

March 19, 2025

OBUYASHI CORPORATION

Kenji Hasuwa,
Representative Director, President and CEO
(Securities code: 1802; Tokyo Stock Exchange Prime Market)

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**Notice Concerning Succession of the Villa Site Management Business for the Obayashi Izu-Atagawa Villa Resort Sites to Angel Forest Resorts Co., Ltd. through a Company Split
(Simplified Absorption-Type Company Split)**

OBUYASHI CORPORATION (hereinafter referred to as the “Company”) hereby announces that it has resolved, at a meeting of the Board of Directors held on March 19, 2025, to enter into an absorption-type company split agreement with Angel Forest Resorts Co., Ltd. (hereinafter referred to as “Angel Forest Resorts”) to transfer the management business including the hot spring water supply business at Obayashi Izu-Atagawa Villa Resort Sites in Shizuoka Prefecture (hereinafter referred to as the “Business”) to Angel Forest Resorts through a company split (hereinafter referred to as the “Company Split.”) The Company has concluded this agreement with Angel Forest Resorts with an effective date of March 19, 2025, as described below.

As this is a company split in which the increase or decrease in the Company's total assets is expected to be less than 10% of the net assets at the end of the immediately preceding fiscal year, and the increase or decrease in the Company's net sales is expected to be less than 3% of the net sales for the immediately preceding fiscal year, part of the disclosure matters are omitted in this announcement.

1. Purposes of the Company Split

The Company has continued the Business since the start of the sale of Obayashi Izu-Atagawa Villa Resort Sites in 1971. More than 50 years have passed since the start without new developments in the sale business of villa sites in the Higashi-Izu area.

Angel Forest Resorts is a company that specializes in management of resort hotels and the sale and management of villa sites, and is pursuing a management strategy that aims to expand its scale and improve its service quality. Angel Forest Resorts is also actively developing its villa sites in the Higashi-Izu area through mergers and acquisitions. The Company has therefore judged that Angel Forest Resorts, which has deep understanding of the Business and capability of service improvements, is suitable as an external transfer company. The Company will transfer the Business to Angel Forest Resorts through the Company Split from the perspective of selecting and concentrating on its business domain.

2. Summary of the Company Split

(1) Schedule for the Company Split

Date of resolutions at the meeting of the Board of Directors: March 19, 2025

Date of conclusion of the agreement: March 19, 2025

Effective date: October 1, 2025 (Scheduled)

Note: The Company will conduct Company Split without the approval of a General Meeting of Shareholders as stipulated in Article 783, Paragraph 1, since the Company Split falls under simplified absorption-type company split as provided under Article 784, Paragraph 2 of the Japanese Companies Act.

(2) Form of the Company Split

The Company Split is a simplified absorption-type company split, by which the Company shall be the splitting company and Angel Forest Resorts shall be the succeeding company.

(3) Details of allotment related to the Company Split

The Company will receive 1 yen from Angel Forest Resorts in exchange for taking over the rights and obligations of the Business. The Company will not allocate any shares upon splitting.

(4) Handing of share acquisition rights and bonds with share acquisition rights in connection with the Company Split

Not applicable. The Company has not issued share acquisition rights or bonds with share acquisition rights.

(5) Increase or decrease in share capital due to the Company Split

There will be no change in the share capital of the Company as a result of the Company Split.

(6) Rights and obligations to be transferred to the succeeding company

Angel Forest Resorts will succeed real estates and other rights and obligations of the Company for transferred business operations as a result of the Company Split. However, employment contracts will not be taken over. Furthermore, the transfer of obligations will be carried out by discharging assumption of an obligation method.

(7) Prospects for fulfillment of obligations

The Company believes that there will be fulfilling the obligations of Angel Forest Resorts upon the Company Split.

3. Overview of the companies involved in the Company Split

	Splitting company (As of March 31, 2024)	Succeeding company (As of August 31, 2024)
(1) Name	OBAYASHI CORPORATION	Angel Forest Resorts Co., Ltd.
(2) Location	2-15-2 Konan, Minato-ku, Tokyo	2-10-1 Yurakucho, Chiyoda-ku, Tokyo
(3) Job title and name of representative	Kenji Hasuwa Representative Director, President and CEO	Kousuke Tanaka President
(4) Description of business	General construction business	Management and operation of villa resort sites

(5) Share capital	57,752 million yen	100 million yen		
(6) Date of establishment	December 19, 1936	March 1, 1972 (Company name changed on March 1, 2018)		
(7) Number of issued shares	721,509,646 shares	420,000 shares		
(8) Fiscal year-end	March 31	August 31		
(9) Major shareholders and shareholding ratios	The Master Trust Bank of Japan, Ltd. (Trust Account)	17.31%	Angel Group	100%
	Custody Bank of Japan, Ltd. (Trust Account)	10.94%		
	Nippon Life Insurance Company	2.91%		
	STATE STREET BANK AND TRUST COMPANY 505001 (standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	2.80%		
	Takeo Obayashi	2.36%		
	STATE STREET BANK WEST CLIENT – TREATY 505234 (standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	2.11%		
	Obayashi Group Employee Shareholding Association	1.84%		
	JPMorgan Securities Japan Co., Ltd.	1.62%		
	JP MORGAN CHASE BANK 385781 (standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	1.29%		
	Sumitomo Realty & Development Co., Ltd.	1.28%		
(10) Operating results and financial positions	Fiscal year ended in March 2024 (Consolidated)	Fiscal year ended in August 2024 (Non-consolidated)		
Net assets	1,194,810 million yen	10,360 million yen		
Total assets	3,017,047 million yen	13,480 million yen		
Net assets per share	1,606.18 yen	24,668.78 yen		
Net sales	2,325,162 million yen	1,791 million yen		
Operating income	79,381 million yen	111 million yen		
Ordinary income	91,515 million yen	120 million yen		
Profit attributable to owners of parent	75,059 million yen	937 million yen		
Profit attributable to owners of parent per share	104.69 yen	2,232.47 yen		

4. Overview of the business to be split

(1) Description of the business to be split:

Management business including the hot spring water supply business at Obayashi Izu-Atagawa Villa Resort Sites.

(2) Operating results of the business to be split (as of fiscal year ending March 31, 2024)

(Yen in millions)

	Business to be split	Splitting company
Net sales	34	1,582,199

(3) Items and book value of assets and liabilities to be split (as of March 31, 2024)

(Yen in millions)

Assets		Liabilities	
Item	Book value	Item	Book value
Current assets	2,977	Current liabilities	—
Fixed assets	132	Fixed liabilities	—
Total	3,109	Total	—

Note: The book value as of the effective date of the Company Split is subject to change.

5. Status after the Company Split

There will be no change in the name, location, description of business, share capital, or fiscal year period of the Company as a result of the Company Split.

6. Future outlook

Although the Company expects to record an extraordinary loss in the fiscal year ending March 31, 2025, there is no change in its FY2024 full year forecasts in the “FY2024 3rd Quarter Financial Results (April 1, 2024 to December 31, 2024),” announced on February 10, 2025.

Disclaimer:

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