



July 26, 2021

To Whom It May Concern

Company Name: Arealink Co., Ltd.
 Representative: Naomichi Hayashi
 President and CEO
 (Securities Code: 8914, TSE 2nd section)
 Inquiries: Wataru Sasaki
 Director, Head of Administrative
 Division
 Telephone: +81-3-3526-8555

Notice Concerning Revisions to Earnings and Dividend Forecasts

Based on factors such as recent earnings trends, Arealink has made the revisions shown below to the earnings and dividend forecasts for the second quarter cumulative and full year periods of the fiscal year ending December 31, 2021, announced on February 12, 2021.

1. Revised Earnings Forecasts

(1) Revised earnings forecasts for the second quarter cumulative period of the fiscal year ending December 31, 2021 (January 1, 2021 to June 30, 2021)

(Millions of yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share
Previous Forecast (A)	10,200	1,250	1,180	850	67.30 yen
Revised Forecast (B)	10,750	1,650	1,650	1,350	106.82yen
Net Change (B-A)	550	400	470	500	—
Percentage Change	5.4	32.0	39.8	58.8	—
(Reference) Previous term results (second quarter cumulative period of the fiscal year ended December 31, 2020)	11,791	1,255	1,217	830	65.73 yen

(2) Revised earnings forecasts for the full fiscal year ending December 31, 2021 (January 1, 2021 to December 31, 2021)

(Millions of yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share
Previous Forecast (A)	19,700	2,500	2,400	1,400	110.84 yen
Revised Forecast (B)	19,700	2,700	2,600	1,750	138.48 yen
Net Change (B-A)	—	200	200	350	—
Percentage Change	—	8.0	8.3	25.0	—
(Reference) Previous term results (year ended December 31, 2020)	22,477	2,275	2,161	2,225	176.16 yen

(3) Reason for the Revisions

Regarding the second quarter cumulative forecast results, operating income and ordinary income are expected to exceed initial expectations due to sales of limited land rights in the Land Rights Consolidation Business having progressed ahead of schedule in terms of the full-year sales plan, in addition to improved profitability through a rising utilization rate in the Self-storage Business. Furthermore, in addition to the ¥193 million gain recorded in March 2021 on the transfer of the Parking Business, quarterly net income is expected to exceed initial forecasts by ¥500 million due to recording a reversal on provisions for container repurchases.

Regarding the full-year earnings forecast, it is expected that the Land Rights Consolidation business, whose sales have been progressing ahead of schedule, will be as projected for the full year. As such, it is expected that net sales will not be revised, operating income will increase by ¥200 million to ¥2,700 million, ordinary income will increase by ¥200 million to ¥2,600 million, and net income will increase by ¥350 million to ¥1,750 million.

2. Revised Dividend Forecast

(1) Reason for the Revision

	Annual Cash Dividend (Yen)				
	1Q-End	2Q-End	3Q-End	Period-End	Total
Previous Forecast (Announced on February 12, 2021)	—	0.0	—	34.0	34.0
Current Forecast	—	0.0	—	41.0	41.0
Current term results (year ending December 31, 2021)	—				
Previous term results (year ended December 31, 2020)	—	0.0	—	31.0	31.0

(2) Reason for the Revision

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 medium- to 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.

Based on this policy, we plan to increase the year-end dividend for the current fiscal year to ¥41 per share based on results excluding extraordinary losses / gains associated with recorded provision for container repurchases as in the past fiscal years.

Disclaimer: The earnings forecasts given above are based on the data available as of the date of this report. Actual results may differ significantly from these forecasts due to a variety of factors. Second quarter financial results for the fiscal year ending December 31, 2021 are scheduled to be released on July 28.