



Consolidated Financial Results for the Fiscal Year Ended September 30, 2025 [JGAAP]

November 14, 2025

Company Name: DEAR LIFE CO., LTD.

Stock Exchange Listing: Tokyo

Securities Code: 3245 URL <https://www.dear-life.co.jp/english/>

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Scheduled date of the Annual General Meeting of Shareholders: Scheduled date to commence dividend payments:

December 23, 2025

December 3, 2025

Scheduled date to submit the Annual Securities Report: December 16, 2025

Availability of supplementary briefing material on financial results: Yes

Financial results briefing session: None

(Amounts are rounded down to the nearest million yen)

1. Consolidated financial results for the fiscal year ended September 30, 2025 (October 1, 2024–September 30, 2025)

(1) Consolidated operating results

(% figures are the rate of year-on-year increase or decrease)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|--------------------------------------|-----------------|------|------------------|-------|-----------------|-------|---|-------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Fiscal year ended September 30, 2025 | 78,505 | 67.5 | 7,726 | 67.3 | 7,831 | 68.2 | 5,320 | 67.8 |
| Fiscal year ended September 30, 2024 | 46,880 | 7.8 | 4,619 | -24.1 | 4,656 | -24.7 | 3,170 | -26.3 |

(Note) Comprehensive income: Fiscal year ended September 30, 2025: ¥5,343 million (65.1%)

Fiscal year ended September 30, 2024: ¥3,235 million (-24.7%)

| | Basic earnings per share | Diluted basic earnings per share | Return on equity (ROE) | Return on assets (ROA) | Operating profit margin |
|--------------------------------------|--------------------------|----------------------------------|------------------------|------------------------|-------------------------|
| | Yen | Yen | % | % | % |
| Fiscal year ended September 30, 2025 | 122.31 | — | 20.2 | 16.6 | 9.8 |
| Fiscal year ended September 30, 2024 | 72.44 | 72.44 | 13.1 | 10.5 | 9.9 |

(Reference) Equity method investment gain/loss: Fiscal year ended September 30, 2025: ¥48 million

Fiscal year ended September 30, 2024: ¥31 million

(2) Consolidated financial position

| | Total assets | Net assets | Capital-to-assets ratio | Net assets per share |
|--------------------------|-----------------|-----------------|-------------------------|----------------------|
| | Millions of yen | Millions of yen | % | Yen |
| As of September 30, 2025 | 47,376 | 28,492 | 59.3 | 645.65 |
| As of September 30, 2024 | 47,063 | 25,075 | 52.5 | 568.61 |

(Reference) Equity capital: As of September 30, 2025: ¥28,096 million

As of September 30, 2024: ¥24,692 million

(3) Consolidated 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 |
|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
| | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| Fiscal year ended September 30, 2025 | 14,138 | 41 | (5,726) | 27,164 |
| Fiscal year ended September 30, 2024 | (5,932) | 141 | 2,581 | 18,710 |

2. Dividends

| | Annual dividends per share | | | | | Total dividends (Total) | Dividend payout ratio (Consolidated) | Dividend on equity (Consolidated) |
|--|----------------------------|-----------|-----------|----------|-------|-------------------------|--------------------------------------|-----------------------------------|
| | End of 1Q | End of 2Q | End of 3Q | Year-end | Total | | | |
| | Yen | Yen | Yen | Yen | Yen | Millions of yen | % | % |
| Fiscal year ended September 30, 2024 | — | 0.00 | — | 47.00 | 47.00 | 2,041 | 64.9 | 8.5 |
| Fiscal year ended September 30, 2025 | — | 0.00 | — | 63.00 | 63.00 | 2,741 | 51.5 | 10.4 |
| Fiscal year ending September 30, 2026 (Forecast) | — | 0.00 | — | 64.00 | 64.00 | | 41.0 | |

(Notes) 1. The annual dividend of ¥47 per share for the fiscal year ended September 30, 2024 includes a commemorative dividend in honor of our 20th anniversary, after taking into consideration the dividend on equity ratio (DOE), in addition to an amount calculated by applying our target dividend payout ratio of 40% to the profit attributable to owners of parent, based on our consolidated earnings target for the fiscal year.

2. The annual dividend of ¥63 per share for the fiscal year ended September 30, 2025 includes a commemorative dividend of ¥2 for the record-high profit, after taking into consideration the DOE, in addition to an amount calculated by applying our target dividend payout ratio of 40% to the profit attributable to owners of parent, based on our consolidated earnings target for the fiscal year.

3. Performance targets for the fiscal year ending September 30, 2026 (October 1, 2025–September 30, 2026)

(% figures are the rate of year-on-year increase or decrease)

| | Ordinary profit | | Profit attributable to owners of parent | |
|-----------|-----------------|------|---|------|
| | Millions of yen | % | Millions of yen | % |
| Full year | 10,000 | 27.7 | 6,800 | 27.8 |

Group performance can fluctuate significantly depending on real estate purchase and sale trends within our core real estate business. Given the many uncertainties affecting our full-year forecast at this time, we are disclosing the consolidated performance targets for the fiscal year ending September 30, 2026 as a management goal instead of the consolidated earnings forecast, which is calculated based on reasonably assumed conditions.

Notes:

- (1) Significant changes in the scope of consolidation during the period: None
Newly added: None, Excluded: None

- (2) Changes in accounting policies, accounting estimates or retrospective restatements

- (i) Changes in accounting policies due to revisions to accounting standards: Yes
(ii) Changes in accounting policies other than (i): None
(iii) Changes in accounting estimates: None
(iv) Retrospective restatements: None

- (3) Number of shares issued (common stock)

- (i) Number of shares issued at the end of the period (including treasury shares)
(ii) Number of treasury shares at the end of the period
(iii) Average number of shares during the period

| | | | |
|--------------------------------------|-------------------|--------------------------------------|-------------------|
| As of September 30, 2025 | 44,896,800 shares | As of September 30, 2024 | 44,896,800 shares |
| As of September 30, 2025 | 1,379,921 shares | As of September 30, 2024 | 1,471,102 shares |
| Fiscal year ended September 30, 2025 | 43,497,927 shares | Fiscal year ended September 30, 2024 | 43,764,735 shares |

(Reference) Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended September 30, 2025 (October 1, 2024–September 30, 2025)

(1) Non-consolidated operating results

(% figures are the rate of year-on-year increase or decrease)

| | Net sales | | Operating profit | | Ordinary profit | | Net income | |
|--------------------------------------|-----------------|------|------------------|-------|-----------------|-------|-----------------|-------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Fiscal year ended September 30, 2025 | 66,754 | 85.3 | 6,482 | 79.1 | 6,554 | 79.5 | 4,533 | 78.1 |
| Fiscal year ended September 30, 2024 | 36,029 | 5.5 | 3,619 | –33.6 | 3,651 | –32.6 | 2,545 | –33.6 |

| | Basic earnings per share | Diluted basic earnings per share |
|--------------------------------------|--------------------------|----------------------------------|
| | Yen | Yen |
| Fiscal year ended September 30, 2025 | 104.23 | — |
| Fiscal year ended September 30, 2024 | 58.17 | — |

(2) Non-consolidated financial position

| | Total assets | Net assets | Capital-to-assets ratio | Net assets per share |
|--------------------------|-----------------|-----------------|-------------------------|----------------------|
| | Millions of yen | Millions of yen | % | Yen |
| As of September 30, 2025 | 40,345 | 24,935 | 61.8 | 573.00 |
| As of September 30, 2024 | 40,392 | 22,317 | 55.3 | 513.92 |

(Reference) Equity capital: As of September 30, 2025: ¥24,935 million

As of September 30, 2024: ¥22,317 million

Notes: 1. The financial results summary is not subject to audit by a certified public accountant or auditing firm

2. Explanation regarding the appropriate use of earnings forecasts and other special notes

The forward-looking statements, such as earnings forecasts, contained in this document are based on information currently available to the Company and certain assumptions that the Company deems reasonable. These statements do not guarantee the achievement of projected results. Actual performance may differ significantly due to various factors.

For the conditions underlying the performance targets and precautions when using these performance targets, please refer to page 3 of the financial results summary, “1. Overview of Operating Results, etc. (1) Analysis of Operating Results (ii) Performance Outlook for the Next Fiscal Year.”

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1. Overview of Operating Results, etc.

(1) Analysis of Operating Results

(i) Results for the Consolidated Fiscal Year Ended September 30, 2025

In the consolidated fiscal year ended September 30, 2025, while the Japanese economy experienced continued price increases, the overall economy maintained a modest recovery trend, supported by improvements in the employment environment and an increase in corporate capital investment amid ongoing labor shortages. However, uncertainty stemming from external factors remains high due to the economic slowdown in the United States and China, the strengthening of tariffs, and the prolonged situation in Russia and Ukraine. Domestically, although the trend of wage increases has continued, it has not kept pace with inflation, resulting in a continued decline in real wages and a lack of strength in the recovery of personal consumption. Going forward, as moderate inflation is expected to persist, it will be necessary to closely monitor the balance between wages and prices, as well as trends in overseas economies and monetary policies in various countries.

In the real estate industry in which the Dear Life Group operates, strong demand continued in both the sales and rental markets, particularly in Tokyo.

The concentration of our target demographics—single individuals and dual-income, no kids (DINKs) households—in highly convenient central Tokyo areas has remained steady, and as the population in Tokyo's 23 wards continues to grow, demand for rental properties has been rising. Amid the rise in land prices and construction costs, new condominium prices have also increased, and buyers who had previously purchased new condominiums have been shifting toward pre-owned condominiums and rental residences, leading to higher rental rates.

Among real estate investors as well, although the Bank of Japan has raised interest rates, the yield gap remains significant compared to other major countries. Additionally, with expected increases in household numbers and wages in Tokyo, there is growing anticipation of rental price increases for rental housing in the area, keeping expected property yields at low levels. As a result, despite persistently high construction costs, demand for development land within Tokyo has remained exceptionally high.

As the difficulty of acquiring land for development increases, we have intensified recruitment efforts and expanded our workforce to step up our real estate acquisition activities in Tokyo, focusing on expanding both the volume and scale of development projects and making investments in income-producing properties.

In our development projects, we have focused on acquiring properties with large land areas that allow for relatively low-rise development. Additionally, we have sought to minimize construction risk and maximize project value by promoting our Asset Design & Resale Business, which involves the sales of development land after conducting demolition work, soil contamination surveys, rights adjustments, and obtaining permits.

We have also actively promoted the acquisition of income-producing properties that are already operational, aiming to achieve stable revenue while enhancing property value and expanding our business of selling to investors.

In the Human Resources Services Division, we actively recruited dispatch personnel and focused on a high value-added approach by further enhancing the quality of staffing services, thereby driving business growth.

As a result of these efforts, for the consolidated fiscal year ended September 30, 2025, the Group recorded net sales of ¥78,505 million (up 67.5% year on year), operating profit of ¥7,726 million (up 67.3%), ordinary profit of ¥7,831 million (up 68.2%), and profit attributable to owners of parent of ¥5,320 million (up 67.8%).

An overview by segment is as follows.

Real Estate Business

During the consolidated fiscal year ended September 30, 2025, we met diverse demand from real estate investment companies, developers, real estate sales companies, and overseas operators. As a result, we sold a total of 35 properties, primarily through Asset Design & Resale (optimizing land for development) projects, including the Otorii III Project (Ota Ward, Tokyo) and the Fudomae Project (Shinagawa Ward, Tokyo).

Additionally, by reviewing management costs and implementing renovations, we enhanced revenue value and sold 43 income-producing properties located in central Tokyo, including DeLCCS Minami-Aoyama II (Minato Ward, Tokyo) and DeLCCS Nagatacho (Chiyoda Ward, Tokyo).

In terms of acquisitions, we focused on areas with higher anticipated demand and acquired 23 parcels of development land for urban residences, such as the Keikyu Kamata III Project (Ota Ward, Tokyo) and the Fujimidai Project (Nerima Ward, Tokyo). Additionally, we acquired 45 income-producing properties, including DeLCCS Akebonobashi II (Shinjuku Ward, Tokyo) and DeLCCS Nihonbashi-Hamacho (Chuo Ward, Tokyo).

As a result, net sales amounted to ¥74,569 million (up 74.1% year on year), and operating profit reached ¥8,619 million (up 59.1%).

Sales Promotion Business

In the sales promotion business operated by our consolidated subsidiary, Arciel Co., Ltd., in addition to steady performance in existing operations, we worked to expand into new business fields and stimulate demand in other industries, while promoting higher added value through improved staffing quality.

As a result, net sales amounted to ¥3,936 million (down 2.9% year on year), and operating profit reached ¥79 million (up 277.9%).

(ii) Performance Outlook for the Next Fiscal Year

In the next fiscal year (ending September 30, 2026), corporate performance is expected to continue improving, with wage growth driven by ongoing labor shortages, contributing to a steady economic outlook. In Japan, there is a recovery in the trend of employees returning to the office, with continued population concentration anticipated in major cities, including Tokyo.

In Europe and the United States, inflation is beginning to stabilize, and monetary policy is entering a transitional phase, while in China, the real estate market remains unstable. It will be essential to continue monitoring the impact of these varied national monetary policies on exchange rates and investor sentiment.

In Japan's real estate industry in which the Dear Life Group operates, Japanese real estate remains an attractive investment option as an inflation hedge, supported by lower interest rates compared to Western countries and the political stability in Japan.

In our core real estate business, strong demand is anticipated to continue for housing aimed at singles and DINKs households. Therefore, we will continue to make proactive investments in residential real estate, particularly in the Tokyo metropolitan area, and focus on expanding the supply of properties that offer exceptional stability and liquidity.

In the sales promotion business, we will integrate expertise, training capabilities, and brand strength to serve as a human resources strategy partner that provides added value to both companies and individuals, aiming to maximize human capital. Additionally, we aim to maximize synergies within the Group by promoting cost reductions and mutual utilization of personnel across the Group, thereby driving profit maximization.

We will also continue to make proactive investments to create new business pillars that can support us in the medium to long term.

The Group's consolidated performance targets for the next fiscal year (ending September 30, 2026) are as follows.

(Billions of yen)

| | Full-year performance targets | Fiscal year ended September 30, 2025 | Compared to fiscal year ended September 30, 2025 |
|---|----------------------------------|---|---|
| Ordinary profit | 10.0 | 7.8 | +2.2 |
| Profit attributable to owners of parent | 6.8 | 5.3 | +1.5 |

Group performance can fluctuate significantly depending on real estate purchase and sale trends within our core Real Estate Business. Given the many uncertainties affecting our full-year forecast at this time, we are disclosing the consolidated performance targets for the fiscal year ending September 30, 2026 as a management goal instead of the consolidated earnings forecast, which is calculated based on reasonably assumed conditions.

(2) Analysis of Financial Position

(i) Assets, liabilities, and net assets

Current assets

As of September 30, 2025, the balance of current assets was ¥45,352 million (up 1.0% from the end of the previous fiscal year). This was primarily due to real estate sales progress within the real estate business, resulting in a ¥8,451 million increase in cash and deposits. At the same time, as sales of development land and used income-producing properties advanced, real estate for sale in process decreased by ¥6,028 million and real estate for sale decreased by ¥1,955 million.

Non-current assets

As of September 30, 2025, the balance of non-current assets was ¥2,023 million (down 5.8% from the end of the previous fiscal year).

Current liabilities

As of September 30, 2025, the balance of current liabilities was ¥6,184 million (down 4.3% from the end of the previous fiscal year). This was primarily due to a decrease of ¥765 million in short-term borrowings and a decrease of ¥365 million in the current portion of long-term borrowings, despite an increase of ¥150 million in bonds payable within one year and an increase of ¥493 million in income taxes payable.

Non-current liabilities

As of September 30, 2025, the balance of non-current liabilities was ¥12,699 million (down 18.2% from the end of the previous fiscal year). This was primarily due to a decrease of ¥2,353 million in long-term borrowings due to the sale of real estate.

Net assets

As of September 30, 2025, the balance of net assets was ¥28,492 million (up 13.6% from the end of the previous fiscal year). This was primarily due to a dividends of surplus of ¥2,041 million, despite posting ¥5,320 million in profit attributable to owners of parent. As a result, the capital-to-assets ratio was 59.3%.

(ii) Cash flows

As of September 30, 2025, cash and cash equivalents (hereinafter referred to as “net cash”) increased by ¥8,453 million compared to the end of the previous fiscal year, reaching ¥27,164 million by the fiscal year-end.

The status and factors of each cash flow during the consolidated fiscal year ended September 30, 2025 are as follows.

Cash flows from operating activities

Net cash provided by operating activities amounted to ¥14,138 million. This was primarily due to a profit before income taxes of ¥7,772 million and a decrease in inventories of ¥7,679 million, despite income taxes paid amounting to ¥1,953 million.

Cash flows from investing activities

Net cash provided by investing activities amounted to ¥41 million. This was primarily due to proceeds of ¥91 million from the sale of securities.

Cash flows from financing activities

Net cash used in financing activities amounted to ¥5,726 million. This was primarily due to proceeds of ¥40,160 million from long-term borrowings, offset by expenditures of ¥42,879 million for the repayment of long-term borrowings and ¥2,042 million for dividend payments.

(3) Basic Policy on Profit Distribution and Dividends for the Fiscal Year Ended September 30, 2025 and Next Fiscal Year Ending September 30, 2026

(i) Basic policy on profit distribution

Dear Life recognizes shareholder returns as a key management priority, while also focusing on strengthening our financial foundation and securing internal reserves. For profit distribution through dividends, we aim for a consolidated payout ratio of 40%, implementing dividends with consideration for each fiscal year's performance and the DOE. Additionally, we will proactively conduct share buybacks as a means of improving capital efficiency, taking into account stock price trends, financial conditions, and other factors.

(ii) Dividend for the fiscal year ended September 30, 2025

Regarding the year-end dividend for the fiscal year ended September 30, 2025, following the dividend policy outlined above,

we have set it at ¥63 per share. This amount was determined in line with our basic profit distribution policy and in celebration of the record-high profit. The consolidated dividend payout ratio for the fiscal year ended September 30, 2025 is 51.5%.

(iii) Dividend for the next fiscal year

Our target for the year-end dividend for the next fiscal year ending September 30, 2026 has been set at ¥64 per share. This amount is based on the profit attributable to owners of parent under the consolidated performance targets for the fiscal year ending September 30, 2026, taking into consideration our target dividend payout ratio and the DOE ratio.

2. Status of the Corporate Group

The Dear Life Group consists of our company, five consolidated subsidiaries, and one affiliate. The business activities of our Group, as well as the roles of our company and the main affiliated companies in these activities, are outlined below.

A breakdown of operations by segment is as follows.

| Segment | Scope of Business | Company Name |
|------------------------------|---|---|
| (1) Real Estate Business | Real estate development and planning, investment and management of income-producing properties, solutions, real estate brokerage and management, etc. | Dear Life Co., Ltd. ID Inc. ID Property Co., Ltd. |
| (2) Sales Promotion Business | Personnel dispatch and placement for sales support roles in real estate, insurance, and finance industries, call center operations, etc. | Arciel Co., Ltd. |

The operational activities for each segment are as follows.

Real Estate Business

We engage in solutions services related to real estate, including real estate development and planning, investment and management of income-producing properties, and real estate brokerage.

Primarily in the Tokyo metropolitan area and surrounding regions, we develop urban residences (rental apartments aimed at single individuals and DINKs households), conduct asset design & resale (optimizing land for development), and enhance the value of income-producing properties such as residential real estate, offices, and commercial buildings. We also handle selling these properties are then sold to real estate companies, corporate clients, real estate investment funds, end-users, and real estate owners.

Furthermore, we provide solution services and real estate brokerage services related to discovering properties that meet investor and user needs, as well as services for real estate investment, development, and operation. These are supported by our expertise, built up from dealings across various markets—from real estate investment funds and REITs to individual investors—as well as our capabilities in property evaluation, building planning, construction management, real estate operations, and our information network within the market.

Sales Promotion Business

In this business, we provide staffing services to the real estate, insurance, and financial industries.

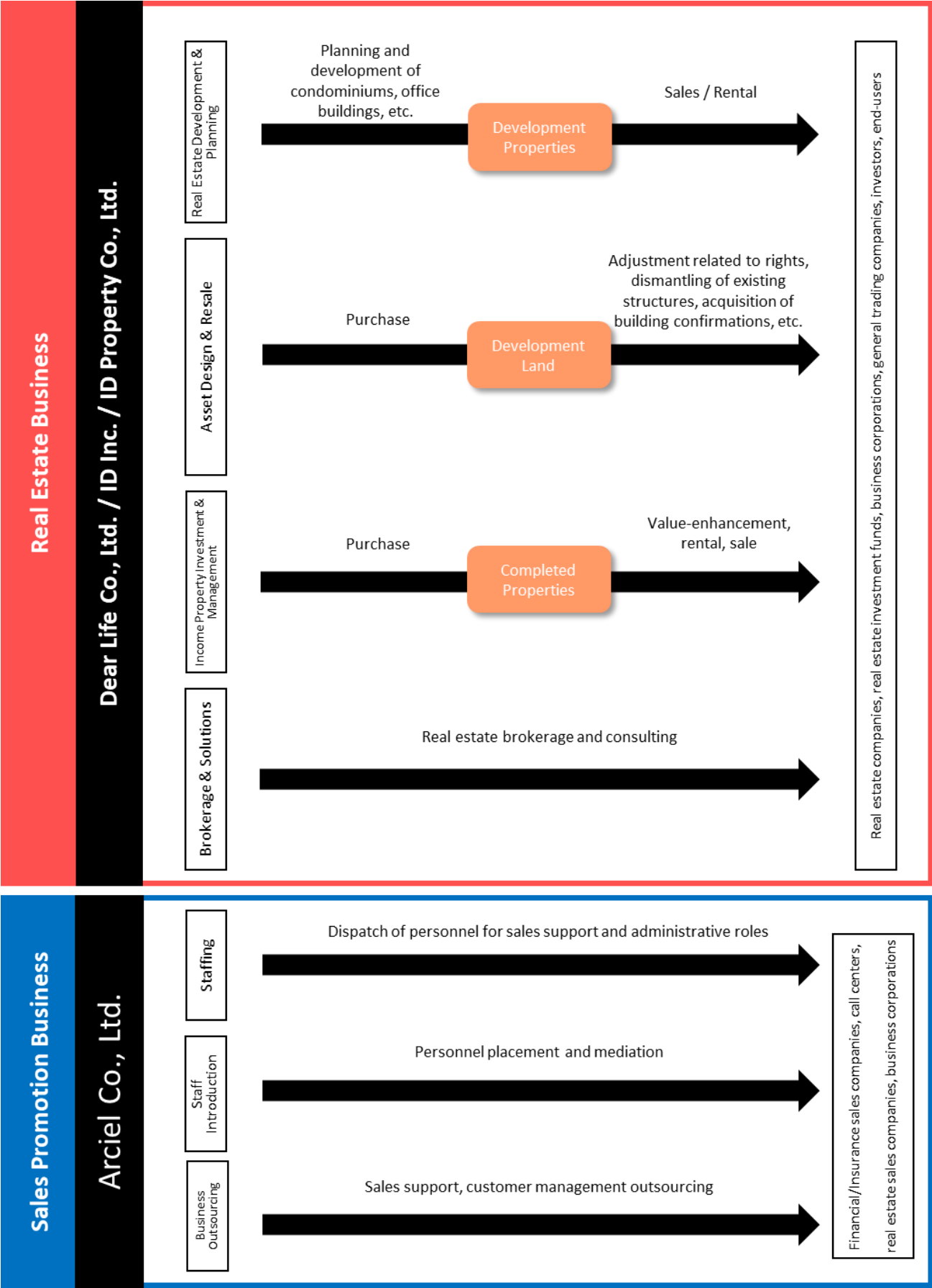
In the real estate industry, our staffing and placement services primarily focus on sales support roles, such as on-site staff for condominium model rooms and leasing staff for rental apartments, as well as administrative roles.

We provide flexible staffing support for promoting sales and rentals across various condominium projects, regardless of property size, location (from city center to suburban areas), or type (from single-occupancy units to high-end serviced apartments). Based on our experience and track record, we implement specialized training programs to equip personnel with professional knowledge in real estate and customer service skills, placing them according to the specific needs of each client.

In the insurance and financial industries, we provide staffing services mainly for sales support roles, such as outbound sales staff for insurance products, as well as for client management administration and call center staff.

For outbound sales in particular, since interactions with clients are conducted entirely remotely from initial contact to closing, we dispatch personnel who have not only obtained the qualifications required under the Insurance Business Act but have also undergone training to acquire professional knowledge in insurance consulting and comprehensive compliance training for insurance solicitation.

The above-mentioned items are illustrated in the following business organization chart.



3. Fundamental Approach to the Selection of Accounting Standards

The majority of Dear Life Group's stakeholders are domestic shareholders, creditors, and business partners, and there is little need for overseas funding. Therefore, we apply Japanese accounting standards.

4. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheet

(Millions of yen)

| | As of September 30, 2024 | As of September 30, 2025 |
|--|--------------------------|--------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 18,653 | 27,104 |
| Accounts receivable—trade | 398 | 410 |
| Securities | 36 | 312 |
| Real estate for sale | 14,139 | 12,184 |
| Real estate for sale in process | 10,644 | 4,616 |
| Other | 1,042 | 725 |
| Total current assets | 44,914 | 45,352 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings | 167 | 167 |
| Accumulated depreciation | (49) | (68) |
| Buildings, net | 118 | 99 |
| Machinery, equipment and vehicles | 13 | 14 |
| Accumulated depreciation | (7) | (9) |
| Machinery, equipment and vehicles, net | 6 | 4 |
| Tools, furniture and fixtures | 140 | 137 |
| Accumulated depreciation | (69) | (85) |
| Tools, furniture and fixtures, net | 70 | 52 |
| Total property, plant and equipment | 195 | 157 |
| Intangible assets | | |
| Goodwill | 302 | 164 |
| Other | 9 | 7 |
| Total intangible assets | 312 | 171 |
| Investments and other assets | | |
| Investment securities | 1,062 | 1,094 |
| Deferred tax assets | 293 | 275 |
| Other | 284 | 324 |
| Total investments and other assets | 1,641 | 1,694 |
| Total non-current assets | 2,148 | 2,023 |
| Total assets | 47,063 | 47,376 |

(Millions of yen)

| | As of September 30, 2024 | As of September 30, 2025 |
|---|--------------------------|--------------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable—trade | 357 | 317 |
| Short-term borrowings | 1,065 | 300 |
| Current portion of bonds payable | 920 | 1,070 |
| Current portion of long-term borrowings | 1,626 | 1,261 |
| Income taxes payable | 1,361 | 1,854 |
| Other | 1,133 | 1,380 |
| Total current liabilities | 6,463 | 6,184 |
| Non-current liabilities | | |
| Bonds payable | 1,210 | 860 |
| Long-term borrowings | 14,029 | 11,675 |
| Asset retirement obligations | 29 | 29 |
| Other | 256 | 134 |
| Total non-current liabilities | 15,524 | 12,699 |
| Total liabilities | 21,987 | 18,884 |
| Net assets | | |
| Shareholders' equity | | |
| Capital | 4,125 | 4,125 |
| Capital surplus | 4,941 | 4,986 |
| Retained earnings | 16,484 | 19,763 |
| Treasury shares | (923) | (854) |
| Total shareholders' equity | 24,627 | 28,020 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 64 | 75 |
| Total accumulated other comprehensive income | 64 | 75 |
| Non-controlling interests | 383 | 395 |
| Total net assets | 25,075 | 28,492 |
| Total liabilities and net assets | 47,063 | 47,376 |

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

| | Fiscal year ended September 30, 2024 | Fiscal year ended September 30, 2025 |
|---|---|---|
| Net sales | 46,880 | 78,505 |
| Cost of sales | 39,785 | 67,716 |
| Gross profit | 7,095 | 10,788 |
| Selling, general and administrative expenses | 2,475 | 3,062 |
| Operating profit | 4,619 | 7,726 |
| Non-operating income | | |
| Interest income | 1 | 20 |
| Dividend income | 1 | 5 |
| Gain on investments in securities | 166 | 339 |
| Gain on sale of investment securities | 32 | 35 |
| Share of profit of entities accounted for using equity method | 31 | 48 |
| Other | 25 | 28 |
| Total non-operating income | 259 | 478 |
| Non-operating expenses | | |
| Interest expenses | 191 | 346 |
| Interest expenses on bonds | 10 | 10 |
| Amortization of long-term prepaid expenses | 10 | 9 |
| Commission expenses | 4 | 3 |
| Other | 5 | 2 |
| Total non-operating expenses | 222 | 373 |
| Ordinary profit | 4,656 | 7,831 |
| Extraordinary gain | | |
| Gain on sale of non-current assets | 1 | — |
| Gain on sale of investment securities | 6 | — |
| Total extraordinary income | 8 | — |
| Extraordinary loss | | |
| Loss on change in equity | 1 | — |
| Impairment losses | — | 33 |
| Loss on retirement of non-current assets | 9 | — |
| Loss on valuation of investment securities | — | 26 |
| Total extraordinary losses | 11 | 59 |
| Profit before income taxes | 4,653 | 7,772 |
| Income taxes - current | 1,442 | 2,428 |
| Income taxes - deferred | 39 | 11 |
| Total income taxes | 1,482 | 2,439 |
| Net income | 3,171 | 5,332 |
| Profit attributable to non-controlling interests | 0 | 12 |
| Profit attributable to owners of parent | 3,170 | 5,320 |

Consolidated Statement of Comprehensive Income

(Millions of yen)

| | Fiscal year ended September 30, 2024 | Fiscal year ended September 30, 2025 |
|--|---|---|
| Net income | 3,171 | 5,332 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 64 | 11 |
| Share of other comprehensive income of entities accounted for using equity method | 0 | 0 |
| Total other comprehensive income | 64 | 11 |
| Comprehensive income | 3,235 | 5,343 |
| Comprehensive income attributable to: | | |
| Owners of parent | 3,234 | 5,331 |
| Non-controlling interests | 0 | 12 |

(3) Consolidated Statement of Changes in Equity

Fiscal year ended September 30, 2024

(Millions of yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at the beginning of the year | 4,125 | 4,911 | 15,118 | (375) | 23,780 |
| Changes during period | | | | | |
| Purchase of treasury shares | | | | (629) | (629) |
| Disposal of treasury shares | | 29 | | 81 | 111 |
| Dividends of surplus | | | (1,804) | | (1,804) |
| Profit attributable to owners of parent | | | 3,170 | | 3,170 |
| Net changes in items other than shareholders' equity | | | | | |
| Changes during period | — | 29 | 1,365 | (547) | 847 |
| Balance at the end of the year | 4,125 | 4,941 | 16,484 | (923) | 24,627 |

| | Accumulated other comprehensive income | | Non-controlling interests | Total net assets |
|--|---|--|---------------------------|------------------|
| | Valuation difference on available-for-sale securities | Total accumulated other comprehensive income | | |
| Balance at the beginning of the year | (0) | (0) | 382 | 24,162 |
| Changes during period | | | | |
| Purchase of treasury shares | | | | (629) |
| Disposal of treasury shares | | | | 111 |
| Dividends of surplus | | | | (1,804) |
| Profit attributable to owners of parent | | | | 3,170 |
| Net changes in items other than shareholders' equity | 64 | 64 | 0 | 65 |
| Changes during period | 64 | 64 | 0 | 913 |
| Balance at the end of the year | 64 | 64 | 383 | 25,075 |

Fiscal year ended September 30, 2025

(Millions of yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at the beginning of the year | 4,125 | 4,941 | 16,484 | (923) | 24,627 |
| Changes during period | | | | | |
| Purchase of treasury shares | | | | (0) | (0) |
| Disposal of treasury shares | | 44 | | 68 | 113 |
| Dividends of surplus | | | (2,041) | | (2,041) |
| Profit attributable to owners of parent | | | 5,320 | | 5,320 |
| Net changes in items other than shareholders' equity | | | | | |
| Changes during period | | 44 | 3,279 | 68 | 3,392 |
| Balance at the end of the year | 4,125 | 4,986 | 19,763 | (854) | 28,020 |

| | Accumulated other comprehensive income | | Non-controlling interests | Total net assets |
|--|---|--|---------------------------|------------------|
| | Valuation difference on available-for-sale securities | Total accumulated other comprehensive income | | |
| Balance at the beginning of the year | 64 | 64 | 383 | 25,075 |
| Changes during period | | | | |
| Purchase of treasury shares | | | | (0) |
| Disposal of treasury shares | | | | 113 |
| Dividends of surplus | | | | (2,041) |
| Profit attributable to owners of parent | | | | 5,320 |
| Net changes in items other than shareholders' equity | 11 | 11 | 12 | 23 |
| Changes during period | 11 | 11 | 12 | 3,416 |
| Balance at the end of the year | 75 | 75 | 395 | 28,492 |

(4) Consolidated Statement of Cash Flows

(Millions of yen)

| | Fiscal year ended September 30, 2024 | Fiscal year ended September 30, 2025 |
|--|---|---|
| Cash flows from operating activities | | |
| Profit before income taxes | 4,653 | 7,772 |
| Depreciation | 335 | 350 |
| Impairment losses | — | 33 |
| Amortization of goodwill | 104 | 104 |
| Interest and dividend income | (2) | (25) |
| Interest expenses | 191 | 346 |
| Interest expenses on bonds | 10 | 10 |
| Share of loss of entities accounted for using equity method | (31) | (48) |
| Loss (gain) on investments in securities | (166) | (339) |
| Loss (gain) on sale and valuation of investment securities | (38) | (9) |
| Loss (gain) on change in equity | 1 | — |
| Loss (gain) on sale and retirement of non-current assets | 8 | — |
| Decrease (increase) in trade receivables | (3) | (11) |
| Decrease (increase) in inventories | (8,726) | 7,679 |
| Increase (decrease) in trade payables | (249) | (39) |
| Other | (26) | 582 |
| Subtotal | (3,940) | 16,406 |
| Interest and dividends received | 16 | 41 |
| Interest paid | (209) | (356) |
| Income taxes paid | (1,798) | (1,953) |
| Net cash provided by (used in) operating activities | (5,932) | 14,138 |
| Cash flows from investing activities | | |
| Payments into time deposits | (2) | — |
| Proceeds from withdrawal of time deposits | 21 | — |
| Proceeds from sale/purchase of short-term and long-term investment securities, net | 155 | 91 |
| Purchase of property, plant and equipment | (54) | (5) |
| Proceeds from sale of property, plant and equipment | 1 | 0 |
| Purchase of intangible assets | (5) | (0) |
| Other | 24 | (43) |
| Net cash provided by investing activities | 141 | 41 |

(Millions of yen)

| | Fiscal year ended September 30, 2024 | Fiscal year ended September 30, 2025 |
|--|---|---|
| Cash flows from financing activities | | |
| Proceeds from short-term borrowings | 1,318 | 1,700 |
| Repayments of short-term borrowings | (753) | (2,465) |
| Proceeds from long-term borrowings | 24,519 | 40,160 |
| Repayments of long-term borrowings | (20,078) | (42,879) |
| Proceeds from issuance of bonds | — | 800 |
| Redemption of bonds | (20) | (1,000) |
| Purchase of treasury shares | (599) | (0) |
| Dividends paid | (1,804) | (2,042) |
| Net cash provided by financing activities | 2,581 | (5,726) |
| Net increase (decrease) in cash and cash equivalents | (3,209) | 8,453 |
| Cash and cash equivalents at beginning of period | 21,920 | 18,710 |
| Cash and cash equivalents at end of period | 18,710 | 27,164 |

(5) Notes on Consolidated Financial Statements

Notes on Going Concern Assumption

None

Notes on Changes in Accounting Policies

Application of Accounting Standard for Current Income Taxes, etc.

The Accounting Standard for Current Income Taxes (Accounting Standards Board of Japan (ASBJ) Statement No. 27, issued on October 28, 2022; hereinafter referred to as the "2022 Revised Accounting Standard") has been applied from the beginning of the fiscal year ended September 30, 2025.

With regard to the revision concerning the classification of income taxes, etc. (taxation on other comprehensive income), the transitional treatments stipulated in the proviso of Paragraph 20-3 of the 2022 Revised Accounting Standard and in the proviso of Paragraph 65-2(2) of the Implementation Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, issued on October 28, 2022; hereinafter referred to as the "2022 Revised Implementation Guidance") have been applied. This change in accounting policy had no impact on the consolidated financial statements.

Additionally, with regard to the revision related to the treatment in the consolidated financial statements for tax deferral on gains or losses from the sale of subsidiary shares, etc., between consolidated companies, the 2022 Revised Implementation Guidance has been applied from the beginning of the fiscal year ended September 30, 2025. The change in accounting policy has been applied retrospectively, and the consolidated financial statements for the previous fiscal year have been restated to reflect this retrospective application. This change in accounting policy had no impact on the consolidated financial statements for the previous fiscal year.

Notes on Segment Information, etc.

Segment Information

1. Overview of reportable segments

Our reportable segments are components of Dear Life for which separate financial information is available and which are regularly reviewed by the Board of Directors to make decisions on resource allocation and assess performance.

Dear Life is organized into segments by service, with two reportable segments: the Real Estate Business, which engages in solutions such as real estate development, sales, and brokerage; and the Sales Promotion Business, which provides personnel dispatch for sales and administrative support, primarily in the real estate, finance, and insurance industries.

2. Methods for calculating net sales, profit or loss, assets, liabilities, and other item amounts by reportable segment

The accounting methods for the reported business segments are the same as those described in "Significant Matters that Serve as the Basis for Preparation of Consolidated Financial Statements." Segment profit is based on operating profit. Internal revenue and transfers between segments are calculated with reference to market prices.

3. Information on net sales, profit or loss, assets, liabilities, and other item amounts by reportable segment
Fiscal year ended September 30, 2024

(Millions of yen)

| | Reportable Segment | | | Total |
|---|----------------------|--------------------------|--------|--------|
| | Real Estate Business | Sales Promotion Business | Total | |
| Net sales | | | | |
| Net sales to external customers | 42,826 | 4,053 | 46,880 | 46,880 |
| Intersegment net sales or transfers | — | 3 | 3 | 3 |
| Total | 42,826 | 4,056 | 46,883 | 46,883 |
| Segment profit | 5,417 | 20 | 5,438 | 5,438 |
| Segment assets | 29,634 | 1,754 | 31,388 | 31,388 |
| Other items | | | | |
| Depreciation | 304 | 22 | 327 | 327 |
| Increase in property, plant and equipment and intangible assets | 38 | 7 | 46 | 46 |

Fiscal year ended September 30, 2025

(Millions of yen)

| | Reportable Segment | | | Total |
|---|----------------------|--------------------------|--------|--------|
| | Real Estate Business | Sales Promotion Business | Total | |
| Net sales | | | | |
| Net sales to external customers | 74,569 | 3,936 | 78,505 | 78,505 |
| Intersegment net sales or transfers | — | 3 | 3 | 3 |
| Total | 74,569 | 3,940 | 78,509 | 78,509 |
| Segment profit | 8,619 | 79 | 8,698 | 8,698 |
| Segment assets | 22,106 | 1,524 | 23,630 | 23,630 |
| Other items | | | | |
| Depreciation | 316 | 25 | 341 | 341 |
| Increase in property, plant and equipment and intangible assets | 3 | 1 | 5 | 5 |

4. Differences between total reportable segment amounts and consolidated financial statement amounts (matters related to difference adjustment)

(Millions of yen)

| Net sales | Fiscal year ended September 30, 2024 | Fiscal year ended September 30, 2025 |
|--|---|---|
| Total reportable segments | 46,883 | 78,509 |
| Elimination of intersegment transactions | (3) | (3) |
| Net sales in consolidated financial statements | 46,880 | 78,505 |

(Millions of yen)

| Profit | Fiscal year ended September 30, 2024 | Fiscal year ended September 30, 2025 |
|---|---|---|
| Total reportable segments | 5,438 | 8,698 |
| Elimination of intersegment transactions | 1 | — |
| Group-wide expenses (Note) | (820) | (972) |
| Operating profit in consolidated financial statements | 4,619 | 7,726 |

Note: Group-wide expenses are mainly expenses related to Dear Life's administrative departments that do not belong to any reportable segment.

(Millions of yen)

| Assets | Fiscal year ended September 30, 2024 | Fiscal year ended September 30, 2025 |
|---|---|---|
| Total reportable segments | 31,388 | 23,630 |
| Elimination of intersegment transactions | (500) | (100) |
| Corporate assets (Note) | 16,175 | 23,846 |
| Total assets in consolidated financial statements | 47,063 | 47,376 |

Note: Corporate assets mainly consist of Dear Life's surplus funds (cash and deposits) and assets related to administrative departments.

(Millions of yen)

| Other items | Total reportable segments | | Adjustments | | Amounts in consolidated financial statements | |
|--|--|--|--|--|--|--|
| | Fiscal year ended September 30, 2024 | Fiscal year ended September 30, 2025 | Fiscal year ended September 30, 2024 | Fiscal year ended September 30, 2025 | Fiscal year ended September 30, 2024 | Fiscal year ended September 30, 2025 |
| Depreciation (Note) | 327 | 341 | 7 | 8 | 335 | 350 |
| Increase in property, plant and equipment and intangible assets (Note) | 46 | 5 | 13 | 0 | 59 | 5 |

Note: Adjustments mainly include depreciation of assets related to the head office and administrative departments, and increases in property, plant and equipment and intangible assets.

Related Information

Fiscal year ended September 30, 2024

1. Information by product and service

Since the classification of products and services is the same as that of the reportable segments, this information has been omitted.

2. Information by region

(1) Net sales

No applicable items as there are no net sales to external customers outside Japan.

(2) Property, plant and equipment

No applicable items as there is no property, plant and equipment located outside of Japan.

3. Information by major customer

(Millions of yen)

| Customer name | Net sales | Relevant segment |
|---------------------------|-----------|----------------------|
| Daiichi Realtor Co., Ltd. | 6,254 | Real Estate Business |

Fiscal year ended September 30, 2025

1. Information by product and service

Since the classification of products and services is the same as that of the reportable segments, this information has been omitted.

2. Information by region

(1) Net sales

No applicable items as there are no net sales to external customers outside Japan.

(2) Property, plant and equipment

No applicable items as there is no property, plant and equipment located outside of Japan.

3. Information by major customer

(Millions of yen)

| Customer name | Net sales | Relevant segment |
|--|-----------|----------------------|
| Special Purpose Company Reji Properties Four | 10,369 | Real Estate Business |

Information Regarding Impairment Losses on Non-Current Assets by Reportable Segment

Fiscal year ended September 30, 2024

None

Fiscal year ended September 30, 2025

(Millions of yen)

| | Real Estate Business | Sales Promotion Business | Total | Corporate or elimination | Total |
|-------------------|----------------------|--------------------------|-------|--------------------------|-------|
| Impairment losses | — | 33 | 33 | — | 33 |

Information on Amortization and Unamortized Balance of Goodwill by Reportable Segment

Fiscal year ended September 30, 2024

(Millions of yen)

| | Real Estate Business | Sales Promotion Business | Total | Corporate or elimination | Total |
|--------------------------------|----------------------|--------------------------|-------|--------------------------|-------|
| Amortization for period | — | 104 | 104 | — | 104 |
| Balance at the end of the year | — | 302 | 302 | — | 302 |

Fiscal year ended September 30, 2025

(Millions of yen)

| | Real Estate Business | Sales Promotion Business | Total | Corporate or elimination | Total |
|--------------------------------|----------------------|--------------------------|-------|--------------------------|-------|
| Amortization for period | — | 104 | 104 | — | 104 |
| Balance at the end of the year | — | 164 | 164 | — | 164 |

Note: During the consolidated fiscal year ended September 30, 2025, an impairment loss on goodwill of ¥33 million was recorded.

Information Regarding Gain on Bargain Purchases by Reportable Segment

Fiscal year ended September 30, 2024

None

Fiscal year ended September 30, 2025

None

Per Share Information

(Yen)

| Item | Fiscal year ended September 30, 2024 | Fiscal year ended September 30, 2025 |
|----------------------------------|--------------------------------------|--------------------------------------|
| Net assets per share | 568.61 | 645.65 |
| Basic earnings per share | 72.44 | 122.31 |
| Diluted basic earnings per share | 72.44 | — |

Note: The basis for calculation is as follows.

(1) The basis for calculating net assets per share is as follows.

| Item | As of September 30, 2024 | As of September 30, 2025 |
|---|--------------------------|--------------------------|
| Total net assets on consolidated balance sheet (millions of yen) | 25,075 | 28,492 |
| Amount deducted from total net assets on consolidated balance sheet (millions of yen) | (383) | (395) |
| Net assets related to common stock (millions of yen) | 24,692 | 28,096 |
| Number of common shares issued | 44,896,800 | 44,896,800 |
| Number of treasury shares of common stock | (1,471,102) | (1,379,921) |
| Number of common shares used for net assets per share calculation | 43,425,698 | 43,516,879 |

(2) The basis for calculating basic earnings per share and diluted basic earnings per share is as follows.

| Item | Fiscal year ended September 30, 2024 | Fiscal year ended September 30, 2025 |
|---|---|---|
| Basic earnings per share | | |
| Profit attributable to owners of parent on the consolidated statement of income (millions of yen) | 3,170 | 5,320 |
| Amount not attributable to common shareholders (millions of yen) | — | — |
| Profit attributable to owners of parent related to common stock (millions of yen) | 3,170 | 5,320 |
| Average number of common shares during the period | 43,764,735 | 43,497,927 |
| Diluted basic earnings per share | | |
| Adjustments to profit attributable to owners of parent (millions of yen) | (0) | — |
| [of which, adjustments related to diluted shares of equity-method affiliates] | [(0)] | [—] |
| Increase in number of common shares | — | — |
| [of which, increase due to share acquisition rights] | [—] | [—] |
| Overview of diluted shares not included in calculation of diluted basic earnings per share due to lack of dilutive effect | None | None |

Significant Subsequent Events

None