



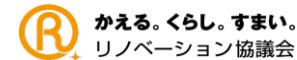
つぎの価値を測る。

Results Summary for 2Q of FY 2024

January 2024

Stock code: 8940

Intellex Co., Ltd.



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Message from President

In the Tokyo metropolitan area's real estate market, condominium prices continue to reach record highs, accompanied by a growing trend of polarization. Investment capital is predominantly flowing into urban areas as a hedge against the weak yen and inflation. Concurrently, there is a substantial increase in market inventory, leading first-time buyers to become more discerning in their property choices.

The year 2024 heralds a shift in conventional norms across various industries. Starting in April, legislated restrictions on working hours in logistics and construction sectors are anticipated, with potential repercussions on the housing and real estate industries. Monitoring exchange rates, stock markets, and investment trends is crucial. Additionally, while the impact of rising interest rates on housing loan prices is expected to be limited, financial institutions are likely to tighten lending standards in response to heightened procurement interest rates.



Navigating these dynamics, we have diligently implemented the ambidextrous management approach, emphasizing the thorough exploration of existing ventures and the promotion of differentiation through new initiatives.

In the initial half of the year, we proactively refreshed our inventory to swiftly adapt to shifts in the market's supply and demand equilibrium. This strategic move resulted in a notable reduction in long-term inventory, substantially enhancing our financial standing, and position us for upcoming purchases.

Looking ahead to the latter half of the year, we are intensifying our focus on the differentiation strategy for new business ventures. Starting April 2024, newly constructed properties will be required to display the Labeling System for Energy Efficiency. In September 2023, the Ministry of Land, Infrastructure, Transport and Tourism's announced guidelines that suggest potential changes in the criteria for selecting homes in the future. By cultivating expertise in energy-efficient renovations for pre-owned housing and advancing the visualization of properties and real estate transactions, our goal is to harness innovation to effectively address imminent societal challenges related to labor and energy efficiency.

Seiji Toshinari, President & Representative Director

Results summary for 1st half of FY2024

■ Anticipating Changes in Industry Trends: Enhancing Fiscal Performance

1. Prioritized asset streamlining for a robust balance sheet (B/S)
2. Sales boost through strategic property promotion. Profit Strengthening Despite Profit Margin Decline (P/L).
3. Strategic Business Construction for Future Growth. Promoted business expansion in new sectors for medium- to long-term growth perspectives

Strengthened balance sheet

Renovation Business

- Asset Optimization: Strategically sold properties with long project periods
⇒ Significant reduction of interest-bearing debt

Solution Business

- Portfolio Enhancement: Reviewed and adjusted our property portfolio.
- Securitization Readiness: Positioned for leaseback property securitization.
⇒ Achievement: Completed transfer in Dec. 2023 (3Q FY2024)

Sales and Profits Increase

Renovation Business

- Revenue Boost: Both property sales and unit prices increased, contributing to heightened revenue.
- Profit Margin Strategy: Decline in profit margin on property sales attributed to prioritizing inventory replacement.

Solution Business

- Profits increased through the sales of profitable buildings and Kyomachiya properties.
- Significant improvement in occupancy rates within the hotel business.

Promoted new business fields

Energy-saving renovation

- Introduced the "Energy Efficiency Performance Report" to showcase energy efficiency improvements in existing housing units.

DX of real estate transaction

- Broadened our real estate transaction platform, FLIE, by expanding listings and enhancing user experience.
- Rolled out FLIE ONE, a comprehensive Digital Transformation (DX) support package tailored for the real estate industry.

1. Results summary for 1st half of FY2024

1-1 Summary of Consolidated Results

■ Sales and profits surge driven by robust first-half performance; Profit projections revised upwards

	First half of FY2023	First half of FY2024	YoY changes	(Million yen)
Net sales	17,927	22,670	+26.5%	
Renovation Business	16,184	19,886	+22.9%	
Solution Business	1,743	2,783	+59.7%	
Gross profit	2,656	2,811	+5.8%	
(Gross profit margin)	(14.8%)	(12.4%)		
Renovation Business	2,226	1,971	- 11.5%	
(Profit margin)	(13.8%)	(9.9%)		
Solution Business	430	840	+95.3%	
(Profit margin)	(24.7%)	(30.2%)		
Operating profit	189	239	+26.8%	
Ordinary profit	- 13	104	-	
Quarterly net profit	- 30	72	-	

※ Changes are compared to the previous year

No. of units sold

652 units
+68 units YoY

Average price per unit

¥28.57 million
+¥2.47 million YoY

- Renovation sales segment flourishes: **22.9% YoY Growth**
- Both unit sales prices and the number of units witnessed a substantial increase.

- Renovation and Decoration Business exhibited steady growth, recording a **12.1% uptick**

- Solution segment achieves remarkable **59.7 % YoY sales increase**.

- Sales in the Hotel and Other Accommodation Business experienced a significantly surge, registering a remarkable **205.8% growth**.

- Gross profit rises** despite **margin decline** from property sales
- Loss on the valuation of real estate for sale**, included in cost price amounted to **¥118 million**

- Gross profit growth absorbs **SG&A expenses**, resulting in overall **profit increase**
- SG&A expenses maintained at modest increase at 4.2%

- Improved non-operating income and expenses to **quarterly net profit increase**
- Non-operating expenses, such as loan-related expenses, decreased by **12.7%**

1-2 Consolidated Balance Sheets

■ Strategic focus on property sales enhances asset efficiency and boosts equity ratio

						(Million yen)
	As of May 31, 2023		As of Nov. 30, 2023		Year on year changes	
	Amount (million¥)	Ratio	Amount (million¥)	Ratio	Amount (million¥)	Increase/decrease
Cash and deposits	4,965	10.9%	5,805	14.7%	840	+16.9%
Real estate for sale	25,751	56.4%	20,174	51.1%	- 5,576	- 21.7%
Other current assets	916	2.0%	994	2.5%	77	+8.5%
Current assets	31,633	69.3%	26,974	68.4%	- 4,658	- 14.7%
Non-current assets	13,996	30.7%	12,482	31.6%	- 1,513	- 10.8%
[Total assets]	45,629	100.0%	39,457	100.0%	- 6,172	- 13.5%
Current liabilities	23,371	51.2%	18,157	46.0%	- 5,213	- 22.3%
Non-current liabilities	10,484	23.0%	9,516	24.1%	- 968	- 9.2%
[Total liabilities]	33,855	74.2%	27,673	70.1%	- 6,182	- 18.3%
[Total net assets]	11,774	25.8%	11,783	29.9%	9	+0.1%
[Total liabilities and net assets]	45,629	100.0%	39,457	100.0%	- 6,172	- 13.5%

※Increase/decrease shows year-on-year changes

- Cash and deposit**
¥5,800 mil (+¥800 mil YoY)
- Types of inventories**
 - Rental properties: increased due to transfer of leaseback properties

Sales properties	¥10,700 mil (-¥7,300 mil)
	452 units (-291 units)
Rental properties	¥9,100 mil (+¥1,900 mil)
	289 units (+131 units)
- Long-term earning properties**
Reserves: ¥9,900 mil, 220 units
 - (YoY: -¥2,000 mil, -47 units)
 - Transfer of leaseback properties towards SPC formation
- Significant reduction in interest-bearing liabilities**
¥24,900 mil (YoY: -¥6,200 mil)
- Capital-to-asset ratio:**
29.8% (YoY: +4.0 points)

2. Forecasts for FY2024

2-1 Summary of FY2024 Forecast

Stable full-year earnings forecast for FY2024

(Million yen)

	FY2023 (actual)		FY2024 (forecast)					
			1st half (actual)	2nd half (actual)	Full year (forecast)			
	Amount	Ratio	Amount		Ratio	YoY changes	YoY increase/ decrease	
Net sales	41,236	100.0%	22,670	25,873	48,543	100.0%	+17.7%	+ 7,306
Gross profit	6,112	14.8%	2,811	3,472	6,283	12.9%	+2.8%	+ 170
Operating profit	710	1.7%	239	529	769	1.6%	+8.4%	+ 59
Ordinary profit	239	0.6%	104	260	364	0.8%	+52.3%	+ 125
Net profit	100	0.2%	72	174	247	0.5%	+145.5%	+ 146

Full-year Performance Plan

■ Sales of Renovated Condominiums ■ Average sales price per unit

Forecast

1,250 units +98 units YoY

Forecast

¥27.48 mil +¥1.19 mil YoY

- In pursuit of our fiscal objectives, we anticipate a **17.7% year on year boost in sales**, driven by the sale of Renovated Condominiums amounting to ¥34,300 million, profitable properties sales totaling ¥4,000 million, securitization of Leaseback properties yielding ¥1,800 million and Asset Sharing contributing of ¥2,000 million.
- Despite a slight decline in the profit margin from Renovated Condominium sales, we project a **2.8% year-on-year increase in gross profit**.
- Our strategic focus includes maintain a conservative **2.1% year on year increase in SG&A expenses**. Furthermore, we aim to achieve an **8.4% increase in operating profit** and a **52.3% rise in ordinary profit**.

2-2 Shareholders Return Policy

Dividend forecast

- At the end of the first half of FY2024, the approved dividend stood at **¥9, aligning with our anticipated figures..**
- The ¥9 dividend declared at the close of the first half, not only contributes to an **annual dividend projection of ¥18** but also positions the anticipated payout at a robust **60.9%**.

	End of 1st half	Year-end	Annual dividend	Dividend payout ratio
FY2022 (actual)	¥13	¥13	¥26	34.9%
FY2023 (actual)	¥9	¥9	¥18	154.5%
FY2024 (forecast)	¥9 (actual)	¥9	¥18	60.9%

Share buyback

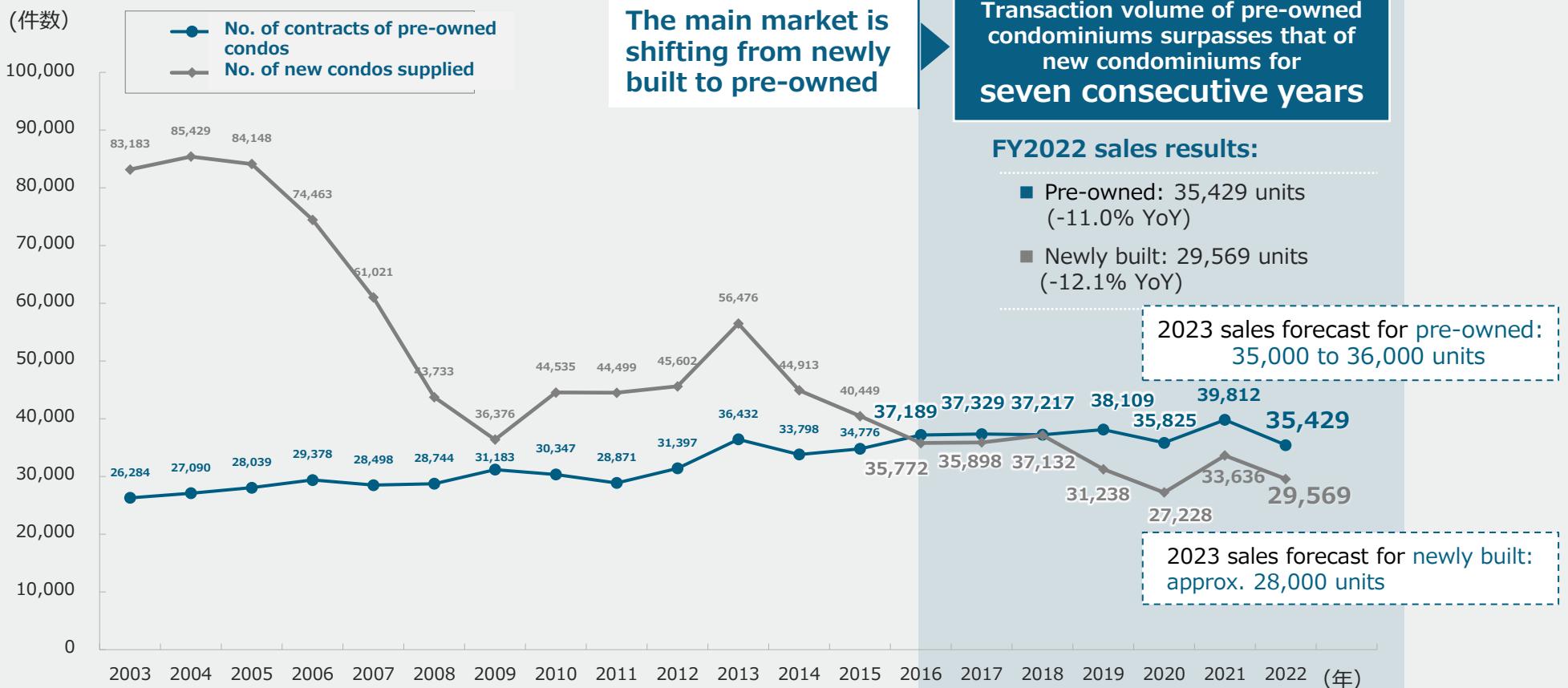
- No. of shares acquired: 400,000 shares (upper limit)
- Total acquisition price: **¥200 million** (upper limit)
- Acquisition period: from January 15, 2024, to April 30, 2024

* Percentage to the total number of issued shares (excluding treasury shares): **4.8%**

3. Trends in the Pre-owned Condominium Market

Pre-owned Condominiums Outperform New Housing Market

- Comparison of the number of contracts for pre-owned condominium units and newly built condominium units supplied in Tokyo metropolitan area



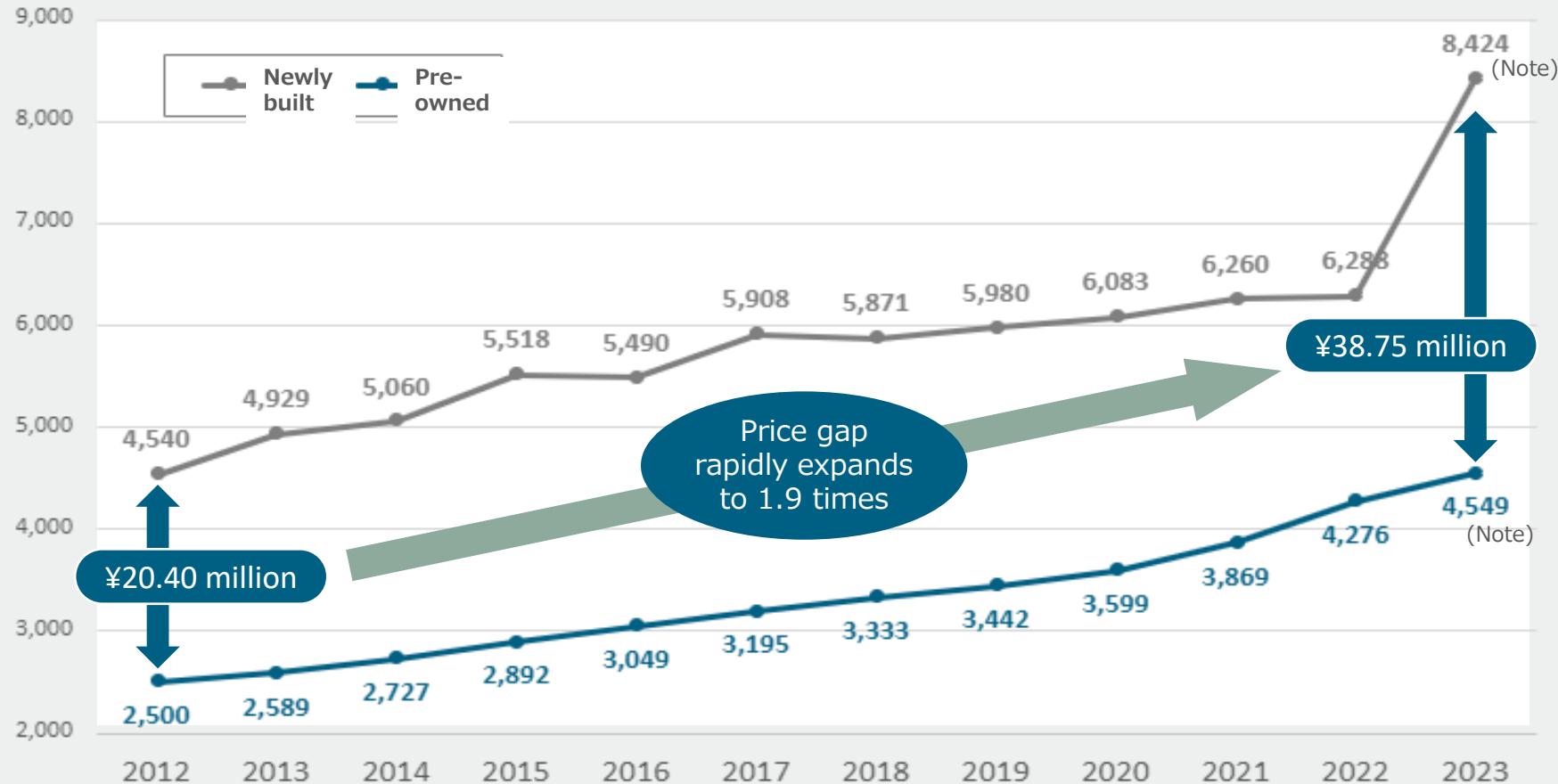
* Number of new condominiums supplied: Created by IntelleX based on data published by the Real Estate Economic Institute

* Number of pre-owned condominiums contracted: Created by IntelleX based on data published by Real Estate Information Network System

Widening price gap: Newly built vs pre-owned markets

- Trends in sales prices for newly built condominium and contract prices for pre-owned condominium in the Tokyo metropolitan area

(10 thousand yen)



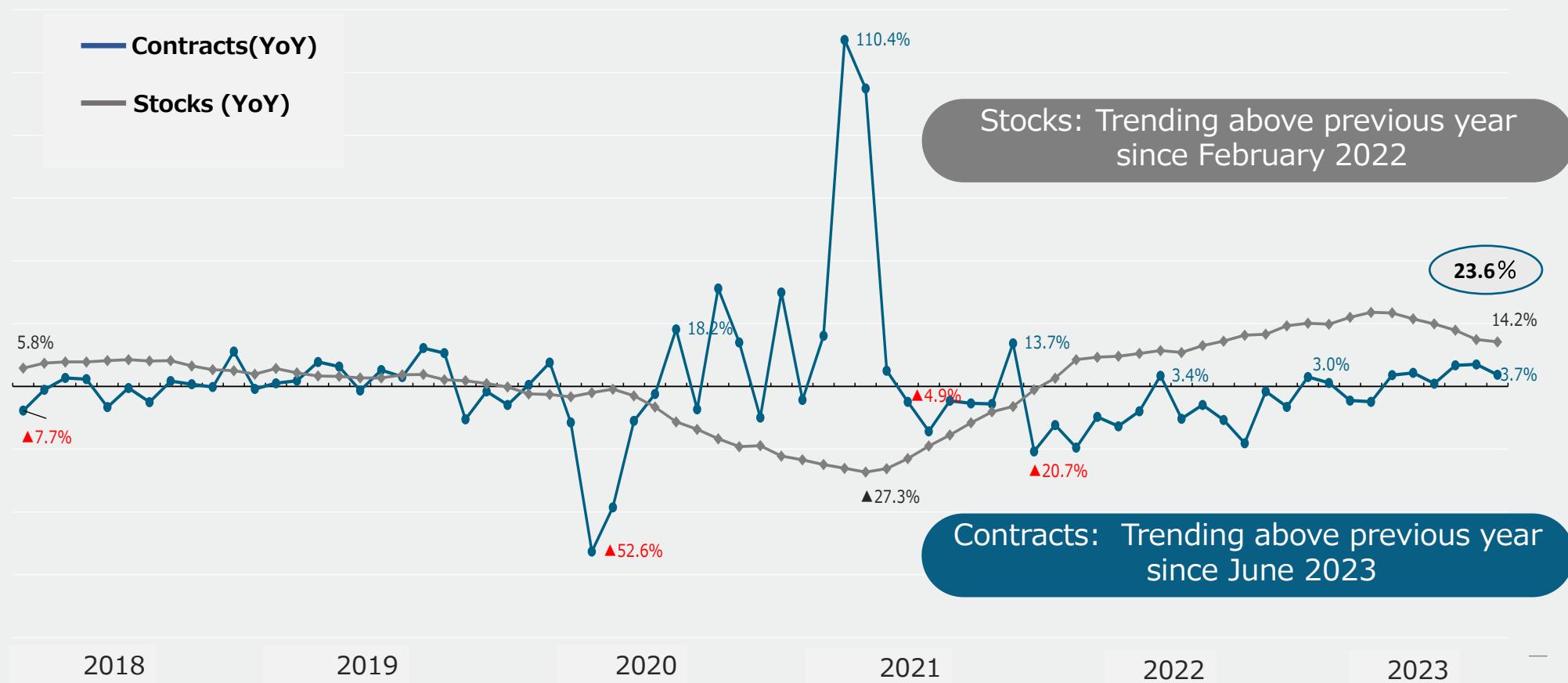
※ Newly built condominium sales price: Created by Intellex based on data published by the Real Estate Economic Institute

(Note) Prices for 2023 are calculated based on actual results up to November 2023

※ Pre-owned condominium contract price: Created by Intellex based on data published by Real Estate Information Network System

3-3 Pre-owned condominium market trends (year-on-year)

■ No. of contracts and stocks of pre-owned condominiums the Tokyo metropolitan area
(Year-on-year growth rate: Jan 2018– Nov 2023)



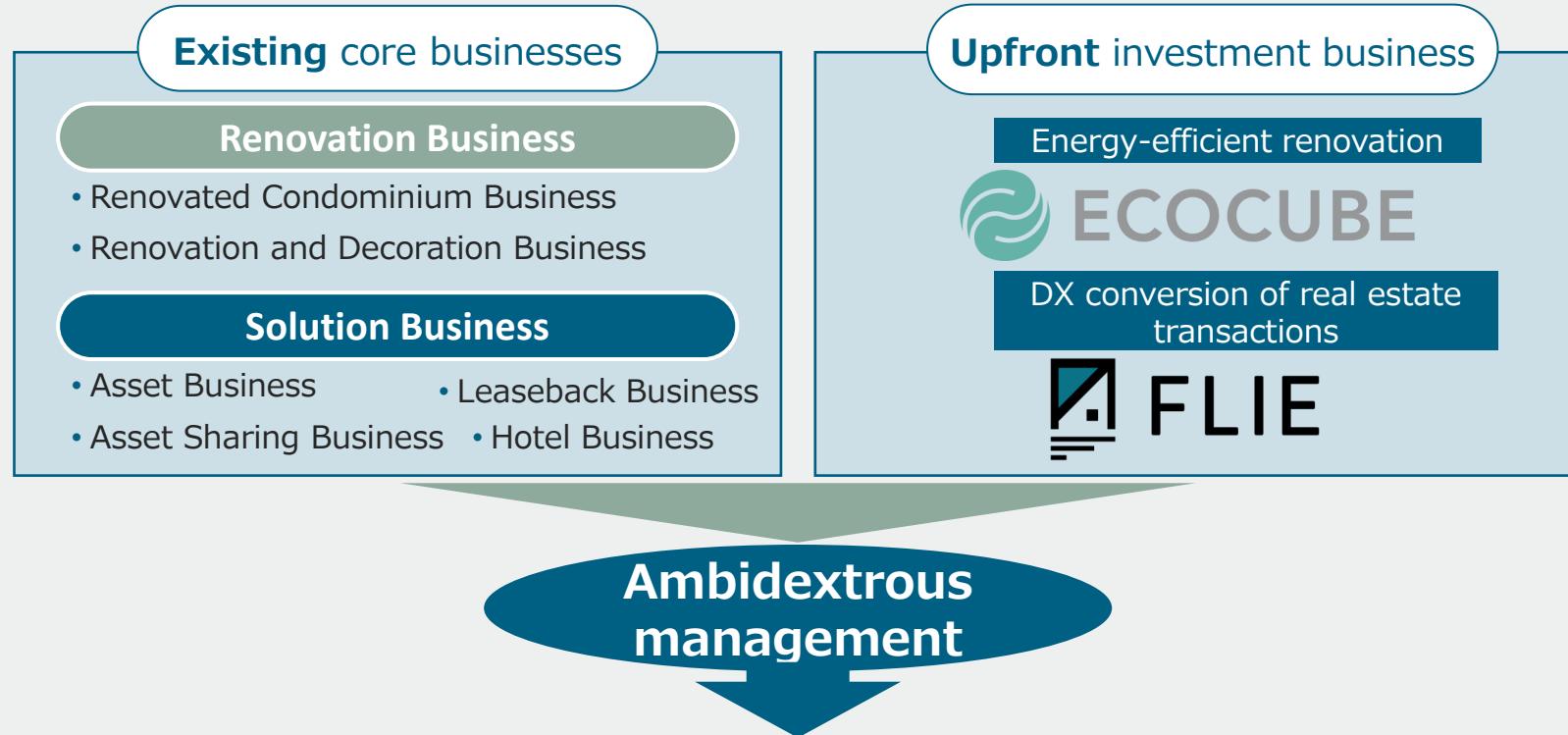
Created by Intellex based on published data by Real Estate Information Network System

4. Priority Measures for FY2024

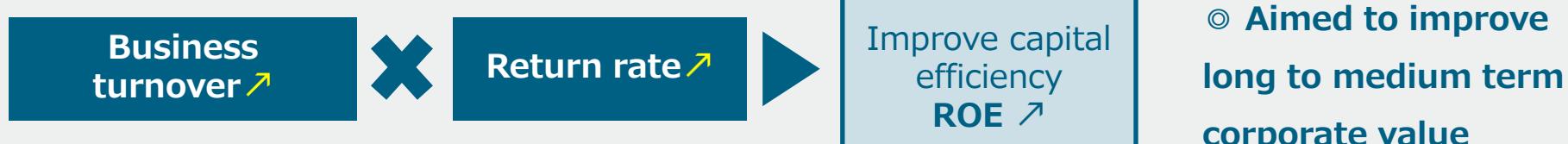
4-1 Key Measures Summary for FY2024

Ambidextrous Management aimed to Rebuilding Profit Base

- Promote **ambidextrous management** by rebuilding existing core businesses and expanding upfront investment businesses

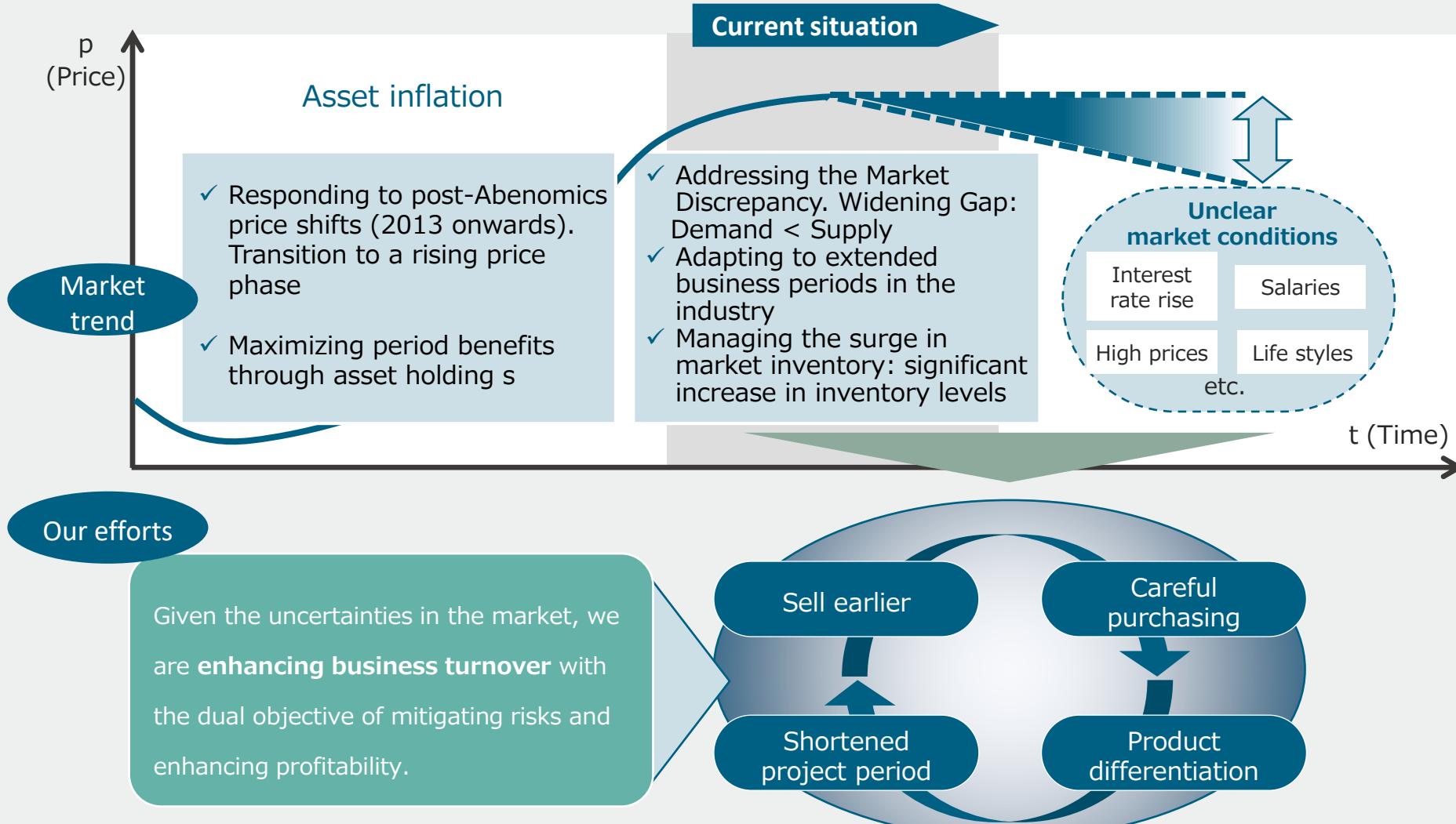


- Achieve lean management by improving **efficiency** and **profitability**



4-2 Priority Measures: Renovation Business

■ Addressing Market Dynamics: Initiatives for the Renovated Condominium Business



4-3 Project Period for Renovated Condominiums

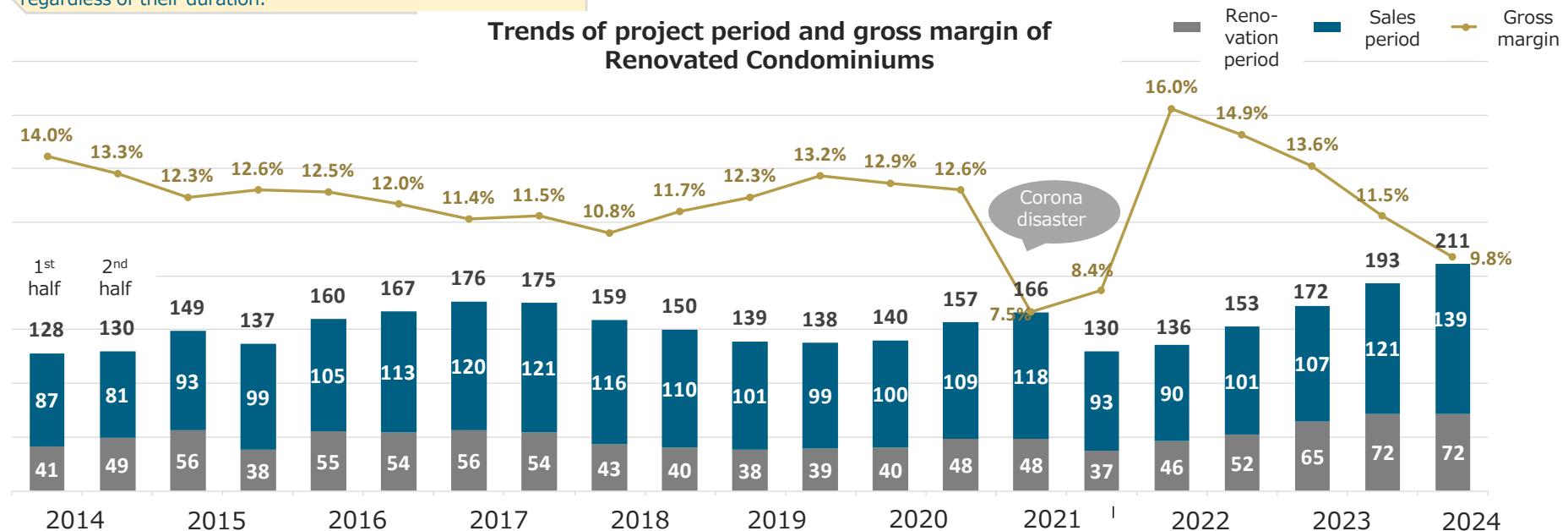
■ Evaluating business health through key performance indicator (KPI): Business Period

Business period of Renovated Condominiums

In our examination of the business period as a vital KPI, we conducted a **thorough review of properties** under consideration for this metric. Acknowledging the constraints of our previous method, which concentrated solely on properties with a business period of less than 180 days, we broadened our perspective to encompass all properties, regardless of their duration.



Trends of project period and gross margin of Renovated Condominiums



Extended business period:

- Factors include market **inflation** & **overstock situation**
- Construction delay:** Arising from sudden increases in purchases; particularly in the context of old properties.

⇒ Sales period
⇒ Renovation period

Longer

Measures for this period:

- 1st half: property replacement prioritizing sales
- 2nd half: focus on purchasing

4-4 Renovation and Decoration Business

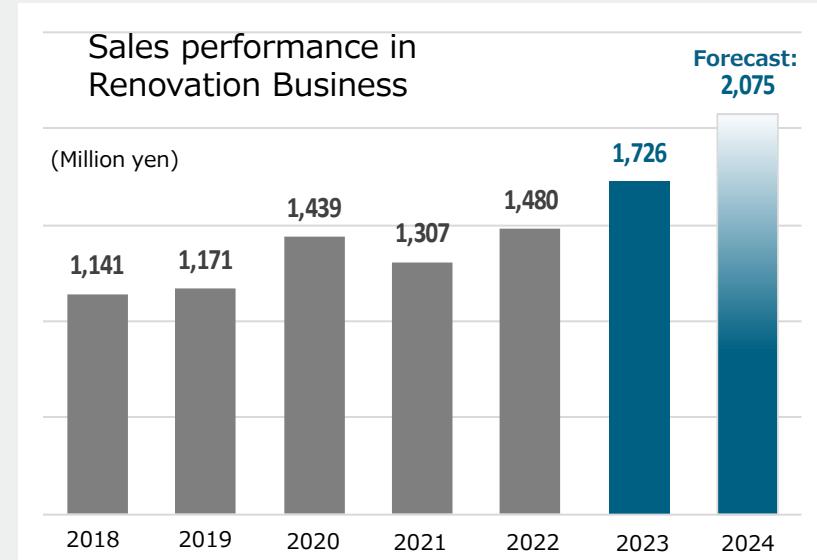
- Extensive know-hows gained over years satisfy various renovation needs

Contracted works for corporate clients... Collaboration with industry peers

- Increased renovation orders from major industry peers who value our high-quality works



- First half of FY2024 Performance Highlights:
Net sales recorded **¥980 million** (+12.1% YoY).
Boosted by a surge in renovation orders from corporate clients
- FY2024 forecast:
Anticipating a robust performance with combined sales for corporates and individual segments projected to reach **¥2,070 million** (+20.2% YoY)



4-5 Priority Measures: Solution Business

■ Enhancing profit stability through diversified business portfolio

Leaseback Business

- Foster expansion as a strategic purchasing avenue with a focus on medium- to long-term perspectives.
- Integrate securitization methods for consistent and systematic monetization.

• **Strengthen promotional efforts to enhance market awareness** leveraging platforms such as TV commercials and web marketing

• **Strengthen partnerships with prominent real estate brokerage firms**, including alliances with industry leaders such as Century 21 Group, Toho House, major railway brokerage companies, among others.

Leaseback Properties Acquisition Record (As of end of Nov. 2023)

- Cumulative properties acquired: 823 (increased by 56 YoY)
- Cumulative acquisition amount: **¥13,300 mil** (up ¥800 mil YoY)

➤ In December 2023, executed **securitization for Leaseback properties**

Transfer amount: **¥1,840 mil** (recorded in 3Q of FY2024)

Asset Sharing Business

- Addressing investor and inheritance requirements through consistent offerings of small-lot real estate products

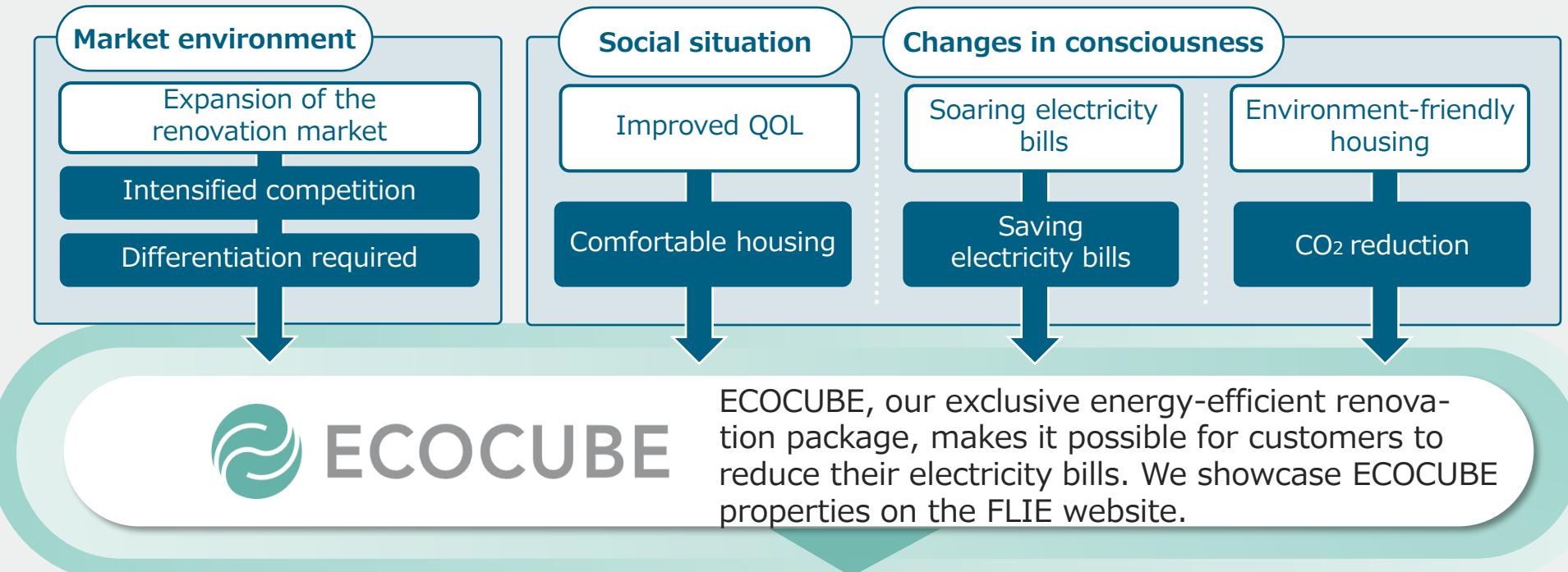
Addressing real estate investment challenges:

- Enabling investment in **units as small as ¥1 million**
- Comprehensive management to alleviate investor **concerns**
- **Equitable sharing** during inheritance or gifting opportunities

Asset Sharing Track Record (As of end of Nov. 2023)

- 8 series successfully established to date
- Cumulative composition amount reached **¥8,060 million**

➤ We anticipate the introduction of a **new series of Asset Sharing** during the second half of FY 2024.



4-7 Ecocube Promotion and Expansion I



Government policy

- Based on the Act on the Improvement of Energy Consumption Performance of Buildings,
 - Sep. 2023: the Labeling System for Energy Efficiency Guidelines announced
 - Apr. 2024: [Energy Efficiency Labeling System](#) for newly constructed housing begins
 - Apr. 2025: Newly constructed housing **must meet energy efficiency standards**
- * Existing housing are currently considered by the review committee

Evaluation of Intellex by the Authorities

- Aug. 2023: Selected as a business operator for the "Initiative for the Distribution of Existing Residential Properties in Tokyo Metropolis" by the Tokyo Metropolitan Government's Office for Housing Policy
- Dec. 2023: Selected as operator of Tokyo Renovation Model House Project by the Tokyo Metropolitan Government's Office for Housing Policy

Our efforts

- Pioneering the Industry: Unveiling the [Ecocube Energy Efficiency Labeling System](#) for renovated housing

Visualization of Energy Efficiency

- Dedicated to [enhancing energy efficiency](#): a strategic focus on decarbonization and cost reduction
- Transparent performance metrics: delivering an [Energy Efficiency Performance Report](#) to Ecocube, quantifying utility costs and CO₂ reductions

Empowering informed choices: Facilitating housing comparison and decision-making through efficient performance metrics



Examples of display (items listed)
• Estimated utility costs
• CO₂ emissions reduction
• Energy consumption performance
• Insulation performance
• Energy-efficient renovation work details



4-8 Ecocube Promotion and Expansion II

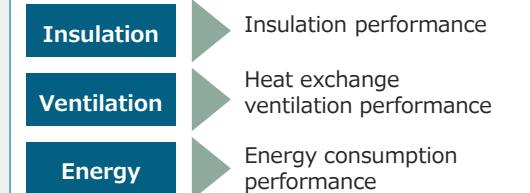


Ecocube Advancement Timeline

- ① Introduction of Ecocube:
Identifying challenges.
- ② Visualization of energy efficiency performance:
Aligning with national guidelines
- ③ Driving innovation in construction methods and equipment

- Streamlining Construction: Reducing costs and shortening construction periods
- Standardizing Energy Efficiency Performance Reports: Establishing clear standards

Improvements in three key areas



From 2024
Step 3

- Further improvements
- Towards ZEH standard conformity

Insulation Ventilation Energy

From Jan. 2021

Step 1

- Introduction of Ecocube

Insulation Ventilation Energy

From Oct. 2023
Step 2

- Visualization of energy-efficiency performance

Insulation Ventilation Energy

Further technological development

⟨Current⟩ ⟨Future⟩

4-9 FLIE, Our Real Estate Direct Sales Platform I つぎの価値を測る。

■ Empowering **Direct Real Estate Transactions** on **FLIE** platform



What is **FLIE**?

Flea market × Ie (houses in Japanese)

FLIE facilitates direct seller-to-buyer transactions, eliminating **brokerage fee**.

- One of the Japan's largest dedicated websites for real estate transactions
- Listing over 2,000 properties
- Nationwide expansion beyond Tokyo metropolitan area



- Introduced **Smaview**: A contactless **self-viewing system** enabling property viewing on smartphones anytime



Smaview

Enabling proactive and **upfront investment** in **FLIE business** for medium- to long-term gains

Establishing a directly buyer-seller market connection

モニター実施中！

Webで予約、ひとりで内見

いつでもどこでも、使いやすい。
“内見予約サービス”の決定版。



Smaview



■ Unveiling **FLIE ONE** – revolutionizing **real estate DX with our integrated DX service**

Building the Future - All-In-One Platform Centered on **FLIE ONE**

- FLIE ONE is a comprehensive support service catering to real estate brokers, providing solutions for property management, property viewings and sales support
- Bringing together the best of both worlds, FLIE ONE seamlessly integrates online and offline services, propelling your real estate business to new heights.



FLIE

Achieve a cohesive integration of related services by listing properties on FLIE, our advanced real estate trading platform.

Photo/video shooting + property cleaning

Capture the essence of properties from the buyer's perspective through professional photo and video shoots, ensuring a compelling portrayal of their appeal.

Enhance property aesthetics and upkeep with regular cleaning services.



FLIE Property Inquiry

Experience streamlined property management with *FLIE Property Inquiry* as it automatically links properties registered on FLIE to a confirmation system. Prices and sales status are synchronized in real-time, simplifying property management processes.

The Japanese name of "Flie Property Inquiry" is "FLIE de Bukkaku", an abbreviation for "FLIE Property Confirmation System"

Smaview



Introducing *Smaview*, our innovative self-viewing system for brokerage companies. Eliminate the need for physical keys, significantly reducing the risks associated with key exchanges.

4-11 Our Circular Renovation Model

Intellex Group creates a circular economy through renovation

Together with Stakeholders

Our stakeholders are our partners
We **X** co-create new value with
our partners

For a Sound Market

We promote DX conversion of
real estate transactions in order
to create a transparent
renovation platform where
more participants can trade
= fairly



For Our Environment and Society

We **-** reduce CO₂
through renovation

Enriched Life for Everyone

Through renovation, we **+** create
a space that satisfies each individual
and enhances QOL

5. Appendix (Reference)

5-1 Summary of Consolidated Quarterly Results

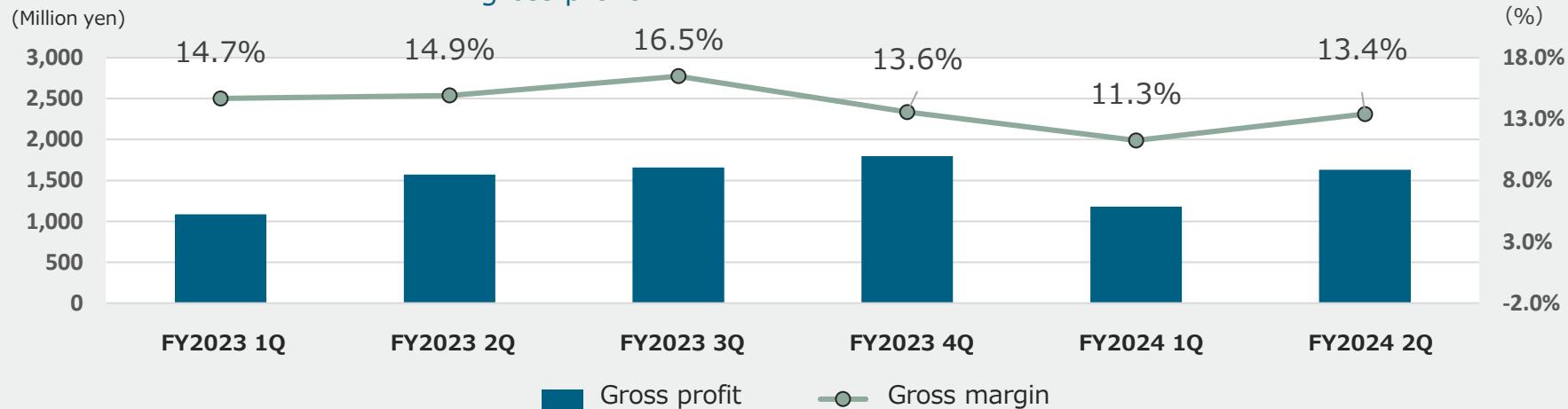
■ Trends of consolidated results

(Million yen)

	FY2023 1Q		FY2023 2Q		FY2023 3Q		FY2023 4Q		FY2024 1Q		FY2024 2Q	
	Million ¥	Sales ratio										
Net sales	7,401	100.0%	10,526	100.0%	10,060	100.0%	13,248	100.0%	10,483	100.0%	12,186	100.0%
Gross profit	1,085	14.7%	1,570	14.9%	1,659	16.5%	1,797	13.6%	1,180	11.3%	1,630	13.4%
Operating profit	-41	—	230	2.2%	161	1.6%	359	2.7%	- 88	—	327	2.7%
Ordinary profit	-102	—	89	0.8%	21	0.2%	217	1.6%	- 131	—	235	1.9%
Net profit	-80	—	50	0.5%	- 22	—	123	0.9%	- 55	—	127	1.0%

■ Trends of gross profit and gross margin

Gross margin is showing signs of recovery; with a YoY increase of 3.8% in gross profit.



5-2 Trends of Quarterly Profitability by Segment

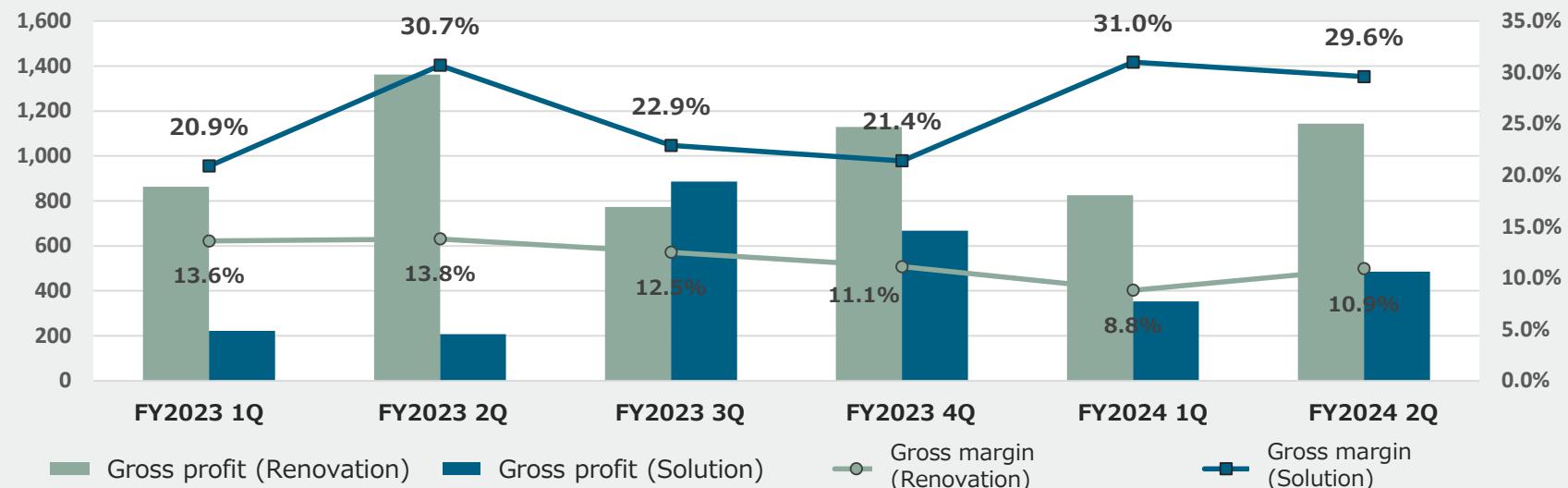
■ Trends of sales and gross profit by segment

(¥ million)

	FY2023 1Q		FY2023 2Q		FY2023 3Q		FY2023 4Q		FY2024 1Q		FY2024 2Q	
	Sales	Gross margin										
Renovation	6,335		9,849		6,190		10,126		9,345		10,540	
Solution	1,066		677		3,870		3,122		1,137		1,645	
Total sales	7,401		10,526		10,060		13,248		10,483		12,186	
Renovation	863	13.6%	1,363	13.8%	773	12.5%	1,129	11.1%	826	8.8%	1,144	10.9%
Solution	222	20.9%	207	30.7%	886	22.9%	668	21.4%	353	31.0%	486	29.6%
Total gross profit	1,085	14.7%	1,570	14.9%	1,659	16.5%	1,797	13.6%	1,180	11.3%	1,630	13.4%

■ Trends of gross profit and gross margin by segment

(¥ million)



5-3 Sales Results by Segment

Segment	Sales categories	FY2023		FY2024		Year-on-year changes	
		Amount	Ratio	Amount	Ratio	Increase/decrease	Increase/decrease ratio
Renovation Business	Property sales	15,178	84.7%	18,627	82.2%	3,449	+ 22.7%
	Rents	78	0.4%	52	0.2%	- 25	- 33.0%
	Others	927	5.2%	1,206	5.3%	279	+ 30.1%
	Subtotal	16,184	90.3%	19,886	87.7%	3,702	+ 22.9%
Solution Business	Property sales	1,046	5.8%	1,549	6.8%	502	+ 48.0%
	Rents	499	2.8%	525	2.3%	26	+ 5.3%
	Others	197	1.1%	708	3.1%	511	+ 259.4%
	Subtotal	1,743	9.7%	2,783	12.3%	1,040	+ 59.7%
Total	Property sales	16,225	90.5%	20,177	89.0%	3,952	+ 24.4%
	Rents	577	3.2%	578	2.6%	0	+ 0.1%
	Others	1,124	6.3%	1,914	8.4%	790	+ 70.3%
	Total	17,927	100.0%	22,670	100.0%	4,742	+ 26.5%

■ Renovation Business:

- Renovation, resale, leasing and brokerage of pre-owned condominiums and houses
- Renovation business
- FLIE (real estate direct transaction platform) business

■ Solution Business:

- Development, sales, leasing, management and brokerage of other real estate (buildings, lands, etc).
- Development and sales of newly built condominiums
- Leaseback Business
- Asset Sharing Business
- Hotel & accommodation business

5-4 Gross Margin by Segment

Segment	Sales categories	1st half of FY2023		1st half of FY2024		Year-on-year changes		(Million ¥)
		Amount	Gross margin	Amount	Gross margin	Increase/decrease	Increase/decrease ratio	
Renovation Business	Property sales	2,071	13.6%	1,820	9.8%	- 250	- 12.1%	
	Rents	56	71.4%	34	66.5%	- 21	- 37.6%	
	Others	98	10.6%	115	9.6%	16	+ 16.9%	
	Subtotal	2,226	13.8%	1,971	9.9%	- 255	- 11.5%	
Solution Business	Property sales	141	13.5%	338	21.8%	197	+ 139.3%	
	Rents	256	51.3%	255	48.7%	0	- 0.2%	
	Others	32	16.4%	245	34.7%	213	+ 658.5%	
	Subtotal	430	24.7%	840	30.2%	409	+ 95.3%	
Total	Property sales	2,213	13.6%	2,159	10.7%	- 53	- 2.4%	
	Rents	312	54.1%	290	50.3%	- 21	- 6.9%	
	Others	131	11.6%	360	18.8%	229	+ 175.5%	
	Total	2,656	14.8%	2,811	12.4%	154	+ 5.8%	

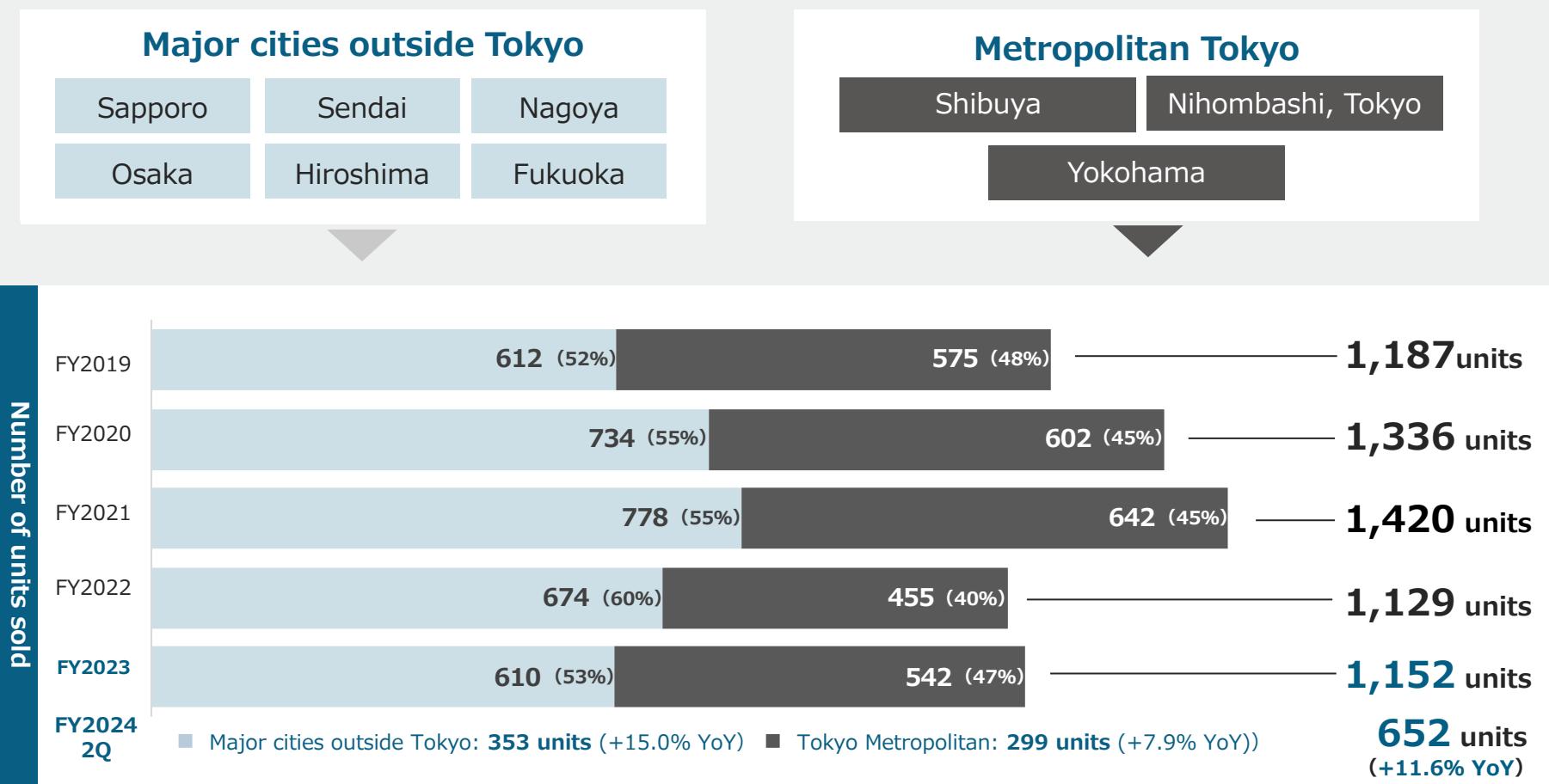
■ Renovation Business:

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- Development and sales of newly built condominiums
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5-5 Sales of Renovated Condominiums



1st half of FY2024 results

- Sales: With a notable uptick, the number of units sold reached 652, reflecting an 11.6% year-on-year increase. This positive trend was observed both the Tokyo metropolitan area and major cities outside of Tokyo.
- Sales performance saw a boost, driven by proactive efforts to enhance business turnover rates through active sales initiatives.

■ Number of units sold

	1st half of FY2023	1st half of FY2024	Year-on-year changes
Renovated Condominiums	584	652	+11.6%
Other real estates ※	11	15	+36.4%
Total no. of units sold	595	667	+12.1%

※ Other real estates include: buildings, houses, lands, newly build condominiums, Asset Sharing properties, Leaseback properties, etc.

■ Sales Summary of Renovated Condominium sales

	1st half of FY2023	1st half of FY2024	Year-on-year changes
Average age (year)	34.0	33.5	- 0.5
Average land area (m ²)	64.9	66.7	+1.8
Average sales price (thousand ¥)	26,096	28,569	+2,473

5-7 Property Sales II

■ Sales of Renovated Condominiums by area

Area	1st half of FY2023			1st half of FY2024			
	No. of units sold	Area share	Average price per unit (¥)	No. of units sold	YoY changes	Area share	Average price per unit (¥)
Tokyo 23 wards	133	22.8%	37 million	142	+6.8%	21.8%	43 million
Greater Tokyo	25	4.3%	26 million	29	+16.0%	4.4%	33 million
Kanagawa	80	13.7%	25 million	88	+10.0%	13.5%	27 million
Saitama	25	4.3%	22 million	28	+12.0%	4.3%	26 million
Chiba	14	2.4%	24 million	12	- 14.3%	1.8%	29 million
Tokyo							
Metropolitan total	277	47.4%	31 million	299	+7.9%	45.9%	35 million
Sapporo area	65	11.1%	19 million	64	- 1.5%	9.8%	19 million
Sendai area	46	7.9%	24 million	47	+2.2%	7.2%	23 million
Nagoya area	39	6.7%	17 million	47	+20.5%	7.2%	18 million
Osaka area	100	17.1%	22 million	102	+2.0%	15.6%	25 million
Hiroshima area	17	2.9%	21 million	25	+47.1%	3.8%	23 million
Fukuoka area	40	6.8%	23 million	68	+70.0%	10.4%	21 million
Major local cities total	307	52.6%	21 million	353	+15.0%	54.1%	22 million
Total	584	100.0%	26 million	652	+11.6%	100.0%	28 million

■Summary of property purchases

Segments	1st half of FY2023		1st half of FY2024			
	No. of units	Amount ¥	No. of units	YoY changes	Amount ¥	YoY changes
Renovated Condominiums	680	12.2 billion	348	- 48.8%	6.4 billion	- 47.7%
Other real estates	0	0 billion	3	—	0.2 billion	—
Total	680	12.2 billion	351	- 48.4%	6.7 billion	- 45.3%

- In the transition from the fourth quarter of FY2023 to the beginning of FY2024, we curtailed purchases, taking into account the inventory status of Renovated Condominiums
- Presently, we have adopted a more assertive approach to procurement, actively driving purchasing activities to support current initiatives,

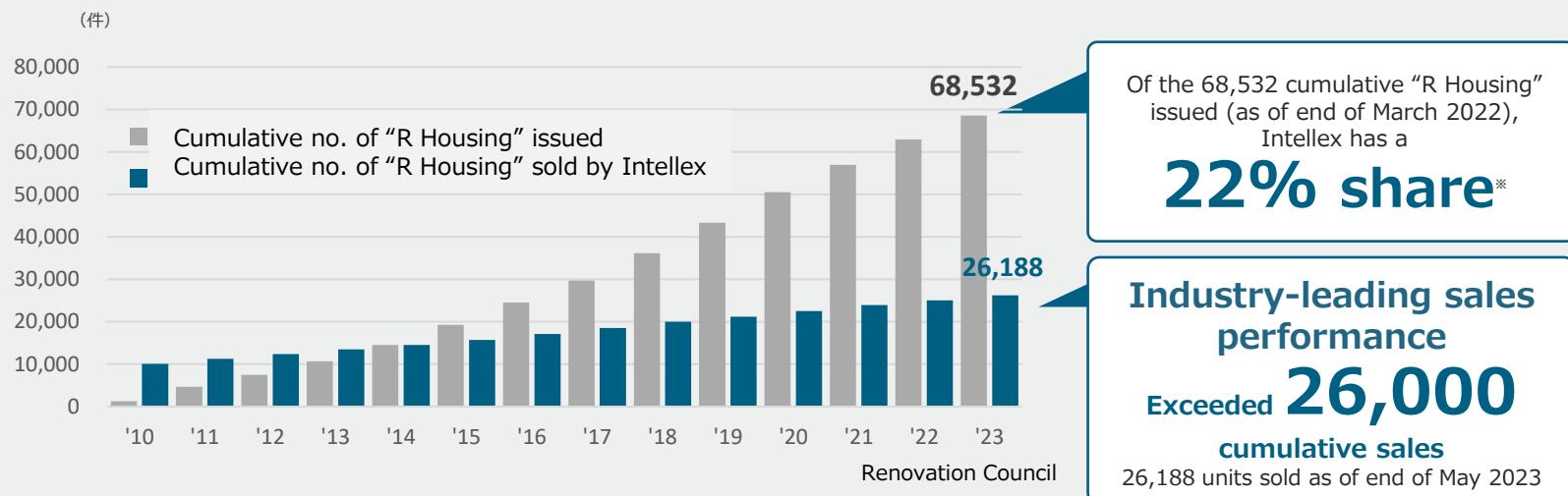
5-9 Property Purchases II

■ Purchases of Renovated Condominiums by area

Area	1st half of FY2023			1st half of FY2024			
	No. of purchases	Area share	Average unit price (¥)	No. of purchases	YoY changes	Area share	Average unit price (¥)
Tokyo 23 wards	149	21.9%	29 million	66	- 55.7%	19.0%	30 million
Greater Tokyo	20	2.9%	24 million	22	+10.0%	6.3%	19 million
Kanagawa	80	11.8%	18 million	58	- 27.5%	16.7%	23 million
Saitama	27	4.0%	21 million	18	- 33.3%	5.2%	19 million
Chiba	19	2.8%	19 million	2	- 89.5%	0.6%	15 million
Tokyo							
Metropolitan total	295	43.4%	24 million	166	- 43.7%	47.7%	25 million
Sapporo area	83	12.2%	11 million	41	- 50.6%	11.8%	8 million
Sendai area	52	7.6%	12 million	29	- 44.2%	8.3%	11 million
Nagoya area	42	6.2%	10 million	20	- 52.4%	5.7%	10 million
Osaka area	115	16.9%	14 million	51	- 55.7%	14.7%	15 million
Hiroshima area	26	3.8%	14 million	9	- 65.4%	2.6%	18 million
Fukuoka area	67	9.9%	13 million	32	- 52.2%	9.2%	12 million
Major cities outside Tokyo total	385	56.6%	13 million	182	- 52.7%	52.3%	12 million
Total	680	100.0%	18 million	348	- 48.8%	100.0%	18 million

5-10 Our Sales Performance and "R Housing" Issuance Numbers

■ Renovated Condominium sales results (by fiscal year) and cumulative number of "R Housing" issued by Renovation Council



■ FY2022 "R housing" issuance ranking

No	Company name	No. of units	Business type	Business area
1	Intellex	1,039	Purchase/resale	Nationwide
2	Daikyo Anabuki	937	Purchase/resale	Nationwide
3	F Stage	695	Purchase/resale	Metropolitan
4	Future City Development	495	Purchase/resale	Metropolitan
5	Renoveru	273	Contractor	Nationwide

Our **Renovated Condominiums has standardized** "conforming renovation housing (R housing)" that meets the excellent renovation quality standards set by Renovation Council.

Intellex achieves **3-year consecutive No.1 ranking** in R Housing issuance



- Our primary focus is on providing safety and secure housing.
- We take pride in leading the industry by establishing standardized warranty periods.

※Created from materials published by the Renovation Council on June 28, 2023
"The number of "R housing" issued that meet the quality standards of excellent renovation reached 5,623 in FY2022, exceeding 68,000 in total over 14 years"

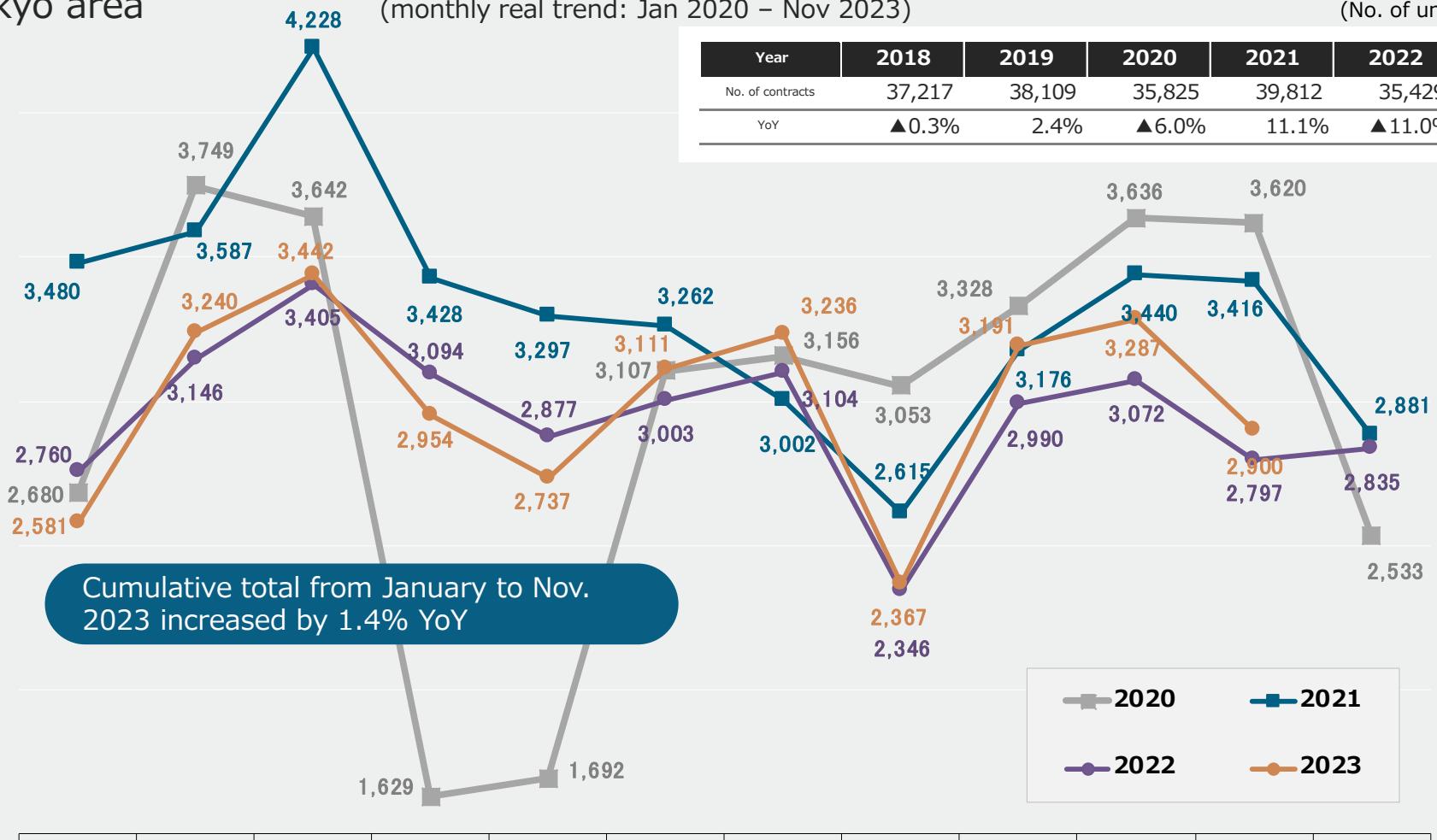
5-11 Trends in the Pre-owned Condominium Market (Monthly Progression)

■ Number of closed contracts of pre-owned condominiums in the Metropolitan Tokyo area

(monthly real trend: Jan 2020 – Nov 2023)

(No. of units)

Year	2018	2019	2020	2021	2022
No. of contracts	37,217	38,109	35,825	39,812	35,429
YoY	▲0.3%	2.4%	▲6.0%	11.1%	▲11.0%



※ Created by Intellex based on data published by Real Estate Information Network System

5-12 Asset Sharing Series

■ Cumulative composition amount of Asset Sharing series is ¥8,060 million (as of Nov. 2023)

	Operating	Operating	Operating	Operating	Redeemed	Redeemed	Operating	Operating
Outlook	Harajuku	Yokohama Motomachi	Shibuya Aoyama	Kitasenju	Kyomachiya 1	Hakata	Sangenjaya	Sapporo
								
Name	Social Apartments Harajuku	MID Yokohama Motomachi	Aoyama Luka Building	Urbain Tokyo Ueno Kitasenju	Nagaya Chawanzaka, etc.	SunHeim21 Hakata (montan HAKATA)	Laspacio Sangenjaya	LILAC Ichibankan
Type	Share house	Commercial	Commercial	Business hotel	Inn	Hotel & residence	Residence	Residence
Address	Shibuya, Tokyo	Yokohama, Kanagawa	Shibuya, Tokyo	Adachi, Tokyo	Kyoto	Hakata, Fukuoka	Setagaya, Tokyo	Sapporo, Hokkaido
Access	5 min. walk from Kitasando Sta.	5 min. from Motomachi Chinatown Sta.	7 min. from Omotesando Sta.	4 min. from Kitasenju Sta.	Walkable from various stations	8 min. from Hakata Sta.	10 min. from Sangenjaya sta.	13 min. from Sapporo sta.
Gross rate of return	4.5%	5.2%	4.5%	5.1%	Performance-linked	6.1%	4.3%	5.2%
Price/unit	¥800 million /800 units	¥1,050 million /1,050 units	¥1,250 million /1,250 units	¥1,900 million /1,900 units	¥480 million /480 units	¥1,500 million /1,500 units	¥600 million /600 units	¥480 million /480 units

※ Gross rate of return is the ratio of annual rental income to the total amount offered. In addition, the yield shown is the one at the time of offering.

5-13 Corporate Governance & Investor Relations for Enhanced Corporate Value

■ Enhancement of Corporate Governance

- We aim to improve corporate value by proactively working based on the principles of the Corporate Governance Code

- A [new management committee](#) has been established to complement the functions of the Board of Directors and make flexible management decisions ⇒Deliberate and consider basic policies and important matters related to business execution, and aim to strengthen the governance system
- The Sustainability Committee forms teams for each issue and responds to them

Team E: works on environmental issue projects→Implemented [CDP response and TCFD disclosure](#) from FY2024

Team SG (social issue): Started formulating policies and initiatives for implementing [human capital management](#)

■ Strengthening IR Activities

- Elevating corporate value through the proactive dissemination of Investor Relation information and cultivating engagement with investors on a medium- to long-term perspective, following the announcement of our medium-term management plan

- Fostering awareness and comprehension among investors regarding the alignment of our core business with [environmental sustainability](#)
- Facilitating the recognition and understanding of our [industry-leading energy-efficient renovation initiative, ECOCUBE](#), among investors.
 - Corporate investors: Drawing medium- to long-term ESG investors to strengthen our investor base.
 - Individual investors: Broadening recognition as a [sustainable company](#), capturing a wider audience in the market.

- With our corporate vision “Enriched Life for Everyone Through Renovation,” we strive to solve social issues with businesses that take advantage of our strengths

Renovation Business

Renovation-related business,
a core of Intellex group

Renovated Condominium Business

Sales of high-quality renovated condominiums

Renovation & Decoration Business

Freely order your home renovation

Renovation Platform Initiative

Building a foundation for revitalizing
renovation market

Warranty

Long-term
warranty for
up to 20 years

Industry group

Leadership in
Renovation
Council

Product development

ECOCUBE
etc.

Partnership

Construction
cooperation
association, **FLIE**,
franchising

Solution Business

We offer value-added **solutions**
for various types of real estate asset management

Asset Business

Revitalization of qualitative properties through renovation

Leaseback Business

Asset utilization that enables selling without moving out

Asset Sharing Business

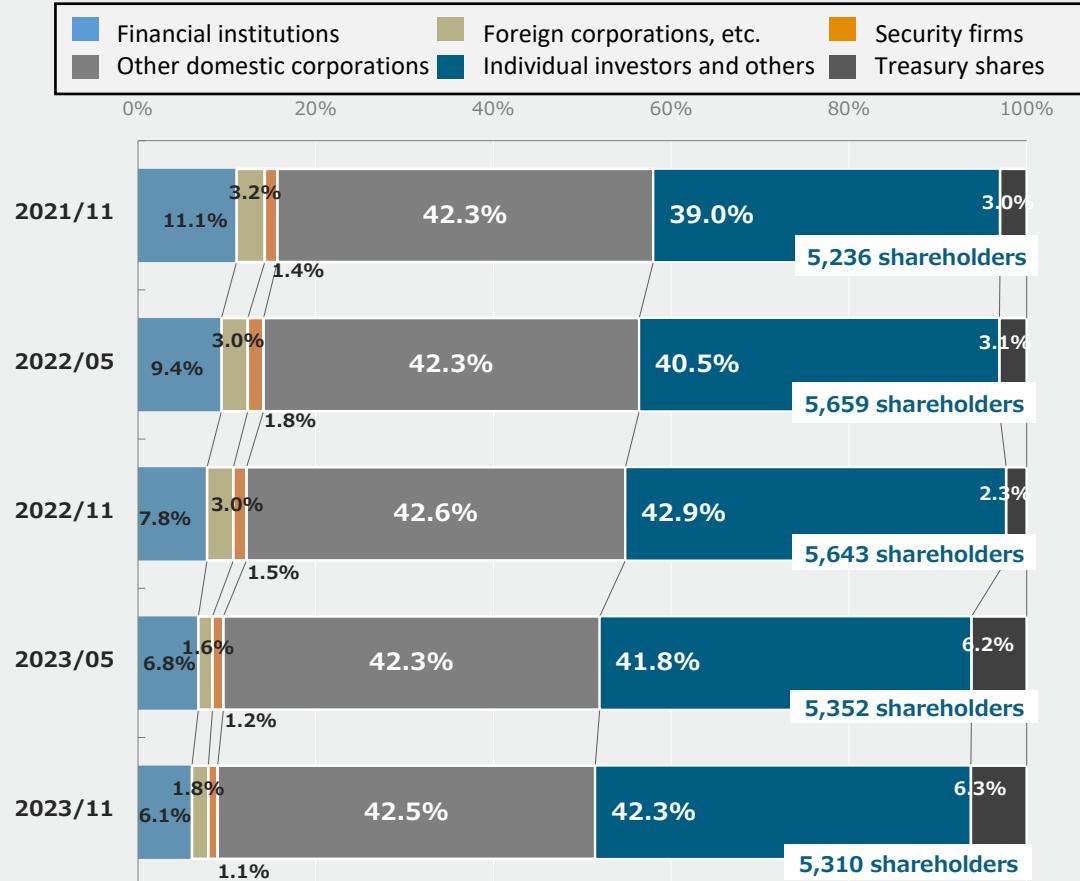
Qualitative and inexpensive real estate asset management

Hotel & Accommodation Business

Providing a relaxing time at our hotels and
accommodation

5-15 Share Information

Changes in shareholder structure (by number of shares held)



- Domestic institutional investors: **-0.5 points** (8.4 % ⇒ 7.9%)
- Individual investors: **+0.5 points** (41.8% ⇒ 42.3%)
- Treasury shares: holds **560,409 shares** (6.3%)

Major shareholders

(As of Nov. 30, 2023)

Major shareholders	Number of shares held	Voting rights ratio (%)
1 E-alliance Co., Ltd.	3,594,500	42.94
2 The Master Trust Bank of Japan, Ltd. (Trust account)	476,300	5.69
3 Intellex Employees' Share Ownership Association	191,500	2.29
4 Seigo Naito	131,500	1.57
5 KITAZAWA SANGYO CO., LTD.	71,400	0.85
6 Junko Kitagawa	66,600	0.80
7 THE BANK OF NEW YORK MELLON 140042	61,600	0.74
8 Hideki Utou	60,400	0.72
9 THE BANK OF NEW YORK MELLON 140040	57,000	0.68
10 Takuya Yamamoto	54,400	0.65

*Ratio of voting is calculated deducting 557,909 treasury shares

- Shares issued : **8,932,100 shares**
- No. of shareholders : **5,310** (-42 since May 2023)

5-16 Corporate Profile I and History

Company profile

■ Company name	Intellex, Co., Ltd
■ Established	July 17, 1995
■ President	Seiji Toshinari
■ Capital	¥2,253 million
■ Issued shares	8,932,100 shares
■ Listed	Standard section of Tokyo Stock Exchange
■ Fiscal year end	May 31
■ Branches	Shibuya, Sapporo, Sendai, Tokyo Nihombashi, Yokohama, Nagoya, Osaka Kyoto, Hiroshima, Fukuoka
■ Employees	315 (consolidated), 201 (non-consolidated) As of Nov. 30, 2023
■ Permits	[Real Estate Transaction License] Minister of Land, Infrastructure, Transport and Tourism (5) No. 6392 [Real estate specified joint venturer license] Tokyo Governor No. 97
■ Membership of professional institutions	Renovation Council Metropolitan Real Estate Fair Trade Council, Public Interest Incorporated Association National Housing Industry Association Association for Real Estate Securitization

Jul 95	Established Prestage Co., Ltd., as a renovation specialist in Setagaya, Tokyo, with capital of ¥10 million
Feb 96	Certified by the Governor of Tokyo as a house agent (Reg#(1)73719) and started Renovated Condominium Business
Jul 96	Changed company name to Intellex Co., Ltd.
Feb 98	Established Intellex Space Plan Co., Ltd. (later subsidized by Intellex Co., Ltd.)
July 00	Implemented in-house General Management System to manage real estate properties under management
Feb 03	Established Branch in Nishi-ku, Yokohama
Feb 03	Certified by Minister of Land, Infrastructure and Transport as a house agent (Reg#(1)6392, later changed to #(4)6392)
Jun 03	Absorbed Central Plaza Co., Ltd., in merger
Apr 05	Listed in JASDAQ Securities Exchange (code#8940)
May 07	Listed in the Second Section of Tokyo Stock Exchange
Jul 09	Joined the General Incorporated Association Renovation Housing Promotion Council at the time of establishment
Mar 15	Obtained permission based on the Real Estate Specified Joint Enterprise Law (Governor of Tokyo permission)
Apr 15	Established Intellex Property Co., Ltd. (consolidated subsidiary)
Jun 16	Listed in the First Section of Tokyo Stock Exchange
Jan 18	Established Intellex Credit Guarantee Co., Ltd. (consolidated subsidiary) (currently Saisei Jutaku Partners, Co., Ltd.)
Nov 19	Established FLIE Co., Ltd. (consolidated subsidiary)
Jan 21	Established Intellex TEI Co., Ltd. (currently TEI Japan Co., Ltd.)(consolidated subsidiary)
Feb 22	Established RECOSYS, Inc. (consolidated subsidiary)
Apr 22	Listed in the Prime Section of Tokyo Stock Exchange
Mar 23	Absorbed Intellex Housing Co., Ltd. in merger
Oct 23	Changed listing market to Standard Section of Tokyo Stock Exchange

Group companies

■ Intellex Space Design, Inc.

- Business areas Interior Decoration (Interior Industry), Design, Coordination
- Permits [First-class Kenchikushi Office Registration] Tokyo Governor Permit No. 52796
 [General Construction Operator Permit] Tokyo Governor Permit (General-2) No. 152419
 Interior Finishing Work Business
 [Specified Construction Industry Permit] Tokyo Governor Permit (Special-2) No. 152419
 Construction Business, Painting Business, Waterproofing Business
- Memberships Renovation Council General Incorporated Association

■ Intellex Properties Co., Ltd.

- Business areas Real Estate Management Business
- Permits [Real Estate Transaction License] Governor of Tokyo (2) No. 99689
 [Rental Housing Management Company Registration] Minister of Land, Infrastructure,
 Transport and Tourism (02) No. 002468
- Memberships Public Interest Incorporated Association Tokyo Real Estate Brokers Association
 Metropolitan Real Estate Fair Trade Council, Public Interest Incorporated Association

Group companies

■ **FLIE CO., Ltd.**

- Business areas Operation of Real Estate Buying and Selling Platform
Real Estate Buying and Selling Support Agent
- Permits [Real Estate Transaction License] Governor of Tokyo (1) No. 104498

■ **RECOSYS, Inc.**

- Business areas Energy Efficient Renovation Franchise Business

■ **TEI Japan Co., Ltd.**

- Business areas Consulting Business Regarding Thermal Environment and Energy Efficiency of Buildings
- Permits [First-class Kenchikushi Office Registration] Tokyo Governor Permit No. 65665

■ **SAISEI JUTAKU PARTNERS Co., Ltd.**

- Business areas Real Estate Buying and Selling, Real Estate Rental Business, Real Estate Consulting
- Permits [Real Estate Broker License] Minister of Land, Infrastructure, Transport and Tourism (1) No. 10418

For IR-related inquiry, please contact:
Mr. Abe/Ms. Hama at Corporate Planning Department

TEL: 03-5766-7070 E-Mail: ir@intellex.co.jp

<https://www.intellex.co.jp/>

The information contained in these materials is based on data available as of January 2024 and certain assumptions and judgments made by the management of Intellex at the time these materials were created and is subject to change without notice. Accordingly, you should not rely solely on this information when making any projection about Intellex's business results, etc. Furthermore, please be reminded that any investment decisions ultimately must be made based on your own decision.