

Disclaimer: This document is an English translation of the original document in Japanese and has been prepared solely for reference purposes. In the event of any discrepancy between this English translation and the original in Japanese, the original shall prevail in all respects.

## Non-Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 [Japanese GAAP]



February 14, 2025

Company name: Arealink Co., Ltd.  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 8914  
 URL: <https://www.arealink.co.jp/>  
 Representative: Yoshika Suzuki, President & CEO  
 Contact: Yasuaki Otaki, Director and General Manager, Administration Division  
 Phone: +81-3-3526-8555  
 Scheduled date of the general meeting of shareholders: March 26, 2025  
 Scheduled date of commencing dividend payments: March 27, 2025  
 Scheduled date of filing securities report: March 27, 2025  
 Availability of supplementary explanatory materials on financial results: Available  
 Schedule of financial results briefing session: Scheduled (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

### 1. Non-Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (January 1, 2024 – December 31, 2024)

(1) Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2024	24,695	9.9	4,906	18.1	4,714	16.2	3,200	13.5
December 31, 2023	22,463	7.6	4,155	11.1	4,058	8.0	2,821	(2.1)

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
December 31, 2024	126.11	–	12.4	8.9	19.9
December 31, 2023	111.25	–	11.7	8.5	18.5

(Note) The Company carried out a two-for-one share split of its common shares effective July 1, 2024. The basic earnings per share figures have been calculated based on the assumption that the stock split had taken place at the beginning of the fiscal year ended December 31, 2023.

### (2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2024	55,919	26,769	47.9	1,054.32
As of December 31, 2023	49,676	25,021	50.4	986.36

(Reference) Equity: As of December 31, 2024: ¥26,769 million

As of December 31, 2023: ¥25,021 million

(Note) The Company carried out a two-for-one share split of its common shares effective July 1, 2024. The net assets per share figures have been calculated based on the assumption that the stock split had taken place at the beginning of the fiscal year ended December 31, 2023.

### (3) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
December 31, 2024	5,746	(8,181)	2,616	15,210
December 31, 2023	3,530	(4,667)	1,818	14,995

### 2. Dividends

	Annual dividends					Total dividends (annual)	Payout ratio	Ratio of dividends to net assets
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
December 31, 2023	–	0.00	–	77.00	77.00	976	34.6	4.1
Fiscal year ended	–	39.00	–	25.00	–	1,129	35.3	4.3
December 31, 2024								
Fiscal year ending	–	25.00	–	23.00	48.00		35.6	
December 31, 2025 (Forecast)								

(Notes) 1. Breakdown of the year-end dividends for the fiscal year ended December 31, 2023: Ordinary dividends: ¥67.00; Commemorative dividends (for the 20th anniversary of the Company's stock listing): ¥10.00

2. The Company carried out a two-for-one share split of its common shares effective July 1, 2024. The year-end dividend per share for the fiscal year ended December 31, 2024 is indicated in an amount that reflects the impact of the share split, and a dash (“–”) is indicated as the total annual dividend per share. Without considering the share split, the year-end dividend per share for the fiscal year ended December 31, 2024 is ¥50.00, which brings the annual dividend per share to ¥89.00.

### 3. Non-Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2025 (January 1, 2025 – December 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	13,600	5.3	2,710	6.4	2,600	4.7	1,800	6.7	70.89
Full year	26,000	5.3	5,350	9.0	5,080	7.8	3,420	6.8	134.70

**\* Notes:**

(1) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(2) Total number of issued and outstanding shares (common shares)

1) Total number of issued and outstanding shares at the end of the period (including treasury shares):

December 31, 2024: 25,881,800 shares

December 31, 2023: 25,881,800 shares

2) Total number of treasury shares at the end of the period:

December 31, 2024: 491,167 shares

December 31, 2023: 514,650 shares

3) Average number of shares during the period:

Fiscal year ended December 31, 2024: 25,381,861 shares

Fiscal year ended December 31, 2023: 25,361,339 shares

(Note) The Company carried out a two-for-one share split of its common shares effective July 1, 2024. The figures for total number of issued and outstanding shares at the end of the period, total number of treasury shares at the end of the period and average number of shares during the period have been calculated based on the assumption that the stock split had taken place at the beginning of the fiscal year ended December 31, 2023.

\* These non-consolidated financial results are outside the scope of audit by certified public accountants or an audit firm.

\* Explanation of the proper use of financial results forecast and other notes

The forward-looking statements contained in this document, including the forecast of business results, are based on information available to the Company at the time of preparation of this document and certain assumptions that the Company deems to be reasonable. Actual results may differ materially from those statements due to a variety of different factors. For details of assumptions for the financial results forecast and cautionary statements regarding the use of the forecast, please refer to "1. Overview of Operating Results, etc. (4) Future Outlook" on page 4 of the attachment.

Attachment

Table of Contents

1. Overview of Operating Results, etc. ....	2
(1) Operating Results for the Fiscal Year under Review .....	2
(2) Financial Position for the Fiscal Year under Review .....	3
(3) Cash Flows for the Fiscal Year under Review .....	3
(4) Future Outlook .....	4
2. Basic Policy on Selection of Accounting Standards.....	4
3. Non-Consolidated Financial Statements and Primary Notes.....	5
(1) Non-Consolidated Balance Sheets .....	5
(2) Non-Consolidated Statements of Income .....	8
(3) Non-Consolidated Statements of Changes in Equity.....	10
(4) Non-Consolidated Statements of Cash Flows .....	12
(5) Notes to Non-Consolidated Financial Statements .....	13
(Notes on going concern assumption) .....	13
(Changes in accounting policies).....	13
(Segment information, etc.) .....	13
(Equity in earnings (losses) of associates assuming equity method) .....	16
(Per share information) .....	17
(Significant subsequent events).....	17

## 1. Overview of Operating Results, etc.

### (1) Operating Results for the Fiscal Year under Review

For the fiscal year under review, net sales were ¥24,695 million (up 9.9% year on year), operating profit was ¥4,906 million (up 18.1% year on year), ordinary profit was ¥4,714 million (up 16.2% year on year), and profit was ¥3,200 million (up 13.5% year on year), resulting in increases in both revenue and profit.

#### **Self-Storage Business**

Arealink's mainstay self-storage business comprises the two subsegments of self-storage management and self-storage brokerage.

In self-storage management, the utilization rate for Hello Storage, the self-storage ("trunk rooms") brand under which the Company operates its self-storage business, decreased by 2.38 percentage points to 85.91% from the end of the previous fiscal year due to the effect of an increase in the number of newly opened self-storage units, but remained at a high level. The main factors behind the high utilization rate were the steady conclusion of contracts as a result of the improved precision of store openings through data analysis (population, number of households, income group etc.) based on information on store openings and customers that have been enormously accumulated, openings at smaller locations, and improved product recognition achieved through proactive PR efforts, etc.

In the self-storage business, while aiming to add 4,700 new openings, the Company opened a total of 5,800 units (including addition of 430 units in existing properties) in the fiscal year ended December 31, 2023. In the fiscal year ended December 31, 2024, with the aim of adding 10,400 new openings, the Company opened a total of 10,545 units (including addition of 435 units in existing properties). The number of self-storage units totaled 110,442 units, an increase of 9,063 units from the end of the previous fiscal year due to the factors such as regularly scheduled closures. In terms of contracts concluded, the Company steadily expanded the number of storage units utilized by capturing demand through efforts such as leveraging its database established to further improve the precision of new location openings and shift to openings at smaller locations, as well as strengthened public relations, which improved the recognition of Arealink storage products. As for profitability, the Company increased revenue from self-storage management by curbing discount rates through controlled sales campaigns, reviewing some rent, and carrying out efficient advertising, in addition to maintaining its style of having the bulk of openings centered on high-margin company-owned locations.

The self-storage brokerage business recorded 10 sales for indoor asset-type "self-storage properties with land."

Consequently, net sales in the self-storage business amounted to ¥19,468 million (up 11.7% year on year), and operating profit was ¥5,387 million (up 18.1% year on year), resulting in increases in both revenue and profit.

#### **Land Rights Consolidation Business**

Net sales in the land rights consolidation business amounted to ¥3,695 million (up 2.0% year on year), and operating profit was ¥485 million (up 8.9% year on year) due in part to the conclusion of a large-scale project, resulting in increases in both revenue and profit. In terms of purchases, the Company continued to concentrate on purchasing properties of good quality, and asset value resulted in a decrease of ¥871 million from the end of the previous fiscal year to ¥2,938 million.

#### **Other Operational Services Business**

The other operational services business comprises businesses with a revenue base of rent income, such as asset business and office business. In the asset business, the Company recorded increases in both revenue and profit as a result of maintaining stable high utilization rate. In the office business, both revenue and profit increased partly due to two properties newly opened in February 2023 that have been increasingly utilized, and have contributed to sales and profit. As a result, net sales in the other operational services business amounted to ¥1,531 million (up 8.1% year on year), and operating profit was ¥427 million (up 23.8% year on year), resulting in increases in both revenue and profit.

## (2) Financial Position for the Fiscal Year under Review

### A) Assets

Current assets increased by 3.1% compared to the end of the previous fiscal year to ¥22,558 million. This was mainly attributable to increases in real estate for sale in process of ¥383 million and cash and deposits of ¥214 million, respectively.

Non-current assets increased by 20.1% compared to the end of the previous fiscal year to ¥33,361 million. This was mainly attributable to an increase in property, plant and equipment of ¥4,223 million due in part to the purchase of tools, furniture and fixtures.

As a result, total assets increased by 12.6% compared to the end of the previous fiscal year to ¥55,919 million.

### B) Liabilities

Current liabilities increased by 10.3% compared to the end of the previous fiscal year to ¥7,786 million. This was mainly attributable to increases in advances received of ¥380 million and accounts payable – other of ¥275 million.

Non-current liabilities increased by 21.4% compared to the end of the previous fiscal year to ¥21,363 million. This was mainly attributable to decreases in lease obligations of ¥294 million and long-term unearned revenue of ¥244 million respectively, which were offset by an increase in long-term borrowings of ¥4,273 million.

As a result, total liabilities increased by 18.2% compared to the end of the previous fiscal year to ¥29,149 million.

### C) Net assets

Total net assets increased by 7.0% compared to the end of the previous fiscal year to ¥26,769 million. This was mainly attributable to an increase in retained earnings brought forward of ¥1,729 million. The main component was an increase in retained earnings of ¥1,729 million (an increase of ¥3,200 million due to profit and a decrease of ¥1,471 million due to the payment of dividends). As a result, the equity ratio was 47.9%.

## (3) Cash Flows for the Fiscal Year under Review

Cash and cash equivalents (hereinafter referred to as “funds”) at the end of the fiscal year under review increased by ¥214 million compared to the end of the previous fiscal year to ¥15,210 million.

The status of cash flows and its contributing factors during the fiscal year under review are as follows.

### Cash flows from operating activities:

Cash flows from operating activities resulted in a net inflow of ¥5,746 million. This was mainly attributable to factors for decrease such as payments for loss on repurchase of ¥269 million and income taxes paid of ¥1,150 million, respectively, being offset by factors for increase such as profit before income taxes of ¥4,571 million, depreciation of ¥1,416 million, and decrease in inventories of ¥637 million.

### Cash flows from investing activities:

Cash flows from investing activities resulted in a net outflow of ¥8,181 million. This was mainly attributable to factors for decrease such as purchase of property, plant and equipment of ¥6,713 million and purchase of shares of subsidiaries and associates of ¥1,150 million.

### Cash flows from financing activities:

Cash flows from financing activities resulted in a net inflow of ¥2,616 million. This was mainly attributable to factors for decrease such as repayments of long-term borrowings of ¥3,736 million, dividends paid of ¥1,469 million, and repayments of lease obligations of ¥293 million, being offset by factors for increase such as proceeds from long-term borrowings of ¥8,055 million.

#### (4) Future Outlook

As stated in the Medium-term Business Plan 2025-2027 described in the results briefing materials for the fiscal year ended December 31, 2024 announced today, the Company will continue to aim for further growth by opening more storage facilities in the self-storage business. Accordingly, the Company expects net sales of ¥26,000 million, operating profit of ¥5,350 million, ordinary profit of ¥5,080 million, and profit of ¥3,420 million as its financial results forecast for the fiscal year ending December 31, 2025.

In the self-storage business, it is the Company's policy to continue to expand and develop the subscription-based ("stock-type") business centered on the sub-segment of self-storage management. The Company intends to establish a management structure that is more resilient to conditions in the real estate and financial markets by further strengthening the stable cumulative-type revenue base.

Self-storage management is the Company's core business that supports the stable cumulative-type revenue base. The Company aims to accelerate store openings nationwide and further develop and expand the segment as a growth business as it strengthens the branding and recognition, improves customer satisfaction, and develops services incidental to storage through increasing new openings of the Hello Storage brand units, and strives to establish storage as a business that changes and enriches the lifestyles of the Japanese people.

For self-storage brokerage, the Company plans to sell properties such as outdoor containers and indoor asset-type "self-storage properties with land," except for certain properties.

As a result of the above, for the self-storage business, the Company expects both revenue and profit to increase, forecasting net sales of ¥22,700 million and segment profit of ¥6,040 million.

For the land rights consolidation business (limited land rights), with the policy to downsize operations, the Company expects both revenue and profit to decrease, forecasting net sales of ¥1,800 million and segment profit of ¥310 million in 2025.

For the other operational services business, the Company expects both revenue and profit to decrease, forecasting net sales of ¥1,500 million and segment profit of ¥400 million in 2025.

## 2. Basic Policy on Selection of Accounting Standards

The Company's policy is to prepare its non-consolidated financial statements under Japanese GAAP for the immediate future, to enable the comparability of financial statements across periods and among companies. The Company will take appropriate steps in the future to consider the application of the International Financial Reporting Standards (IFRS) in response to domestic and international trends.

3. Non-Consolidated Financial Statements and Primary Notes  
(1) Non-Consolidated Balance Sheets

(Thousand yen)

	For the fiscal year ended December 31, 2023 (As of December 31, 2023)	For the fiscal year ended December 31, 2024 (As of December 31, 2024)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	14,995,672	15,210,595
Accounts receivable - trade	135,774	165,870
Real estate for sale	5,949,327	5,847,211
Real estate for sale in process	352,103	735,353
Costs on construction contracts in progress	–	34,664
Supplies	19,643	47,163
Prepaid expenses	273,136	306,832
Advance payments to suppliers	61,882	37,938
Consumption taxes refund receivable	–	67,038
Other	128,835	138,427
Allowance for doubtful accounts	(29,144)	(33,037)
<b>Total current assets</b>	<b>21,887,231</b>	<b>22,558,058</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings	10,208,674	10,573,830
Accumulated depreciation	(3,330,391)	(3,637,254)
Accumulated impairment	(583,136)	(643,234)
Buildings, net	6,295,145	6,293,340
Structures	2,965,224	3,958,381
Accumulated depreciation	(1,078,319)	(1,281,838)
Accumulated impairment	(679,691)	(673,466)
Structures, net	1,207,213	2,003,076
Machinery and equipment	22,311	22,311
Accumulated depreciation	(7,238)	(8,613)
Accumulated impairment	(198)	(198)
Machinery and equipment, net	14,874	13,500
Vehicles	20,502	20,502
Accumulated depreciation	(2,880)	(6,354)
Vehicles, net	17,622	14,148
Tools, furniture and fixtures	9,556,775	14,444,917
Accumulated depreciation	(2,477,931)	(3,183,549)
Accumulated impairment	(250,617)	(277,984)
Tools, furniture and fixtures, net	6,828,225	10,983,383
Land	8,132,863	7,595,818
Leased assets	3,043,146	3,043,146
Accumulated depreciation	(1,477,576)	(1,753,390)
Accumulated impairment	(124,998)	(139,854)
Leased assets, net	1,440,571	1,149,902
Construction in progress	299,903	406,787
<b>Total property, plant and equipment</b>	<b>24,236,420</b>	<b>28,459,957</b>

(Thousand yen)

	For the fiscal year ended December 31, 2023 (As of December 31, 2023)	For the fiscal year ended December 31, 2024 (As of December 31, 2024)
Intangible assets		
Trademark right	3,470	2,986
Software	52,874	162,320
Other	1,691	1,581
Total intangible assets	58,036	166,888
Investments and other assets		
Investment securities	23,153	36,591
Shares of subsidiaries and associates	–	1,150,000
Distressed receivables	631,872	631,872
Long-term prepaid expenses	53,259	59,984
Guarantee deposits	1,421,318	1,499,378
Deferred tax assets	1,776,962	1,591,493
Other	217,218	395,163
Allowance for doubtful accounts	(629,283)	(629,770)
Total investments and other assets	3,494,501	4,734,713
Total non-current assets	27,788,958	33,361,559
Total assets	49,676,189	55,919,618

(Thousand yen)

	For the fiscal year ended December 31, 2023 (As of December 31, 2023)	For the fiscal year ended December 31, 2024 (As of December 31, 2024)
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	148,835	153,291
Accounts payable for construction contracts	16,054	29,538
Short-term borrowings	241,560	331,140
Current portion of bonds payable	29,500	–
Current portion of long-term borrowings	2,578,006	2,623,903
Accounts payable - other	1,396,145	1,671,250
Accrued expenses	277,704	202,522
Income taxes payable	648,556	689,965
Advances received	749,023	1,129,664
Advances received on construction contracts in progress	–	5,000
Deposits received	4,551	6,499
Unearned revenue	554,044	582,841
Lease obligations	293,146	294,079
Provision for loss on sublease	14,240	3,342
Other	110,697	63,077
Total current liabilities	7,062,064	7,786,116
Non-current liabilities		
Long-term borrowings	12,308,784	16,582,382
Guarantee deposits received	340,199	322,455
Long-term unearned revenue	998,373	753,803
Lease obligations	1,304,115	1,010,035
Long-term accounts payable - other	1,445,900	1,258,895
Asset retirement obligations	1,187,976	1,433,258
Provision for loss on sublease	7,605	2,791
Total non-current liabilities	17,592,954	21,363,622
Total liabilities	24,655,019	29,149,738
<b>Net assets</b>		
Shareholders' equity		
Share capital	6,111,539	6,111,539
Capital surplus		
Legal capital surplus	6,156,037	6,156,037
Other capital surplus	11,360	10,668
Total capital surplus	6,167,397	6,166,705
Retained earnings		
Other retained earnings		
Retained earnings brought forward	12,956,012	14,685,198
Total retained earnings	12,956,012	14,685,198
Treasury shares	(225,555)	(215,621)
Total shareholders' equity	25,009,394	26,747,823
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	11,775	22,056
Total valuation and translation adjustments	11,775	22,056
Total net assets	25,021,170	26,769,879
Total liabilities and net assets	49,676,189	55,919,618

## (2) Non-Consolidated Statements of Income

(Thousand yen)

	For the fiscal year ended December 31, 2023 (from January 1, 2023 to December 31, 2023)	For the fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)
<b>Net sales</b>		
Leasing business revenue	18,154,322	19,414,543
Construction sales	9,754	21,834
Real estate sales	4,288,070	5,247,908
Other sales	11,429	11,508
<b>Total net sales</b>	<b>22,463,576</b>	<b>24,695,794</b>
<b>Cost of sales</b>		
Lease business expenses	11,463,033	11,840,237
Cost of construction sales	9,337	15,583
Cost of real estate sales	3,438,510	4,070,690
<b>Total cost of sales</b>	<b>14,910,881</b>	<b>15,926,511</b>
<b>Gross profit</b>	<b>7,552,695</b>	<b>8,769,282</b>
<b>Selling, general and administrative expenses</b>		
Remuneration for directors (and other officers)	148,240	200,391
Salaries and allowances	943,684	1,026,934
Other salaries	32,178	49,892
Welfare expenses	159,111	153,275
Advertising expenses	256,835	277,944
Entertainment expenses	24,535	29,034
Travel and transportation expenses	86,134	98,649
Communication expenses	187,415	261,688
Insurance expenses	5,302	8,046
Utilities expenses	7,416	7,370
Supplies expenses	15,118	18,011
Commission expenses	596,970	720,293
Fee expenses	401,025	398,719
Repair expenses	2,547	2,856
Taxes and dues	201,132	258,822
Depreciation	58,142	57,739
Provision of allowance for doubtful accounts	19,805	25,299
Bad debt expenses	50	78
Rent expenses on land and buildings	175,174	188,540
Retirement benefit expenses	–	10,386
Other	76,271	68,554
<b>Total selling, general and administrative expenses</b>	<b>3,397,092</b>	<b>3,862,531</b>
<b>Operating profit</b>	<b>4,155,603</b>	<b>4,906,750</b>

(Thousand yen)

	For the fiscal year ended December 31, 2023 (from January 1, 2023 to December 31, 2023)	For the fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)
<b>Non-operating income</b>		
Interest income	30	154
Dividend income	1,394	1,514
Foreign exchange gains	16,208	30,221
Insurance claim income	8,824	17,820
Delinquency charge income	2,125	3,897
Compensation for forced relocation	87,267	132,474
Other	18,041	13,226
<b>Total non-operating income</b>	<b>133,893</b>	<b>199,309</b>
<b>Non-operating expenses</b>		
Interest expenses	143,496	204,234
Interest on bonds	344	19
Commission expenses	73,666	183,827
Other	13,518	3,907
<b>Total non-operating expenses</b>	<b>231,025</b>	<b>391,988</b>
<b>Ordinary profit</b>	<b>4,058,470</b>	<b>4,714,071</b>
<b>Extraordinary income</b>		
Gain on sale of non-current assets	12,786	1,579
Gain on sale of investment securities	21,970	1,720
Gain on liquidation of investment securities	29,591	-
<b>Total extraordinary income</b>	<b>64,347</b>	<b>3,300</b>
<b>Extraordinary losses</b>		
Loss on sale of non-current assets	381	-
Loss on retirement of non-current assets	18,190	35,063
Impairment losses	33,464	110,693
<b>Total extraordinary losses</b>	<b>52,037</b>	<b>145,757</b>
<b>Profit before income taxes</b>	<b>4,070,781</b>	<b>4,571,614</b>
Income taxes - current	1,104,183	1,189,741
Income taxes - deferred	145,157	180,931
<b>Total income taxes</b>	<b>1,249,341</b>	<b>1,370,673</b>
<b>Profit</b>	<b>2,821,439</b>	<b>3,200,941</b>

## (3) Non-Consolidated Statements of Changes in Equity

Fiscal year ended December 31, 2023

(Thousand yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earning		Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings	Total retained earnings		
Balance at beginning of period	6,111,539	6,156,037	17,346	6,173,384	11,009,320	11,009,320	(233,694)	23,060,549
Changes of items during period								
Dividends of surplus					(874,747)	(874,747)		(874,747)
Restricted stock compensation			(5,986)	(5,986)			9,525	3,539
Profit					2,821,439	2,821,439		2,821,439
Purchase of treasury shares							(1,386)	(1,386)
Net changes of items other than shareholders' equity								
Total changes of items during period	-	-	(5,986)	(5,986)	1,946,692	1,946,692	8,139	1,948,845
Balance at end of period	6,111,539	6,156,037	11,360	6,167,397	12,956,012	12,956,012	(225,555)	25,009,394

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	12,057	12,057	23,072,607
Changes of items during period			
Dividends of surplus			(874,747)
Restricted stock compensation			3,539
Profit			2,821,439
Purchase of treasury shares			(1,386)
Net changes of items other than shareholders' equity	(281)	(281)	(281)
Total changes of items during period	(281)	(281)	1,948,563
Balance at end of period	11,775	11,775	25,021,170

Fiscal year ended December 31, 2024

(Thousand yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings		Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings	Total retained earnings		
Balance at beginning of period	6,111,539	6,156,037	11,360	6,167,397	12,956,012	12,956,012	(225,555)	25,009,394
Changes of items during period								
Dividends of surplus					(1,471,755)	(1,471,755)		(1,471,755)
Restricted stock compensation			(691)	(691)			10,406	9,714
Profit					3,200,941	3,200,941		3,200,941
Purchase of treasury shares							(471)	(471)
Net changes of items other than shareholders' equity								
Total changes of items during period	-	-	(691)	(691)	1,729,185	1,729,185	9,934	1,738,428
Balance at end of period	6,111,539	6,156,037	10,668	6,166,705	14,685,198	14,685,198	(215,621)	26,747,823

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	11,775	11,775	25,021,170
Changes of items during period			
Dividends of surplus			(1,471,755)
Restricted stock compensation			9,714
Profit			3,200,941
Purchase of treasury shares			(471)
Net changes of items other than shareholders' equity	10,280	10,280	10,280
Total changes of items during period	10,280	10,280	1,748,709
Balance at end of period	22,056	22,056	26,769,879

## (4) Non-Consolidated Statements of Cash Flows

(Thousand yen)

	For the fiscal year ended December 31, 2023 (from January 1, 2023 to December 31, 2023)	For the fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)
Cash flows from operating activities		
Profit before income taxes	4,070,781	4,571,614
Depreciation	1,130,341	1,416,329
Impairment losses	33,464	110,693
Interest and dividend income	(1,425)	(1,669)
Increase (decrease) in provision for loss on sublease	696	(15,711)
Interest expenses on borrowings and bonds	143,841	204,253
Loss (gain) on sale of non-current assets	(12,405)	(1,579)
Loss on retirement of non-current assets	18,190	35,063
Loss (gain) on liquidation of investment securities	(29,591)	(1,720)
Decrease (increase) in trade receivables	(4,859)	(30,096)
Decrease (increase) in inventories	(150,483)	637,700
Decrease (increase) in consumption taxes refund receivable	–	(67,038)
Increase (decrease) in trade payables	18,073	17,940
Increase (decrease) in accounts payable - other	(28,923)	47,630
Increase (decrease) in accrued consumption taxes	(129,775)	(37,595)
Increase (decrease) in guarantee deposits received	(9,269)	(17,743)
Other, net	61,685	501,176
Subtotal	5,110,342	7,369,247
Interest and dividends received	1,425	1,669
Interest paid	(144,289)	(204,062)
Payments for loss on repurchase	(273,339)	(269,036)
Income taxes paid	(1,169,074)	(1,150,977)
Income taxes refund	5,432	–
Net cash provided by (used in) operating activities	3,530,496	5,746,840
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,801,743)	(6,713,806)
Proceeds from sale of property, plant and equipment	3,066	1,820
Purchase of intangible assets	(27,481)	(130,383)
Proceeds from liquidation of investment securities	134,980	–
Purchase of shares of subsidiaries and associates	–	(1,150,000)
Other, net	24,091	(189,260)
Net cash provided by (used in) investing activities	(4,667,086)	(8,181,630)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	372,560	89,580
Proceeds from long-term borrowings	5,362,057	8,055,515
Repayments of long-term borrowings	(2,603,957)	(3,736,020)
Redemption of bonds	(157,000)	(29,500)
Purchase of treasury shares	(1,386)	(471)
Dividends paid	(873,575)	(1,469,888)
Repayments of lease obligations	(290,324)	(293,146)
Proceeds from sale and leaseback transactions	10,112	–
Net cash provided by (used in) financing activities	1,818,486	2,616,068
Effect of exchange rate change on cash and cash equivalents	14,219	33,644
Net increase (decrease) in cash and cash equivalents	696,116	214,923
Cash and cash equivalents at beginning of period	14,299,556	14,995,672
Cash and cash equivalents at end of period	14,995,672	15,210,595

(5) Notes to Non-Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Changes in accounting policies)

Not applicable.

(Segment information, etc.)

Segment information

1. Overview of reportable segments

The Company's reportable segments are components of the Company whose separate financial information is available. These segments are subject to periodic examinations to enable the Company's Board of Directors to decide how to allocate resources and assess performance.

The three segments, "self-storage business," "land rights consolidation business," and "other operational services business" comprise the Company's reportable segments.

In the self-storage business, the Company rents land and vacant rooms in buildings or holds land and buildings to provide them as storage containers, trunk rooms, and other rental storage space for users. The business also involves receiving orders for the installation or construction of storage containers and trunk rooms and selling such self-storage properties to suit the needs of landowners and investors.

The land rights consolidation business offers the resolution of issues between landowners and leasehold rights holders through the buying and selling of leaseholder rights and limited land rights with complex rights circumstances. Revenue earned from ground rent for a period during which the Company holds limited land rights, etc. and revenue generated by buying and selling income properties are also included.

The other operational services business includes the asset business, which handles the leasing, maintenance, and management of the Company's own properties (offices, stores, residences, hotels, etc.), the office business, which rents vacant rooms in buildings and provides them as small rental offices for users, and other businesses run by adding value to the Company's products.

2. Information on net sales, profit (loss), assets, liabilities and other items by reportable segment  
*Fiscal year ended December 31, 2023*

(Thousand yen)

	Reportable segment				Adjustment	Amount recorded in Non-Consolidated Financial Statements
	Self-storage Business	Land Rights Consolidation Business	Other Operational Services Business	Subtotal		
Net sales						
Net sales to outside customers	17,423,449	3,623,188	1,416,938	22,463,576	–	22,463,576
Intersegment net sales or transfers	–	–	–	–	–	–
Total	17,423,449	3,623,188	1,416,938	22,463,576	–	22,463,576
Segment profit	4,563,102	446,097	345,602	5,354,801	(1,199,198)	4,155,603
Segment assets	22,373,187	3,847,351	5,778,077	31,998,615	17,677,574	49,676,189
Other items						
Depreciation	909,880	–	172,852	1,082,733	47,608	1,130,341
Increase in property, plant and equipment and intangible assets	3,915,267	–	877,052	4,792,319	29,017	4,821,337

- (Notes) 1. The adjustment to segment profit of ¥(1,199,198) thousand is corporate expenses not allocated to reportable segments. Corporate expenses are mainly expenses related to the Management Division.
2. Segment profit is adjusted with operating profit in the Non-Consolidated Statements of Income.
3. The adjustment to segment assets of ¥17,677,574 thousand is corporate assets not allocated to reportable segments. Corporate assets are mainly assets related to the Management Division.
4. The depreciation and increase in property, plant and equipment and intangible assets include long-term prepaid expenses and related amortization.

Fiscal year ended December 31, 2024

(Thousand yen)

	Reportable segment				Adjustment	Amount recorded in Non-Consolidated Financial Statements
	Self-storage Business	Land Rights Consolidation Business	Other Operational Services Business	Subtotal		
Net sales						
Net sales to outside customers	19,468,045	3,695,755	1,531,993	24,695,794	–	24,695,794
Intersegment net sales or transfers	–	–	–	–	–	–
Total	19,468,045	3,695,755	1,531,993	24,695,794	–	24,695,794
Segment profit	5,387,750	485,811	427,986	6,301,548	(1,394,797)	4,906,750
Segment assets	27,949,522	2,969,078	5,908,878	36,827,478	19,092,139	55,919,618
Other items						
Depreciation	1,178,464	–	191,423	1,369,888	46,440	1,416,329
Increase in property, plant and equipment and intangible assets	6,617,348	–	472,593	7,089,941	7,338	7,097,279

- (Notes) 1. The adjustment to segment profit of ¥(1,394,797) thousand is corporate expenses not allocated to reportable segments. Corporate expenses are mainly expenses related to the Management Division.
2. Segment profit is adjusted with operating profit in the Non-Consolidated Statements of Income.
3. The adjustment to segment assets of ¥19,092,139 thousand is corporate assets not allocated to reportable segments. Corporate assets are mainly assets related to the Management Division.
4. The depreciation and increase in property, plant and equipment and intangible assets include long-term prepaid expenses and related amortization.

[Entity-wide disclosures]

Fiscal year ended December 31, 2023

1. Information about products and services

This information is omitted, as similar information is disclosed in segment information.

2. Information about geographical areas

(1) Net sales

This information is omitted as net sales to outside customers in Japan exceed 90% of the net sales reported in the non-consolidated statements of income.

(2) Property, plant and equipment

This information is omitted as the amount of property, plant and equipment located in Japan exceeds 90% of the amount reported in the non-consolidated balance sheets.

3. Information about major customers

Not applicable.

*Fiscal year ended December 31, 2024*

1. Information about products and services

This information is omitted, as similar information is disclosed in segment information.

2. Information about geographical areas

(1) Net sales

This information is omitted as net sales to outside customers in Japan exceed 90% of the net sales reported in the non-consolidated statements of income.

(2) Property, plant and equipment

This information is omitted as the amount of property, plant and equipment located in Japan exceeds 90% of the amount reported in the non-consolidated balance sheets.

3. Information about major customers

Not applicable.

[Impairment losses on non-current assets by reportable segment]

*Fiscal year ended December 31, 2023*

(Thousand yen)

	Reportable segment				Adjustment	Total
	Self-storage Business	Land Rights Consolidation Business	Other Operational Services Business	Subtotal		
Impairment losses	1,322	–	32,142	33,464	–	33,464

*Fiscal year ended December 31, 2024*

(Thousand yen)

	Reportable segment				Adjustment	Total
	Self-storage Business	Land Rights Consolidation Business	Other Operational Services Business	Subtotal		
Impairment losses	110,693	–	–	110,693	–	110,693

[Amortization and unamortized balance of goodwill by reportable segment]

*Fiscal year ended December 31, 2023*

Not applicable.

*Fiscal year ended December 31, 2024*

Not applicable.

[Gain on bargain purchase by reportable segment]

Not applicable.

(Equity in earnings (losses) of associates assuming equity method)

Not applicable.

(Per share information)

	Previous fiscal year (from January 1, 2023 to December 31, 2023)	Fiscal year under review (from January 1, 2024 to December 31, 2024)
Net assets per share	¥986.36	¥1,054.32
Basic earnings per share	¥111.25	¥126.11
Diluted earnings per share	¥-	¥-

(Notes) 1. Diluted earnings per share is not provided as there are no dilutive potential shares.

2. The Company carried out a two-for-one share split of its common shares effective July 1, 2024. The net assets per share and basic earnings per share figures have been calculated based on the assumption that the stock split had taken place at the beginning of the fiscal year ended December 31, 2023.

3. Basic earnings per share was calculated based on the following:

Item	Previous fiscal year (from January 1, 2023 to December 31, 2023)	Fiscal year under review (from January 1, 2024 to December 31, 2024)
Basic earnings per share		
Profit (Thousand yen)	2,821,439	3,200,941
Amount not attributable to shareholders of common shares (Thousand yen)	-	-
Profit relating to common shares (Thousand yen)	2,821,439	3,200,941
Average number of common shares during the period (Shares)	25,361,339	25,381,861
Overview of potential shares not included in calculation of diluted earnings per share because they are antidilutive		-

(Significant subsequent events)

Not applicable.