



## Consolidated Financial Results for the Nine Months Ended June 30, 2025 [JGAAP]

August 8, 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 to commence dividend payments: —

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 first nine months of the fiscal year ending September 30, 2025 (October 1, 2024–June 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)                       | %     |
| Nine months ended June 30, 2025 | 35,454            | 114.3 | 2,909             | 161.9 | 3,008             | 166.2 | 2,042                                   | 168.4 |
| Nine months ended June 30, 2024 | 16,546            | –20.9 | 1,111             | –51.7 | 1,130             | –50.7 | 760                                     | –50.7 |

(Note) Comprehensive income: Nine months ended June 30, 2025: ¥2,098 million (134.2%)

Nine months ended June 30, 2024: ¥896 million (–41.7%)

|                                 | Basic earnings per share | Diluted basic earnings per share |
|---------------------------------|--------------------------|----------------------------------|
|                                 | Yen                      | Yen                              |
| Nine months ended June 30, 2025 | 46.96                    | —                                |
| Nine months ended June 30, 2024 | 17.37                    | 17.37                            |

(2) Consolidated financial position

|                          | Total assets      | Net assets        | Capital-to-assets ratio |
|--------------------------|-------------------|-------------------|-------------------------|
|                          | (Millions of yen) | (Millions of yen) | %                       |
| As of June 30, 2025      | 63,766            | 25,247            | 39.0                    |
| As of September 30, 2024 | 47,063            | 25,075            | 52.5                    |

(Reference) Equity capital: As of June 30, 2025: ¥24,847 million

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

2. Dividends

|  | Annual dividends per share |           |           |          |       |
|--|----------------------------|-----------|-----------|----------|-------|
|  | End of 1Q                  | End of 2Q | End of 3Q | Year-end | Total |
|  | Yen                        | Yen       | Yen       | Yen      | Yen   |
| Fiscal year ended September 30, 2024             | —                          | 0.00      | —         | 47.00    | 47.00 |
| Fiscal year ending September 30, 2025            | —                          | 0.00      | —         |          |       |
| Fiscal year ending September 30, 2025 (Forecast) |                            |           |           | 62.00    | 62.00 |

(Note) Revision of dividend forecast from the latest announcement: None

3. Performance targets for the fiscal year ending September 30, 2025 (October 1, 2024–September 30, 2025)

(% 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            | 114.8 | 6,800                                   | 114.5 |

(Notes) 1. Revision of performance targets from the latest announcement: None

2. 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 current consolidated fiscal year 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 current quarter: None

(2) Application of accounting procedures specific to the preparation of quarterly consolidated financial statements: None

(3) 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

(4) 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 June 30, 2025             | 44,896,800 shares | As of September 30, 2024        | 44,896,800 shares |
| As of June 30, 2025             | 1,370,221 shares  | As of September 30, 2024        | 1,471,102 shares  |
| Nine months ended June 30, 2025 | 43,489,985 shares | Nine months ended June 30, 2024 | 43,801,808 shares |

Notes: 1. Review of the attached quarterly consolidated financial statements by a certified public accountant or auditing firm: None

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. Qualitative Information on the Quarterly Financial Results (3) Explanation on Forecast Information such as Earnings Forecasts.”

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## 1. Qualitative Information on the Quarterly Financial Results

### (1) Explanation of Consolidated Operating Results

During the nine-month period ended June 30, 2025, the Japanese economy maintained a moderate recovery trend overall, supported by an increase in corporate capital investment and the number of employed persons, despite a slowdown in external demand and the impact of rising prices amid a backdrop of economic deceleration in the United States and China and the strengthening of tariffs. On the other hand, although the spring labor-management wage negotiations resulted in an average wage increase exceeding 5%, it failed to keep pace with rising prices, and real wages remained negative, leading to restrained consumer spending. While moderate inflation is expected to persist going forward, sluggish growth in real income and uncertainty in external demand may constrain a recovery in domestic demand. As such, it will be necessary to closely monitor the balance between wages and prices, as well as trends in overseas economies and monetary policies.

In the real estate industry in which the Dear Life Group operates, land prices in Tokyo have continued to rise significantly. Coupled with increasing construction costs, the supply of new properties has been constrained, particularly in central Tokyo, where the Company conducts its business, leading to further premiumization of properties and continued increases in pre-owned condominium prices and rental rates.

Under these circumstances, we have accelerated the acquisition of urban residential development sites and income-producing properties in the Tokyo area, which is expected to have long-term stable demand. And we have also proceeded with the expansion of investment projects.

As a result of these activities, the Group's business performance for the third quarter consolidated cumulative period showed an increase in net sales to ¥35,454 million (up 114.3% year on year), operating profit of ¥2,909 million (up 161.9% year on year), ordinary profit of ¥3,008 million (up 166.2%), and profit attributable to owners of parent of ¥2,042 million (up 168.4%).

An overview by segment is as follows.

#### Real Estate Business

In the real estate business operated by Dear Life and our consolidated subsidiary, ID Inc., we catered to a wide range of customer needs, including real estate investment companies, developers, real estate sales companies, and overseas businesses, through our development of urban residential projects, income-producing properties, and development projects, and by the end of the third quarter of this fiscal year, we sold 36 properties. Meanwhile, we actively invested in the development of urban condominiums and income-producing properties in the Tokyo metropolitan area, acquiring 16 properties during the quarter.

As a result, for the third quarter consolidated cumulative period, net sales amounted to ¥32,515 million (up 140.9% year on year), and operating profit was ¥3,836 million (up 120.5% year on year).

#### Sales Promotion Business

In the sales promotion business operated by our consolidated subsidiary, Arciel Co., Ltd., we have worked to improve the quality of dispatch personnel and implemented corresponding price revisions. Additionally, we actively hired temporary staff from April to May. As a result, despite incurring upfront costs for recruitment and training of new employees, cost reductions progressed through mergers. Net sales amounted to ¥2,939 million (down 3.5% year on year), and operating profit was ¥44 million (compared to an operating loss of ¥4 million in the same period last year).

## **(2) Explanation of Consolidated Financial Position**

### **(i) Assets, liabilities, and net assets**

The status of assets, liabilities, and net assets as of June 30, 2025 is as follows.

#### **Current assets**

At the end of the third quarter of the fiscal year ending September 30, 2025, the balance of current assets was ¥61,713 million (up 37.4% from the end of the previous fiscal year). This was primarily due to an increase in real estate for sale in process of ¥1,087 million due to the acquisition of land for condominium development, and an increase in real estate for sale of ¥18,154 million due to the acquisition of used income-producing properties, despite a decrease in cash and deposits of ¥2,916 million.

#### **Non-current assets**

At the end of the third quarter of the fiscal year ending September 30, 2025, the balance of non-current assets was ¥2,053 million (down 4.4% from the end of the previous fiscal year).

#### **Current liabilities**

At the end of the third quarter of the fiscal year ending September 30, 2025, the balance of current liabilities was ¥6,944 million (up 7.4% from the end of the previous fiscal year). This was primarily due to a decrease of ¥1,116 million in income taxes payable due to tax payments, despite an increase of ¥1,154 million in current portion of long-term borrowings and an increase of ¥100 million in bonds payable within one year.

#### **Non-current liabilities**

At the end of the third quarter of the fiscal year ending September 30, 2025, the balance of non-current liabilities was ¥31,575 million (up 103.4% from the end of the previous fiscal year). This was primarily due to an increase of ¥16,106 million in long-term borrowings from new loans for the acquisition of condominium development land and income-producing properties.

#### **Net assets**

At the end of the third quarter of the fiscal year ending September 30, 2025, the balance of net assets was ¥25,247 million (up 0.7% from the end of the previous fiscal year). This was primarily due to a dividends of surplus of ¥2,041 million, despite posting ¥2,042 million in profit attributable to owners of parent.

The capital-to-assets ratio decreased by 13.5 points from the end of the previous fiscal year to 39.0%.

## **(3) Explanation of Forecast Information such as Consolidated Earnings Forecasts**

There are no changes to the consolidated performance targets for the fiscal year ending September 30, 2025 from the full-year consolidated performance targets announced on November 14, 2024.

## 2. Quarterly Consolidated Financial Statements and Notes

### (1) Consolidated Balance Sheet

(Millions of yen)

|   | As of September 30, 2024 | As of June 30, 2025 |
|---|--------------------------|---------------------|
| <b>Assets</b>   |                          |                     |
| Current assets  |                          |                     |
| Cash and deposits                                     | 18,653                   | 15,736              |
| Accounts receivable—trade                             | 398                      | 463                 |
| Securities  | 36                       | 413                 |
| Real estate for sale                                  | 14,139                   | 32,294              |
| Real estate for sale in process                       | 10,644                   | 11,731              |
| Other   | 1,042                    | 1,074               |
| Total current assets                                  | 44,914                   | 61,713              |
| Non-current assets                                    |                          |                     |
| Property, plant and equipment                         | 195                      | 176                 |
| Intangible assets                                     |                          |                     |
| Goodwill  | 302                      | 224                 |
| Other   | 9                        | 7                   |
| Total intangible assets                               | 312                      | 231                 |
| Investments and other assets                          | 1,641                    | 1,645               |
| Total non-current assets                              | 2,148                    | 2,053               |
| Total assets  | 47,063                   | 63,766              |
| <b>Liabilities</b>                                    |                          |                     |
| Current liabilities                                   |                          |                     |
| Notes and accounts payable—trade                      | 357                      | 379                 |
| Short-term borrowings                                 | 1,065                    | 1,100               |
| Current portion of bonds payable                      | 920                      | 1,020               |
| Current portion of long-term borrowings               | 1,626                    | 2,780               |
| Income taxes payable                                  | 1,361                    | 245                 |
| Other   | 1,133                    | 1,418               |
| Total current liabilities                             | 6,463                    | 6,944               |
| Non-current liabilities                               |                          |                     |
| Bonds payable   | 1,210                    | 1,100               |
| Long-term borrowings                                  | 14,029                   | 30,136              |
| Deferred tax liabilities                              | —                        | 28                  |
| Asset retirement obligations                          | 29                       | 29                  |
| Other   | 256                      | 281                 |
| Total non-current liabilities                         | 15,524                   | 31,575              |
| Total liabilities                                     | 21,987                   | 38,519              |
| <b>Net assets</b>                                     |                          |                     |
| Shareholders' equity                                  |                          |                     |
| Capital   | 4,125                    | 4,125               |
| Capital surplus                                       | 4,941                    | 4,986               |
| Retained earnings                                     | 16,484                   | 16,485              |
| Treasury shares                                       | (923)                    | (854)               |
| Total shareholders' equity                            | 24,627                   | 24,742              |
| Accumulated other comprehensive income                |                          |                     |
| Valuation difference on available-for-sale securities | 64                       | 104                 |
| Total accumulated other comprehensive income          | 64                       | 104                 |
| Non-controlling interests                             | 383                      | 400                 |
| Total net assets                                      | 25,075                   | 25,247              |
| Total liabilities and net assets                      | 47,063                   | 63,766              |

## (2) Consolidated Statements of Income and Comprehensive Income

## Consolidated Statement of Income

(Millions of yen)

|   | Nine months ended<br>June 30, 2024 | Nine months ended<br>June 30, 2025 |
|---|------------------------------------|------------------------------------|
| Net sales   | 16,546                             | 35,454                             |
| Cost of sales   | 13,718                             | 30,281                             |
| Gross profit  | 2,828                              | 5,173                              |
| Selling, general and administrative expenses                  | 1,717                              | 2,264                              |
| Operating profit  | 1,111                              | 2,909                              |
| Non-operating income  |                                    |                                    |
| Gain on investments in securities                             | 100                                | 263                                |
| Gain on sale of investment securities                         | 19                                 | 31                                 |
| Share of profit of entities accounted for using equity method | 33                                 | 24                                 |
| Other   | 15                                 | 34                                 |
| Total non-operating income                                    | 169                                | 353                                |
| Non-operating expenses  |                                    |                                    |
| Interest expenses   | 135                                | 243                                |
| Amortization of long-term prepaid expenses                    | 7                                  | 7                                  |
| Commission expenses   | 4                                  | 2                                  |
| Other   | 2                                  | 1                                  |
| Total non-operating expenses                                  | 150                                | 254                                |
| Ordinary profit   | 1,130                              | 3,008                              |
| Extraordinary gain  |                                    |                                    |
| Gain on sale of investment securities                         | 6                                  | —                                  |
| Total extraordinary income                                    | 6                                  | —                                  |
| Extraordinary loss  |                                    |                                    |
| Loss on change in equity                                      | 1                                  | —                                  |
| Loss on retirement of non-current assets                      | 7                                  | —                                  |
| Total extraordinary losses                                    | 8                                  | —                                  |
| Quarterly net income before taxes and other adjustments       | 1,127                              | 3,008                              |
| Income taxes - current  | 286                                | 846                                |
| Income taxes - deferred                                       | 82                                 | 101                                |
| Total income taxes  | 369                                | 948                                |
| Net income  | 758                                | 2,059                              |
| Profit (loss) attributable to non-controlling interests       | (2)                                | 16                                 |
| Profit attributable to owners of parent                       | 760                                | 2,042                              |

## Consolidated Statement of Comprehensive Income

(Millions of yen)

|  | Nine months ended<br>June 30, 2024 | Nine months ended<br>June 30, 2025 |
|--|------------------------------------|------------------------------------|
| Net income   | 758                                | 2,059                              |
| Other comprehensive income   |                                    |                                    |
| Valuation difference on available-for-sale securities                                | 137                                | 39                                 |
| Share of other comprehensive income of entities<br>accounted for using equity method | 0                                  | (0)                                |
| Total other comprehensive income   | 137                                | 39                                 |
| Quarterly comprehensive income   | 896                                | 2,098                              |
| Comprehensive income attributable to:  |                                    |                                    |
| Owners of parent   | 898                                | 2,081                              |
| Non-controlling interests  | (2)                                | 16                                 |



### (3) Notes on Quarterly 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 first quarter of the fiscal year ending 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 quarterly 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 first quarter of the fiscal year ending September 30, 2025. The change in accounting policy has been applied retrospectively, and the quarterly consolidated financial statements for the nine month ended June 30, 2024 and the consolidated financial statements for the fiscal year ended September 30, 2024, have been restated to reflect this retrospective application. Furthermore, the change in accounting policy has had no impact on the quarterly consolidated financial statements for the previous nine month ended June 30, 2024 or the consolidated financial statements for the fiscal year ended September 30, 2024.

#### Notes on Significant Changes in the Amount of Shareholders' Equity

None

#### Notes on Segment Information, etc.

##### Segment Information

##### I. Results for the nine-month period from October 1, 2023 to June 30, 2024

##### 1. Information regarding net sales and profit or loss for each reportable segment

(Millions of yen)

|                                     | Reportable Segment   |                          | Total  |
|-------------------------------------|----------------------|--------------------------|--------|
|                                     | Real Estate Business | Sales Promotion Business |        |
| Net sales                           |                      |                          |        |
| Net sales to external customers     | 13,500               | 3,046                    | 16,546 |
| Intersegment net sales or transfers | —                    | 2                        | 2      |
| Total                               | 13,500               | 3,048                    | 16,549 |
| Segment profit (loss)               | 1,740                | (4)                      | 1,735  |

2. Difference between the total amount of profits or losses of reportable segments and the amount recorded in the quarterly consolidated statement of income (matters related to difference adjustment)

(Millions of yen)

| Profit (loss)  | Amount |
|--|--------|
| Total reportable segments                                      | 1,735  |
| Elimination of intersegment transactions                       | 1      |
| Group-wide expenses (Note)                                     | (626)  |
| Operating profit in quarterly consolidated statement of income | 1,111  |

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

3. Information regarding impairment losses on non-current assets or goodwill, etc. for each reportable segment

Significant impairment losses related to non-current assets

None

Significant changes in amount of goodwill

None

## II. Results for the nine-month period from October 1, 2024 to June 30, 2025

1. Information regarding net sales and profit or loss for each reportable segment

(Millions of yen)

|                                     | Reportable Segment   |                          | Total  |
|-------------------------------------|----------------------|--------------------------|--------|
|                                     | Real Estate Business | Sales Promotion Business |        |
| Net sales                           |                      |                          |        |
| Net sales to external customers     | 32,515               | 2,939                    | 35,454 |
| Intersegment net sales or transfers | —                    | 2                        | 2      |
| Total                               | 32,515               | 2,941                    | 35,457 |
| Segment profit (loss)               | 3,836                | 44                       | 3,880  |

2. Difference between the total amount of profits or losses of reportable segments and the amount recorded in the quarterly consolidated statement of income (matters related to difference adjustment)

(Millions of yen)

| Profit (loss)  | Amount |
|--|--------|
| Total reportable segments                                      | 3,880  |
| Elimination of intersegment transactions                       | —      |
| Group-wide expenses (Note)                                     | (971)  |
| Operating profit in quarterly consolidated statement of income | 2,909  |

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

3. Information regarding impairment losses on non-current assets or goodwill, etc. for each reportable segment

Significant impairment losses related to non-current assets

None

Significant changes in amount of goodwill

None

**Notes regarding quarterly consolidated statement of cash flows**

A quarterly consolidated cash flow statement for the current third quarter consolidated cumulative period has not been prepared. Depreciation expenses (including amortization expenses related to intangible assets other than goodwill) and amortization of goodwill for the third quarter consolidated cumulative period are as follows.

(Millions of yen)

|                          | Nine months ended June 30, 2024 | Nine months ended June 30, 2025 |
|--------------------------|---------------------------------|---------------------------------|
| Depreciation             | 253                             | 247                             |
| Amortization of goodwill | 78                              | 78                              |