



Be the No.1 Self-storage Company, the Overwhelming No.1



Arealink Co., Ltd.

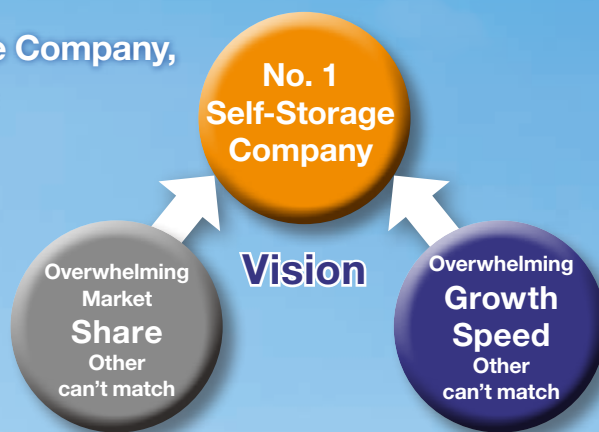
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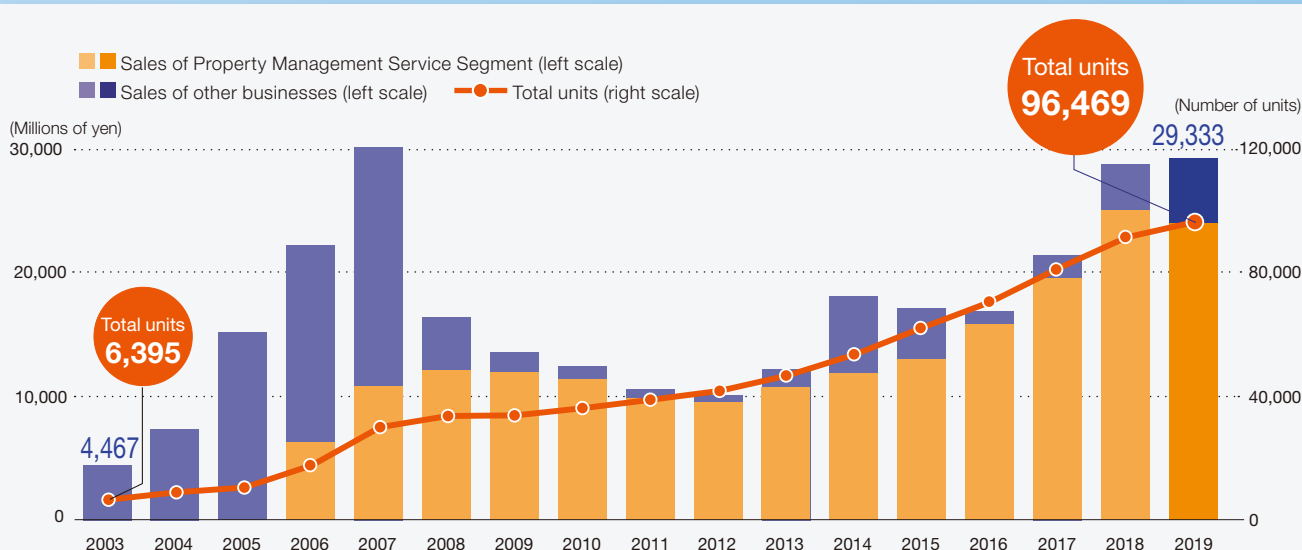
Arealink's History of Value Creation

Arealink operates a service-oriented “stock type” business that makes use of under-utilized real estate. In the self-storage business, Arealink manages storage units nationwide under the Hello Storage brand, and currently holds the top market share in Japan. Arealink marked its 25th anniversary in April 2020, and under its corporate ideal of “Provide convenience, joy, and excitement to the world”, to be a “model company for the future,” the company is implementing various reform measures with the aim of being the overwhelming leader in Japan’s self-storage market, with a 50% market share.

Be the No.1 Self-Storage Company,
the Overwhelming No. 1



Net Sales and Total Units



1999



Began offering outdoor container units

2001



Began offering indoor self-storage units

2003

Listed on the TSE Mothers market

2005

Hello Storage business surpassed 10,000 units

2007

Osaka Office opened

2008

Hello Storage business surpassed 30,000 units
Nagoya Sales Office (currently the Nagoya Office) opened

2015



Began offering self-storage type properties with land

2016

Hello Storage business surpassed 70,000 units

2017

Won 15.1% of the self-storage market in Japan
Collaboration between Hello Storage and the popular Hello Kitty character

2018

Hello Storage business surpassed 90,000 units
Won 17.4% of the self-storage market in Japan

2019



Began offering Business Storage / Hello Garage

2020

Market listing switched to TSE Second Section

Arealink's Business

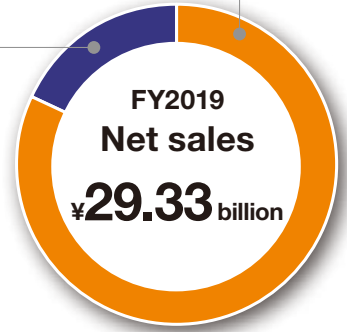
Business Segments

Property Management Service Segment

Net sales: ¥24.05 billion
Sales composition ratio: 82.0% (December 2019)

Mainly comprised of our core business, self-storage.
 Storage brokerage to investors and management of Hello Storage (rental storage space).

- Self-storage management: Hello Storage customer recruitment, operations and management
- Self-storage brokerage: Hello Storage orders and location development, sales of storage with accompanying land
- Other management services: Asset management (Tenant recruitment, operations and management of properties held) Rental Meeting Room, SOHO, Parking lots, etc.



Property Revitalization & Liquidation Service Segment

Net sales: ¥5.28 billion
Sales composition ratio: 18.0% (December 2019)

Untangle the complicated land leasehold rights / land with leasehold rights relationships.
 Niche, low-risk business with stable earnings

- Land Rights Consolidation (Leasehold Land) Business



Self-Storage (Outdoor type, indoor type)

Hello Storage (outdoor type)

These are large storage spaces utilizing sturdy, overseas shipping containers. They are large enough to drive into, for easy loading and unloading. Arealink has approximately 73,000 units (as of December 31, 2019) nationwide, from Hokkaido to Okinawa.



Hello Storage (indoor type)

Indoor-type self-storage units utilizing an entire building or section, mainly in Tokyo and Osaka metropolitan areas.



Main User Base

70%: Individual users

- Households with children
- Hobby enthusiasts



30%: Companies

- SMEs: Materials and inventory storage
- Civil engineering companies: Goods storage



Land Rights Consolidation (Leasehold Land) Business



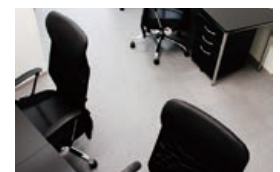
Arealink operates a land rights management business through which it buys land rights from landowners, and at the appropriate timing, sells them to leaseholders.

Rental Meeting Rooms



Arealink operates a rental meeting room service in Tokyo, Yokohama, Osaka, and Nagoya, utilizing small and mid-sized office buildings and unoccupied office space.

SOHO



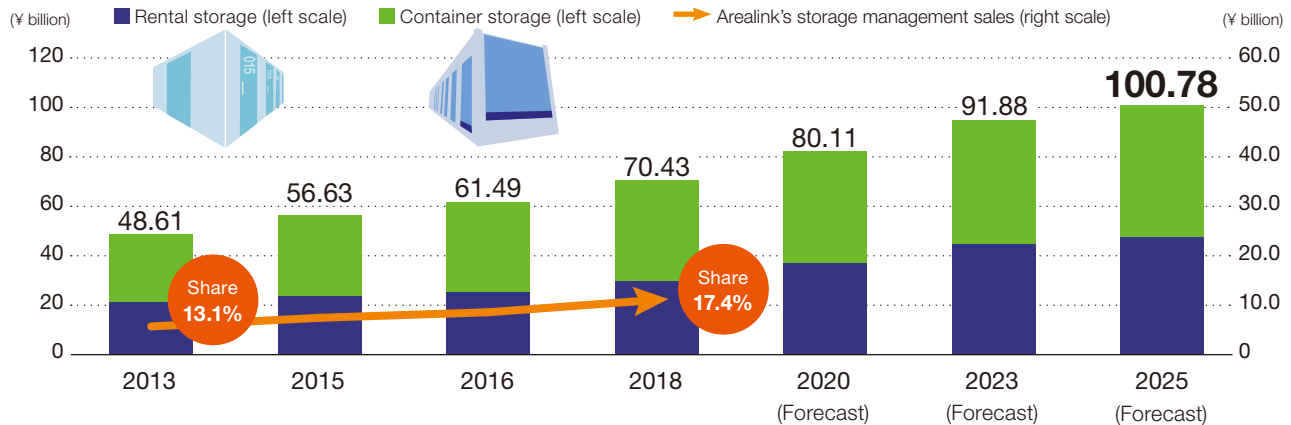
Arealink provides rental office spaces that allow small businesses to curb startup costs as much as possible.

Self-Storage Business Growth Potential and Competitive Advantage

Self-Storage Business' Growth Potential

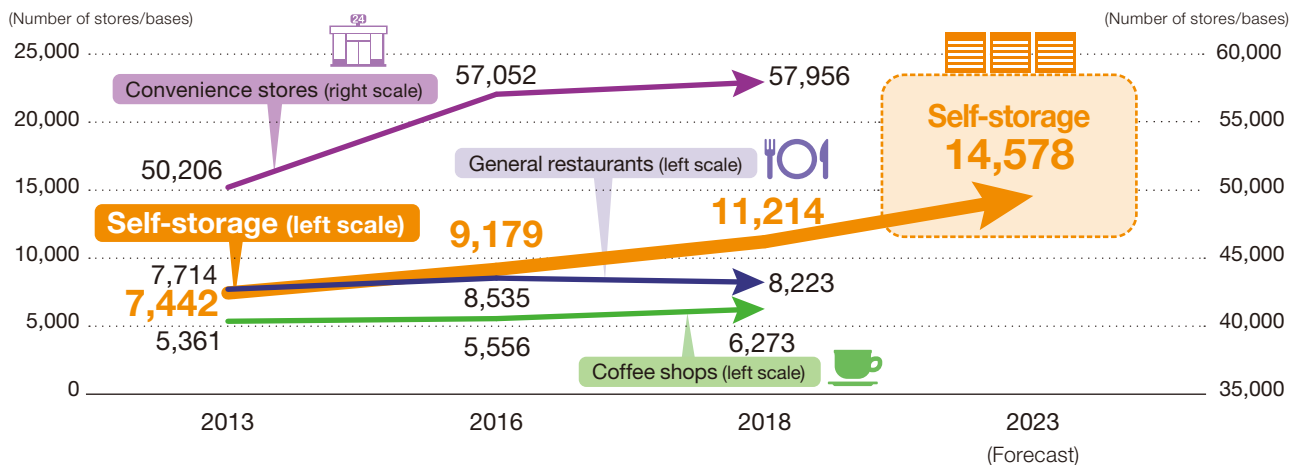
The self-storage market is expected to expand to ¥100 billion by 2025

Market Size of the Self-Storage Business (Japan nationwide)



Source: Yano Research Institute, "Thorough Survey of the Growing Self-Storage Business" FY2016, 2019 Edition (Japan)
 Figures for the size of Japan's storage market are the combined total of moderate-range projections for rental storage and container storage using our own calculation method. Shares are tallied based on the number of units. (Figures for Arealink are actual figures provided by the company).

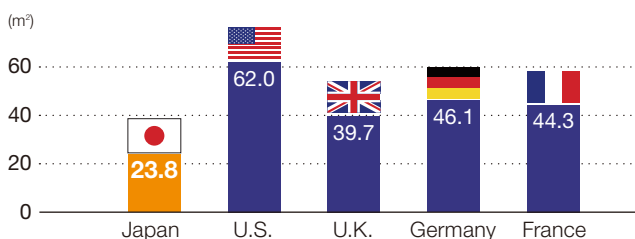
The Japanese market is expanding despite a decline in population



Source: Yano Research Institute, "Thorough Survey of the Growing Self-Storage Business" 2013, 2016 and 2019 Editions. The figures for self-storage indicate the total number of units for indoor rental storage and outdoor containers (excluding trunk rooms).
 Source: "Franchise Chain Statistics Investigation" (The figures for general restaurants indicate the sum total of Japanese restaurants/sushi restaurants and yakiniku restaurants/other general restaurants (excluding western-style/steak/pizza/pasta restaurants and Chinese restaurants)).

Japanese homes are smaller than U.S. and living space is decreasing

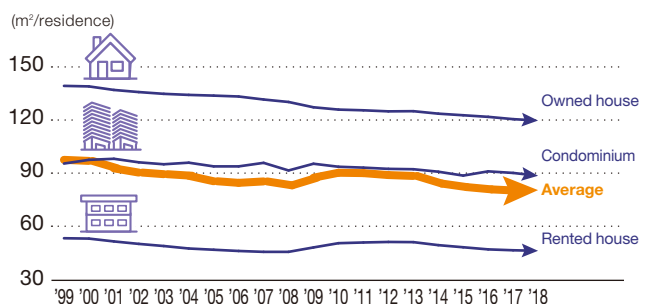
Residential floor area per person



Source: Japan: Ministry of Internal Affairs and Communications, "2013 Housing and Land Survey" (data, 2013, Kanto, major cities (rented houses)); U.S.: U.S. Census Bureau, "2015 American Housing Survey" (data, 2015); U.K.: Department for Communities and Local Government, "English Housing Survey Statistical Data Sets" (data, 2015); Germany: Bundesministerium für Verkehr, Bau und Stadtentwicklung, "Wohnen und Bauen in Zahlen 2011/2012" (data, 2010); France: Insee, "Enquête Logement 2013"

Notes: 1. Floor area calculated using center line of wall where possible (U.S. x 0.94, Germany/France x 1.10)
 2. U.S. floor area is the median
 3. The survey (data) year and report announcement year differ for the German data

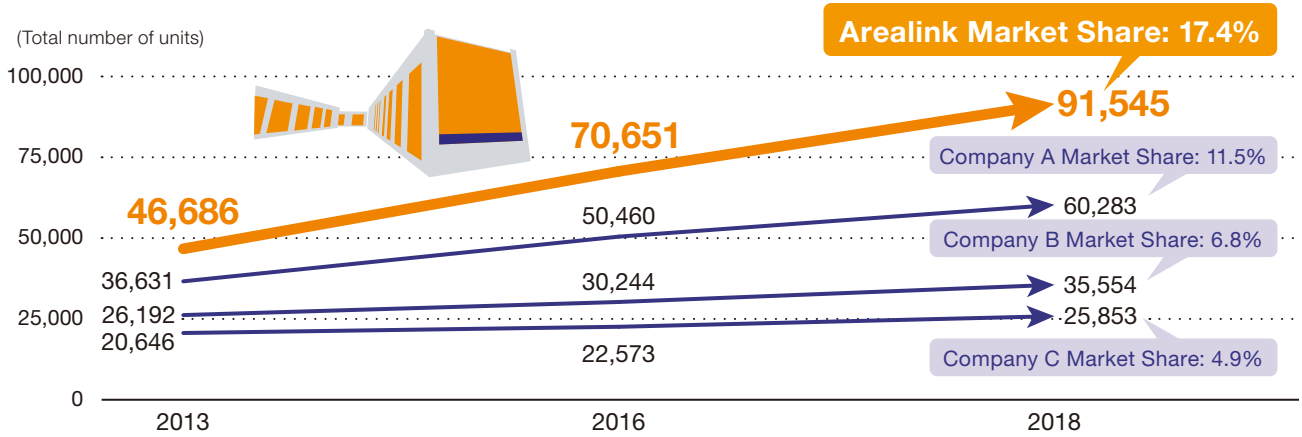
Floor area per residence (Japan)



Source: Ministry of Land, Infrastructure, Transport and Tourism, "Statistical Survey on Construction Starts" Target: New housing starts

Arealink's Competitive Advantage

Aiming to be overwhelming No. 1, the number of units have doubled over 5 years



Source: Yano Research Institute, "Thorough Survey of the Growing Self-Storage Business" 2013, 2016 and 2019 Editions.
 The figures indicate the total number of units for indoor rental storage and outdoor containers (excluding trunk rooms). The numbers of units for Arealink are the actual figures provided by the company.

We lead the industry in both sales and profit

Item	Arealink	Company A	Company B	Company C
Listed/unlisted	Listed	Unlisted	Unlisted	Unlisted
Net sales	¥29.33 billion	¥10.29 billion	¥8.57 billion	¥5.23 billion
Operating income margin	10.3%	8.0%	2.0%	1.0%
Storage type	Indoor/outdoor	Indoor/outdoor	Indoor	Indoor
Main location	Suburbs/residential	Suburbs	Business/residential	Suburbs

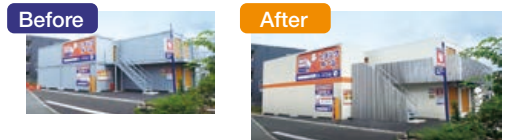
Note: Sales and operating income ratio of self-storage business are estimated by Arealink based on the information material of each company.
 Arealink: Includes self-storage management, self-storage brokerage, leased land business and other management businesses
 Company A: Includes containers/accessories, etc., and rental offices, etc. Company B: Includes receipt fees Company C: Includes design and construction of trunk room facilities

As a leading company, we provide storage with a favorable image and high valuation

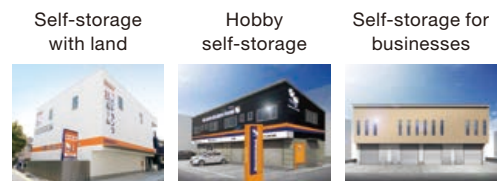
Making storage structures harmonious with the residential environment by adopting Hello Kitty in the design



Hiring designers in an aim to create harmony with society



Developing various types of storage to accommodate users' needs



Management Team



Directors

President & CEO

1 Naomichi Hayashi

Director

2 Yoshika Suzuki

Director (Outside Director)

3 Kazuhiro Furuyama

Director (Outside Director)

4 Masanori Koda

Auditors

Full-Time Company Auditor (Outside Auditor)

5 Hideto Kojima

Auditor (Outside Auditor)

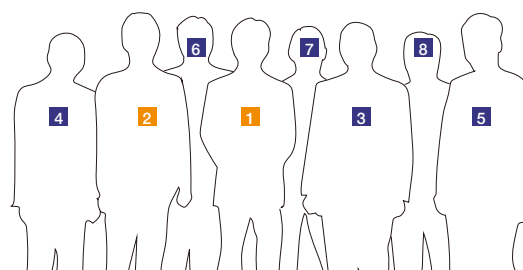
6 Koji Tamura

Auditor (Outside Auditor)

7 Iwao Aoki

Auditor (Outside Auditor)

8 Shigekazu Mitsuta



(As of May 1, 2020)

OUR MISSION

Provide convenience, joy, and excitement

CODE OF CONDUCT

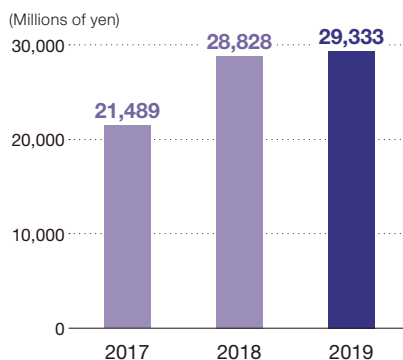
A company that finds solutions for difficult situation

Highlights of Financial and Business Results

Financial Highlights

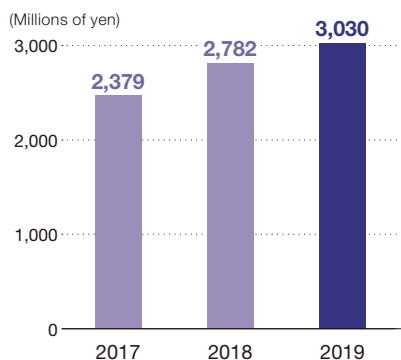
Net Sales

29,333 million yen



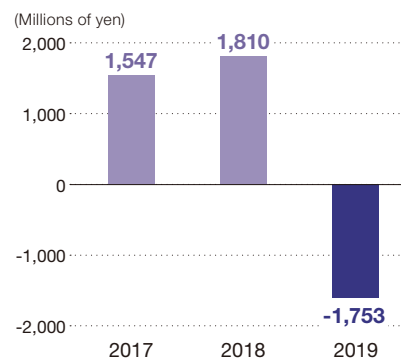
Operating Income

3,030 million yen



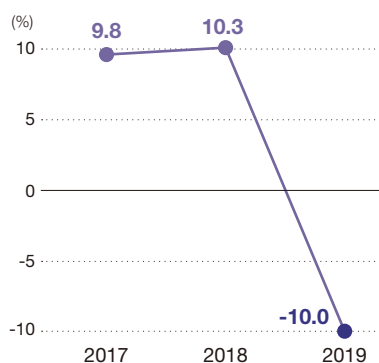
Net Income

-1,753 million yen



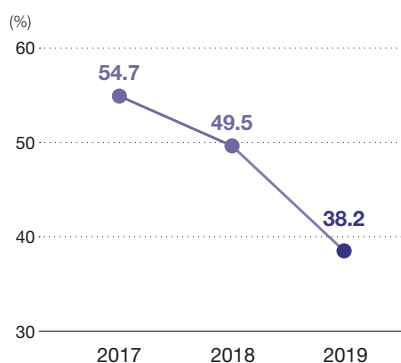
ROE

-10.0 %



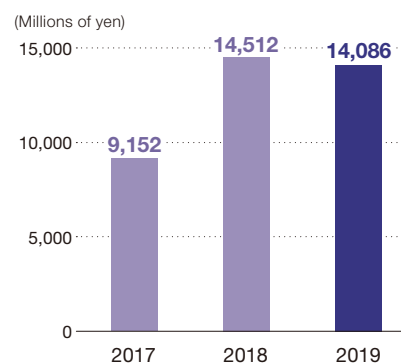
Shareholders' Equity Ratio

38.2 %



Interest-bearing debt

14,086 million yen

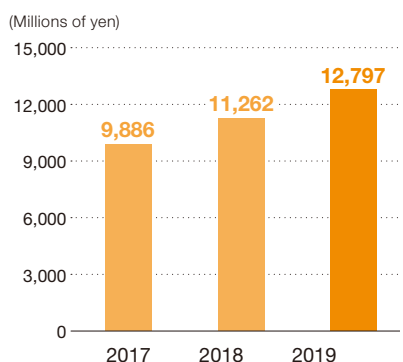


Business Results Highlights

Self-Storage Business Net Sales

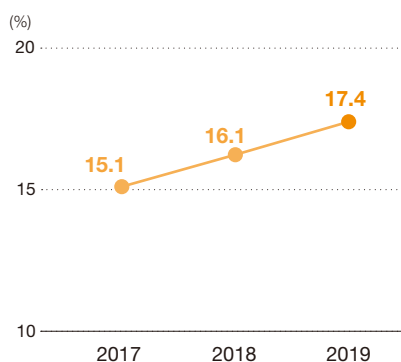
* Revenue from Self-storage Management

12,797 million yen



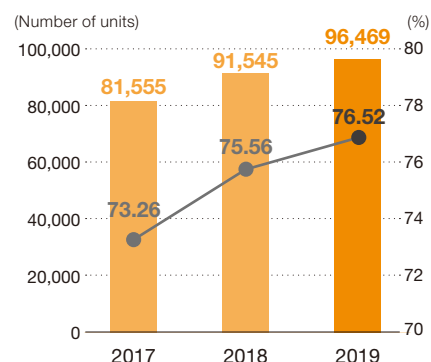
Domestic Market Share

17.4 %



Total No. of Self-Storage Units and Utilization Rate

96,469 units **76.52** %





Transition to “Operating Owner” Business Model

We aim to be a company resilient to economic fluctuations centered on earnings from Self-Storage Management.

President & CEO **Naomichi Hayashi**

Fiscal 2019 business results

Net sales in fiscal 2019 (ended December 31, 2019) rose 1.8% from the previous fiscal year to ¥29,333 million, with operating income increasing 8.9% to ¥3,030 million, and ordinary income up 18.3% to ¥3,000 million. However, Arealink posted a net loss for the year of ¥1,753 million, due mainly to extraordinary losses totaling around ¥5,900 million. Nevertheless, figures for net sales, operating income, and ordinary income exceeded targets, which were revised upward during the period.

By segment, net sales in the Property Management Service segment, centered on the Self-Storage Business, declined 4.3% from the previous fiscal year to ¥24,054 million, with operating income down 14.4% to ¥2,950 million. We achieved revenue and earnings gains in Self-Storage Management, but performance in Self-Storage Brokerage fell sharply, resulting in declines for the segment overall. The Property Revitalization & Liquidation Service segment, focused on the buying and selling of land with leasehold interest, posted a gain in net sales of 42.7% to ¥5,278 million, with operating income up 91.9% to ¥1,249 million.

Next, I would like to explain the details of the extraordinary losses. Of the total ¥787 million in impairment losses, the ¥332 million in store impairment applies to locations that have been opened for two years but still have a low utilization rate, and we feel they have a low recovery potential. The ¥290 million in

owned commercial facilities impairment is for our Nishitachi Yokocho facility in Miyazaki-shi (Miyazaki Prefecture), which has shown deteriorating profitability. The ¥165 million in software impairment is for a part of our internal software system, which has been less effective than we hoped.

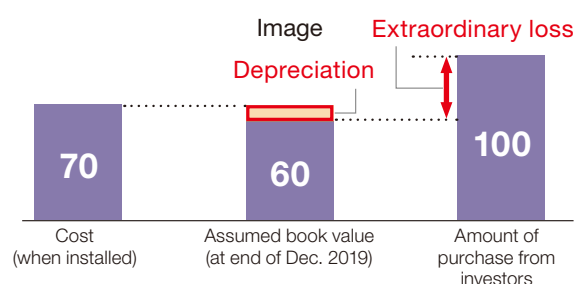
The ¥5,034 million in provision for loss on repurchases stems from the following. Arealink sells containers to customers, then leases them back and manages them as self-storage units. For tax purposes, these containers are typically depreciated as "Containers" under "Furniture and Fixtures," based on the useful life table. However, in the first half of fiscal 2019, a customer to whom we had sold containers was informed by the tax authorities that the useful life of those containers that have been certified as buildings under Japan's Building Standards Act should be calculated as for "Buildings" rather than "Furniture and Fixtures," and was directed to make a correction. There have been other similar cases of customers who received such as directive, and had to file amended tax returns.

Arealink, based on opinions of tax and legal specialists, considered such directives to be limited, transient, and isolated events. However, in early 2020, in regard to those customers who were depreciating containers as "Furniture and Fixtures," Arealink was requested by the tax authorities to voluntarily provide information that included the sales status of containers certified as buildings.

Breakdown of Extraordinary Losses

Loss	Amount (Millions of yen)
Provision for loss on repurchases	5,034
Store impairment	332
Owned commercial facilities impairment	290
Software impairment	165

Provision for differences arising when repurchasing previously sold containers that have acquired building confirmation



President's Message

This is an issue that is liable to require prolonged discussion, and despite our efforts, it is likely that there will be further instances of similar directives from tax authorities. As such, customers who purchased containers on the assumption that they could be depreciated as "Furniture and Fixtures" would lose a major benefit of the product. We anticipated that there would be a number of cases of customers wishing to sell containers, and decided to handle this issue in an honest and sincere manner, including the possibility of repurchasing containers from customers.

Arealink is able to improve the profitability of its self-storage operations by managing the containers that it owns, and so it had already begun to shift from a business model of leasing back the containers it had sold to customers, to a model of owning the containers itself. Accordingly, this policy of purchasing the containers owned by customers is also in line with our management policy.

This measure will not affect cash flow, and there is no problem in terms of financing. Accordingly, for shareholder returns, we will pay an annual dividend of 40 yen per share. We posted a net loss for fiscal 2019, but excluding this transient temporary loss, we have in effect achieved our performance target, and so we will pay dividends as planned.

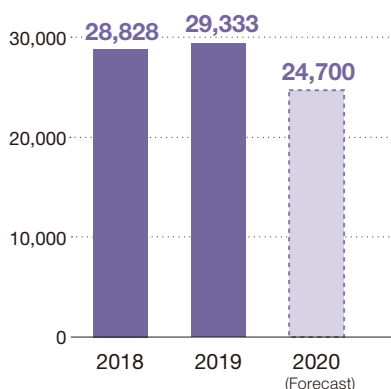
Shift to an "operating owner" business model, and improve profitability

Arealink is transitioning to a corporate structure with growth driven by earnings from Self-storage Management, and the Land Rights Consolidation Business. Self-Storage Management is our core business, and we anticipate revenue and earnings growth in fiscal 2020 as we continue to carefully select prime locations for containers, and open locations. We will also take steps to improve utilization rates for each location, aiming for an increase of more than one percentage point compared to the end of fiscal 2019. For Self-Storage Brokerage, because this is a business that is highly susceptible to conditions in the real estate and financial market, we plan to greatly reduce our exposure to this business, and be a company with greater resilience to economic fluctuations. In the leasehold land business, we anticipate further revenue and earnings gains. We will continue our initiative from 2019 to develop business in the Kansai area, and increase purchases of commercial land with leasehold interest. Arealink is currently the second biggest company in Japan in the leasehold land business.

For fiscal 2020 (ending December 2020), Arealink is forecasting decreases in net sales of 15.8% to ¥24,700 million, operating income of 24.1% to ¥2,300 million, and ordinary income of 26.7% to ¥2,200, with net income of ¥1,300 million. Excluding transitory earnings from fiscal 2019 (sale of the Kanda Kyodo Building, formation of the

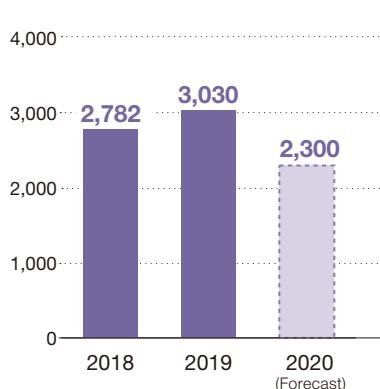
Net Sales

(Millions of yen)



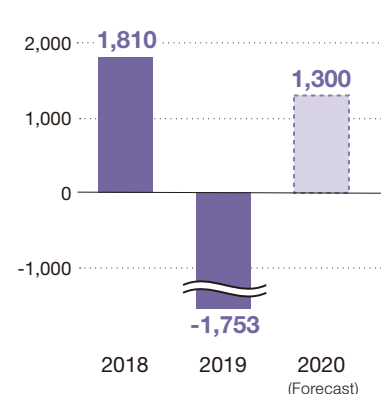
Operating Income

(Millions of yen)



Net Income

(Millions of yen)



No. 3 fund), this actually represents an increase in revenue and earnings from the previous fiscal year. The planned dividend payment for fiscal 2020 is 31 yen per share, for a payout ratio of 30.1%.

Fiscal 2020 has begun with the unexpected tragedy of the COVID-19 epidemic, but has built a business structure always prepared to cope with the worst circumstances, and fortunately, as of this point the damage to our business has been minimal. Going forward, we will continue to develop our business to build a portfolio resilient to fluctuations in the economy, and changes in the business environment. Arealink, based on its principle of being a “company that finds solutions for difficult situations,” will aim to resolve issues for niche areas of the real estate market, and realize its ideal of “Provide convenience, joy, and excitement to the world”.



Naomichi Hayashi

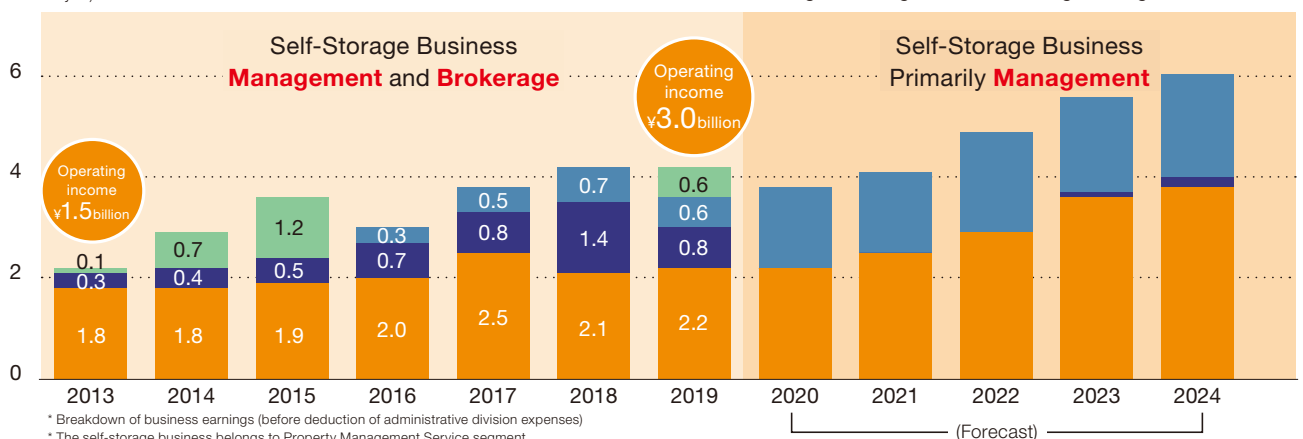
President & CEO

Thank you for your continued support of Arealink.

Operating Income, Business Earnings

(Billions of yen)

- Real estate transactions
- Buying and selling of leasehold land
- Self-storage brokerage
- Self-storage management



Medium and Long-term Growth Strategies

Main Points of the Basic Policy

Major policies to improve profitability



Become a company supported by earnings from Self-Storage Management

Secure stable growth and profitability for Arealink going forward. Aim to establish a robust company resistant to economic fluctuations (especially downturns).

➔ Shift to operational profit centered on self-storage.



Strengthen the land rights management (leasehold land) business

➔ Strengthen the business as a second source of earnings supporting Arealink centered on the Self-Storage Business.

Transition to an “Operating Owner” Business Model



In consideration of future economic trends, Arealink is transitioning to an “operating owner” business model in order to secure stable growth and profitability, and establish a corporate structure resilient during economic downturns. The first step will be a direct investment in outdoor container units, with earnings centered on Self-Storage Management. This will lower dependence on the sort of transitory earnings susceptible to fluctuations in

Advantages of Direct Investment for Outdoor Container Units

Self-storage style	(Previous) Orders from investors	(New) In-house investment
Break-even point	85%	45%
Profitability improvement	10% annually	18% annually

*Figures are projections

In-house investment: Substantially lower break-even point

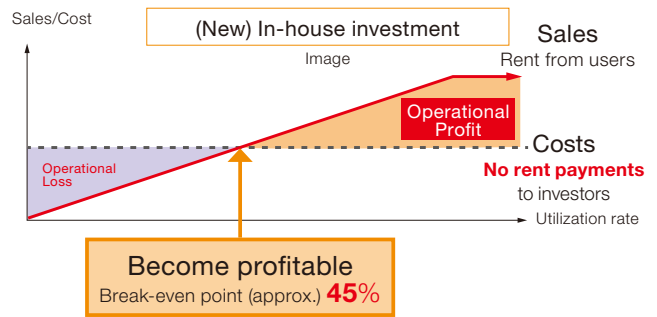
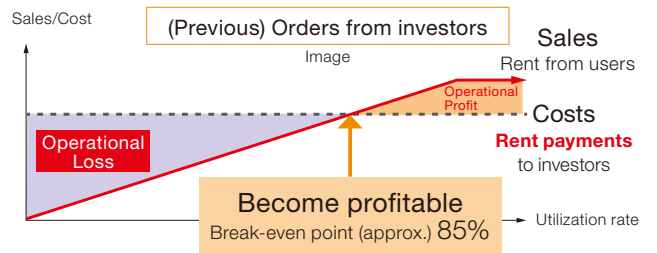
Location opening scheme	(Previous) Investor makes investment Leasing of land	(New) Arealink makes investment Leasing of land
Advantages	Opening of Arealink location Zero debt burden Investor purchases containers	Lower break-even point = High profitability No rent payments to investors
Disadvantages	High break-even point = Low profitability Rent payments to investors	Arealink secures funding to open locations

real estate and financial market conditions, and provide stable returns.

Under the previous business scheme centered on opening locations based on orders from investors, the break-even point was reached in around two years. Switching to in-house investment will reduce this to one year. The main reason is that the elimination of rent payments to investors lowers the break-even point from 85% to 45%. The speed at which profitability is achieved will increase, and the company can expect an annual return of around 18%.

By shifting to earnings from Self-Storage Management, as shown in the "Future Growth Image" below, when Arealink purchases containers previously sold to investors, it generates additional earnings from management (the "+α" portion) over the long term.

Image of profitability improvement from direct investment by Arealink

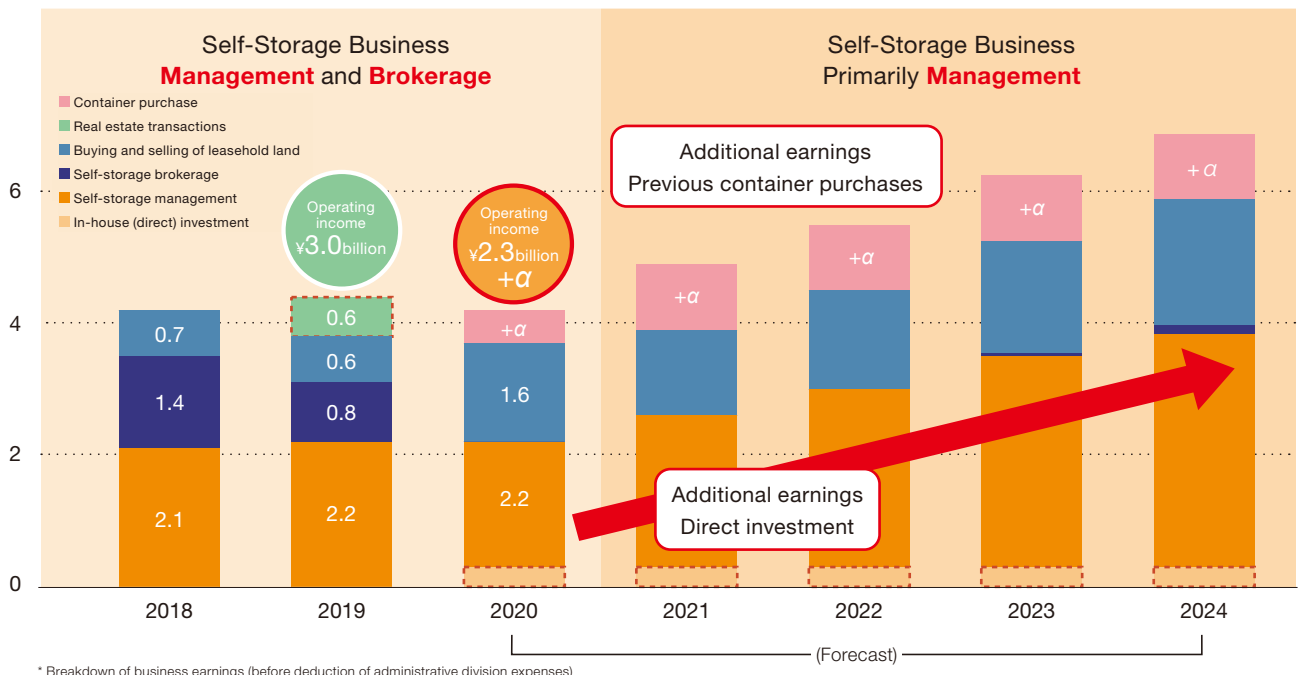


Future Growth

Shift to **profit from operations**, and establish a company less susceptible to economic conditions
Improved profitability from container purchases will be **long-term**, and provide an **additional boost**

Operating Income, Business Earnings

(Billions of yen)



Openings of Outdoor Container-Type Locations in Regional Areas

Arealink aims to secure an overwhelming leading position in the Japanese self-storage market. As part of this effort, the company has been opening a series of smaller, outdoor container-type locations in regional cities with populations of 50-100 thousand residents. A total of 107 container-type locations were opened in

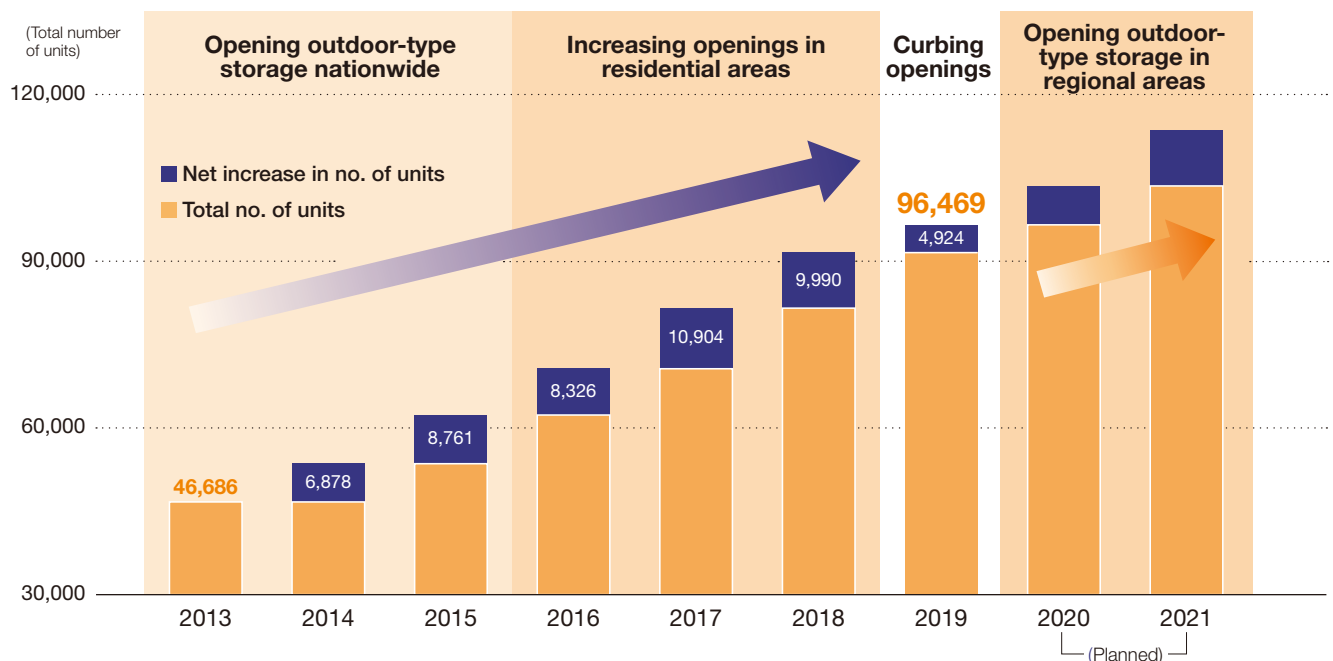
Fiscal 2019, adding 3,998 units. Openings in Fiscal 2020 will also focus on container types, with the total number of units expected to exceed 100 thousand during the period. Going forward, Arealink will continue to open smaller locations in areas with less competition, and increase its utilization rate over a short period.



- 1 Total of around 73,000 units nationwide, from Hokkaido to Kyushu
- 2 Lower price range than indoor-type units
- 3 Vehicle accessibility, making loading and unloading easy



Number of units opened/to open



Differentiation in the Self-Storage Business

Arealink continues to highlight the advantages of Hello Storage that differentiate it from the competition, and makes sales approaches to develop more potential customers.

New Product Business Storage / Hello Garage

Arealink is developing a variety of new self-storage products to meet the needs of users and gain new clientele. One example of this is Business Storage / Hello Garage opened in Tokyo and Chiba.



Features of Business Storage / Hello Garage

- ✓ Building with garage space and electric shutters on the first floor, and free space on the second floor
- ✓ Usable space for car maintenance, storage of outdoor goods, or to enjoy hobbies
- ✓ Security system for business use with peace of mind
- ✓ Customizable using freeboard

New Service Opening of model rooms for self-storage with land

As part of its new services initiative, Arealink opened model rooms for self-storage with land in Tokyo and Kanagawa. These models show examples of storage patterns in a four-mat (6.12m²) room, and present lifestyle ideas using self-storage.

Ideas for lifestyles possible using self-storage

- ✓ High-end bicycle (road bike) room
- ✓ Room for golf enthusiasts
- ✓ Snowboard / ski room
- ✓ Room for end-of-life preparations
- ✓ Ordinary house storage pattern
- ✓ Artisan's room



Model room for self-storage with land

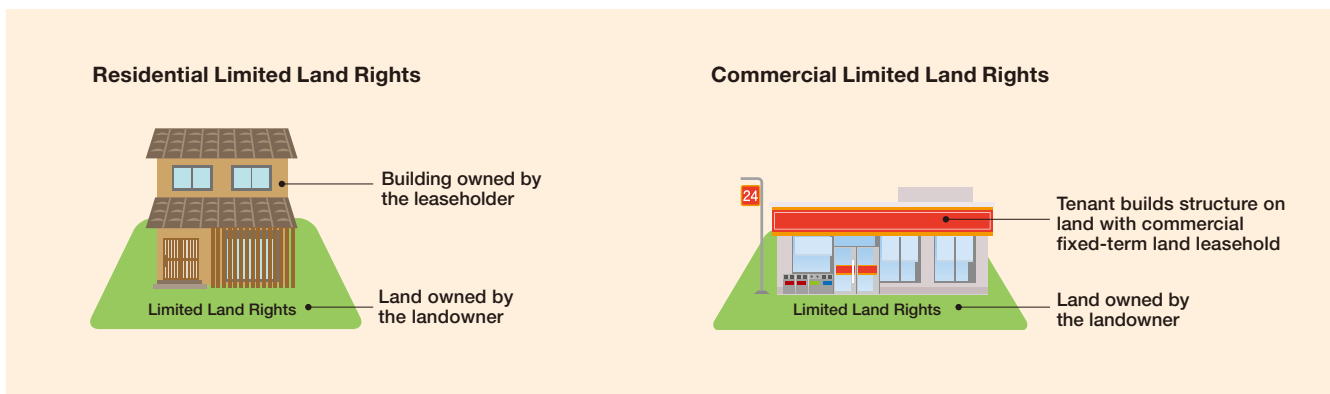
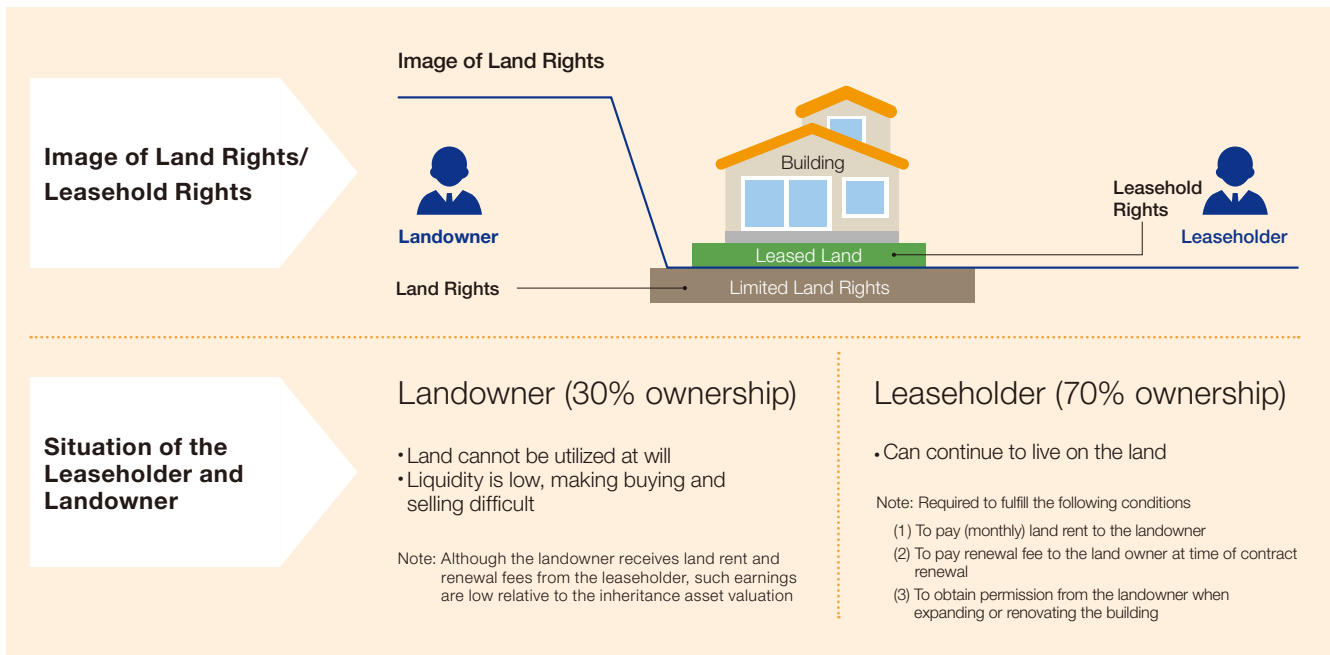


Strengthening Sales in the Leasehold Land Business

The Land Rights Consolidation (Leasehold Land) Business, part of Arealink’s “solutions for difficult situations,” brings together and finds solutions for landowners who are unable to utilize their land freely, and leaseholders who are able to continue occupying the property, but cannot use the land freely. It is a niche business without much competition, and remains stable even during economic downturns (since limited land rights can be purchased at around 30% of market value, making the price change risk low). Arealink receives rent income

during the period from procurement to sale, and as well as a stable gain on sale when the property is sold.

Recently, in addition to residential leasehold land, Arealink has begun purchasing commercial leasehold land rights. The sales structure has also been strengthened, including expansion of the business area beyond Kanto (Tokyo metropolitan area) to the Kansai region (Osaka metropolitan area). Arealink is strengthening the Leasehold Land Business to make it a second pillar of earnings alongside the Self-Storage Business.



ESG Measures

Arealink's ESG measures are aimed at contributing to society, enhancing enterprise value, and achieving sustainable business growth. As part of this effort, we have put in place a corporate governance framework, and created our own structure for human asset development. We are also promoting work style reforms, and contributing to local communities through our business.

Contributing to society with trunk rooms

Activities in Ota Ward in Tokyo

Arealink has been exploring how self-storage trunk rooms can contribute to disaster preparedness for communities ever since the 2011 earthquake disaster. Ota Ward in Tokyo decided that Arealink's service meets the government's storage needs to aid people who are unable to return home after disasters, and we concluded a disaster preparedness agreement on December 12, 2017 providing trunk rooms free of charge. The stored items include blankets, carpets, and other items necessary for temporary stays in disaster shelters.

Activities in Hokkaido

Following the Hokkaido Eastern Iburi earthquake in September 2018, Arealink provided communities that had suffered extensive damage in the disaster with free

use of the self-storage facilities it owns in the outskirts of Sapporo, Hokkaido. Going forward, Arealink plans to actively contribute to communities where its self-storage business coincides with local government disaster preparedness plans.

Facilities Provided

- Hello Storage Sapporo Kitano
- Hello Storage Sapporo Atsubetsu
- Hello Storage Sapporo Tonden-kyujo
- Hello Storage Ebetsu-shi Oasa-sakuragicho
- Hello Storage Sapporo Shiroishi
- Hello Storage Sapporo Naebocho Premium

Period

- Six months (September 13, 2018 to March 13, 2019)

Human asset development

Arealink believes that creating a company and human asset development are one in the same, and focuses on training a small but highly capable workforce operating under a merit system. "Arealink Master" is an internal certification required of all employees, and enhances work effectiveness. In addition, each year Arealink holds a "kickoff" event to



Trainings for a shared vision

explain and share the priorities for the Company with all employees, and to recognize outstanding efforts by individuals and teams. Furthermore, Arealink holds overnight training sessions at its training and recreational facilities in Atami and Karuizawa, where employees and teams share issues and problems, and hold thorough discussions.



Karuizawa Training Institute & Recreational Facility

■ Corporate governance structure

Arealink has introduced an executive officer system alongside its corporate auditor system, while ensuring separation and control over business execution and auditing/supervisory functions, including appointing outside directors. The Board of Auditors and accounting auditor exchange information as required, providing for effective operational and account auditing. Arealink has also established an Internal Audit Office as the body for conducting internal audits. The Board of Auditors and Internal Audit Office, in order to enhance the effectiveness and efficiency of audit functions, exchange opinions and information on a regular basis, and as necessary.

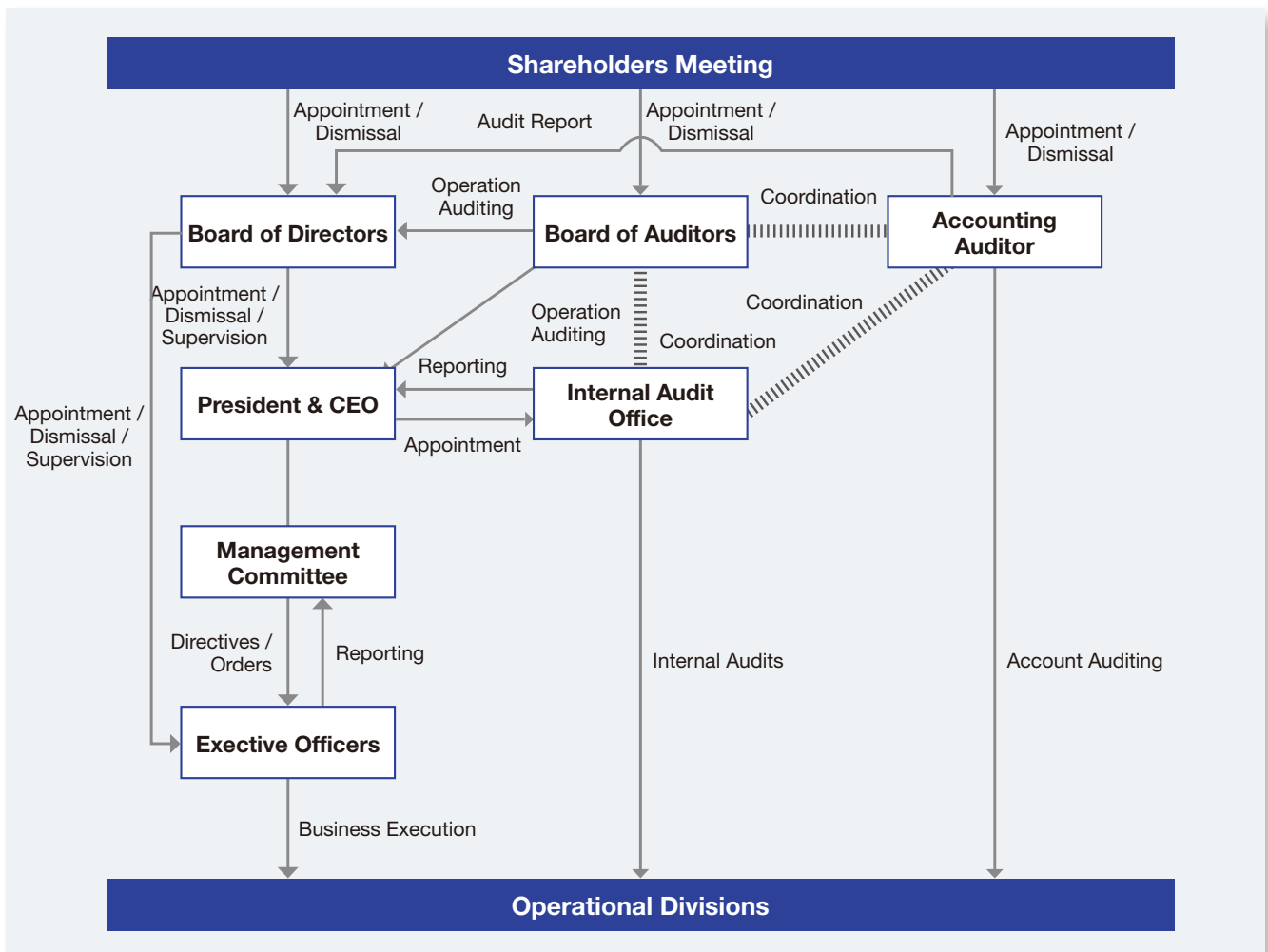
The business execution, auditing/supervisory, remuneration determination, and other functions are as follows.

The Board of Directors convenes monthly, and holds extraordinary sessions as necessary. It makes decisions regarding important business execution and legal matters,

and supervises business execution. Arealink’s Board of Directors comprises four members, two of whom are outside directors.

The main activities of the Board of Auditors including having company auditors attend meetings of the Board of Directors and full-time company auditors attend Management Committee sessions and other important meetings, as well as conducting audits of internal departments regarding the status of business execution. Arealink’s Board of Auditors comprises four members, of which all four are outside company auditors (with one a full-time company auditor).

The Management Committee is a space for the discussion of Arealink’s management strategy. It comprises outside directors and persons designated by them. The Management Committee meets three times per month in principle.



Message from Outside Director and Outside Auditor

Pioneering a “cumulative-type” business model in Japan

Kazuhiro Furuyama
Outside Director



Career summary and main concurrent positions

Apr. 1986	Instructor, University of Tasmania (Australia)
Apr. 1987	Delegate for Establishment of Foreign Language Institute Tokyo Forum
Apr. 2002	Senior Manager for Training, Matsushita Institute of Government and Management
Sep. 2002	Head of Training, Matsushita Institute of Government and Management
Apr. 2004	Standing Director, Matsushita Institute of Government and Management
Apr. 2013	Committee Member and Instructor, Japan Institute of Agricultural Management
Mar. 2015	Director, Arealink (current)
Apr. 2016	Adviser, Matsushita Institute of Government and Management
Apr. 2016	Adviser, Agri Connect Co., Ltd. (current)
Mar. 2019	Committee Member, Japan Institute of Agricultural Management (current)

Following its corporate philosophy to “Provide convenience, enjoyment, and excitement to the world,” Arealink’s president and employees work to meet market demand and continually grow day by day, aiming to be a “futuristic ideal company.”

Arealink pioneered the self-storage market in Japan, building a cumulative business model and maintaining its leading market share. The major factors behind this achievement, under the strong leadership of the president, are the creation of a structure that develops personnel, and the earnest way in which employees have engaged with their work.

During the monthly meetings of the Board of Directors, outside directors and auditors with diverse backgrounds engage in lively discussions, offering varied professional viewpoints on such aspects as compliance, risk management, and human resource measures.

I believe this will better ensure future growth and governance.

I served for many years as standing director and head of Matsushita Institute of Government and Management (MIGM), and through that relationship, five years ago I joined Arealink as an outside director. The importance of corporate principles in management, which I learned from MIGM founder Konosuke Matsushita, and my experience with human resource development at MIGM, are the main perspectives from which I view management.

Always keeping in mind that companies are the public institutions of society, and aiming to put into practice the corporate philosophy and create an environment in which employees feel their work is worthwhile—aspects that are also important to Arealink—I will consider how to increase customer satisfaction, and strive to further enhance enterprise value.

Acting with priority on customers and individual locations

Hideto Kojima
Full-Time Company Auditor
(Outside Company Auditor)



Career summary and main concurrent positions

Apr. 1970	Joined Asahi Mutual Life Insurance Company
Apr. 1993	Managing Director, Asahi Life Asset Management Co., Ltd.
Apr. 2002	Managing Director and General Manager of Administration Department, Asahi Seimei Building Co., Ltd.
Aug. 2003	Managing Director and General Manager of Administration Department, Asahi Insurance Service Co., Ltd.
Jun. 2004	Full-Time Company Auditor, The Keihin Co., Ltd.
Mar. 2010	Arealink Auditor (current)

Arealink occupies a special position within the real estate industry, a select company in a niche field oriented for high growth.

Arealink has as its corporate philosophy “Provide convenience, enjoyment, and excitement to the world,” with a basic principle of thinking and acting in a way that prioritizes the customer and business location, aiming to be a “futuristic ideal company.”

I joined Arealink as an outside company auditor because I agree with that management stance and corporate philosophy. It has now been ten years since I took this position, and during that time I have consistently focused on advancing and putting into practice that management stance and philosophy.

Of course, at the same time I have and will continue to pursue the essential duties of a company auditor and director, including conducting fair and objective audits from the standpoint of legality and appropriateness, and assessing the suitability of the building and operating of compliance and internal control systems, as well as other measures in collaboration with fellow auditors to enhance the precision of audits.

Arealink is characterized by a charismatic owner and many young employees, which I think provides it with unlimited potential. At the same time, since I am aware that the existence and role of a braking function is also important for the sound growth of a company, each day strive to offer proper recommendations and advice.

Six-Year Summary

Years ended December 31

	Millions of Yen					
	2019	2018	2017	2016	2015	2014
Summary of Income						
Net sales	¥29,333	¥28,828	¥21,489	¥16,908	¥17,173	¥18,120
Property management service	24,054	25,129	19,619	15,820	12,980	11,845
Property revitalization & liquidation service	5,278	3,698	1,869	1,087	4,192	6,274
Cost of sales	22,669	22,173	15,805	12,136	12,100	13,759
Gross profit	6,663	6,655	5,683	4,771	5,073	4,360
Selling, general and administrative expenses	3,633	3,873	3,303	2,835	2,415	2,125
Operating income	3,030	2,782	2,379	1,935	2,657	2,235
Ordinary income	3,000	2,536	2,441	1,968	2,442	2,087
Net income before income taxes	(2,860)	2,267	2,322	1,902	2,405	2,222
Net income	(1,753)	1,810	1,547	1,142	1,550	1,541
Financial Position						
Total assets	43,020	37,862	29,904	23,791	19,312	19,539
Current assets	19,903	25,840	17,532	12,168	9,121	10,115
Noncurrent assets	23,117	12,022	12,372	11,622	10,191	9,423
Interest-bearing debt	14,086	14,512	9,152	4,793	1,311	2,759
Net assets	16,419	18,749	16,351	15,283	14,626	13,514
Cash Flows						
Cash flows from operating activities	4,055	(2,380)	(2,992)	(708)	3,941	7,123
Cash flows from investing activities	(1,005)	(484)	(1,423)	(1,544)	(1,069)	146
Free cash flows	3,049	(2,865)	(4,416)	(2,253)	2,871	7,270
Cash flows from financing activities	(1,020)	5,944	3,854	2,999	(1,888)	(5,429)
Cash and cash equivalents at end of period	11,702	9,672	6,594	7,158	6,415	5,431
Amount per Share of Common Stock*¹ (Yen)						
Net income per share (EPS)	(138.81)	145.47	126.08	93.06	126.3	125.5
Book value per share (BPS)	1,299.96	1,484.44	1,332.88	1,245.09	1,191.4	1,100.9
Cash dividends per share	40	46	40	39	39	36
Financial Indicators (%)						
Operating income ratio	10.3	9.7	11.1	11.4	15.5	12.3
Return on equity	(10.0)	10.3	9.8	7.6	11.0	11.9
Return on assets	(4.3)	5.3	5.8	5.3	8.0	7.2
Shareholders' equity ratio	38.2	49.5	54.7	64.2	75.7	69.2
Interest-bearing debt ratio	86	77	55	31	9	20
Investment Indicators (Times)						
Price/Earning value ratio—PER* ²	—	8.06	18.8	13.4	11.4	11.2
Price/Book value ratio—PBR* ³	1.04	0.79	1.78	1.00	1.21	1.27
Price/Cash flow ratio—PCFR* ⁴	(4.49)	7.34	18.75	8.94	8.65	7.02

*1 Consolidation-adjusted per share data

*2 Year-end share price/Net income per share

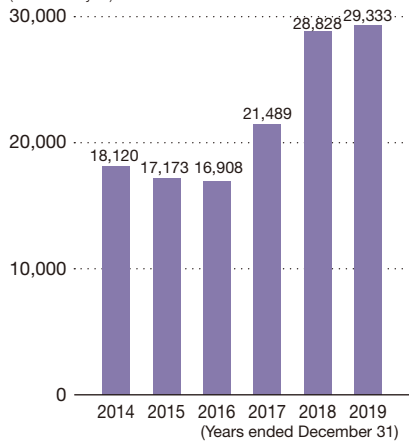
*3 Year-end share price/Net assets per share

*4 Year-end share price/Cash flow per share

Management's Discussion and Analysis of Financial Condition and Operating Results

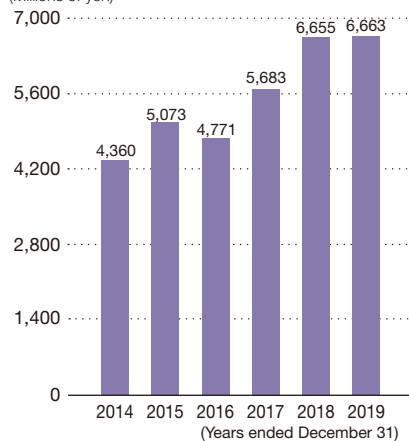
Net Sales

(Millions of yen)



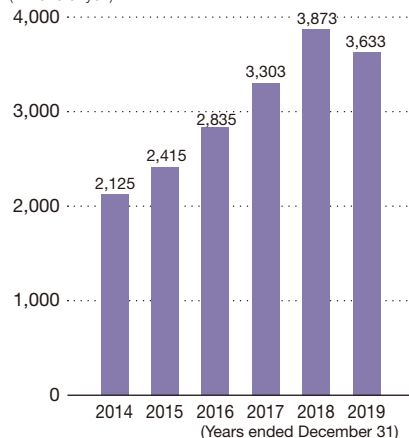
Gross Profit

(Millions of yen)



Selling, General and Administrative Expenses

(Millions of yen)



Fiscal 2019 Business Results

Net sales for fiscal 2019 (ended December 31, 2019) amounted to ¥29,333 million (up 1.8% year on year), with operating income of ¥3,030 million (up 8.9%), and ordinary income of ¥3,000 million (up 18.3%). Net income, however, declined significantly due to an extraordinary loss of ¥5,878 million in provision for loss on repurchases recorded as a temporary factor, and the Company posted a net loss for the period of ¥1,753 million. Results by business segment were as follows, with steady expansion of operations.

Property Management Service

The Property Management Service segment comprises the Self-storage Business (divided into the subsections of Self-storage Management and Self-storage Brokerage), and the Other Business centered mainly on rental income.

1) Self-storage Management

The total number of self-storage units at the end of the subject fiscal year amounted to 96,469 units (up 4,924 units from the previous year-end). The pace of new unit additions slowed as a result of curbs on openings of "self-storage properties with land" (asset indoor-type self-storage) and large container properties. The utilization rate remained low during the first half of 2019 due to the impact from the scaling back of price reduction campaigns from the start of the year, but utilization rose steadily during the second half, and the discount rate improved as the curb on price reduction campaigns became established. To differentiate itself from the competition, Arealink continued its collaboration with the popular Sanrio character Hello Kitty, and focused on attracting potential customers by launching new products (Hello Business Box and Hello Garage) and new services (transport service).

As a result, in Self-storage Management the Company posted gains in both revenue and earnings, with net sales of ¥12,797 million (up 13.6% year on year), and operating income of ¥1,534 million (up 5.4%).

2) Self-storage Brokerage

With the prospect of financial institutions tightening financing for real estate investment, Arealink had been forecasting a sharp decline in revenue and earnings. In the first quarter of the subject fiscal year, in anticipation of deteriorating financial conditions the Company sold a portion of its "self-storage properties with land" at an early stage, and in the second quarter formed the private placement fund "Trunk House 24" and completed the sale of eight properties. These measures made a significant contribution to business performance. In the "self-storage properties with land" business, Arealink shifted its policy from sales to company-owned holdings, and for the location opening policy in the self-storage business, reverted to the previous policy of focusing on outdoor containers (over "self-storage properties with land") in order to increase openings of smaller locations in regional areas with high demand.

In the end, in Self-storage Brokerage the Company posted declines in both revenue and earnings, with net sales of ¥9,290 million (down 21.7 % year on year), and operating income of ¥773 million (down 43.9%).

As a result, including rental income from the Hello Office rental office space business for the SOHO market and the Hello Rental Meeting Room rental business, net sales in the Property Management Service segment amounted to ¥24,054 million (down 4.3% year on year), with operating income of ¥2,950 million (down 14.4%).

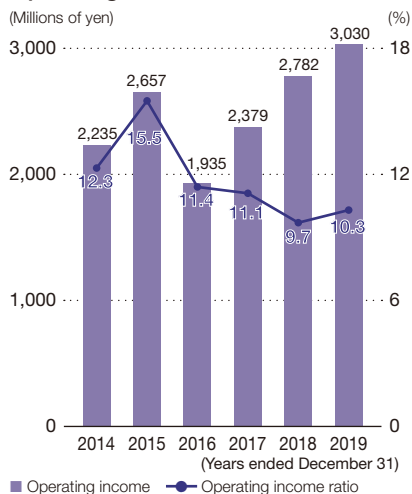
Property Revitalization & Liquidation Service

The Property Revitalization & Liquidation Service segment is focused mainly on the buying and selling of residential land with leasehold interest, which is less susceptible to real estate market conditions.

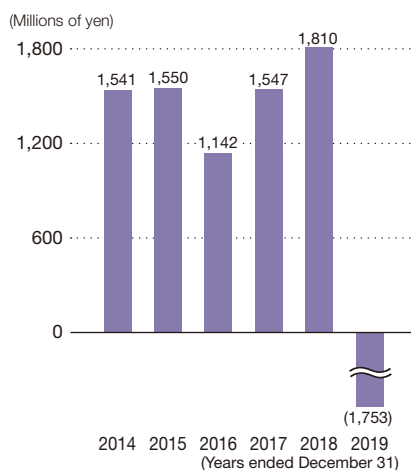
During the first quarter of the subject fiscal year Arealink sold the Company-held property Kanda Kyodo Building, which had been transferred to an inventory asset at the end

Management's Discussion and Analysis of Financial Condition and Operating Results

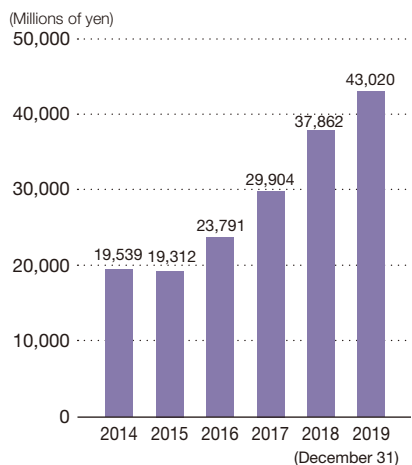
Operating Income/ Operating Income Ratio



Net Income



Total Assets



of the previous fiscal year, and in the second quarter sold a large leasehold land project ahead of schedule. Considering the business progress during the first half of the year, in the second half the Company focused on procuring leasehold land. In addition to its previous focus on residential-use leasehold land, the Company also began procuring commercial-use leasehold land, and expanded its scope of operations to the Kansai area.

As a result, net sales in the Property Revitalization & Liquidation Service segment amounted to ¥5,278 million (up 42.7%), with operating income of ¥1,240 million (up 91.9%).

Financial Condition

Current assets decreased 23.0% from the end of the previous fiscal year to ¥19,903 million. This was due mainly to decreases of ¥2,179 million in real estate for sale; and ¥5,685 million in real estate for sale in process; against ¥2,029 million in cash and deposits.

Noncurrent assets increased 92.3% year on year to ¥23,117 million. This was due mainly to increases of ¥2,296 million in leased assets; along with ¥1,598 million in buildings and ¥3,905 million in land resulting from the transfer of Company-held self-storage properties with land from real estate for sale to property, plant, and equipment.

As a result, total assets at the end of fiscal 2019 increased 13.6% compared with the end of the previous fiscal year, to ¥43,020 million.

Current liabilities increased 80.3% year on year to ¥11,913 million. This was due mainly to an increase of ¥5,195 million in provision for loss on repurchases.

Noncurrent liabilities increased 17.5% year on year to ¥14,687 million. This was due mainly to increases of ¥2,055 million in long-term lease obligations; and ¥1,994 million in long-term unearned revenue.

As a result, total liabilities increased 39.2% from the end of the previous fiscal year to ¥26,601 million.

Net assets decreased 12.4% from the previous fiscal year to ¥16,419 million. This was due mainly to a decrease of ¥2,334 million in retained earnings brought forward.

Cash Flow

Cash and cash equivalents ("cash") at the end of fiscal 2019 increased ¥2,029 million from the end of the previous fiscal year to ¥11,702 million. The condition of each cash flow during the subject fiscal year and the primary factors affecting them are as follows.

Cash flow from operating activities

Cash provided by operating activities amounted to ¥4,055 million. This was due mainly to increasing factors of ¥1,330 million in decrease in inventories; ¥5,195 million in increase in provision for loss on repurchases; and ¥663 million in depreciation.

Cash flow from investing activities

Cash used in investing activities amounted to ¥1,005 million. This was due mainly to decreasing factors of ¥663 million in expenditures for acquisition of property, plant and equipment.

Cash flow from financing activities

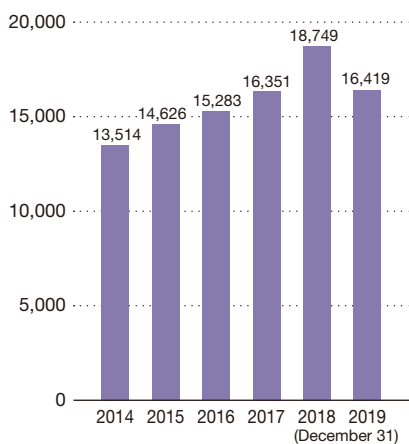
Cash used in financing activities amounted to ¥1,020 million. This was due mainly to decreasing factors of ¥1,360 million in decrease in short-term borrowings; and ¥10,432 million in repayments of long-term borrowings; against ¥9,259 million in proceeds from long-term borrowings; and ¥2,561 million in proceeds from sale and leaseback transactions.

Fund Procurement and Use

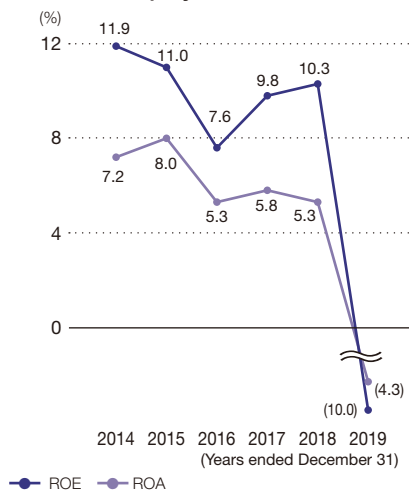
Arealink utilizes its own funds as capital necessary for growth, while enhancing its cash position. When the required capital exceeds funds on hand, the Company will borrow funds within the scope of liquidity.

Net Assets

(Millions of yen)

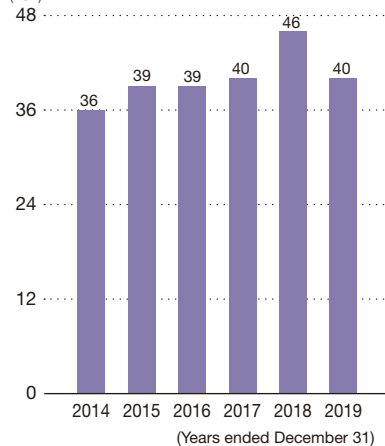


Return on Equity/Return on Assets



Cash Dividends per Share

(Yen)



Note: Consolidation-adjusted per share data

Dividend Policy

Arealink regards the long-term, comprehensive expansion of profit to shareholders as an important management objective. The Company's basic policy is to pay a stable dividend with a target payout ratio of 30% in general consideration of the Company's financial condition and earnings, based on the long-term business plan, and assessing the market environment and opportune timing for capital expenditures, while also keeping in mind retention of earnings for reinvestment. The basic policy for the number of payouts is once per year at the end of the fiscal period, as determined by the General Meeting of Shareholders.

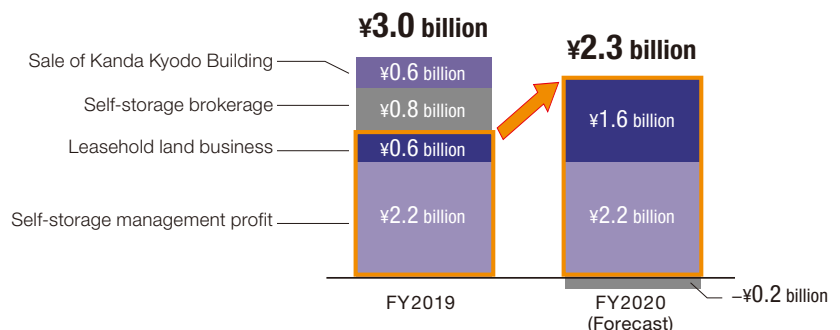
For fiscal 2019, based on a comprehensive consideration of current economic conditions and the business results for the year, the Company plans to pay an annual dividend of ¥40.0 per share. Despite the recording of an extraordinary loss, the dividend is being paid as planned because results exceeded the business plan.

For fiscal 2020, in accordance with the above basic policy and earnings forecasts at the present time, the Company plans to pay an annual dividend of ¥31.0 per share. There are no plans for an interim dividend.

Outlook for Fiscal 2020

For the fiscal year ending December 31, 2020, Arealink is forecasting net sales of ¥24,700 million, with operating income of ¥2,300 million, ordinary income of ¥2,200 million, and net income of ¥1,300 million. Excluding the one-time earnings recorded in fiscal 2019 (sale of the Kanda Kyodo Building, formation of the No. 3 fund), the Company anticipates a real increase in revenue and earnings.

Breakdown of operating income



* Earnings figures are at the business level, and do not include administrative expenses.

	FY2019 (Billions of yen)	FY2020 (Forecast) (Billions of yen)	YoY
Net sales	29.33	24.70	-15.8%
Property Management Service	24.05	16.38	-31.9%
Property Revitalization & Liquidation Service	5.28	8.32	+57.6%
Operating income	3.03	2.30	-24.1%
Property Management Service	2.95	1.94	-34.3%
Property Revitalization & Liquidation Service	1.25	1.63	+30.5%
Management Division Expenses	(1.17)	(1.27)	+ 8.6%
Ordinary income	3.00	2.20	-26.7%
Net income	(1.75)	1.30	-
Net income per share (yen)	(13.881)	10.293	-

Non-Consolidated Balance Sheets

Arealink Co., Ltd.
December 31, 2019 and 2018

	Millions of Yen	
	2019	2018
ASSETS		
Current assets:		
Cash and deposits	¥11,702	¥ 9,672
Accounts receivable—trade	142	110
Merchandise	—	0
Real estate for sale	7,314	9,493
Real estate for sale in process	168	5,853
Costs on uncompleted construction contracts	82	47
Prepaid expenses	237	260
Other current assets	285	426
Allowance for doubtful accounts	(28)	(24)
Total current assets	19,903	25,840
Noncurrent assets:		
Property, plant and equipment:		
Buildings	7,710	5,789
Accumulated depreciation	(2,121)	(1,894)
Accumulated impairment loss	(313)	(217)
Buildings, net	5,275	3,677
Structures	1,856	1,762
Accumulated depreciation	(636)	(545)
Accumulated impairment loss	(667)	(404)
Structures, net	552	813
Machinery and equipment	65	75
Accumulated depreciation	(57)	(67)
Accumulated impairment loss	(5)	(6)
Machinery and equipment, net	1	2
Tools, furniture and fixtures	2,543	2,252
Accumulated depreciation	(1,057)	(966)
Accumulated impairment loss	(151)	(68)
Tools, furniture and fixtures, net	1,333	1,216
Land	7,580	3,674
Lease assets	3,103	486
Accumulated depreciation	(450)	(130)
Lease assets, net	2,653	356
Construction in progress	672	—
Total property, plant and equipment	18,069	9,741
Intangible assets:		
Software	65	176
Other	2	0
Total intangible assets	68	177
Investments and other assets:		
Investment securities	309	245
Claims provable in bankruptcy, claims provable in rehabilitation and other	1,290	1,290
Guarantee deposits	1,366	1,342
Other	3,316	528
Allowance for doubtful accounts	(1,304)	(1,303)
Total investments and other assets	4,978	2,102
Total noncurrent assets	23,117	12,022
Total assets	¥43,020	¥37,862

	Millions of Yen	
	2019	2018
LIABILITIES		
Current liabilities:		
Accounts payable—trade	¥ 167	¥ 216
Accounts payable for construction contracts	1	324
Short-term loans payable	562	1,923
Current portion of long-term loans payable	1,650	1,385
Accounts payable—other	457	540
Income taxes payable	1,362	495
Advances received	849	927
Sublease loss allowance	144	137
Provision for loss on repurchases	5,195	—
Other	1,521	656
Total current liabilities	11,913	6,607
Noncurrent liabilities:		
Bonds payable	525	732
Long-term loans payable	8,455	9,892
Guarantee deposited	441	535
Long-term advances received	2,063	—
Lease obligations	2,392	336
Asset retirement obligations	793	777
Other	15	230
Total noncurrent liabilities	14,687	12,505
Total liabilities	26,601	19,112
NET ASSETS		
Shareholders' equity:		
Capital stock	6,111	6,111
Legal capital surplus	6,156	6,156
Total capital surplus	4,417	6,751
Treasury stock	(274)	(273)
Total shareholders' equity	16,410	18,745
Valuation and translation adjustments:		
Total valuation and translation adjustments	8	4
Total net assets	16,419	18,749
Total liabilities and net assets	¥43,020	¥37,862

Non-Consolidated Statements of Income

Arealink Co., Ltd.

Fiscal years ended December 31, 2019 and 2018

	Millions of Yen	
	2019	2018
Net sales	¥ 29,333	¥28,828
Cost of sales	22,669	22,173
Gross profit	6,663	6,655
Selling, general and administrative expenses	3,633	3,873
Operating income	3,030	2,782
Non-operating income:		
Interest income	7	8
Insurance income	7	6
Default charge income	4	2
Compensation for forced relocation	197	23
Other	28	17
Total non-operating income	245	57
Non-operating expenses:		
Interest expenses	122	110
Commission fee	117	159
Other	35	32
Total non-operating expenses	275	302
Ordinary income	3,000	2,536
Extraordinary income:		
Gain on sales of noncurrent assets	17	20
Gain on transfer of business	—	2
Total extraordinary income	17	23
Extraordinary loss:		
Loss on retirement of noncurrent assets	56	9
Impairment loss	787	279
Provision for loss on repurchases	5,034	—
Other	0	3
Total extraordinary losses	5,878	292
Net income before income taxes	(2,860)	2,267
Income taxes—current	1,694	843
Income taxes—deferred	(2,801)	(386)
Total income taxes	(1,107)	457
Net income	¥(1,753)	¥ 1,810

Non-Consolidated Statements of Cash Flows

Arealink Co., Ltd.

Fiscal years ended December 31, 2019 and 2018

	Millions of Yen	
	2019	2018
Cash flows from operating activities:		
Income before income taxes	¥(2,860)	¥2,267
Depreciation	663	645
Impairment loss	787	279
Increase (decrease) in sublease loss allowance	(11)	160
Increase (decrease) in provision for loss on repurchases	5,195	—
Decrease (increase) in notes and accounts receivable—trade	(32)	(1)
Decrease (increase) in inventories	1,330	(4,588)
Decrease (increase) in consumption taxes refund receivable	50	(50)
Increase (decrease) in notes and accounts payable—trade	(371)	(470)
Increase (decrease) in accrued consumption taxes	382	(58)
Increase (decrease) in guarantee deposits received	(93)	(60)
Other, net	(26)	494
Subtotal	5,011	(1,382)
Interest and dividends income received	8	8
Interest expenses paid	(117)	(114)
Income taxes paid	(848)	(892)
Net cash provided by (used in) operating activities	4,055	(2,380)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(663)	(299)
Proceeds from sales of property, plant and equipment	14	8
Purchase of intangible assets	(194)	(57)
Purchase of investment securities	(150)	(120)
Collection of loans receivable	6	9
Other, net	(18)	(25)
Net cash provided by (used in) investing activities	(1,005)	(484)
Cash flows from financing activities:		
Net increase (decrease) of short-term loans payable	(1,360)	(16)
Proceeds from long-term loans payable	9,259	9,430
Repayment of long-term loans payable	(10,432)	(4,735)
Proceeds from issuance of bonds	—	500
Redemption of bonds	(207)	(107)
Proceeds from issuance of common shares	—	1,083
Proceeds from issuance of share acquisition rights	—	10
Purchase of treasury share acquisition rights	—	(14)
Purchase of treasury shares	(0)	(4)
Cash dividends paid	(580)	(490)
Repayments of lease obligations	(259)	(21)
Proceeds from sales and leasebacks	2,561	310
Net cash provided by (used in) financing activities	(1,020)	5,944
Effect of exchange rate changes on cash and cash equivalents	0	(0)
Net increase (decrease) in cash and cash equivalents	2,029	3,078
Cash and cash equivalents at beginning of period	9,672	6,594
Cash and cash equivalents at end of period	¥11,702	¥9,672

Status of Hello Storage

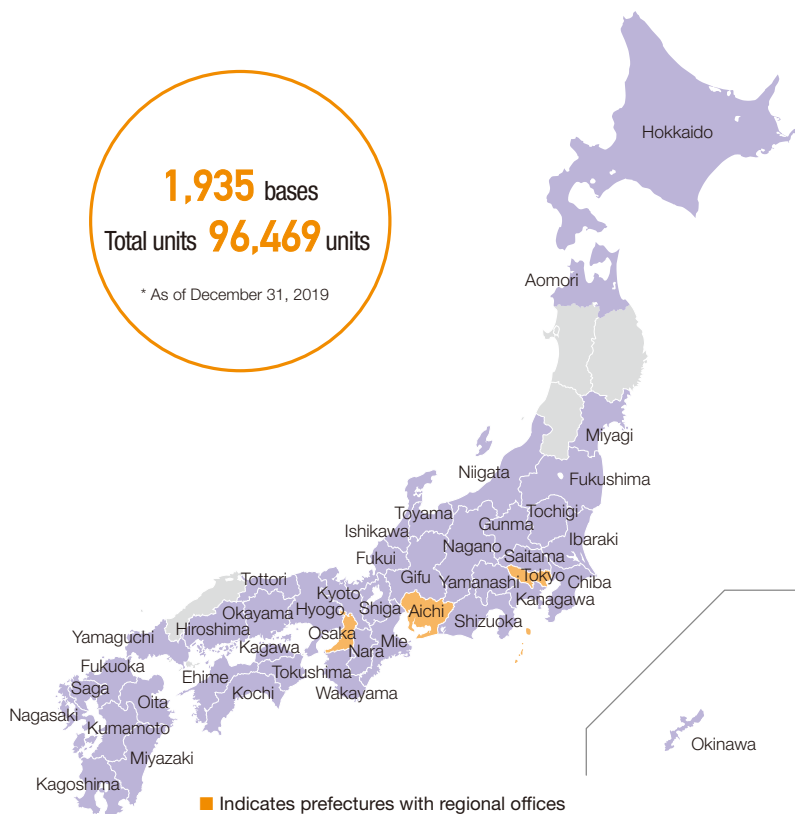
Storage Units by Region

As of December 31, 2019, Arealink had 96,469 units and 1,935 bases. These were located in 43 out of a total of 47 prefectures in Japan.

Units by Region

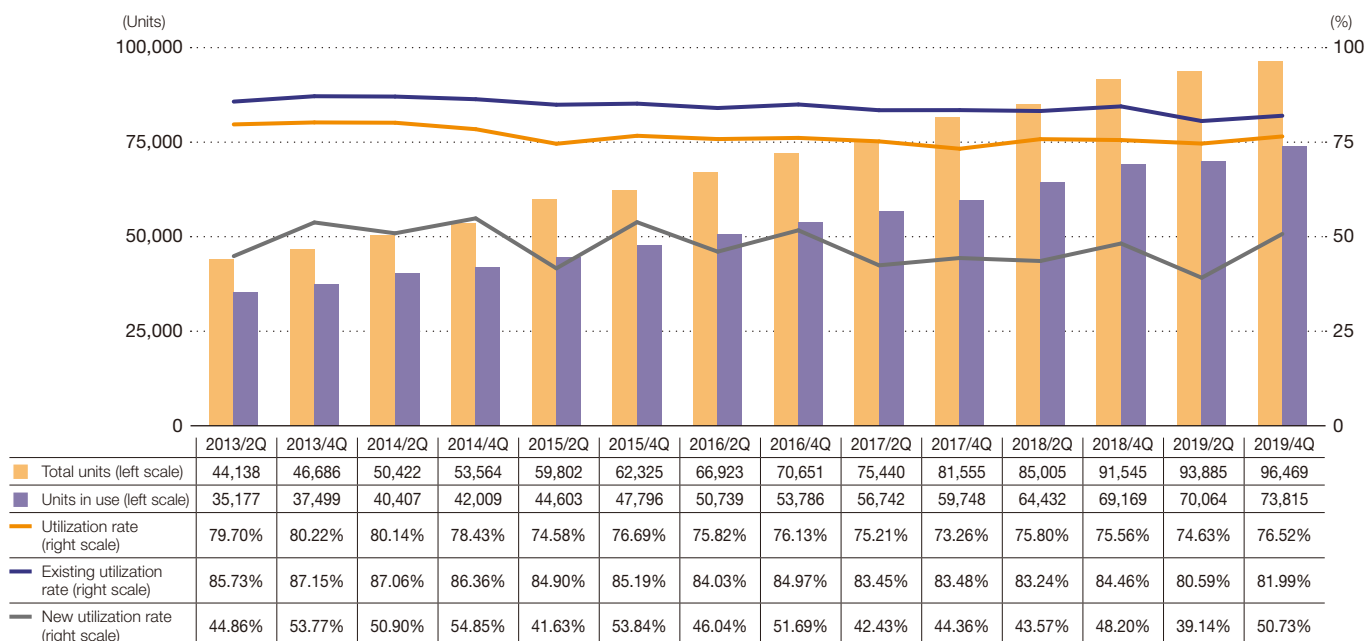
Prefecture	Units*	Prefecture	Units*
Hokkaido	1,544	Kyoto	1,387
Miyagi	1,619	Osaka	5,018
Aomori	30	Hyogo	3,875
Fukushima	56	Nara	567
Ibaraki	786	Wakayama	27
Tochigi	264	Tottori	52
Gunma	960	Okayama	218
Saitama	11,051	Hiroshima	309
Chiba	11,608	Yamaguchi	82
Tokyo	31,114	Tokushima	27
Kanagawa	12,389	Kagawa	170
Niigata	117	Ehime	106
Toyama	143	Kochi	52
Ishikawa	203	Fukuoka	2,236
Fukui	110	Saga	79
Yamanashi	180	Nagasaki	118
Nagano	284	Kumamoto	402
Gifu	617	Oita	106
Shizuoka	1,390	Miyazaki	100
Aichi	6,035	Kagoshima	367
Mie	428	Okinawa	68
Shiga	175	Total	96,469

* As of December 31, 2019



Total Units in Use and Utilization Rates in the Self-Storage Business

For the year ended December 31, 2019, the number of storage units increased by 4,924 compared to the previous year. More than double the total number of storage units in use over 6 years.



Stock Information

(As of December 31, 2019)

Securities Code	8914
Stock Listing	Tokyo Stock Exchange Mothers
Share Handling Agent	Mitsubishi UFJ Trust and Banking Corporation
Authorized Shares	35,760,000 Shares
Number of Shares Issued and Outstanding	12,940,900 Shares
Trading Unit of Shares	100 Shares
Number of Shareholders	7,510

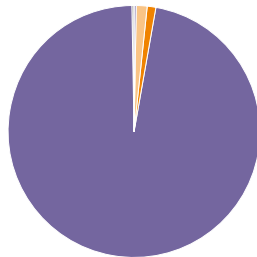
■ Status of Shareholders

Principal shareholders	Number of shares held	% of total
Naomichi Hayashi	2,813,660	22.27
GOLDMAN, SACHS & CO. REG	1,180,500	9.34
The Master Trust Bank of Japan, Ltd. (Trust account)	758,400	6.00
Trust & Custody Services Bank, Ltd. (Trust account B)	473,100	3.74
NIIHAMA IRON WORKS CO., LTD.	310,000	2.45
Amix Co., Ltd.	250,000	1.97
THE BANK OF NEW YORK MELLON 140042	244,027	1.93
Takeyasu Tsujimoto	227,300	1.79
Hideo Ogawa	174,480	1.38
Arealink's supplier stock ownership	171,300	1.35

Notes: 1. The list excludes Arealink, who owns 310,390 shares of its treasury stock.
2. The ownership percentages were calculated after exclusion of the 310,390 treasury shares.

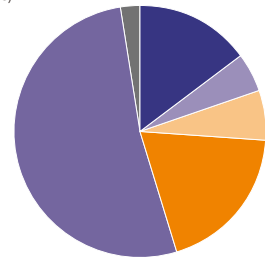
■ Breakdown of Shareholders by Type

Financial institutions: 8	0.11%
Financial instruments and financial dealers: 31	0.41%
Other companies: 89	1.19%
Foreign investors: 94	1.25%
Individuals and others: 7,287	97.03%
Treasury: 1	0.01%

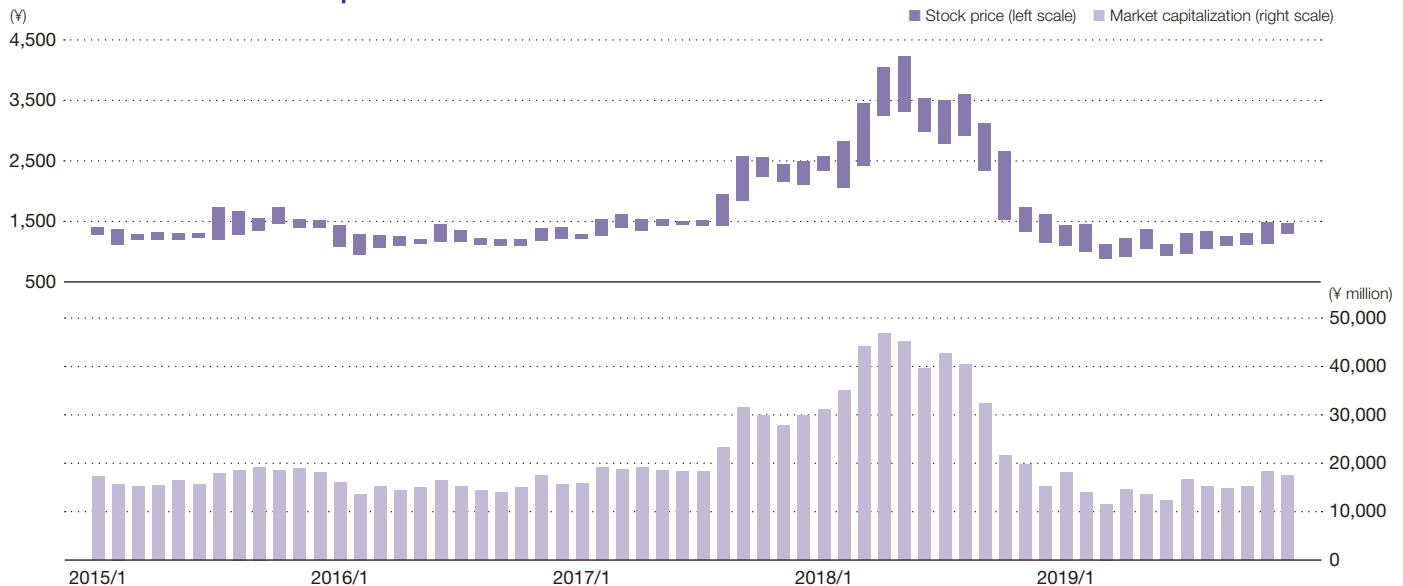


■ Breakdown of Shares by Type of Shareholder (Thousand shares)

Financial institutions: 1,567	12.11%
Financial instruments and financial dealers: 465	3.60%
Other companies: 907	7.01%
Foreign investors: 2,391	18.48%
Individuals and others: 7,298	56.40%
Treasury: 309	2.40%



■ Stock Price and Market Capitalization



Note: The Company conducted a 1:10 consolidation of its common stock, with an effective date of July 1, 2016. Figures in the graph have been adjusted retroactively in accordance with the split and consolidation.

	2015/12	2016/12	2017/12	2018/12	2019/12
High (¥)	1,730	1,450	2,571	4,225	1,480
Low (¥)	1,120	950	1,220	1,139	889
Close (¥)	1,440	1,247	2,376	1,173	1,350
Market capitalization (Millions of yen)	18,109	15,682	29,881	15,179	17,470

Note: The Company conducted a 1:10 consolidation of its common stock, with an effective date of July 1, 2016. Accordingly, the stock prices for 2015 have been adjusted retroactively in accordance with the split and consolidation.

Company Profile

Company Profile

Company name	Arealink Co., Ltd.
Head office	4-14-1, Sotokanda, Chiyoda-ku, Tokyo 101-0021
Established	April 1995
Paid-in capital	6,111,539 thousand yen
Number of employees	79 (excluding Directors, temporary employees and contract employees) (As of Dec. 31, 2019)
Securities code	8914 (TSE Mothers)
Balance date	December
Main financing banks	Resona Bank, Ltd., Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd.,

Board of Directors (As of Mar. 25, 2020)

President & CEO	Naomichi Hayashi
Director	Yoshika Suzuki
Outside Director	Kazuhiro Furuyama
Outside Director	Masanori Koda
Full-time company auditor (Outside company auditor)	Hideto Kojima
Outside company auditor	Koji Tamura
Outside company auditor	Iwao Aoki
Outside company auditor	Shigekazu Mitsuta

IR Communication

Arealink holds twice-yearly results briefings for institutional investors and securities analysts. These briefings include explanations of business results, and President Hayashi directly presents the company's growth strategies. A video of the most recent results briefing is available on the company IR website, along with the presentation material.

Contact: IR Office, Administrative Department (+81-3-3526-8556)



FY12/19 Results Briefing Video Streaming Site (Japanese)

URL: <https://www.arealink.co.jp/>

Company History

1995	April	WELL's Giken K.K. (currently Arealink) established in Funabashi City, Chiba Start of contracted business for WELL's 21 cross-industrial exchange stations
1996	April	Start of property leasing business (currently Mister Kashichi)
	June	Start of coin-operated parking lot business, Hello Parking
1998	July	Head office relocated to Mihama Ward in Chiba City
1999	March	Start of Hello Container business, installing and renting storage containers on vacant land
2000	September	Company name changed to Arealink Co., Ltd.
	December	Start of weekly/monthly apartment rental business, Hello Monthly
2001	January	Head office relocated to Ginza, Chuo-ku, Tokyo
	February	Start of Hello Trunk business, using vacant buildings for storage rental
	August	Head office relocated to Kasumigaseki, Chiyoda-ku, Tokyo
2002	September	Start of property management service using real estate owned by Arealink
2003	June	Opening of Hello Bike Box indoor parking for motorcycles
	August	Listed on TSE Mothers
2004	January	Start of Hello Office SOHO service using vacant buildings
2005	April	Acquired Space Products K.K., which operates Rakuchin Box
	November	Hello Storage business rooms exceed 10,000
2007	March	Osaka Office opened
	April	Head office relocated to Akasaka, Minato-ku, Tokyo
2008	January	Hello Storage business rooms exceed 30,000 Nagoya Sales Office (now, Nagoya Office) opened
2009	April	Head office relocated to Kanda Ogawa Machi, Chiyoda-ku, Tokyo
2014	June	Hello Storage business rooms exceed 50,000
2015	July	Hello Storage business rooms exceed 60,000
	August	Suburban outdoor rental space opened (2x4 Trunk)
2016	December	Head office relocated to Sotokanda, Chiyoda-ku, Tokyo Hello Storage business rooms exceed 70,000
2017	November	Hello Storage business rooms exceed 80,000
2018	December	Hello Storage business rooms exceed 90,000
2020	May	Change in listing market to the TSE Second Section