation is precisely what I believe has driven the company's sustained growth.



Masanori Sasada

Chairman of the Board of Relo Group, Inc.

Since our founding, I have believed that a company's value lies in its ability to endure. A company is a going concern; it must continue for a century or two and even longer. To achieve this, I believe we must not only adapt our businesses to the changing times, but also maintain an unwavering management compass grounded in our founding spirit.

The Relo Group got its start in unoccupied housing management for transferees, an area that, at the time, no one in Japan had yet thought to turn into a business.

I will never forget January 1983. It was then that I felt a fateful connection to an article in the Nikkei Business magazine. The article described how relocation services in the United States had already become an established business, providing comprehensive assistance with the sale and management of transferee housing and a range of everyday concerns related to relocation.

Having already implemented an unoccupied housing management system for overseas transferees, I viewed the article as a divine revelation. It was an era in which Japanese companies were increasingly accelerating their expansion into overseas markets. There was no doubt that, as business globalized, the number of overseas transferees would increase. And I had no doubt that relocation services would spread throughout Japan just as they had in the United States.

If society needs a service that has yet to be established as a business, someone must take on the challenge. I was driven by the strong conviction that, going forward, Japan would definitely need relocation services to manage the unoccupied houses of transferees and resolve all of their concerns—and that I would be the one to commercialize these services.

Ever since, the business has expanded and changed with the times, but it has continued to tackle social problems head-on and solve them through business. This steady, unsung effort has ultimately strengthened trust in the company and opened the way to new businesses. This management compass, in place since our founding, has never wavered.

Partnership Management

Management is not a goal in and of itself. Management is no more than a means of realizing one's dreams, aspirations, and visions. Based on this premise, I believe the essence of management is to maintain a simple structure in which partners who share the vision set out by top management, and who strive in the same direction, pool their strength and execute that vision as an organization. How successfully we can maintain this utterly simple structure is, I believe, the essence of management I have always valued and forms the very foundation of the Relo Group's management.

That is why we have made "Partnership Management" the very definition of management since our founding. We regard the personnel who share the dreams and visions of top management as partners—all of whom participate in management. This is not simply an idea we set forth as a philosophy. It is the founding spirit of the Relo Group, a form of management we have passed down and practiced as a universal guide for how we run the company.

At the Relo Group, we use the term "partner" because we value relationships not as employer and employee, but as colleagues who share common aspirations and build businesses together. Those who embrace this vision can obtain shares to invest in the company and take part in management

Message from the Founder



as stakeholders. Everyone is in the same boat, sharing both results and accountability. I have always believed that long-term challenges cannot succeed without this resolve.

Simply putting a philosophy or a way of thinking into words does not mean it will take root in an organization. A philosophy only has meaning once it is translated into a principle and put into practice to shape daily decisions and actions. With that in mind, I have established a principle to serve as the foundation of management and have insisted that it be implemented thoroughly since our founding. Every employee participates in management; we unite in pursuing prosperity for all; we provide the best possible service to our customers; and we continually strive to be first-rate, number one, and the largest and best. These are not abstract ideals, but highly practical principles for sustaining business growth.

Management That Gives Opportunities

As a company grows and increases in scale, it becomes unrealistic for the founder alone to make every decision and keep the business running. This is all the more true for the Relo Group, given our goal of creating an industry of comprehensive lifestyle support services and expanding the ways in which we contribute to society. With the company's long-term continuity in mind, I have made developing employees capable of taking responsibility for management—and entrusting management to them—a long-term priority. The question, then, is how to develop the people who will lead the next generation of management.

For this, we have built a holding company system that divides the business into units, clarifies where responsibility lies, and delegates decision-making and execution to individual businesses. This is because it is essential to have a holding company acting as a "corporate owner" that sets the direction for the group as a whole, while the presidents of the individual operating companies take charge of running their respective businesses. Moreover, people can only fulfill a role once they have been given a stage on which to play it. Once they have been entrusted with management, they take responsibility for the results. That is the world of professionals, and I believe it is the accumulation of this experience that develops a person into a business leader.

What I have valued most in the people I entrust with management is will, not skill. Ability and knowledge can be acquired later, but without aspirations, a sense of mission, and the strong resolve to see something through, a person cannot keep taking on the impossible. No matter how right it may be, a solution will not create any value unless it is implemented. Having aspirations, accepting responsibility, and persevering until results are achieved—this sustained course of action has fostered a corporate culture that realizes our vision by putting our principles into practice, along with a frontline atmosphere shaped by earnest commitment. I believe these have strengthened the organization and enabled it to adapt to changes in its environment.

Responsibilities I Must Fulfill as the Founder

The founder's role is not to stand at the front line of management, but to continually clarify the direction the company should take and the values that underlie it.

To fulfill this role, I began early on to pursue a federal management structure as an owner-management system. Rather than having the owner make every decision and run the business, day-to-day operations are entrusted to the professional business leaders who head each business. The owner, meanwhile, takes a long-term view and focuses on shaping the vision and building the corporate culture. I have long believed that it is precisely this division of roles that supports an organization's sustained growth.

For more than 20 years, I have put this initiative into practice by entrusting the execution of business management to professionals while shifting my own focus to setting direction and instilling the culture. I currently attend the monthly Board of Directors meeting to confirm that our management compass remains steady and that our principles are being put into practice. I believe putting myself in this position is how I fulfill my responsibility as the founder.

The business environment will likely continue to change dramatically in the years ahead. For a company to survive and keep growing amid all this change, what matters more than the particulars of its business is the mindset that serves as the standard for its judgment and actions. What I have worked toward since our founding is not the success of any particular business. It has been to create an organization that passes down the Relo Group Spirit of "continually challenging adversity and difficulties," generation after generation.

Whether our company continues to be needed by society going forward depends on whether this Relo Group Spirit continues to be put into practice. As the founder and as the person who has laid this foundation, above all else, I intend to focus on steadily building corporate value from a long-term perspective.

The Relo Group's Story

"Challenge to Change." Since our founding, we have consistently tackled the real challenges facing people and companies. How have the Relo Group's partners (employees) addressed society's evolving challenges and created unique value? We explore this story alongside the growth of our businesses.

Changes and Challenges in Japanese Society

- 1967: · The bubble economy · Financial globalization
- 1993: · The collapse of the bubble economy · Corporate cost reductions, including personnel costs
- 2002: · Resolution of non-performing loans · Increased corporate asset sales ahead of the introduction of impairment accounting
- 2004: · Economic globalization · The start of efforts to promote inbound tourism
- 2010: · Expansion of the rental housing market · Recovery of the real estate investment market · Regional revitalization
- 2020: · Rising global inflation · Labor shortages · Accelerating digital transformation (DX)

The Helpful Systems the Relo Group Has Continued to Create

1967

Nihonkensou, Inc. established

1984

The Practical Foundation of the Relo Group

We commercialized relocation services in Japan that manage transferees' cherished houses while they are away on overseas or domestic assignments.

This solved the problems faced by transferees in maintaining the houses they had purchased, as well as the problems faced by companies seeking to support the lives of said employees.

1993

Outsourcing Business
Fringe benefits

Our Goal of Eliminating the Gap in Fringe Benefits Between Major Companies and Small and Medium-Sized Enterprises

We launched Fukuri Kosei Club, a corporate fringe benefit outsourcing service, to enable all workers and their families to enjoy the same level of offerings and services as those offered by major companies. Our aim was to eliminate the gap in fringe benefits between major companies and small and medium-sized enterprises.

We solved problems for personnel and general affairs departments at small and medium-sized enterprises, their employees, and their employees' families.

2002

Outsourcing Business
Corporate housing management

The Establishment of Our Position as a True Corporate Housing Agent

To address the major issue of leased corporate housing management that companies are facing, we launched Reliance, a full outsourcing service using a subletting scheme that goes beyond just handling procedures and provides total support for leased corporate housing operations. The launch of this service marked our first step toward the creation of a system that enables the workers supporting Japan's economy to relocate with peace of mind.

We solved problems for personnel and general affairs departments burdened by complex corporate housing management tasks.

2004

Outsourcing Business
Global relocation

Robust Support for the Global Expansion of Japanese Companies

Amid the rapid globalization of Japan's economy, we launched a service that goes beyond just unoccupied housing management to provide total support for overseas transfer operations, thereby becoming the only company offering one-stop services that extend from before transferees depart, through their assignments overseas, and up to their return to their home posts.

We solved problems for overseas transferees and their accompanying families.

Tourism Business

The Enrichment of People's Leisure Time Through the Tourism Business

Amid the rise of the nuclear family in modern society, we started the Tourism Business with the strong desire to increase the priceless time people spend with their family and friends by even just one day. Thus, we launched a point-based timeshare resort business centered on the concept of "owning only as much of a vacation home as you need."

We provided fringe benefits for employees, revitalized regional economies, and addressed shortages of business successors.

2010

Residential Property Management Business

The Establishment of a Nationwide Property Support Network

We launched the Residential Property Management Business to meet people's relocation needs, seeking to eliminate any problems related to finding housing. Envisioning business expansion into all seven regions of Japan, we began building a system that would enable us to provide comprehensive support to companies' housing-related operations.

We also addressed business succession issues in the industry.

1967 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026

←Japanese GAAP | IFRS→

At a Glance The Relo Group in Figures

Financial Indicators

Consolidated revenue

¥151 billion*1

Consolidated operating profit

¥30.8 billion*1

Equity ratio

26.1%*2

No. of accommodations under management

102*2

Average growth rate of the first half of the Second Founding (15-year period)

13.0%

No. of Group companies

77*2

Employee shareholding association membership rate

98.2%*2

No. of M&A transactions
(from the First Olympic Plan to the present)

57*2

Percentage of female managers

26.9%*2

No. of consolidated employees

5,201*2 *3

Average employee age

36.3*4

Fringe Benefit Business

No. of fringe benefit program members

Approx. 7.32 million*2

No. of contracted companies

Over 13,000*2

Leased Corporate Housing Management Business

No. of corporate housing units under management

298,141*2

No. of relocation house rental units under management

10,381*2

Global Relocation Support Business

No. of households receiving global relocation support

7,055*2

Residential Property Management Business

No. of rental units under management

125,535*2

*1 Fiscal year ended March 2026 *2 As of March 31, 2026 *3 Total number of regular employees, contract employees, etc. *4 Average age of Group company employees in Japan

The Relo Group's Value Creation Process

Our Mission

- To support the non-core operations of Japanese companies, enabling them to concentrate on their core operations and compete on the world stage
- To facilitate the global expansion of Japanese companies, empowering them to unleash their true potential
- To aid in the great transformation that awaits Japan

Vision

Creating an industry of comprehensive lifestyle support services that we provide globally

External Environment

Labor shortages
Shrinking market

- Expansion of outsourcing
- Acceleration of the global expansion of Japanese companies
- Shortage of business successors

Capital Resources (Inputs)

Human Capital
- Partners that align with our vision and mission (our 3,451 employees)
- Mechanism for personnel development (Management that gives opportunities)

Intellectual Capital
- Business expertise
- Brand power

Social and Relationship Capital
- Customer base
- Partner companies
- Ties with local communities

Manufactured Capital
- 77 consolidated companies
- Bases in Japan and overseas

Financial Capital
- Stable cash flows from recurring revenue businesses

Natural Capital
- Bases for the Tourism Business

Material Issues and Business Model

Provide services that help increase corporate customers' productivity

Contribute to resolving social and environmental issues

Fulfill our mission to create customer satisfaction, excitement, and social value in a bid for excellence

- Create outstanding value through a recurring revenue customer base in the BtoB domain
- Business succession in the BtoC domain for businesses without successors, leveraging the capability of our BtoB customer base to attract customers
- Revitalize local communities through the businesses we take over

Realize personnel affairs, organizational culture, and governance as management foundations supporting growth

- Achieve participation of all employees in corporate management
- Create excitement by solving customers' issues
- Seek to do our very best by properly allocating capital

Governance supporting sound business operations and growth

Services Provided (Outputs)

A diversified recurring revenue business portfolio that addresses various issues facing Japan

BtoB

- Fringe Benefit Business
- Leased Corporate Housing Management Business
- Global Relocation Support Business

BtoC

- Residential Property Management Business
- Tourism Business

Value Created (Outcomes)

Create economic value

- Achieve sustainable business growth
- Increase corporate value over the medium to long term
- Return profits to shareholders

[FY2029/3 consolidated earnings forecast]
Revenue: ¥200 billion; Operating profit: ¥50 billion
Dividend payout ratio: Approximately 50% (target total return ratio: approximately 60%)
Pay dividends twice a year under a progressive dividend policy

Offer greater value through growth of recurring revenue businesses

- Improve productivity of corporate customers
- Eliminate labor shortages
- Correct disparities in labor conditions
- Support overseas expansion
- Facilitate business succession
- Enrich leisure time

[FY2029/3 Targets]
No. of fringe benefit program members: 10 million; No. of corporate housing units under management: 400,000
No. of relocation house rental units under management: 13,000;
No. of households receiving global relocation support: 15,000
No. of rental units under management: 204,000

Achieve prosperity of partners

- Percentage of shares held by officers and employees: 9.0%
- Percentage of female managers: 26.9%
- Management that provides opportunities
- A share-based incentive program
- A substantial Group motivational award system

Reduce environmental impact and contribute to local communities

- Reduce labor for corporate customers through outsourcing
- Reduce CO_2 emissions and waste
- Take over businesses lacking successors
- Increase the number of visitors and people engaging with local communities by revitalizing and utilizing local tourism resources

Note: All figures are as of March 31, 2026.

Materiality

The Relo Group has identified five material issues based on the impacts of its business activities on society and the social issues it must address to realize a sustainable society. We have also developed a value creation process for continuous development. We will strive to increase our corporate value by addressing social issues. We will thus seek to facilitate the continuous growth of all our stakeholders as well as the Relo Group and to realize sustained prosperity.

STEP 1

Comprehensively identify social and ESG issues

We compiled a comprehensive list of potential issues for consideration based on external standards, the SDGs, ESG assessment criteria, peer disclosures, and the Group's initiatives.

STEP 2

Assess the importance of the identified issues

We assessed the potential issues identified in STEP 1 from two perspectives: the risks and opportunities arising from changes in the external environment, and the impacts of the Group's business activities on society and the environment, and then narrowed down the social issues the Group should address.

STEP 3

Link the issues to our value creation story

We mapped the identified social issues against the Group's mission and vision, business model, capital inputs, outputs, and outcomes to clarify how resolving these issues enhances corporate value.

STEP 4

Identify material issues and translate them into action

We identified material issues as priorities for creating value and organized the initiatives and indicators associated with each issue.

Materiality			Initiatives
Fulfill our mission to create customer satisfaction, excitement, and social value in a bid for excellence	**Provide services that help increase corporate customers' productivity**	Help customers to improve productivity and thus secure a customer base and indirectly create value in the form of customers' value creation for society	● Invest in the foundations for the continuous enhancement of services ● Carry out intensive after-sales activities to improve customer services ● Build a foundation for stable service delivery
	Contribute to resolving social and environmental issues	Work to address issues facing Japanese society and companies through our businesses, while identifying and reducing the environmental impact of our own operations and those of our customers	● Understand and reduce CO_2 emissions ● Help to create a circular society ● Take over businesses and regenerate and utilize regional tourism resources to resolve regional issues
Realize personnel affairs, organizational culture, and governance as management foundations supporting growth	**Achieve participation of all employees in corporate management**	Obtain and develop personnel with a sense of ownership through partnership management and improve the environment within the Group to enhance employee engagement and to realize diversity and inclusion	● Retain employees as partners to whom shares have been offered ● Enrich education and training for employees ● Improve the environment for enhancing employee engagement ● Realize diversity and inclusion
	Create excitement by solving customers' issues	Establish a mechanism and culture for actively creating businesses and services based on an understanding of customers' issues to create excitement through solving customers' problems and creating opportunities for development	● Collect information on existing and latent customer needs and create new services on the basis of that information ● Create an organization and culture with strong working-level personnel supporting the improvement and creation of services
	Seek to do our very best by properly allocating capital	Achieve growth through the capital-efficient allocation of financial and non-financial capital, pursue an unrivaled No. 1 position in our domestic businesses, and maintain a governance framework that ensures rigorous risk management and compliance	● Allocate financial and non-financial capital with attention paid to capital efficiency ● Ensure risk management and compliance ● Accelerate IR activities and information disclosure

Overview of Business Segments

Outsourcing Business

Fringe Benefit Business

Proportion of operating profit*1



36%

Revenue ¥30,416 million

Operating profit ¥12,726 million

Average growth rate*2 12.7%

As a pioneer in the field of fringe benefits, we work closely with each community through our offices across Japan. In addition to leisure and accommodation services that enrich their free time, we provide employees of companies and their families with a range of support services, including upskilling, health checkups, and childcare and nursing care services.

No. of fringe benefit program members Approx. 7.32 million

No. of contracted companies Over 13,000

(as of March 31, 2026)



Leased Corporate Housing Management Business

Proportion of operating profit*1



20%

Revenue ¥32,737 million

Operating profit ¥7,042 million

Average growth rate*2 6.8%

Our unique full-outsourcing service resolves issues associated with leased corporate housing management while reducing the workload of personnel in charge at client companies. We also provide various types of support for corporate housing management by dispatching managers to corporate housing and dormitories and arranging housing for employee transfers.

No. of corporate housing units under management 298,141

No. of relocation house rental units under management 10,381

(as of March 31, 2026)



Global Relocation Support Business

Proportion of operating profit*1



9%

Revenue ¥17,615 million

Operating profit ¥3,131 million

Average growth rate*2 21.5%

We provide comprehensive support for work visa applications, vaccinations, overseas relocation, and other complex procedures associated with overseas transfers. We also offer an array of related services, such as providing various data related to overseas assignments and creating overseas transfer regulations for companies.

No. of households receiving global relocation support 7,055

No. of households receiving inbound relocation support 2,474

(FY2026/3)



Residential Property Management Business

Proportion of operating profit*1



23%

Revenue ¥52,956 million

Operating profit ¥8,012 million

Average growth rate*2 23.8%

Under our common brand "Relo no Fudosan," we operate more than 100 rental brokerage and property management offices in major cities across Japan, conducting sales activities rooted in each community.

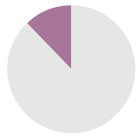
No. of rental units under management 125,535

(as of March 31, 2026)



Tourism Business

Proportion of operating profit*1



12%

Revenue ¥16,399 million

Operating profit ¥4,344 million

Average growth rate*2 18.4%

In addition to operating small and medium-sized hotels and Japanese inns, we revitalize hotels and Japanese inns facing business succession issues. We also operate a condominium-type point-based timeshare resort business.

No. of hotels under management 49

No. of timeshare resorts 53

No. of timeshare owners 17,938

(as of March 31, 2026)



*1 Percentage of each business's operating profit relative to the total operating profit of all businesses *2 Average annual rate of growth since FY2011/3 (the year prior to the start of the First Olympic Plan). Operating profit for periods before the segment changes is estimated.

The Position of the Medium- to Long-Term Strategy

https://www.relo.jp/english/ir/library/docs/20251203_E.pdf

At the Relo Group, in line with our vision of "Creating an industry of comprehensive lifestyle support services that we provide globally," we have declared a Second Founding, a medium- to long-term business concept spanning over 20 years, with FY2012/3 as its inaugural year. Under the Second Founding, we have formulated Olympic Plans, medium-term management plans consisting of four-year phases, through which we are implementing growth strategies.

The Second Founding

First Half / Second Half

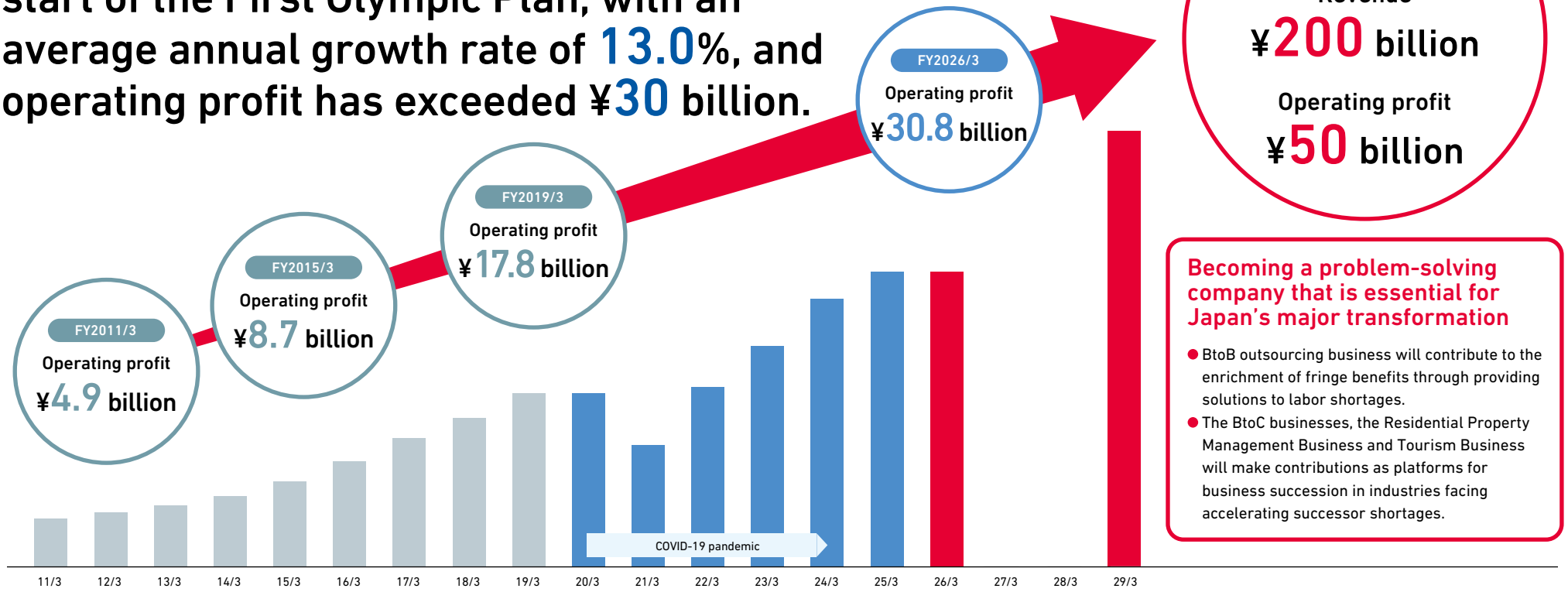
First Olympic Plan
- Strengthening the foundation of core domestic businesses

Second Olympic Plan
- Developing core businesses to take the No. 1 position in their markets
- Preparing for global expansion

Third Olympic Plan
- Recovering from the COVID-19 pandemic
- Becoming the No. 1 company in core domestic businesses
- Building a foundation for reaching the global market

Fourth Olympic Plan
- Pursuing long-term prosperity

Profit has increased six-fold since the start of the First Olympic Plan, with an average annual growth rate of 13.0%, and operating profit has exceeded ¥30 billion.



Final Fiscal Year of the Fourth Olympic Plan FY2029/3 Targets

Revenue
¥200 billion

Operating profit
¥50 billion

Becoming a problem-solving company that is essential for Japan's major transformation

- BtoB outsourcing business will contribute to the enrichment of fringe benefits through providing solutions to labor shortages.
- The BtoC businesses, the Residential Property Management Business and Tourism Business will make contributions as platforms for business succession in industries facing accelerating successor shortages.

Fourth Olympic Plan

Key Issues to Be Addressed

With a strong awareness of the three issues of human capital investment, labor shortages, and seniors and inheritance, we will strive to maximize business synergy through cross-segment collaboration and will take on the challenges of new business development, strategic investments, and the strengthening of existing businesses.

Positioning of fringe benefits and corporate housing as **human capital investment** for core business growth

Acceleration of business process outsourcing in response to **labor shortages**

Seniors and Inheritance
Increase in the senior population (Era of people living to 100 years of age)

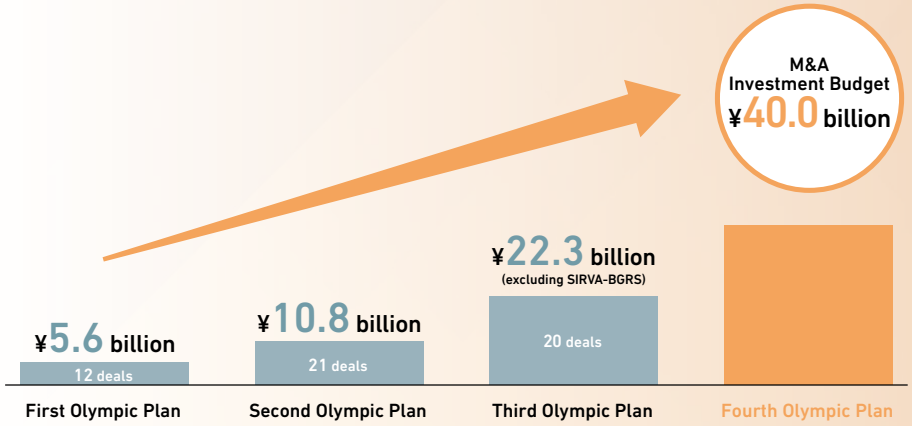
M&A Policy

We have established a cumulative M&A investment budget of ¥40 billion for the four years of the Fourth Olympic Plan. We aim to strengthen our business foundation by leveraging this budget not only for business succession-related M&A, which we have been conducting in the Residential Property Management Business, but also by expanding peripheral businesses, internalizing peripheral companies, and acquiring digital capabilities based on the policies of each business segment.

Furthermore, we will leverage the extensive customer base and business foundation we have cultivated up to this point to advance into new business areas.

Expansion of Existing and New Businesses





Business	Key Progress Points
Outsourcing Business **Fringe Benefit Business** P.26	● Membership grew as we captured demand for fringe benefits driven by labor shortages. Membership fee income also increased consistently, strengthening our recurring revenue base. ● We made upfront investments for the future, including application development to strengthen our product development capabilities and thereby increase service utilization and customer satisfaction.
Outsourcing Business **Leased Corporate Housing Management Business** P.28	● The number of leased corporate housing units, relocation house rental units, and furnished rental units under management increased steadily amid growing demand for outsourcing. ● We are working to improve profitability by providing value-added services as operations become more sophisticated and by securing moving-related business associated with employee transfers.
Outsourcing Business **Global Relocation Support Business** P.30	● The number of households receiving support increased steadily as we captured outsourcing demand amid a growing need for expertise in increasingly complex relocation arrangements. ● We also launched a new service that enables efficient, low-cost inbound relocation support in preparation for an increase in foreign personnel coming to Japan.
Residential Property Management Business P.32	● Despite market changes, including surging real estate prices, the number of rental units under management remained solid, and all divisions increased gross profit, expanding our business foundation. ● We are focusing on winning contracts for our core property management services by offering property management companies facing labor shortages BPO solutions that draw on resources across the Group.
Tourism Business P.34	● We achieved steady results by improving operational efficiency through AI and digital transformation (DX) while addressing rising costs. ● We are developing the RELO STAY Villa project on unused land to grow the Tourism Business by making effective use of existing assets.

Fourth Olympic Plan

Cash Allocation Policy

After the first year of the medium-term management plan, we revised our dividend policy and reviewed our cash allocation. We will optimize cash allocation to enhance corporate value and carefully review working capital and cash on hand to balance shareholder returns, stable management, and continued growth.

Cash inflows

Operating cash flow
(including turnover of real estate inventory)
¥100 billion

Use of interest-bearing debt

Cash outflows

Increase → Shareholder returns ¥50 billion

Growth investments
- M&A and strategic investments in existing areas ¥30 billion
- M&A and strategic investments in new areas ¥10 billion
- DX and human capital investments ¥10 billion

Increased working capital ¥10 billion or more

- We will strive to increase operating cash flow through continuous growth, the improvement of profitability, cost reduction, and a reassessment of working capital.
- We will utilize interest-bearing debt while maintaining financial soundness.

- We will raise the dividend payout ratio from 35% to **50%** during the medium-term management plan and aim for a total return ratio of **60%**, including share repurchases.

* Medium-term management plan period (FY2026/3 to FY2029/3)

Financial Indicators

To ensure financial soundness, we will maintain an equity ratio of 30% or above while achieving continuous growth and evolution and sustaining return on equity (ROE) of 25% to 30% and adjusted return on invested capital (ROIC) at a level of 15%.

Adjusted ROIC*1 15%

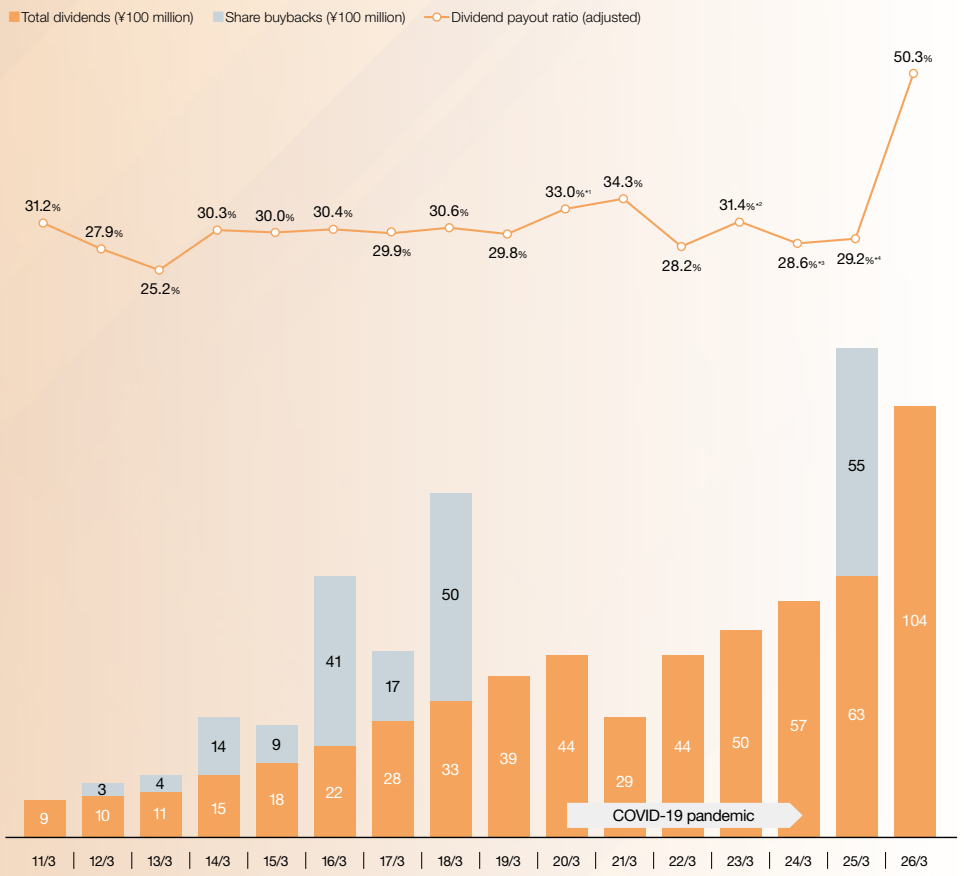
Increase → ROE target raised to 25% to 30% (Revision announced in May 2026)

Adjusted net D/E ratio*2 1.0 or below	We will ensure financial soundness through appropriate control of financial leverage.
Equity ratio 30% or above	We will ensure sufficient equity capital to sustainably enhance shareholder value and swiftly and effectively seize expanding business opportunities.
Sales	We will implement growth strategies built on our recurring revenue business portfolio.
Profit	We will continuously improve profitability and reduce costs.

*1 Adjusted ROIC = After-tax operating profit ÷ adjusted invested capital (interest-bearing debt – cash and deposits + total capital ÷ average of two periods)
*2 Adjusted net D/E ratio = Adjusted net interest-bearing debt (interest-bearing debt – cash and deposits) ÷ total shareholders' equity, etc.

Shareholder Return Policy

For the period of the Fourth Olympic Plan, our medium-term management plan (FY2026/3 to FY2029/3), we have adopted a policy of raising the dividend payout ratio from 35% to 50% and targeting a total return ratio of 60%, including share repurchases. To provide more opportunities to return profits to shareholders and ensure more stable dividends, we have also adopted a progressive dividend policy and introduced interim dividends, with a policy of paying dividends twice a year, at the interim and year-end.



Dividend per share (yen)*5

11/3	12/3	13/3	14/3	15/3	16/3	17/3	18/3	19/3	20/3	21/3	22/3	23/3	24/3	25/3	26/3
6	6.5	7.5	10	12.4	15	18.4	22	26	29	19	29	33	37	42	69

*1 Adjusted for an impairment loss of ¥9.5 billion *2 Adjusted for a net income of ¥4.9 billion from discontinued operations
*3 Adjusted for an impairment loss of ¥47.6 billion *4 Adjusted for a gain of ¥18.7 billion on the sale of investments accounted for using the equity method and profit or loss of ¥3.1 billion from investments accounted for using the equity method *5 Adjusted for stock split

Business Segment Strategies

OUTSOURCING BUSINESS

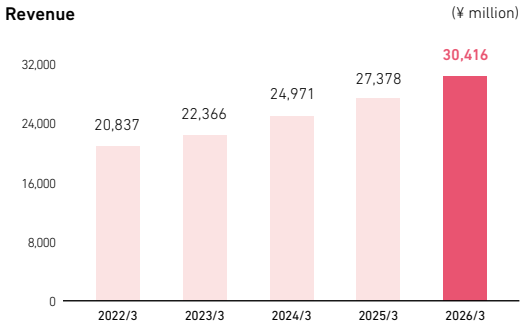
Outsourcing Business (Fringe Benefit Business)

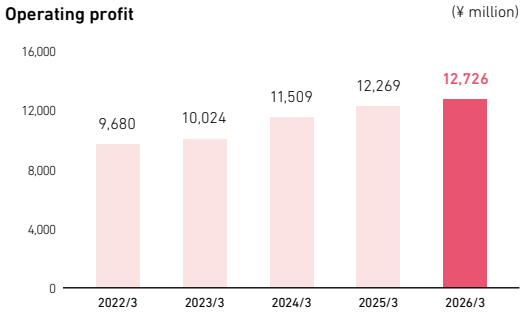
Business Overview

The Company provides Fukuri Kosei Club, an outsourced corporate fringe benefit service offering a wide range of options. The Company helps companies strengthen recruitment and improve employee satisfaction, and also uses this platform to offer customer benefit programs for client companies, as well as Sumai no Kaketsuke Service (emergency home care services).

Key Financial Results

Revenue	¥30,416 million
Operating profit	¥12,726 million





Key Highlights

Locally tailored services and system investments underpin our competitive advantage

Differentiating our services and improving profitability through attentive support tailored to local needs and continuous system investment

Expanding revenue opportunities by growing membership and encouraging greater use of services

Membership fee income remains solid, while a broader range of products and services also drives growth in revenue from member usage

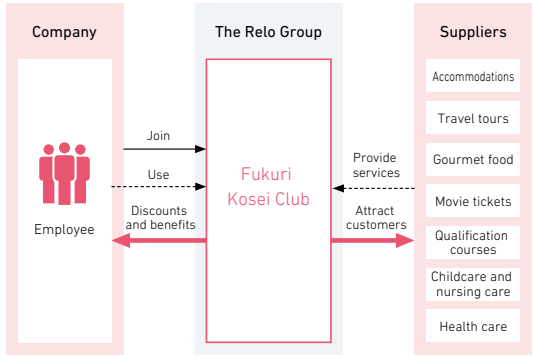
Three growth strategies to reach 10 million members and ¥22 billion in operating profit

Delivering greater value to support human capital management by strengthening engagement with new and existing customers, increasing order value, and developing new markets

Strengths and Unique Qualities

The Company operates sales offices across Japan, providing proposals tailored to the needs of companies in each region and expanding service offerings that are in high demand locally. The Company also divides Japan into 13 areas and publishes local newsletters with information on services available in each area, providing a distinctive level of attentive service that is one of its strengths and differentiates it from competitors. Another strength of this business is the improvement of operational efficiency through continuous system investment. When earnings slumped following the 2008 financial crisis, the Company made a large-scale investment to build its core system. It has since made ongoing enhancements to improve back-office efficiency and upgraded interfaces to make the system easier to use. As a result, even as membership grew, the number of inquiries declined, progressively reducing call center and related costs, while higher service utilization lowered the cancellation rate and contributed to strong profit growth. The Company refers to this successful example as its second growth curve and is investing in systems across the Group with the aim of achieving similar growth everywhere.

Overview of Fringe Benefit Services



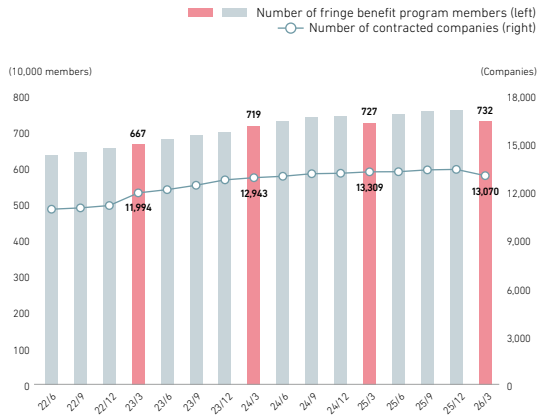
Review of FY2026/3

Revenue was ¥30,416 million (up 11.1%), and operating profit was ¥12,726 million (up 3.7%), achieving growth in both revenue and profit. Although fringe benefit membership increased only slightly year on year to 7.32 million, the recurring revenue base remained solid, with membership fee income rising 8.6% year on year. With growing interest in strengthening recruitment and retaining personnel, companies remained keen to introduce fringe benefit services, driving steady acquisition of new members, while the Company also expanded revenue from member usage by developing and providing products and services that deliver high customer satisfaction. The business as a whole also remained solid despite upfront investments in future growth, including expanded call center functions to strengthen customer support, application development to improve product development and sales capabilities, data center reconstruction, and personnel-related investments.

Business Segment Strategies

Outsourcing Business (Fringe Benefit Business)

KPI



Future Growth Strategy and Key Focus Areas

Under its medium-term management plan, the Fourth Olympic Plan, Relo Group, Inc. aims to reach 10 million fringe benefit members and operating profit of ¥22.0 billion in FY2029/3 by capturing rising needs for corporate fringe benefits against a backdrop of labor shortages. The key focus areas for achieving these targets are as follows.

1. Maximize recurring revenue business foundation through acquisition of new customers and deeper engagement with existing customers

The Company will expand its recurring revenue base through both new orders and deeper engagement with existing customers, supported by the recent rise in spending on non-statutory employee benefits and companies' active efforts to secure personnel amid labor shortages. The Company will steadily build new orders by restructuring its web-based sales and business matching functions, while focusing on expanding distinctive service offerings tailored to regional characteristics for existing customers. By encouraging members to use services more actively and improving satisfaction, the Company will strengthen customer relationships and aim to achieve the No. 1 market share.

2. Increase order value

The Company will further strengthen upselling to existing customers. Starting with Cafeteria PLUS, launched this fiscal year, the Company will progressively roll out the new services and products it has been developing and expand its HR-related offerings and associated services to reduce the workload of human resource departments. By combining these offerings to best meet customer needs, the Company will increase revenue per corporate client and prevent cancellations.

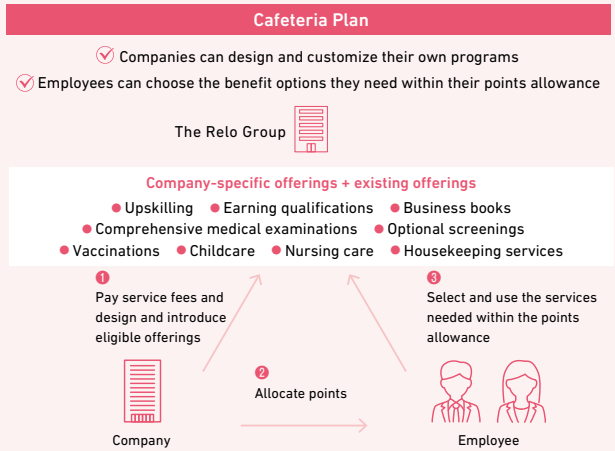
3. Develop new markets

The Company will pursue further growth by developing new markets among non-permanent employees and seniors, as well as cross-selling across businesses using its strong corporate customer base. In sales, the Company will strengthen its nationwide reach by developing new partners, including alliance partners and agents, and enter untapped markets through a new company jointly funded with the Tourism Business, offering a distinctive, high-value-added hybrid product, membership-based vacation home resorts, to small companies that have previously been difficult to reach.

FOCUS

Cafeteria PLUS

Interest is growing in cafeteria plans as a way to meet employees' individual needs amid increasingly diverse values, allowing each employee to choose the benefits they need within a budget allocated by their company. To meet these needs, the Company has launched Cafeteria PLUS, a new service that builds on conventional cafeteria plans. The service combines an intuitive, AI-enabled interface with a mechanism that seamlessly guides employees toward benefit options their company wishes to recommend. Compared with uniform benefit packages, the service makes it easier to increase utilization and satisfaction, supporting human capital management by helping companies strategically administer benefits that accommodate diverse work styles.



Call Center Outsourcing Service

Relo Create, Limited's Call Center Outsourcing Service for Rental Management Companies is a highly specialized call center focused on real estate and housing equipment and has been adopted by many rental property management companies, condominium management companies, house builders, and others. Operators with specialized knowledge respond to inquiries from tenants regarding issues such as water leaks and equipment failures and provide an end-to-end outsourcing service that includes arranging contractors to fix any problems. In the real estate management industry, which faces labor shortages, the need for reliable repairs has grown following amendments to the Civil Code, while the spread of remote work and other factors have also increased the number of daytime inquiries. By addressing these challenges, the service has helped management companies improve productivity and has enhanced tenants' living conditions.

Business Segment Strategies

OUTSOURCING BUSINESS

Outsourcing Business (Leased Corporate Housing Management Business)

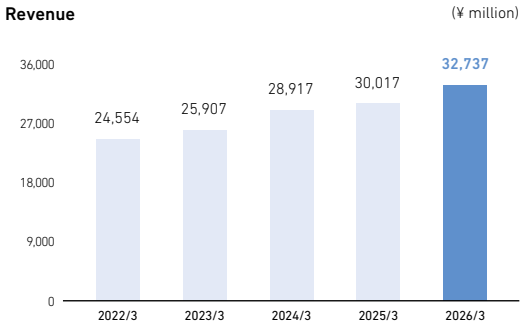
Business Overview

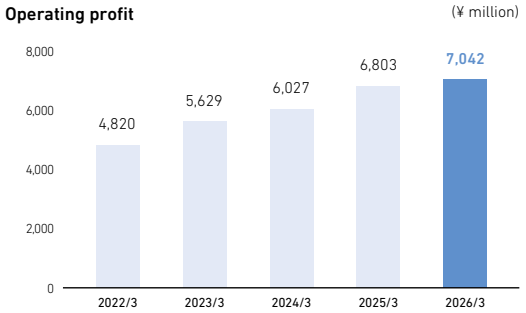
The Company provides comprehensive outsourcing services for leased corporate housing management. Its distinctive full-outsourcing model significantly reduces administrative workloads and resolves a wide range of corporate housing challenges. As a related service the Company also manages unoccupied houses (the primary residences of employees on transfer and other clients).

Key Financial Results

Revenue ¥32,737 million

Operating profit ¥7,042 million





Key Highlights

Full outsourcing through sublease agreements sets us apart from competitors

Our distinctive sublease model, in which the Company becomes the contracting party, significantly reduces clients' corporate housing management workloads

Steadily expanding the recurring revenue base by increasing the number of units under management

Growth in leased corporate housing, relocation house rental, and furnished rental units under management strengthens the stable revenue base

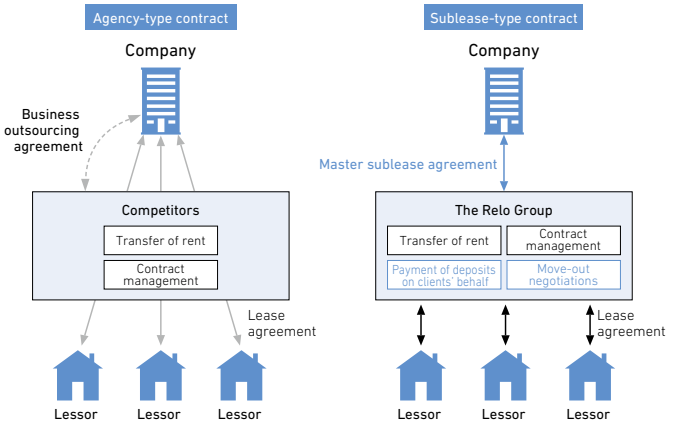
Expanding revenue opportunities through related services, including furnished rentals and support for reviewing corporate housing programs

Strengthening services that address companies' HR challenges, including furnished rentals and support for reviewing corporate housing policies

Strengths and Unique Qualities

Relo Group, Inc. was the first company in the leased corporate housing management industry to launch services based on sublease agreements. At the time, the services generally available only entailed accepting outsourcing contracts from companies to handle rent transfers and contract management, and many tasks were still the responsibility of the companies. The Company instead developed a distinctive full-outsourcing model in which it enters into lease agreements directly with landlords as the tenant and subleases the properties to client companies. By becoming the contracting party on behalf of client companies, the Company reduces their administrative workload by 90% or more. This high-value-added service differentiates Relo Group, Inc. from competitors, allowing it to establish a unique position in the industry.

Differences in contract structures between the Relo Group and other companies



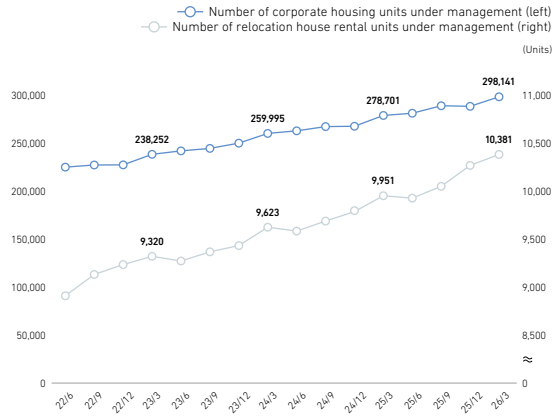
Review of FY2026/3

Revenue was ¥32,737 million (up 9.1%), and operating profit was ¥7,042 million (up 3.5%), achieving growth in both revenue and profit. The recurring revenue base expanded steadily amid growing demand for outsourcing, with leased corporate housing units under management at 298,141 (up 7.0%), relocation house rental units at 10,381 (up 4.3%), and furnished rental units at 12,599 (up 26.3%). In addition to higher management fee income from the increase in units under management, revenue from moving services, housing arrangements, and other services associated with employee transfers also grew, supported by increased use of Relo Net, a dedicated system for corporate housing administration, property searches, and moving support. Furnished rentals also contributed to earnings as companies moved to enhance housing-related fringe benefits. The Company achieved steady profit growth while making upfront investments in future growth, including enhancements to system functions.

Business Segment Strategies

Outsourcing Business (Leased Corporate Housing Management Business)

KPI



Future Growth Strategy and Key Focus Areas

During the Fourth Olympic Plan, the Company will pursue growth centered on expansion of its recurring revenue business foundation while targeting 400,000*1 corporate housing units under management, 13,000 relocation house rental units under management, 83,000 furnished rental units under management, and operating profit of ¥11.0 billion by FY2029/3. While staying in the lead with a top share in the industry,*2 Relo Group, Inc. aims to steadily expand its recurring revenue business foundation amid rising demand for more efficient management operations and for the provision of corporate housing due to labor shortages and increasing condominium prices. The key focus areas are as follows.

1. Expand furnished rentals in response to rising demand

Furnished rentals equip ordinary rental properties with furniture and appliances tailored to employees' needs, serving employees on unaccompanied assignments and new hires while also accommodating demand from foreign personnel, whose numbers are expected to increase further under the Employment for Skill Development Program scheduled to begin in the fiscal year starting April 2027. The Company will actively promote the service by reviewing maximum rent levels and raising awareness. Companies highly value the low initial costs and immediate availability for move-in, and the number of units under management is growing steadily on the strength of robust demand.

2. Develop services for evaluating corporate housing programs and supporting housing policy reviews

The Company will leverage its database of corporate housing policies from at least 1,300 companies to provide consulting services for evaluating and revising these programs. By designing optimal programs that help companies reduce costs and enhance fringe benefits, the Company will add value to clients' human resource systems and expand revenue.

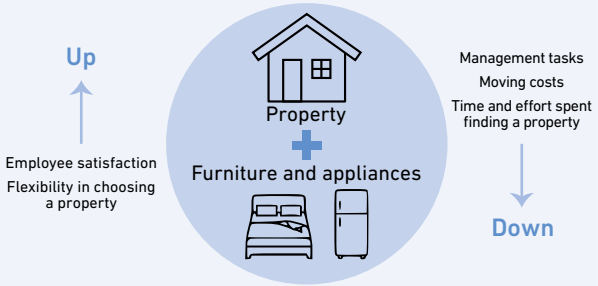
3. Generate new revenue by expanding related services

The Company will expand into related service areas, such as EV-ready parking and office management, and increase revenue from moving services, housing arrangements, and other services associated with employee transfers and relocations by encouraging greater use of Relo Net. In addition to increasing the number of units under management, the Company will create diverse revenue opportunities by making full use of the Group's economies of scale.

FOCUS

Furnished Rentals

Relo no Kagutsuki Chintai (Relo furnished rentals) is a comprehensive service that equips ordinary unfurnished rental properties with furniture and appliances tailored to employees' needs and provides them as corporate housing or dormitories. Demand for properties with furniture and appliances that allow employees to settle in from their first day on assignment is rising rapidly, driven by competition to attract new hires amid worsening labor shortages and the growing use of global talent. The service's main advantage is the flexibility to customize equipment to residents' needs, offering not only packages of essentials such as refrigerators and washing machines, but also options such as air purifiers, vacuum cleaners, and desks. By improving employee satisfaction while keeping initial costs low, the service supports retention and recruitment and has been widely adopted by companies seeking to accommodate employees on unaccompanied assignments, new hires, and a growing number of foreign-national employees.



What is leased corporate housing?

Corporate housing provided by companies to their employees is a firmly established business practice among Japanese companies as part of their fringe benefit systems. There are two types of corporate housing: company-owned corporate housing and leased corporate housing. In company-owned corporate housing, employees live in properties owned by their company, whereas in leased corporate housing, employees live in ordinary rental properties that the company leases from landlords. In the wake of Japan's recession after the collapse of its economic bubble, companies have shifted from company-owned corporate housing to leased corporate housing in the pursuit of greater management efficiency.

*1 At the investor presentation held in June 2026, the Company raised its FY2029/3 target for corporate housing units under management to 400,000, reflecting steady growth in orders. *2 Company estimate

Business Segment Strategies

OUTSOURCING BUSINESS

Outsourcing Business (Global Relocation Support Business)

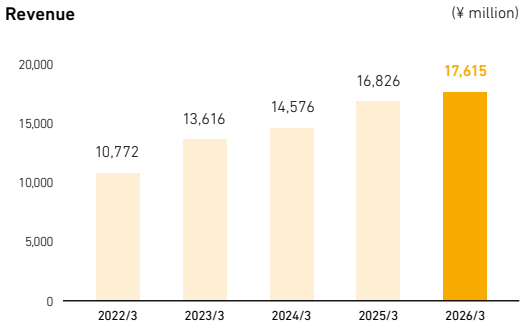
Business Overview

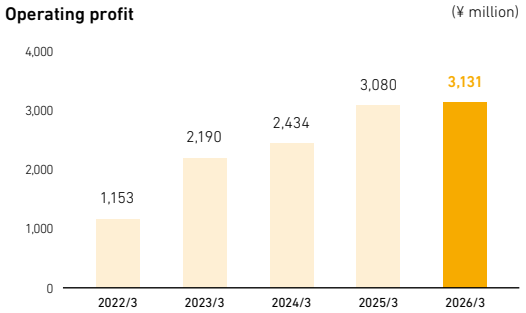
The Company provides comprehensive outsourcing services for the complex tasks involved in overseas assignments and repatriation. Its distinctive one-stop support reduces companies' administrative workloads and resolves challenges associated with global expansion.

Key Financial Results

Revenue ¥17,615 million

Operating profit ¥3,131 million





Key Highlights

A strong one-stop support framework covering pre-departure, overseas assignments, and repatriation

Supporting companies and assignees alike with comprehensive services, from overseas assignment procedures to support for daily life abroad

Winning more orders through specialized expertise as visa application processes become more complex

Growing orders from large companies and general trading companies by applying specialized expertise and operational capabilities to increasingly complex procedures in each country

Strongly supporting companies' globalization by enhancing inbound relocation support and services for overseas assignees

Pursuing further growth by capturing rising demand for inbound relocation support and enhancing services that improve assignee satisfaction

Strengths and Unique Qualities

Relo Group, Inc.'s greatest strength is comprehensive support that backs the global expansion of Japanese companies on a one-stop basis. The Company not only handles complex procedures at the time of both an overseas assignment and repatriation, such as work visa applications, health checkups, and overseas relocation, but in certain regions also provides the Global Mobility Management Service, which packages housing arrangements during assignment, 24-hour telephone interpreting, insurance, and car leasing to deliver every type of support needed for daily life overseas. The Group also includes AIRINC (Associates for International Research, Inc.), which provides payroll calculation data and consulting for overseas assignees, enabling the Company to offer highly specialized services. The Company also provides Inbound Relocation services, including housing arrangements and assistance with settling into life in Japan, to support the growing intake of foreign personnel. In this way, the Company's framework that can comprehensively meet the needs of both companies and assignees on both the outbound and inbound sides is a unique feature unmatched by competitors and has become indispensable for accelerating the globalization of Japanese companies.

One-Stop Support by the Global Relocation Support Business

Time of overseas relocation decision	During overseas assignment	Time of return to Japan
Work visa applications	Local housing arrangements	
Health checkups	Housing management	
Vaccinations	24-hour telephone interpreting	
Overseas relocation	Insurance and leasing	
Airline ticket arrangements	Pre-departure training	
Preparation of relocation policies	Language training	

Note: Examples of support services

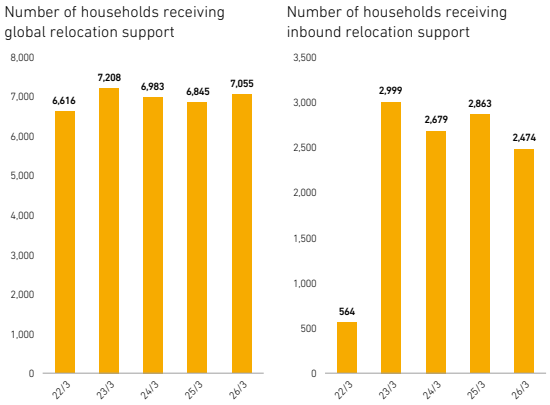
Review of FY2026/3

Revenue was ¥17,615 million (up 4.7%), and operating profit was ¥3,131 million (up 1.6%), achieving growth in both revenue and profit. The Company captured corporate outsourcing demand and secured more new orders from large companies and general trading companies as increasingly complex overseas assignment application processes drove demand for specialized expertise and operational capabilities. The number of households receiving global relocation support increased steadily to 7,055 (up 3.1%), while revenue per household for completed assignments also rose as more cases required specialized expertise. Real estate and housing arrangements for Japanese companies in North America also remained solid, contributing to revenue growth across the business.

Business Segment Strategies

Outsourcing Business (Global Relocation Support Business)

KPI



Future Growth Strategy and Key Focus Areas

Under the Fourth Olympic Plan, the Company aims to further expand its market share and targets 15,000 households receiving global relocation support, 15,000 households receiving inbound relocation support, 60,000 overseas business travelers served, and operating profit of ¥5.0 billion in FY2029/3. The key focus areas for achieving these targets are as follows.

1. Capture growing outsourcing demand and capitalize on competitive advantages

As application processes in each country become more complex, more companies, particularly large corporations, are shifting from handling these tasks internally to outsourcing them. The Company is steadily securing new business through an unmatched breadth of outsourcing services, specialized expertise, and strong operational capabilities, and will continue to meet companies' increasingly sophisticated outsourcing needs and build a stable growth foundation on that expertise.

2. Capture growing inbound relocation demand and strengthen support

To meet growing demand for highly specialized foreign-national personnel, the Company will establish a single point of contact that can flexibly handle the simultaneous intake of multiple employees and last-minute arrangements. The Company will also extend its services beyond initial arrival arrangements to help employees settle in and stay, including advice on daily life after relocation and support for their families. Comprehensive care provided entirely in English will enhance satisfaction for both companies and employees and strongly support the globalization of Japanese companies.

3. Expand services

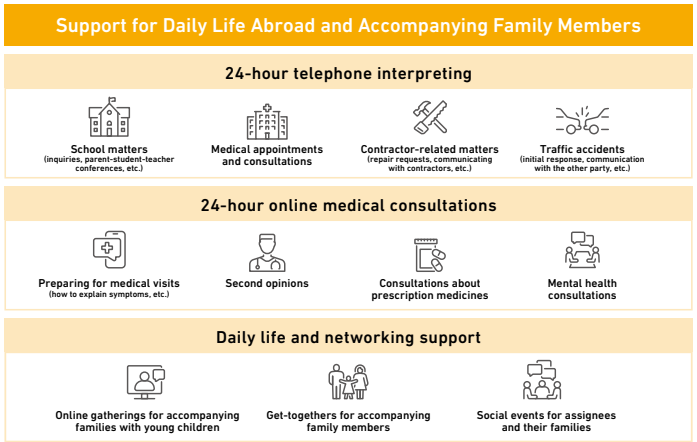
The Company will promote Core & Flex Relocation to help client companies streamline their global human resource operations and improve assignee satisfaction, building on a model that accommodates today's diverse work styles, is widely used in Europe and the United States, and is expected to gain ground in Japan. The Company will also strengthen services for assignees that are offered by U.S.-based Relo Redac, Inc. and develop a comprehensive BtoB business that supports the cross-border mobility of businesspeople.

Focus

Full Outsourcing of Overseas Assignment Arrangements to Support Companies' Global Expansion on a One-Stop Basis

The rapid globalization of Japanese companies is increasing demand from human resources and administrative departments to outsource overseas assignment arrangements. The tasks involved, including work visa applications that vary by country, health checkups, vaccinations, and moving arrangements, are highly specialized and complex, placing a substantial workload on the personnel responsible. Conventional support from moving and travel companies is generally limited to handling tasks within their own core businesses, such as transporting belongings or arranging airline tickets. The Company, in contrast, has established a one-stop support framework that handles all arrangements and administrative tasks before departure, during overseas assignments, and upon repatriation. By combining the ReloNavi progress management system with the Contact Desk specialist operations team, the Company helps clients significantly improve administrative efficiency.

The Company's competitive advantage extends beyond travel procedures to comprehensive support for daily life abroad and the well-being of accompanying family members. The Company provides comprehensive services, including 24-hour interpreting in Japanese for everyday situations, online medical and mental health consultations, and help building communities for accompanying family members who may feel isolated. A stable home life for assignees and their families directly helps employees become productive quickly in their overseas roles and increases engagement, while also reducing the unexpected tasks that client companies' HR personnel must handle outside working hours, such as on evenings and weekends. By providing comprehensive support that enables both companies and assignees to focus on overseas business with peace of mind, the Company supports its clients' global expansion.



Business Segment Strategies

RESIDENTIAL PROPERTY MANAGEMENT BUSINESS

Residential Property Management Business

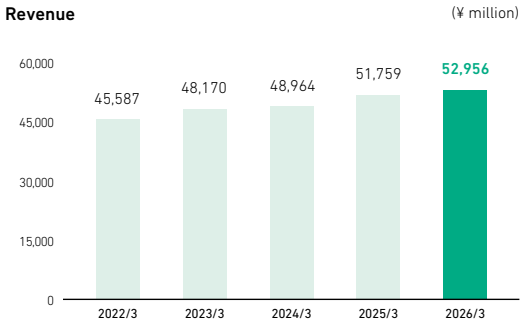
Business Overview

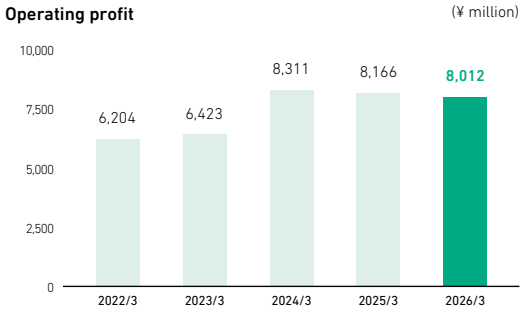
The Company provides outsourced rental property management services in major cities across Japan. By handling tasks such as contract management and tenant placement, the business primarily generates stable fee income based on the number of units under management.

Key Financial Results

Revenue ¥52,956 million

Operating profit ¥8,012 million





Key Highlights

A growth model based on coexistence and co-prosperity that draws on local property management companies' expertise

Improving efficiency and driving growth across the Group while building on the brands and expertise of local property management companies

Steady growth in rental units under management expands the recurring revenue base

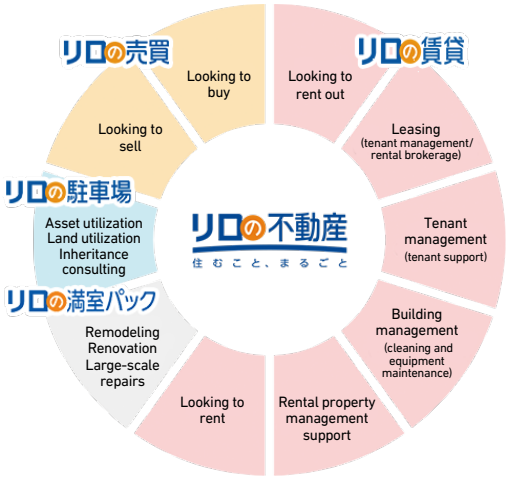
Strengthening the business foundation by increasing the number of units under management to more than 125,000 despite changes in the business environment

Turning business succession needs into growth opportunities through M&A and BPO proposals

Capturing business succession demand arising from shortages of successors and personnel through M&A and BPO proposals

Strengths and Unique Qualities

The business is unifying its brands nationwide around Relo no Chintai, launched in 2017, and Relo no Fudosan, launched in 2021. This nationwide brand expansion is supported by a framework that combines the sharing of diverse knowledge within the Group with improvements in operational efficiency. The business has expanded by bringing into the Group rental property management companies with distinctive local strengths and successful practices, and has shared their diverse expertise through Relo Partners, Ltd., an intermediate holding company established in 2015. Relo Partners has also built a more efficient operating framework by consolidating back-office operations and functions duplicated across Group companies. This framework, which puts the extensive knowledge accumulated by each company to use across the organization while improving operational efficiency, is a major strength driving the business's growth.



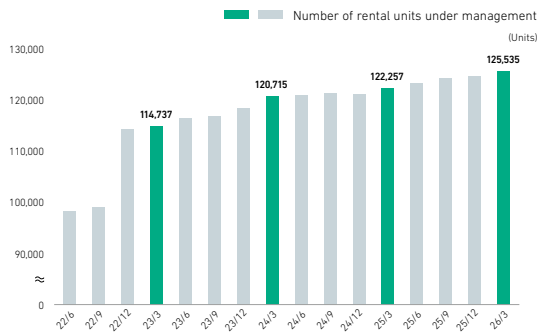
Review of FY2026/3

Revenue was ¥52,956 million (up 2.3%), and operating profit was ¥8,012 million (down 1.9%), resulting in higher revenue but lower profit. Despite changes in market conditions during the year, including fewer people moving as real estate prices surged and a shortage of available properties during the peak season, the number of rental units under management, the core of the business, increased steadily to 125,535 (up 2.7%). This continued growth in units under management drove increases in gross profit across all divisions, including management, construction, and asset-related operations. Profit declined during the year because the Company prioritized investment in human capital for future growth, including additional hiring and improved compensation and benefits to achieve the medium-term management plan, which increased costs, particularly personnel expenses, but its business foundation continued to expand steadily on the strength of its accumulated recurring revenue base.

Business Segment Strategies

Residential Property Management Business

KPI



Future Growth Strategy and Key Focus Areas

Under the Fourth Olympic Plan, Relo Group, Inc. aims to continue expanding its recurring revenue business foundation primarily through M&A, and aims to achieve operating profit of ¥12.0 billion and 204,000 units under management by FY2029/3. The key focus areas are as follows.

1. Provide services for property management companies and capture business succession demand

The Company sees expanding business succession needs arising from severe labor shortages and an aging population as a new opportunity and will accelerate M&A and BPO proposals that draw on resources across the Group. The Company will maximize revenue opportunities by working more closely with Group companies, including Relo Create, Limited, which provides call center outsourcing and Sumai no Kaketsuke Service (emergency home care services), to win management contracts, including secondary management contracts.

2. Strengthen consulting capabilities and maximize asset value

The Company will further strengthen its consulting capabilities, supported by consistently high property occupancy rates and strong owner satisfaction. The Company will improve the quality and volume of its proposals by drawing on asset management expertise accumulated within the Group and using dedicated tools, capturing demand for construction work to enhance property value, purchases of replacement properties, and inheritance-related services to deliver value to a diverse range of owners while improving profitability.

FOCUS

Growth via M&A

The Company's Residential Property Management Business began in 2010 with the acquisition of TOHTO Co., Ltd., which operates in Tokyo and Kanagawa Prefecture. Rental property management companies across Japan have continued to join the Group, expanding its reach beyond the Tokyo metropolitan area to Miyagi, Fukuoka, Osaka, and other prefectures, with outsourced rental property management as the core service in each region.

The business's greatest strength is that the companies joining the Group can share their distinctive successful practices and expertise with one another. TOHTO, the first company to join the Group, grew its operating profit sevenfold, from approximately ¥0.4 billion in 2010 to around ¥3.0 billion in FY2026/3. This dramatic profit growth demonstrates the strength of the Relo Group's recurring revenue business model, which steadily builds the number of rental units under management that form its revenue base. By applying this successful approach and expertise to companies that subsequently joined the Group, the Company has established a highly replicable model that delivers steady growth every year.

The rental property management industry currently faces serious business succession challenges as business owners approach retirement and struggle to find successors, giving rise to more M&A opportunities. With these favorable market conditions, the Company will further promote its coexistence and co-prosperity M&A model, which respects owners' aspirations and corporate philosophies (their DNA), preserves company names and local brands, and pursues shared growth, increasing profit in the business by steadily adding units under management and expanding its geographic coverage.

FY2010/3	• TOHTO Co., Ltd.
FY2013/3	• The Bestus Group
FY2014/3	• The Nakamichi Group • MyRealty, Inc.
FY2015/3	• Waity Co., Ltd.
FY2016/3	• The Daikou Group • The Room Group • Yoshida Fudosan Co., Ltd.
FY2017/3	• Shinwa Shoji, Limited • Housing Mate, Ltd. • Chofu Housing Co., Ltd. (Fuda and Tsutsujigaoka branches) • RECREA LIFE AGENT Co., Ltd.
FY2018/3	• Life fudosan Co., Ltd. • Artha Co., Ltd. • Gloire Co., Ltd. • Hot House Co., Ltd. turned into an equity-method affiliate • Wako Co., Ltd.
FY2019/3	• Kent Corporation Co., Ltd. • Hanazawa Homes Co., Ltd. • Hot House Co., Ltd. turned into a consolidated subsidiary
FY2020/3	• Com Kanri Service, Ltd. • The Kawaguchi tochi Group • PACIFIC RESIDENTIAL SERVICE, Inc. • The Ekimae Real Estate Group • Liebehouse, Inc. • Fine Real Estate Co., Ltd.
FY2022/3	• The NISSHO VECS Group
FY2023/3	• The CF net's Group • Stage Planner Co., Ltd.
FY2024/3	• Chintai Yamashin Co., Ltd. • The Fudosan no Asutei Group
FY2025/3	• TOTAL PLANNING Co., Ltd. • The Will House Group • Answer Holdings Co., Ltd. turned into an equity-method affiliate
FY2026/3	• Can-do Yamate Co., Ltd. • Pros Inc.

Business Segment Strategies

TOURISM BUSINESS

Tourism Business

Key Highlights

Specialized expertise in revitalizing small and medium-sized regional hotels and Japanese inns
Helping regional hotels and Japanese inns overcome their challenges and revitalize operations through expertise in attracting guests, digital transformation (DX), joint procurement, and other operational practices

Achieving growth in revenue and profit despite a challenging external environment through digital transformation (DX) and asset sales
Achieving growth in revenue and profit through DX-driven efficiency improvements and hotel portfolio rebalancing despite fluctuating demand

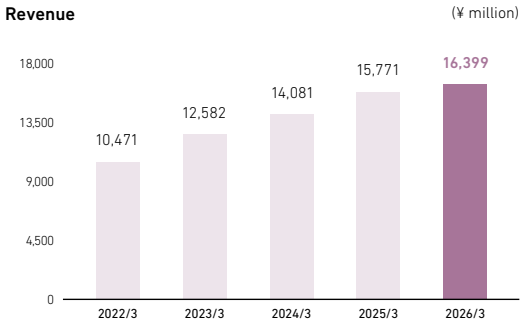
Targeting ¥7 billion in operating profit through a circular business model that connects revitalization with continued operation under management contracts
Developing a growth model focused on asset efficiency by enhancing facility value through revitalization and continuing to operate facilities under management contracts

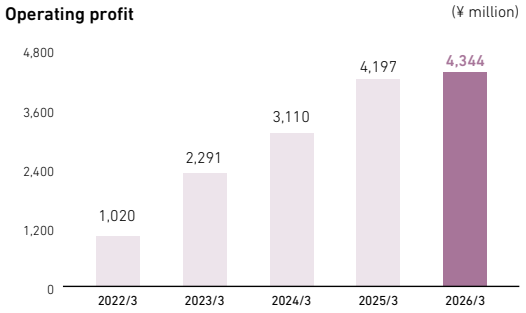
Business Overview

The Company provides hotel and Japanese inn management services and operates a point-based timeshare business. It has developed diverse revenue models, using the Fringe Benefit Business's membership base and its own operational expertise to generate revenue from operations, while also enhancing the value of facilities and earning gains by selling assets off its balance sheet.

Key Financial Results

Revenue	¥16,399 million
Operating profit	¥4,344 million

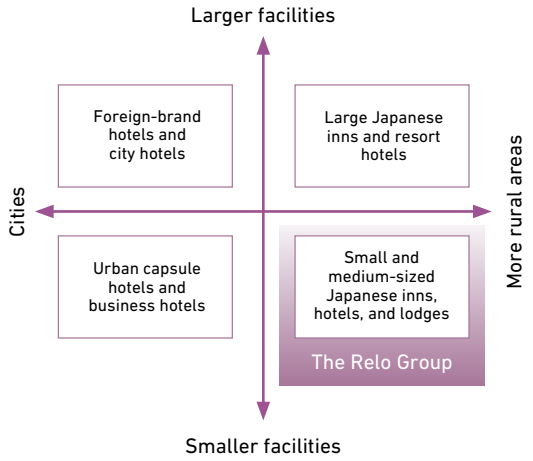




Strengths and Unique Qualities

Japan, which aims to become a tourism-oriented nation, has seen an increase in inbound demand and progression in the construction of large business hotels and resort hotels. At the same time, small and medium-sized hotels in more rural areas face numerous issues, including a lack of successors, aging facilities, insufficient IT adoption, and difficulties in securing personnel. It is said that more than 10% of traditional Japanese inns have ceased operations since 2011. The Company is able to deliver unique value to both guests and property owners by operating in a market that does not attract large-scale capital and by focusing on properties with around 30 rooms in more rural tourist destinations. Since a majority of the properties the Company operates have low occupancy rates, after taking over operations, Relo Group, Inc. utilizes its know-how in driving guest traffic in a bid to improve occupancy. The Company also seeks to maximize profit through yield management (a method of managing room accommodation rates and the number of rooms offered based on past sales data and demand trends) and digital transformation while improving earnings by leveraging its advanced expertise and efficiency through centralized procurement at headquarters and centralized management of shared operations. By applying this operational know-how, the Company enhances the profitability of the properties it operates.

Segmentation Map



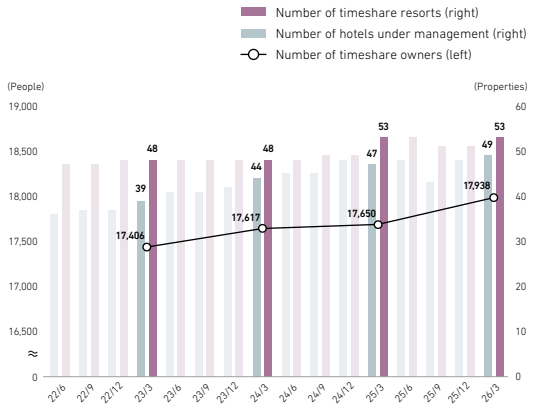
Review of FY2026/3

Revenue was ¥16,399 million (up 4.0%), and operating profit was ¥4,344 million (up 3.5%), achieving growth in both revenue and profit. Business conditions remained challenging in western Japan as Expo 2025 Osaka, Kansai, Japan shifted travel patterns and reputational damage caused by disasters reduced demand, particularly in Kyushu. However, the impact of lower inbound demand was limited because the Company's operating model primarily serves domestic demand. The Company also achieved some success in addressing rising costs by improving operational efficiency and reducing administrative expenses through digital transformation (DX), including the use of AI. Earnings growth was also supported by gains of more than ¥1.3 billion from the sale of two properties as part of a rebalancing of the hotel portfolio.

Business Segment Strategies

Tourism Business

KPI



Future Growth Strategy and Key Focus Areas

Under the Fourth Olympic Plan, Relo Group, Inc. is actively expanding initiatives to revitalize and support the operations of regional Japanese inns and hotels, building on the growth supported by strong demand from inside and outside Japan. By developing businesses that serve as a platform for business succession and aim to address shortages of suitable successors, the Company targets operating profit of ¥7.0 billion in FY2029/3. The key focus areas are as follows.

1. Expand support for regional Japanese inns and hotels

The Company will expand revenue by broadening its solutions—including BPO services, support for introducing digital transformation (DX), and staffing services that also provide foreign workers—for regional Japanese inns and hotels facing management challenges caused by population aging and outflows to urban areas. These efforts go beyond operational support to help revitalize regional economies as a whole by supporting businesses that underpin local tourism resources.

2. Capture more domestic demand, including among seniors

The Company will seek stable revenue by providing services tailored to seniors with strong travel demand, including retirees from companies using its fringe benefit outsourcing services and timeshare members. Building on its distinctive advantage of specializing in serving Japanese demand, which is not dependent on inbound tourism, the Company aims to improve profitability going forward by attracting more customers through its own websites.

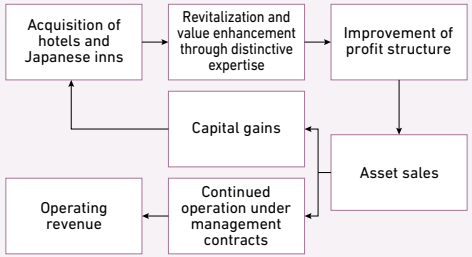
3. Increase profitability through efficient operations and insourcing

To address rising personnel and cleaning expenses, the Company will seek to stabilize costs by bringing these functions in-house through staffing and cleaning companies that have joined the Group. The Company is also developing the RELO STAY Villa project on unused land at hotels it owns. By establishing an efficient new business model that makes effective use of existing assets, the Company will accelerate future growth in the Tourism Business.

FOCUS

Asset Model in the Tourism Business

Many small and medium-sized regional hotels and Japanese inns currently face a combination of challenges, including a lack of successors, aging facilities, slow adoption of IT and marketing strategies, labor shortages, and rising costs. The Company operates a circular business model in which it takes over these facilities, revitalizes them using its distinctive expertise, sells the assets to generate capital gains and remove them from its balance sheet, and continues to operate the facilities under management contracts. It makes these facilities profitable by using the Group's expertise in attracting guests to improve occupancy, reducing costs through joint procurement and centralized operations, and improving sales based on sales data, thereby steadily increasing profit without significantly expanding assets on the balance sheet and contributing to the revitalization of regional economies.



To realize the full potential of existing assets and drive further growth, the Company also plans to develop the RELO STAY Villa project, constructing separate buildings on unused land at hotels it already owns. The project requires no new land acquisition costs and directly uses the existing operational expertise, personnel, and management systems the Company has from its hotel operations. This enables efficient expansion of facilities with minimal additional fixed costs, while the short construction periods and early revenue generation possible with villas create a highly profitable model with faster investment turnover. The Company will further develop the Tourism Business by making full use of its own land and providing high-value-added accommodation experiences that emphasize privacy.

Bringing Facility Operations In-House Through Ms Concept Co., Ltd.'s Expertise in Guest Room Cleaning

Ms Concept Co., Ltd., which joined the Group in 2026, provides a wide range of services centered on guest room cleaning for hotels and Japanese inns, as well as building maintenance and various contracted services, with strengths in reliable staffing and rigorous quality management backed by certification to international ISO standards. With rising personnel and cleaning expenses and labor shortages in guest room cleaning and other on-site operations posing common challenges across the accommodation industry, the Company will apply Ms Concept's on-site operational capabilities throughout the Group to stabilize operations at the hotels it operates. The Company will also work more closely with Relo Hotel Solutions, Ltd.'s BPO business for accommodation facilities to strengthen sales to hotels and Japanese inns outside the Group across Japan that face staffing and quality management challenges, further expanding the Tourism Business into new service areas.

Sustainability Promotion Structure

Sustainability Policy

Since its founding, the Relo Group has been expanding its business domains under the aims of solving societal problems and providing convenience by leveraging its unique proprietary functions. In addition, we have been developing businesses under our "Partnership Management" philosophy in which all employees participate in management with a sense of ownership. We have been proactively working to increase employee ownership, including enhancing the employee shareholding association, with the goal of realizing the sustainable prosperity of the Group and its employees.

To achieve this goal, we have continued to provide customers with high-quality services, thereby creating satisfaction and excitement. This is how we will strive to achieve excellence and sustainable growth.

We will continue striving to do our very best in every situation and occasion to improve our corporate value. At the same time, we will leverage our expanding capabilities to continue operating businesses that are useful to society and people, thus contributing to the establishment of a sustainable society.

The Three Principles of the Relo Group

- With every employee's participation in corporate management, we shall respect each other and together pursue the prosperity of all.
- We shall provide the best possible services to our customers.
- We shall strive to do our very best in every situation and occasion.



Governance Structure

In May 2023, the Relo Group set up a Sustainability Committee chaired by the representative director and CEO of the Company with a view to strengthening its sustainability efforts. The committee monitors the activities of each Group company to address sustainability issues, respond to risks and opportunities, and discuss these issues in order to accelerate sustainability-related measures.

The Group established a governance structure in which the Board of Directors receives reports at least once a year on sustainability-related measures compiled by the Sustainability Committee, and monitors and oversees the Company's responses to issues, risks, and opportunities.



Risk Management

For the purpose of sustainability-related risk management, the Sustainability Committee identifies Groupwide risks and opportunities based on the key social issues the Relo Group must address in light of global changes in society. After evaluating these risks and opportunities and discussing the appropriate measures, the Sustainability Committee will report them to the Board of Directors for consideration. The content of these reports is reviewed regularly and reported to the Board of Directors as necessary, and the status of countermeasures and progress thereof are monitored, managed, and examined.

Human Capital
https://www.relo.jp/english/sustainability/index.html#esg_0g

Human Capital

HUMAN CAPITAL

Since our founding, the Relo Group has welcomed like-minded individuals who share our founder's dreams and visions as partners and pursued "Partnership Management" to achieve prosperity for both the Company and our employees. We also uphold the philosophy of "Management That Gives Opportunities," creating an environment where everyone can flourish and encouraging their growth, regardless of gender, nationality, length of service, or other attributes. These initiatives form an important foundation for developing the human resources necessary to advance the Group's businesses, and we have established policies and initiatives to ensure that this strength continues to be utilized.

Strategy Overview

① Maintain and promote partnerships

Link the growth of the Company and its employees by encouraging each employee who shares our philosophy to participate actively in management as a partner with a sense of ownership, through share ownership and other means, while maintaining and strengthening an environment that gives partners opportunities to grow and thrive.

② Improve partner engagement

Maintain and improve engagement by fostering a deeper understanding of our philosophy and providing growth opportunities so that each partner continues to participate in the business with a sense of ownership.

Metrics and Targets

The Group has adopted the following quantitative targets to assess its human capital initiatives.

	Targets	Current metrics (as of April 1, 2026)
Employee shareholding association membership rate	Maintain at 90% or more	98.2%
Concurrent managerial positions*	20%	25.0%

* Percentage of those in full-time management positions who concurrently serve as unit manager and group manager. We see promotion to a management position as one way to provide opportunities, so when one person holds multiple positions, opportunities for others remain unrealized. Developing employees to reduce the concurrent holding of positions creates opportunities for them to take on these roles.

Risk Management

	Risks	Opportunities
① Maintain and promote partnerships	● Risk of slowdown in employee growth due to less intent or ambition to become shareholders with a sense of ownership ● Risk of slowdown in business growth due to low ambition among employees to take on challenges	● Improve awareness of management participation ● Foster ambition to take on challenges
② Improve partner engagement	● Risk of worsening employee turnover rate due to decline in employee engagement	● Improve employee turnover rate by increasing engagement

Partnership Management

Management That Gives Opportunities

Policies for Initiatives

① Maintain and promote partnerships

② Improve engagement among the partners who underpin our business

Key Initiatives

Enhancing "Partnership Management" and "Management That Gives Opportunities"

1. An Award System That Supports Growth → P. 38
2. Dialogue with Senior Management → P. 38
3. Career Programs That Encourage New Challenges → P. 39
4. Training to Share Our Management Philosophy → P. 39
5. Learning Through Interaction → P. 39
6. Recruiting Capable Individuals Who Share Our Values → P. 39
7. Developing the Next Generation of Leaders → P. 40

Creating an Environment Where Diverse Employees Can Grow and Take On Challenges with Confidence

1. DE&I → P. 41
2. Human Rights → P. 41
3. Safety and Health → P. 41
4. Compliance → P. 41
5. Information Security → P. 41

KPIs

- Optimization of employee conditions and reduction of engagement risks
- Employee shareholding association membership rate of 90% or more
- Number of dialogues with the CEO / Number of participants
- Number of departments offering internal openings for new challenges and career development
- Average age of managers
- Concurrent managerial positions
- Number of award recipients

Achieve participation of all employees in corporate management



Management Foundation

The Three Principles of the Relo Group

Human Capital

Key Initiatives Enhancing "Partnership Management" and "Management That Gives Opportunities"

We are building an organization where employees can thrive with a sense of ownership by creating an environment that enables each of them to participate actively in management as a partner and offering a wide range of opportunities to take on challenges and grow.

❶ An Award System That Supports Growth

We also place great importance on recognizing employees' achievements, presenting awards monthly, quarterly, semiannually, and annually. The annual awards, in particular, are presented in a grand ceremony at the RELO PARTNERS' MEETING, which brings together many employees and offers a stage everyone aspires to stand on.

Our Award System in Practice: The Annual Awards, the Relo Group's Highest Stage of Recognition

The Relo Group holds its annual awards ceremony at the RELO PARTNERS' MEETING each May. Following selection by each Group company, a total of 31 entries from Japan and overseas were nominated in FY2026/3. The awards offer an excellent opportunity for those who will shape the Group's future to inspire one another to excel, with categories including the top honor, the Founder's Award, the Newcomer Award for new-graduate employees in their first year, and the New Face Award for young employees, including mid-career hires. Videos released to all employees before the event share award recipients' outstanding initiatives and mindsets across the Group, providing fresh insights, while their acceptance speeches inspire partners to take on their next challenge, helping drive further growth throughout the Group.





How Our Award System Inspired Growth: Messages from Newcomer Award Recipients

- I had set my sights on the Newcomer Award even before joining the Company, after receiving my job offer. Winning this award by persevering through major obstacles marked the first step toward my larger goal of becoming someone who can help lead the Group in the future. I will keep aiming for the next award and working to achieve my dream, rather than being satisfied with what I have accomplished so far.
(Relo Club, Limited / K. N.)

- Inspired by seeing senior colleagues on that stage, I spent the year working tirelessly toward the Newcomer Award, an opportunity that comes only once in a career. I was able to take on challenges without fear of failure because I had a supervisor who always stood by me and encouraged me and a team whose members pushed one another to improve. I will build on this recognition to contribute to the Group's growth in the next fiscal year as well.
(Relocation Japan, Limited / M. T. * Affiliation at the time of the award)

❷ Dialogue with Senior Management

We regularly hold CEO roundtables, with 16 sessions in FY2026/3, giving employees who wish to participate an opportunity to speak directly with the CEO and learn about the Company's business performance and the dreams and vision of senior management.

We also arrange individual meetings with the CEO for annual award recipients and employees who receive quarterly MVP awards, giving the CEO an opportunity to personally recognize their achievements and to understand what these high achievers are thinking, identify good ideas, and put them into practice immediately. (An average of 13 meetings with award recipients are held each quarter.)

How Individual Meetings with the CEO Changed Employees' Perspectives
(Excerpts from Post-Meeting Surveys)

- Hearing CEO Nakamura share valuable stories about his past setbacks and failures made a deep impression on me, as I had previously seen him as a distant figure. Realizing that the most successful people have taken on more challenges and experienced more failures than anyone else was a major revelation for me. The meeting motivated me to improve myself further and gave me a strong incentive to keep growing.

- The words, "The risk lies in not trying and missing out on the experience, rather than in taking on a challenge," really resonated with me. Instead of finding reasons something cannot be done and avoiding the challenge, I want to focus on how to make it happen and act so that both the Company and I can move forward.

Initiatives Born from Dialogue



During the COVID-19 pandemic, employees raised concerns in these meetings about reduced internal communication, leading us to introduce Sankusu Card (thank-you cards), a service operated by Relo Club, Limited, across the Group just a few months later. These meetings go beyond dialogue, serving as a forum for creating new initiatives and systems that address organizational issues based on employees' firsthand feedback.

Human Capital

Key Initiatives Enhancing "Partnership Management" and "Management That Gives Opportunities"

❸ Career Programs That Encourage New Challenges

The Relo Group values employees' initiative and offers a variety of programs that support them in shaping their own careers. Alongside our career vision program, which encourages employees to reflect on their careers and clarify their future goals and challenges once a year, our intra-Group job posting system has offered opportunities to explore new fields across the Group's diverse businesses for more than 20 years. The latest round of postings features more than 70 varied openings from Group companies, where employees can apply directly on their own initiative without going through their immediate supervisors. We encourage ambitious employees to realize their full potential by offering a wide range of opportunities for self-growth and self-realization, actively promoting talent across the Group and energizing the organization.

❹ Training to Share Our Management Philosophy

To provide structured opportunities to learn our philosophy, the founder leads training three times a year for new-graduate and mid-career hires, while regular CEO addresses and roundtables four times a year give each employee opportunities to deepen their understanding of our management philosophy.

To support further growth, we are introducing the following initiatives from FY2027/3 to foster deeper understanding of our philosophy and strengthen our sense of unity.





1. Introducing a New Video to Encourage Employees to Put Our Philosophy into Daily Practice

In addition to sharing the Relo Group's DNA through RELOWAY, a booklet explaining our philosophy, and talks by our founder, we have produced a new video to help employees put that philosophy into practice in their daily work. Released internally in August 2026, the video allows new hires and existing employees to regularly revisit our founding principles.

2. Introducing a Special Program for Companies Joining the Group Through M&A

To foster a deeper understanding of our philosophy across Group companies, we have developed a dedicated program for employees who join us through M&A after building their careers in different corporate cultures. We will pilot the program in FY2027/3 with the aim of a full rollout in FY2028/3.

❺ Learning Through Interaction

The Relo Group values not only formal training but also the inspiration and varied learning that come from interacting with colleagues who work in different roles and environments. Groupwide initiatives create opportunities to strengthen connections across the Group through various training programs and sales meetings that bring together employees from different companies.

As part of these efforts, we hold a two-day, overnight training program for new-graduate employees in their second year, bringing together participants from different Group companies. Meeting in person away from the workplace allows participants to acquire new skills, reflect on their own growth with inspiration from their peers' achievements, and renew their motivation to take the next step.

We also run Groupwide Communication (Club Activities), which brings together employees from different companies through shared interests to encourage interaction. The Company provides financial support and subsidizes insurance premiums to help create an environment where employees can participate with peace of mind.

In FY2027/3, we will continue building relationships among partners across roles and organizational boundaries to deepen mutual understanding and a sense of belonging to the Group as a whole.



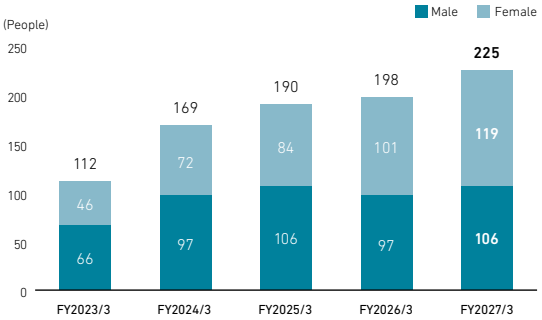




❻ Recruiting Capable Individuals Who Share Our Values

People who share our aspirations and keep taking on challenges sustain the Relo Group's growth. When recruiting new graduates, we place particular emphasis on each applicant's personal aspirations (Will) and how closely they identify with our dreams and visions. Many employees from our business operations actively participate in the selection process alongside HR staff. By engaging sincerely with each student as a potential future colleague, our employees attract talented individuals who share our aspirations and build a culture that drives sustainable growth.

Number of New-Graduate Hires



* Figures show the number of employees who joined on April 1 of the indicated fiscal year.

Human Capital

Key Initiatives Enhancing "Partnership Management" and "Management That Gives Opportunities"

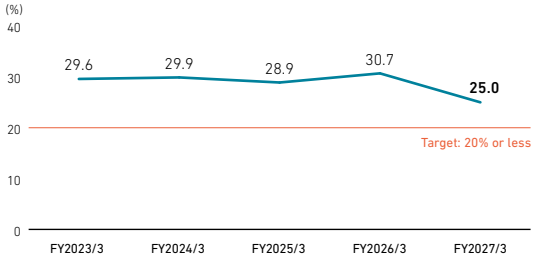
❼ Developing the Next Generation of Leaders

1. Providing Growth Opportunities (Reducing the Rate of Concurrent Managerial Positions)

Since our founding, the Relo Group has practiced "Management That Gives Opportunities," based on our founder's belief that opportunities develop people. In line with this philosophy, we are focusing on reducing the rate of concurrent managerial positions to provide more opportunities for the next generation of leaders to take on challenges.

We currently aim to reduce this rate to 20% or less to create an environment where more employees can take on new opportunities early in their careers. We will continue accelerating the appointment and development of the next generation of leaders to build an organization that sustainably enhances corporate value.

Concurrent Managerial Positions



Average Age of Managers

Position	Average employee age
Unit Manager (Department Head Level)	**45.5** 30s: 38 (19.8%) 40s: 89 (46.4%)
Group Manager (Section Head Level)	**40.1** 20s: 77 (15.2%) 30s: 174 (34.3%)

* As of March 31, 2026

2. Training

We hold training in Tsuwano, Shimane Prefecture, a town with ties to our founder, where selected young officers gather to strengthen collaboration across Group companies and discuss the Group's sustainable growth. As the Group continues to expand, we will create further opportunities to strengthen the bonds among those who will lead its management in the future and support their development, so that we can continue to grow with a shared founding spirit and a sense of unity.



3. Successor Nomination System

We select promising management candidates for our next generation of leaders and broaden their perspectives through training that includes direct meetings with the CEO and experience in diverse functions such as sales, finance, and business management. For potential successors to the CEO in particular, we have formulated a CEO succession plan and provide practical experience and opportunities in line with that plan. In addition, the Nomination and Compensation Advisory Committee, established in 2021, reviews all director candidates to maintain a high level of transparency and objectivity in the succession process.

P. 46 Governance

(Reference) FY2026/3 Training: Breakdown by Program

Training program		Days	Hours	Number of participants
Job-class-specific training	Training for officers (e-learning)	—	5	15
	Training for officers (group training)	3	15.5	8
	Training for newly appointed unit managers (group training)	1.5	12	13
	Training for newly appointed managers (group training)	2	14	106
	Training for newly appointed managers (labor training, e-learning)	—	1	147
Fundamental training	Training for new graduates in their third year	1	7.75	77
	Training for new graduates in their second year	1.5	9.5	99
	Training for new graduates in their first year	1	7.75	127
	Training for new employees	5	35	199
	Training on the Company's founding philosophy (group training)	0.5	3.5	228
	Training on the Company's founding philosophy (online)	—	3	58
Global training	Training for overseas employees (HR Tech)	5	38.75	7
	Training for overseas employees (in Boston)	6	45.5	5
Awardee training	Training for annual award recipients	1.5	10	18
Compliance training	Information security: 7 sessions, compliance: 2 sessions, mental health: 3 sessions, harassment: 1 session, safe driving: 1 session, personal information protection: 1 session, insider trading: 1 session, safety and health, and labor management: 1 session, safety confirmation training: 1 session, health management: 1 session, disaster prevention training: 2 sessions, special training on nursing care support programs: 1 session	—	23	3,334

Human Capital

Key Initiatives Creating an Environment Where Diverse Employees Can Grow and Take On Challenges with Confidence

Since our founding, the Relo Group has been committed to complying with all laws and regulations, conducting business according to sound standards of conduct, and ensuring fair recruitment and promotion regardless of educational background or gender. We undertake the following initiatives to maintain an environment where all employees can work with peace of mind.

❶ DE&I

The Relo Group is aware that diversity and inclusion are important management issues, and our goal is to serve customers and local communities by ensuring that employees with diverse values and characteristics respect and help each other develop in accordance with the Group's Sustainability Policy.

We will work to build a workplace environment and culture where all personnel who are diverse in terms of their gender, age, nationality, race, ethnicity, faith, social status, disability, sexual orientation, gender identity, values, workstyle, and other characteristics will respect and understand one another and display their potential and achieve growth together.

1. Promotion of Diversity

We undertake a range of initiatives to build an organization where diverse people from all circumstances and backgrounds can thrive. We actively recruit international talent and support their success, while emphasizing opportunities for employees with disabilities to perform work related to our core businesses and helping them establish themselves as valued colleagues. We also continue to support each employee in gaining the experience needed for promotion, without imposing any restrictions based on age, gender, nationality, educational background, or other attributes. In recent years, we have also focused on career support to help female employees play an even greater role.

Message from a Female Director



Akane Tsutsumitake
Director
Standing Audit and Supervisory Committee Member

Joined in 1988
Became a standing Audit and Supervisory Committee member in 2024 after serving as an officer of an operating company.

Expanding Opportunities for Individual Strengths and Advancing Diversity Through New Challenges

Our culture respects people who take the initiative and does not blame them when a sincere effort ends in failure. I believe this culture defines who we are and provides the foundation for diversity. We should be an organization that evaluates people on their abilities and motivation, regardless of attributes such as gender or age. In promoting women, it is important to offer fair opportunities to people with the abilities and qualities a role requires, regardless of gender.

At the same time, we need to improve working conditions and expand programs for flexible working arrangements and development opportunities so that capable people do not miss out on opportunities to take on challenges because of childcare, nursing care, location, or other constraints. When trying something new, we should get started even if we are only 80% ready, rather than holding back in pursuit of perfection. We can then continue to improve our approach as we put new ideas into practice and develop better systems. I hope we will preserve this culture of embracing new challenges while further expanding opportunities for everyone to realize their full potential.

2. Childcare Support and Support After Returning to Work

The Relo Group has established an environment that facilitates employees' ability to continue working. For example, employees who have fulfilled certain conditions are able to take advantage of programs enabling them to work shorter working hours after returning to work from childcare leave. The period for this has been extended from until the employee's child is three years old, which is required by law, to until the child starts school. In recent years, we have also encouraged men to take childcare leave. In addition, we have announced the establishment of a consultation desk for childcare leave within the Group and formulated the Anti-Harassment Action Policy to ensure that no staff member is disadvantaged because of a pregnancy, the birth of a child, childcare or nursing care leave, or other reasons to establish fair, worker-friendly workplaces.

❷ Human Rights

The Relo Group recognizes that respect for human rights is key to building sustainable local communities and conducts its business in a way that supports and respects international norms. Under this policy, we undertake human rights due diligence to prevent and mitigate adverse impacts on human rights and work to create an environment where human rights are respected through appropriate remedial measures.

❸ Safety and Health

In addition to providing a safe workplace environment, managing working hours and holidays appropriately according to laws and regulations, and paying appropriate wages based on fair evaluations, we strive to prevent harassment and support the promotion of mental and physical health. We also have a variety of consultation services in place to create a workplace environment that allows employees to feel comfortable seeking advice.

❹ Compliance

The Relo Group has established compliance guidelines and works rigorously to prevent bribery and corruption. In addition to developing internal rules and improving awareness and understanding through training for all employees, we have established internal and external whistleblowing channels as part of a system for overseeing legal compliance.

❺ Information Security

The Relo Group regards protecting the information it holds as a key responsibility and has established a management system through deliberations by the Management Advisory Council of Information Security, whose members include relevant officers and the presidents of major operating companies. We work closely with external experts and others to ensure the confidentiality, integrity, and availability of information, while seeking to improve our management standards through regular employee training.

Please visit our website for details on safety and health, compliance, and information security.
The Relo Group's Sustainability Web Page: https://www.relo.jp/english/sustainability

Dialogue Between Award Recipients

Challenges Lead to Results, and Results Inspire the Next Challenge

We give people opportunities to take on challenges, with supervisors and colleagues supporting their growth. Rooted in the Group's culture, "Management That Gives Opportunities" draws out each individual's personal aspirations (Will), leading to results and growth while passing those experiences on to the next generation. Two employees—one from the Fringe Benefit Business (Osaka Branch) who won the top honor, the Founder's Award, in the FY2026/3 annual awards, and another from the Leased Corporate Housing Management Business who received the second-highest honor, the CEO Award—came together for a discussion. They discussed their experiences, the support they received, and the culture they hope to pass on as they develop the next generation.



Reflecting on the Awards

K. O. I was absolutely delighted when I found out I had won. It was an award I had been working toward for a long time, and I had promised a junior colleague that I would win it. Along with fulfilling that promise, I felt I had been able to give back to the senior colleagues who had supported me along the way.

M. A. To be honest, I was surprised. But I also felt somewhat frustrated. I had not achieved the sales target I had set for myself, so I ended the year feeling I had fallen short of what I could achieve. Next time, I want to achieve my target and then aim for the top award.

Understanding Clients' Challenges

K. O. In sales, I place a lot of importance on preparing in advance to understand the client. There is only so much you can learn in a meeting, but there is a lot of information you can gather beforehand. Before each meeting, I review the company's website, medium-term management plan, shareholder composition, and other information to consider where the company is headed and the roles its HR and general affairs departments intend to play. I pay particular attention to gathering information so I can tailor my proposals to each client.

The proposal that led to my award was for a health insurance society with around 53,000 members. Health insurance societies operate under different systems and circumstances than ordinary companies. After researching and thoroughly understanding that society's particular circumstances, I condensed a proposal of roughly 110 pages into a 10-minute presentation, focusing on the challenges it faced and what it wanted to achieve. My supervisor helped me rehearse more than 10 times, and I kept the presentation focused on points directly relevant to the client's challenges.

M. A. My award stemmed from a proposal to a company we had been pursuing for around 20 years without winning its business. The company had concerns about our subleasing model, which limited our opportunities to visit, but rather than simply assuming it would be too difficult, I considered the reasons behind the requirements in its request for proposal (RFP) from a range of perspectives. I also sought help from a Group company that already did business with the client to understand the history of the relationship and the client's responses and then developed several options. Offering a flexible proposal that gave the client a choice, rather than insisting on a single approach, ultimately helped us win the contract under our subleasing model.

K. O. I think what matters is using the information you gather to understand what the client wants to achieve, rather than simply presenting the information itself. I then try to translate what we can do for the client into a proposal.

M. A. I also believe it is important to look beyond our existing services and understand both the challenges each client faces today and what they want to achieve in the future. Connecting the two and developing proposals that only the Relo Group can deliver is both our strength and the direction we should pursue.

Daily Habits That Support Results

M. A. At work, I value being open to feedback and taking responsibility rather than blaming others. When someone offers a different opinion or advice, I first take it on board and

Dialogue Between Award Recipients



consider why they have shared it with me. After thinking it through, I sometimes reach a different conclusion from the advice I received, but because I am ultimately responsible for the work, I make a point of forming my own views and expressing them honestly. I encourage my team to take the same approach because I want to develop people who can think for themselves and remain adaptable.

K. O. I use the phrase "raise the standard of the basics" as a guide for my actions. It is something my branch manager at the time told me when I was a new employee struggling to achieve the results I wanted. Even without any special talent, consistently doing the things anyone can do to a high standard helps you build your own credibility and value. I still value getting those small things right, such as eliminating typos in emails and documents and checking figures carefully.

M. A. I also believe in getting the basics right every time. As a salesperson meeting clients, I am representing Relo. If I don't know something, I take it back to check rather than give a vague answer, respond by the promised deadline, and always follow up with a thank-you after a visit. I believe these individual actions, taken consistently, build clients' trust.

K. O. For example, when a client sent us numerous questions during the proposal process, we divided them among the team and had all the answers ready by the next day. Responding promptly showed the client how seriously we were approaching the proposal.

A Culture That Supports Challenges and Growth

K. O. What feels distinctive about the Group is its willingness to give motivated people opportunities to take on challenges. In the new client sales team I belong to in Osaka, we have a culture of encouraging people by saying, "Give it a try. Your supervisor has got your back." When I once lost an important pitch, my supervisor told me, "If we lost with you giving this presentation, I have no regrets," and that really helped put my mind at ease. I want to become the kind of supervisor who can say the same to my team one day.

M. A. I also strongly feel the impact of "Management That Gives Opportunities." We are entrusted with responsibility from a young age, and I now manage a team of six. Initially, I expected my team members to do what came naturally to me, without thinking about the reasons they might struggle to do so. At a time when I was also struggling to deliver results, a turning point came when a senior colleague told me, "You haven't been yourself lately. Your team can tell." I then made more of an effort to understand each person and speak openly about myself, and our relationships gradually began to change. Being given opportunities at a young age and having people support me when I failed taught me the importance of changing myself before asking others to change.

K. O. My department has produced Newcomer Award recipients many years in a row. With so many colleagues who know the joy of winning an award and who have experienced receiving others' support, the desire to give junior colleagues that same experience has naturally been passed on. Senior colleagues who have won awards support junior colleagues in their challenges, and those colleagues go on to support the next generation. This virtuous cycle has become part of our team's culture. I also made a promise with the first new employee to join my team: "Let's win the Founder's Award for me and the Newcomer Award for you." And we really did end up standing on the same stage, just as we had promised. Now that colleague is aiming for the Founder's Award. I want to support them in taking on that challenge while respecting their own wishes.

M. A. I used to focus solely on results and achievements, and I expected my team to follow my own standards for working toward their targets. But as I worked with team members as a manager, I realized that they did not necessarily all share the same goals or values. Now, I ask each person what they want from their work and where they want to be in the future, encouraging them to think about their own goals. Setting your own goals comes with responsibility. That is why I value having people think through and articulate their own goals first, rather than assigning goals to them.

Our Roles and Challenges in Developing the Next Generation

M. A. In new client sales for the Leased Corporate Housing Management Business, I want to expand the group I currently lead, which serves small and medium-sized companies, into a unit. I want to build a strong team that can act independently by developing more people who can propose Relo no Shatakukanri (Relo's corporate housing management services), growing into a unit manager myself, and developing the next generation of group managers. I also hope that team will develop people who aspire to win the Newcomer Award. Achieving a goal brings a sense of growth, the joy of winning an award, and the satisfaction of higher pay and bonuses. I want to help each person grow and find happiness through these experiences.

K. O. My goal is to become a unit manager while still in my twenties. Our Osaka Branch has a culture of supporting young employees as they take on challenges and developing the next generation. Senior colleagues gave me opportunities to challenge myself and grow, so I now want to create an environment where young employees feel confident putting themselves forward. I will build on the culture I have inherited and pass it on to the next generation.



Environment

ENVIRONMENT

We have identified "Contribute to resolving social and environmental issues" as one of the material issues necessary for value creation. We promote initiatives on a daily basis, including those aimed at reducing our environmental impact.

We will work to improve our disclosure of climate change-related information in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

Governance

In May 2023, the Relo Group set up a Sustainability Committee chaired by the representative director and CEO of the Company with a view to strengthening its sustainability efforts. This committee monitors the activities of individual Group companies to respond to risks and opportunities, including those involving climate change, and addresses and discusses these issues in order to accelerate sustainability-related actions.

The Board of Directors receives at least one report on sustainability actions each year from the Sustainability Committee, which it uses to monitor and supervise activities for tackling issues and responding to risks and opportunities. These actions constitute the Relo Group's governance structure.

Strategy

We predicted changes that will have occurred in the external environment in 2030 and conducted scenario analysis to analyze the impact of climate change on our businesses in accordance with the TCFD framework.

Please see the following web page for the results of our 2030 scenario analysis.
https://www.relo.jp/english/sustainability/index.html#sect_9

Scope of analysis: The scope of analysis includes the Fringe Benefit Business, the Leased Corporate Housing Management Business, the Global Relocation Support Business, the Residential Property Management Business, and the Tourism Business.

Identification of risks and opportunities:

We identified climate change risks and opportunities for our businesses. From among them, we selected items that are highly relevant to our businesses.

Assumed scenarios:

We assumed a 1.5 °C scenario and a 4 °C scenario, considering parameters and societal changes while referencing relevant scenarios disclosed by various governmental organizations.

Scenario	Outline	Key References
1.5 °C scenario	To limit the global average temperature increase to 1.5 °C above pre-industrial levels, aiming for net-zero CO_2 emissions by 2050, the policies and regulations of every country will become stricter than in the 2 °C scenario, and society's awareness of the environment and climate change will increase significantly.	IEA World Energy Outlook 2021. Sustainable Development Scenario Net Zero Emissions by 2050 Scenario IPCC SSP1-1.9
4 °C scenario	This scenario takes into account actions that have already been carried out and assumes that policies that have been announced will be implemented. Furthermore, it assumes that policies and regulations will be weaker than in the 1.5 °C and 2 °C scenarios. CO_2 emissions are likely to increase for the time being, and society's awareness of the environment and climate change will remain at the same level.	IEA World Energy Outlook 2021. Stated Policies Scenario IPCC SSP5-8.5

Risk Management

The Sustainability Committee will identify Companywide risks and opportunities related to sustainability, including those involving climate change. After evaluating these risks and opportunities and discussing the appropriate measures, the Sustainability Committee will report them to the Board of Directors for consideration. The content of these reports is reviewed regularly and reported to the Board of Directors as necessary, and the status of countermeasures and progress thereof are monitored, managed, and examined.

Metrics and Targets

We consider "Contribute to resolving social and environmental issues" to be a material issue and calculate and disclose data on our greenhouse gas (GHG) emissions. In addition, Relocation Japan, Limited, a Relo Group company, has committed to the Science Based Targets initiative (SBTi) and is considering GHG reduction targets. The Relo Group will continue striving to collect information, set targets, and disclose them in its aim to reduce its GHG emissions.

GHG emissions (t-CO_2)

		FY2023/3	FY2024/3	FY2025/3
Scope 1		8,543	10,000*	8,610
Scope 2		7,733	7,462	10,454
Subtotal (Scope 1 + 2)		16,276	17,462	19,064
Scope 3	Category 7 (Employee Commuting)	1,699	1,213	1,253

Note: Calculations cover major locations of the Relo Group, including its Japanese subsidiaries.
* Increase due to the opening of four new facilities in the Tourism Business

FOCUS

Addressing Environmental Challenges and Promoting Decarbonization and Reduced Plastic Use in the Tourism Business

Relo Vacations, Ltd. which operates the membership resort business and the hotel and Japanese inn management and revitalization business, makes effective use of resources by renovating unused accommodation facilities and has formed an internal project team to strengthen efforts to address environmental challenges arising from facility operations, including waste, food loss, and CO_2 emissions.

Switching to Heat Pump Systems to Eliminate Heavy Fuel Oil Use

At facilities in our hotel operations business, we are reducing CO_2 emissions by replacing conventional boilers that use heavy fuel oil or gas with heat pump systems that have a lower environmental impact. Since first introducing these systems in 2021, we have been rolling them out to facilities nationwide, with 24 facilities having eliminated heavy fuel oil use or reduced CO_2 emissions as of March 2026.

Reducing Plastic Use by Installing Amenity Bars

We are working to reduce waste containing plastic, with a target of cutting plastic use by 50%. We encourage guests to bring their own personal care items and make sure that guests without them take only the supplies they need. As part of these efforts, we have installed SDGs stands (amenity bars) at 46 facilities, primarily under the Yutorelo brand and including membership resort facilities, as of April 2026, supporting sustainable resort operations that minimize unnecessary waste.

Governance
https://www.relo.jp/english/sustainability/index.html#sect_1

Governance

GOVERNANCE

Basic Policy

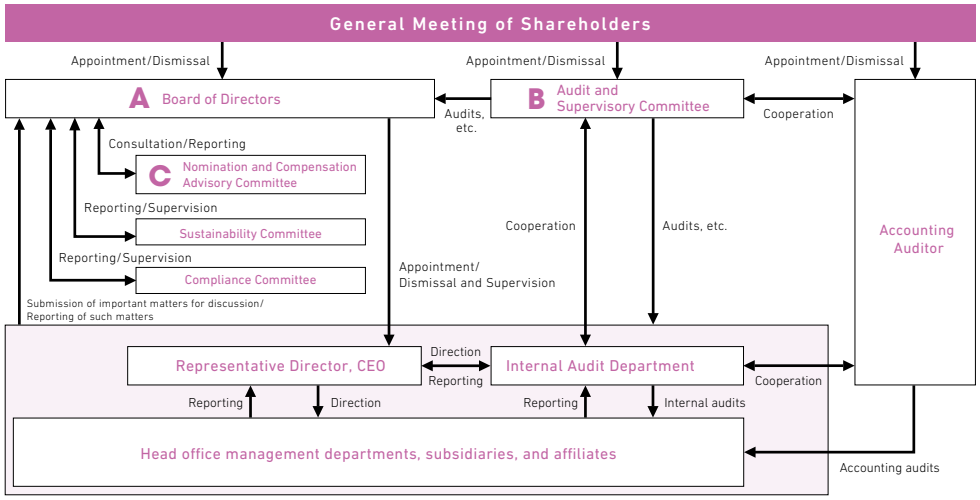
The Company's basic policy on corporate governance is to strive to continuously increase its corporate value by establishing a fair, highly transparent management system while considering the social responsibility of companies. Under this policy, the Company enhances its management monitoring functions while separating them from its business execution functions. This approach is the foundation of the Company's efforts to establish an effective governance system.

The Company positions its Board of Directors as the body that approves the Group's basic policies and monitors its execution of business. The Company strives to ensure prompt decision-making in the execution of business and to establish a system that enables improvement in the effectiveness of audits and supervision by the Audit and Supervisory Committee over such business execution.

Please see the following link for the Relo Group's corporate governance report (dated June 25, 2026) (Japanese only).
https://www.relo.jp/english/sustainability/docs/20261027_E.pdf

Corporate Governance Structure

The Company has adopted a company with an audit and supervisory committee organizational structure to further enhance corporate governance. Under this structure, members of the Audit and Supervisory Committee, which is responsible for auditing directors' execution of their duties, are included as members of the Board of Directors, thereby strengthening the Board's supervisory and monitoring functions.
We believe that this structure, with the Board of Directors as the body that approves the Group's basic policies and monitors its business execution and the Audit and Supervisory Committee as the body that audits and supervises these activities, enhances the speed of decision-making and the effectiveness of audits and supervision.



A Board of Directors

Chairperson	Composition	Meetings Held in FY2026/3
Representative Director, CEO Kenichi Nakamura	12 directors (including 4 outside directors)	16

Regular meetings of the Board of Directors are held monthly in principle, and extraordinary meetings are held as necessary. In addition to reviewing monthly performance reports, the Board makes decisions on statutory and other important matters and supervises the execution of business. In FY2026/3, the Board primarily discussed progress on the medium-term management plan, M&A transactions, and facility expansion in the Tourism Business. Each director's attendance is disclosed in the Annual Securities Report and the Notice of the Annual General Meeting of Shareholders.

B Audit and Supervisory Committee

Committee chair	Composition	Meetings Held in FY2026/3
Standing Audit and Supervisory Committee Member Nobuyoshi Oki	5 directors who are Audit and Supervisory Committee members (including 3 outside directors)	20

The Audit and Supervisory Committee meets monthly in principle to make decisions on audit policies and implementation plans and report on important matters related to auditing.

C Nomination and Compensation Advisory Committee

Committee chair	Composition	Meetings Held in FY2026/3
Outside Director Masao Sakurai	Outside Director Masao Sakurai Outside Director (Audit and Supervisory Committee Member) Kaori Sato Representative Director, CEO Kenichi Nakamura	3

The Company has established the Nomination and Compensation Advisory Committee as a voluntary advisory body to the Board of Directors to further strengthen corporate governance by enhancing the fairness, transparency, and objectivity of procedures for director nominations, compensation, and related matters. The committee deliberates on nominations, compensation, and related matters in response to requests from the Board of Directors and reports its findings to the Board. To further ensure fairness and transparency, a majority of the committee's members are independent outside directors, and its chair is selected from among the outside directors.

Governance

Evaluation of the Effectiveness of the Board of Directors

The Company's Board of Directors began to conduct questionnaires to the directors and Company auditors in FY2017/3 to analyze and evaluate the effectiveness of the Board in terms of supervisory functions and appropriate decision-making regarding business execution.
The self-evaluation and analysis for FY2026/3 were conducted with advice from an independent third party to improve the transparency and objectivity of the evaluation. The results are summarized below.

Evaluation Method

A questionnaire was administered to all members of the Board of Directors, including Audit & Supervisory Committee Members. Responses were submitted directly to an independent third party to ensure anonymity. Based on the aggregated results reported by the third-party organization, the Board conducted its analysis, discussion, and evaluation at its regular meeting on May 21, 2026.

Major Evaluation Items

❶ Status of the Board of Directors ❷ Composition of the Board of Directors ❸ Operating of the Board of Directors
❹ Management strategies and management plans ❺ Internal control and risk management
❻ Nomination and compensation ❼ Performance of outside directors ❽ Framework for supporting directors
❾ Training ❿ Dialogues with shareholders (investors) ⓫ Subjects' own actions
⓬ Evaluation of the Nomination and Compensation Advisory Committee
⓭ Evaluation of the Audit and Supervisory Committee ⓮ Summary

Analysis and Evaluation of Effectiveness

Response to and Progress on Issues Identified in the Previous Effectiveness Evaluation Conducted for FY2025/3

It was judged that the major issues that were identified were responded to as detailed below, and that the effects of that response have steadily materialized.

❶ Increasing the frequency of Nomination and Compensation Advisory Committee meetings and promoting more lively discussions

Based on the recognition that more in-depth discussions were needed regarding matters such as the formulation of succession plans, the frequency of meetings was revised from twice a year to three times a year, with the aim of securing more time for deliberations.

❷ Provision of officer training opportunities

Progress was made in responding to these issues, such as sharing corporate and IR information, and providing opportunities for discussion regarding management issues. As a result, while the evaluation revealed that improvements have been made to some extent, we came to the understanding that further enhancements aimed at providing new training opportunities need to be considered, and will continue to recognize this as a challenge to be addressed.

❸ Formulation of succession plans and discussions it at Board of Directors

The fact that no succession plans had been formulated and the need for further discussion at the Board of Directors were recognized as an issue. In 2025, the Nomination and Compensation Advisory Committee finished formulating the plan following discussions, revealing a measure of progress. We came to the the understanding that the Board of Directors and Nomination and Compensation Advisory Committee will need to continuously verify and oversee the progress of these efforts going forward, and will continue to recognize this as a challenge to be addressed.

Response to Issues Identified in the effectiveness evaluation conducted for FY2026/3

The Company's analysis, based on the evaluation of the questionnaire that was conducted, is that evaluations about the composition and operation, etc. of the Board of Directors were largely positive, and that the effectiveness of the Board of Directors as a whole is ensured. However, the following issues were shared, with the aim of further enhancing the functions of the Board of Directors and promoting more lively discussions.

❶ Enhanced provision of officer training opportunities

In addition to training on corporate and IR information that has been conducted to date, the Company will strive to further enhance the content of training, including the regular sharing of information from the legal affairs section regarding corporate governance, legal matters, and revisions to compliance-related laws.

❷ Active involvement in succession planning

The Nomination and Compensation Advisory Committee will continue to meet three times a year, evaluating candidate successors to the CEO and discussing recognized issues. In addition, the Company will promote a successor development process in light of those activities.

Based on this analysis and evaluation of the effectiveness of the Board of Directors, we will work to improve the effectiveness of the Board of Directors by continuously addressing issues that require improvement.

Governance

List of Board Members



Chairman of the Board

Masanori Sasada

Responsibilities and Important Concurrent Posts
Group Coordinator

Attendance at Board meetings: 100% (16/16 meetings)
Number of Company shares owned: 668,000 shares

Reason for appointment

Mr. Masanori Sasada is the founder of Relo Group, Inc. He has established our vision and values, as embodied in the Relo Group Spirit, in addition to having abundant experience, an excellent track record, and valuable knowledge of management and business development. As Chairman of the Board of the Company, he provides advice on the management of the Company from an accurate perspective backed by his experience. He appropriately fulfills his responsibilities to make important decisions and oversee the execution of business.



Representative Director, CEO

Kenichi Nakamura

Responsibilities and Important Concurrent Posts
Overall Management; Concurrently in Charge of the Internal Audit Department

Attendance at Board meetings: 100% (16/16 meetings)
Number of Company shares owned: 1,377,500 shares

Reason for appointment

Mr. Kenichi Nakamura has served as the representative director and CEO for over 10 years, leading the Company to record-setting profits during three medium-term management plans. He is guiding the Group's management team to achieve the newly launched medium-term management plan, the Fourth Olympic Plan. With excellent leadership, he is expected to help enhance the Group's corporate value over the medium and long term.



Director, CFO, and CIO

Yasushi Kadota

Responsibilities and Important Concurrent Posts
Management of Other Business / In Charge of Corporate Staff Departments / Representative Director of Relo Financial Solutions, Inc.

Attendance at Board meetings: 100% (16/16 meetings)
Number of Company shares owned: 757,500 shares

Reason for appointment

Mr. Yasushi Kadota has extensive experience and expertise in the Company's management, particularly in finance, accumulated over many years. As Director, CFO and CIO, he currently oversees a broad range of corporate functions. He is highly qualified to take responsibility for making important management decisions and executing business.



Director, COO

Takeshi Kawano

Responsibilities and Important Concurrent Posts
Management of Outsourcing Business and Residential Property Management Business / Oversight of New Business Development Department, Business Development Department, and Sales Planning Department / In Charge of Overseas Business Development Department / Representative Director of Relo Club, Limited / Representative Director of Mirai Wellness, Limited

Attendance at Board meetings: 100% (16/16 meetings)
Number of Company shares owned: 300,500 shares

Reason for appointment

Mr. Takeshi Kawano has worked as the president of Relo Club, Limited and has made a significant contribution to increasing the profitability of the Fringe Benefit Business through system investment. He has also led the Group in driving digital transformation and developing new business areas. He currently oversees business growth in a wide range of areas as director and COO. He is highly qualified to take responsibility for making important management decisions and executing business.



Director, CHRO

Katsuhiko Koyama

Responsibilities and Important Concurrent Posts
In Charge of Human Resources Development Department, Payroll Unit, and Risk Management Department

Attendance at Board meetings: 100% (16/16 meetings)
Number of Company shares owned: 512,300 shares

Reason for appointment

Mr. Katsuhiko Koyama established the Company's current personnel and compensation system. He has extensive experience, an excellent track record, and valuable knowledge in personnel management. He currently contributes to promoting human capital management as director and CHRO to enhance the Company's human capital. He is also responsible for risk management. He has been leading the development of our business continuity plans and the enhancement of a constant risk management system. He is highly qualified to take responsibility for making important management decisions and executing business.



Director

Yoshikatsu Tamura

Responsibilities and Important Concurrent Posts
Management of Tourism Business / Representative Director of Relo Vacations, Ltd. / Representative Director of Space Management Co., Ltd. / Representative Director of Equipe, Limited

Attendance at Board meetings: 100% (13/13 meetings)
Number of Company shares owned: 381,600 shares

Reason for appointment

As President of Relo Vacations, Ltd., Mr. Yoshikatsu Tamura focused on expanding the Tourism Business and developed it into one of the Group's core businesses. He has experience, achievements, and insight in management across a number of aspects, including increasing sales and profits, as well as advancing sustainability management practices in hotel operations. The Company has determined that he will continue to be well-suited to make significant management decisions and execute business operations.



Outside Director Independent

Masao Sakurai

Responsibilities and Important Concurrent Posts
Representative of Sakurai Certified Public Accountant Office

Attendance at Board meetings: 100% (16/16 meetings)
Number of Company shares owned: 5,100 shares

Reason for appointment

As a certified public accountant and certified tax accountant, Mr. Masao Sakurai possesses extensive experience, a good track record, and valuable knowledge, in addition to his experience as an outside auditor of the Company. Mr. Sakurai is expected to provide advice, particularly on accounting and tax affairs, and exercise effective supervision over management from an independent and objective standpoint.

Governance

List of Board Members



Director (Standing Audit and Supervisory Committee Member)

Nobuyoshi Oki

Attendance at Board meetings: 100% (16/16 meetings)
Attendance at Audit and Supervisory Committee meetings: 100% (20/20 meetings)
Number of Company shares owned: 222,600 shares

Reason for appointment

Mr. Nobuyoshi Oki has extensive knowledge, an excellent track record, and deep insight into Group management gained from working in the Company's Fringe Benefit Business, including establishing operations overseas. As a standing Audit and Supervisory Committee member, he currently gathers internal information proactively and performs his duties appropriately.



Director (Standing Audit and Supervisory Committee Member)

Akane Tsutsumitake

Attendance at Board meetings: 100% (16/16 meetings)
Attendance at Audit and Supervisory Committee meetings: 100% (20/20 meetings)
Number of Company shares owned: 311,500 shares

Reason for appointment

Ms. Akane Tsutsumitake has worked at the Company for over 30 years, primarily in the Leased Corporate Housing Management Business. During this period, she served as a director and a corporate officer at subsidiaries. She has extensive knowledge, an excellent track record, and deep insight into the Group's management, particularly in development and operations in the corporate division. As a standing Audit and Supervisory Committee member, she currently gathers internal information proactively and performs her duties appropriately.



Outside Director Independent (Audit and Supervisory Committee Member)

Kaori Sato

Responsibilities and Important Concurrent Posts
Partner of Torikai Law Office / Outside Director of Startline CO., LTD. / Supervisory Officer of Healthcare & Medical Investment Corporation

Attendance at Board meetings: 100% (16/16 meetings)
Attendance at Audit and Supervisory Committee meetings: 100% (20/20 meetings)
Number of Company shares owned: 0 shares

Reason for appointment

Ms. Kaori Sato is an attorney and a lecturer at a law school. She has extensive experience, an excellent track record, and valuable knowledge, particularly in the fields of the Companies Act and tax law. She also has experience as an outside auditor of the Company. Ms. Kaori Sato has been properly executing her duties as an outside director since she took office as an outside auditor of the Company, for example, expressing opinions that are useful to the Board of Directors, etc.



Outside Director Independent (Audit and Supervisory Committee Member)

Yoichi Homma

Responsibilities and Important Concurrent Posts
Partner of Grant Thornton Taiyo LLC

Attendance at Board meetings: 100% (16/16 meetings)
Attendance at Audit and Supervisory Committee meetings: 100% (20/20 meetings)
Number of Company shares owned: 0 shares

Reason for appointment

As a certified public accountant, Mr. Yoichi Homma has extensive experience, an excellent track record, and valuable knowledge in a wide range of areas including IFRS (International Financial Reporting Standards). Additionally, he has experience as an outside auditor of the Company. Mr. Yoichi Homma has been properly executing his duties as an outside director since he took office as an outside auditor of the Company, for example, expressing opinions that are useful to the Board of Directors, etc.



Outside Director Independent (Audit and Supervisory Committee Member)

Setsuko Van Gulik Yamamoto

Responsibilities and Important Concurrent Posts
Representative Director of The Protocol Ltd.

Attendance at Board meetings: 94% (15/16 meetings)
Attendance at Audit and Supervisory Committee meetings: 90% (18/20 meetings)
Number of Company shares owned: 9,900 shares

Reason for appointment

Ms. Setsuko Van Gulik Yamamoto has a good track record as a consultant and executive and has extensive knowledge. She has experience living overseas for many years as the wife of a Dutch diplomat. She also has experience overseeing management as an outside director of the Company. Ms. Setsuko Van Gulik Yamamoto has been properly executing her duties as an outside director since taking office, including by expressing valuable opinions at meetings of the Board of Directors and other bodies.

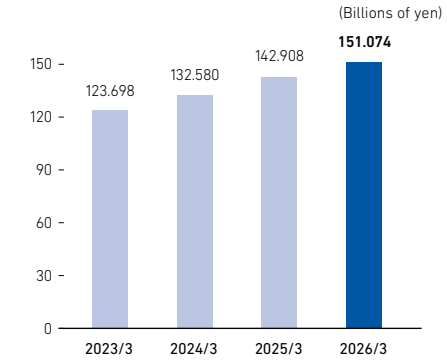
Skills Matrix of Directors

Positions within the Company	Name	Gender	Nomination and Compensation Advisory Committee ◎ Committee chair	Expertise and characteristics of directors						
				Corporate management	Sales and marketing	Finance and accounting	IT	Human resources	Compliance	ESG and sustainability
Chairman of the Board	Masanori Sasada	Male		●	●					
Representative Director, CEO	Kenichi Nakamura	Male	●	●	●					
Director, CFO, and CIO	Yasushi Kadota	Male				●	●		●	●
Director, COO	Takeshi Kawano	Male		●	●		●			
Director, CHRO	Katsuhiko Koyama	Male						●	●	
Director	Yoshikatsu Tamura	Male		●	●					●
Outside Director	Masao Sakurai	Male	◎			●				
Director (Standing Audit and Supervisory Committee Member)	Nobuyoshi Oki	Male		●	●				●	
Director (Standing Audit and Supervisory Committee Member)	Akane Tsutsumitake	Female		●				●	●	
Outside Director (Audit and Supervisory Committee Member)	Kaori Sato	Female	●						●	
Outside Director (Audit and Supervisory Committee Member)	Yoichi Homma	Male				●				●
Outside Director (Audit and Supervisory Committee Member)	Setsuko Van Gulik Yamamoto	Female		●	●					

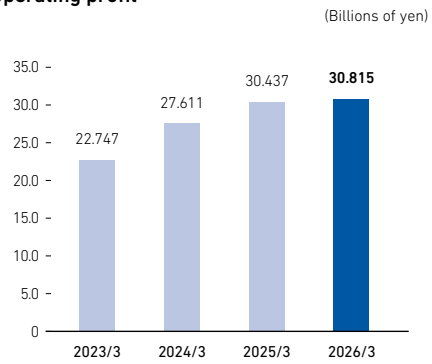
Financial and Non-Financial Highlights

Financial Highlights (IFRS)

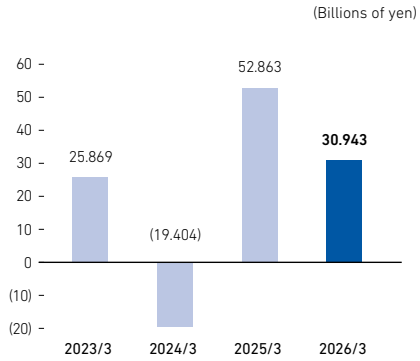
Revenue



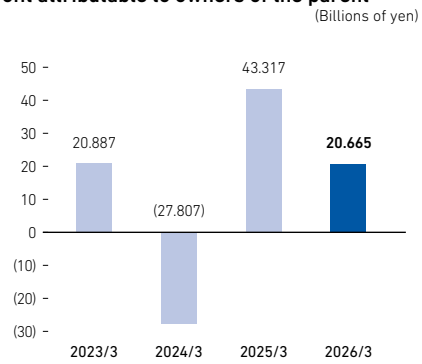
Operating profit



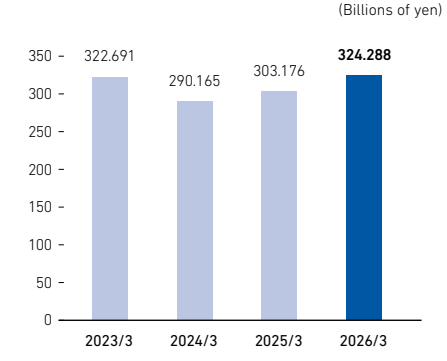
Profit before income taxes



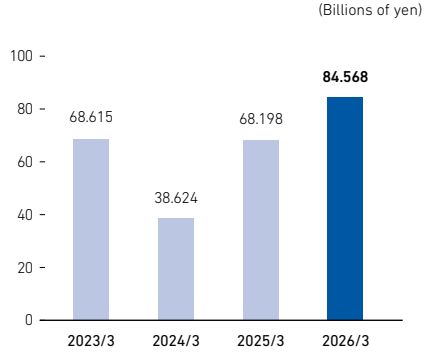
Profit attributable to owners of the parent



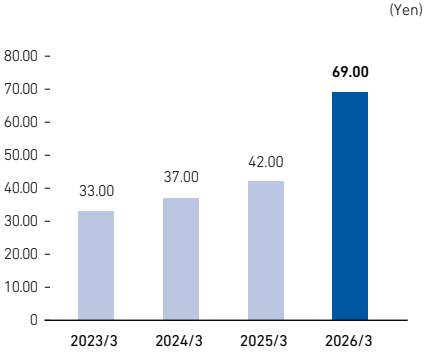
Total assets



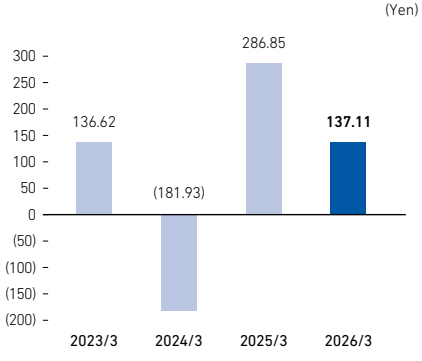
Equity attributable to owners of the parent



Annual dividends per share

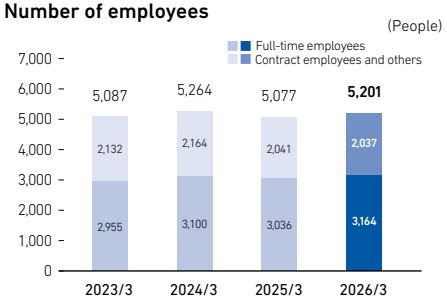


Basic earnings per share



Non-Financial Highlights

Number of employees



Number of new-graduate hires

	Joined in April 2023	Joined in April 2024	Joined in April 2025	Joined in April 2026
Male	95	105	97	106
Female	71	83	101	119
Total	166	188	198	225

Turnover rate

March 2023	March 2024	March 2025	March 2026
13.0%	14.2%	11.0%	10.9%

Calculation method: Number of employees who left during the current fiscal year ÷ number of employees at the end of the previous fiscal year × 100

Childcare support and support after returning to work

	March 2023	March 2024	March 2025	March 2026
Number of employees taking childcare leave	77	84	108	167
Number of employees using the reduced working hours system	147	167	129	142

Gender ratio of managers

	March 2023	March 2024	March 2025	March 2026
Male	79.4%	77.8%	76.9%	73.1%
Female	20.6%	22.2%	23.1%	26.9%

GHG emissions

(t-CO_2)

		FY2023/3	FY2024/3	FY2025/3
Scope1		8,543	10,000*	8,610
Scope2		7,733	7,462	10,454
Subtotal (Scope 1 + 2)		16,276	17,462	19,064
Scope3	Category 7 (Employee Commuting)	1,699	1,213	1,253

Note: Calculations cover major locations of the Relo Group, including its Japanese subsidiaries.
* Increase due to the opening of four new facilities in the Tourism Business

Company Profile and Stock Information

Company Profile (as of March 31, 2026)

Company name:	Relo Group, Inc.
Headquarters:	4-3-23 Shinjuku, Shinjuku-ku, Tokyo 160-0022, Japan
TEL:	03-5312-8706
FAX:	03-3225-9714
Representative:	Kenichi Nakamura
Capital:	¥2,667 million
Number of employees:	3,451 (consolidated)
Number of Group companies:	77 (consolidated)
Main business activities:	Fringe benefits, leased corporate housing management, global relocation support, residential property management, tourism
Website:	https://www.relo.jp/english/

Stock Information (as of March 31, 2026)

Stock exchange listing:
Prime Market of the Tokyo Stock Exchange

Sector: Services

Securities code: 8876

Share trading unit: 100 shares

Fiscal year-end: March 31

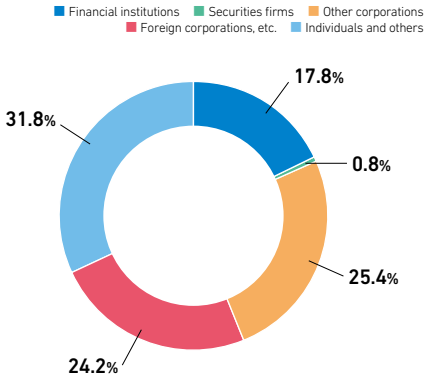
Annual general meeting of shareholders:
Held in June

Authorized number of shares: 602,100,000

Number of shares issued: 153,016,200
Including treasury stock (1,541,000 shares)

Number of common shareholders: 15,006

Breakdown of Shareholders by Type



Investor Relations Activities

Relo Group, Inc. places importance on communication through constructive dialogue with shareholders and investors with the aim of enhancing sustainable corporate value.

During the current fiscal year, the Company arranged various opportunities to engage with domestic and foreign institutional and individual investors and held discussions on business strategy, growth opportunities, financial conditions, and sustainability. Management reflects the opinions and expectations learned through these dialogues in future management policies and business activities.

Relo Group, Inc. will continue striving for fair, timely, and proactive information disclosure and will provide highly transparent information to stakeholders through ongoing improvements to its corporate website and other initiatives.

Main dialogue topics

- Progress on medium-term management plan
- Business portfolio management
- Capital efficiency and share price
- IR disclosure content
- Corporate governance
- Response to environmental issues

Company briefings for institutional investors	1
Earnings briefings for institutional investors	4
Individual IR meetings	202
Shareholder relations meetings	13
Briefing for individual investors	1

(Held between April 2025 and March 2026)

Initiatives based on dialogues

Strengthening of governance (June 2024)	Transition to a company with an Audit and Supervisory Committee
	Increase in female directors
Improvement of IR activities (March 2025)	Briefings for individual investors
Revision of financial and shareholder return policies during the medium-term management plan (March 2026)	Increase in the ROE target to 25% to 30%
	Increase in the dividend payout ratio to 50% and in the total return ratio to 60% (including share buybacks)
	Introduction of a progressive dividend policy and twice-yearly dividend payments

Major Shareholders

Name	Number of shares owned (thousand shares)	Percentage of shares owned to total shares issued* (%)
SASADA FUND, LTD.	35,000	23.1
The Master Trust Bank of Japan, Ltd. (TRUST ACCOUNT)	14,454	9.5
HIKARI TSUSHIN KK Investment Limited Partnership, HIKARI TSUSHIN, INC., General Partner	10,616	7.0
Custody Bank of Japan, Ltd. (Trust account)	8,631	5.7
UH Partners 2 Investment Limited Partnership UH Partners 2, Inc., General Partner	7,633	5.0
EMPLOYEE STOCK OWNERSHIP	2,446	1.6
TAIKI SASADA	1,990	1.3
YUKI SASADA	1,984	1.3
THE BANK OF NEW YORK MELLON 140040	1,900	1.3
HIKARI TSUSHIN, INC.	1,827	1.2

* Ratio of shares owned to the total number of shares issued calculated after deducting treasury stock


RELO GROUP