

Presentation of Financial Results for  
Fiscal 2024, Ended September 30, 2024  
DEAR LIFE CO., LTD.

20

24

November 14, 2024

## Overview of Financial Results

# KPI Highlights

Consolidated ordinary profit

**¥4,656 million**  
(down 24.7% YoY)

Profit attributable to owners of parent

**¥3,170 million**  
(down 26.3% YoY)

Property portfolio of acquired projects

**¥85.2 billion**  
(up 61.1% YoY)

Capital-to-assets ratio

**52.5%**  
(down 4.5 pts YoY)

Earnings per share

**¥72.44**  
(down 26.0% YoY)

20th anniversary commemorative dividend

Set at **¥47** per share

(For details, see p.5)

# Topics

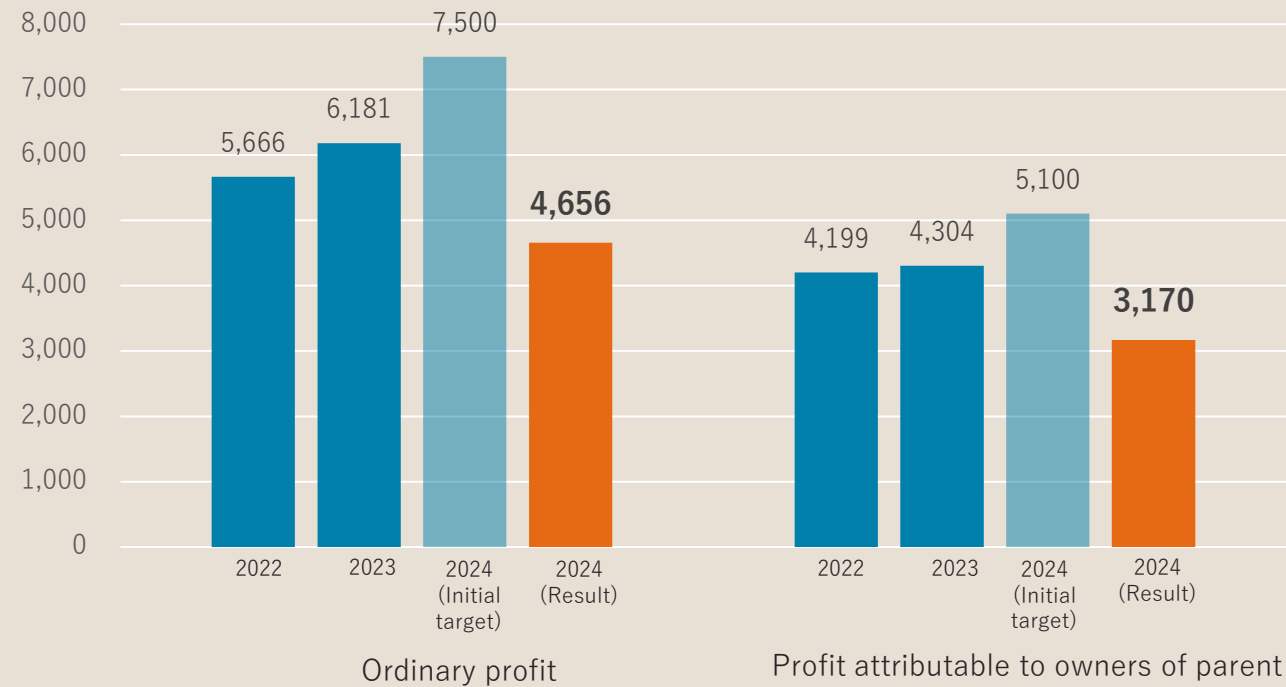
## —Performance targets—

Ordinary profit **¥4,656** million (62.1% achievement rate against the initial target)

Profit attributable to owners of parent  
**¥3,170** million (62.2% achievement rate against the initial target)

Fell short of performance targets

(Millions of yen)



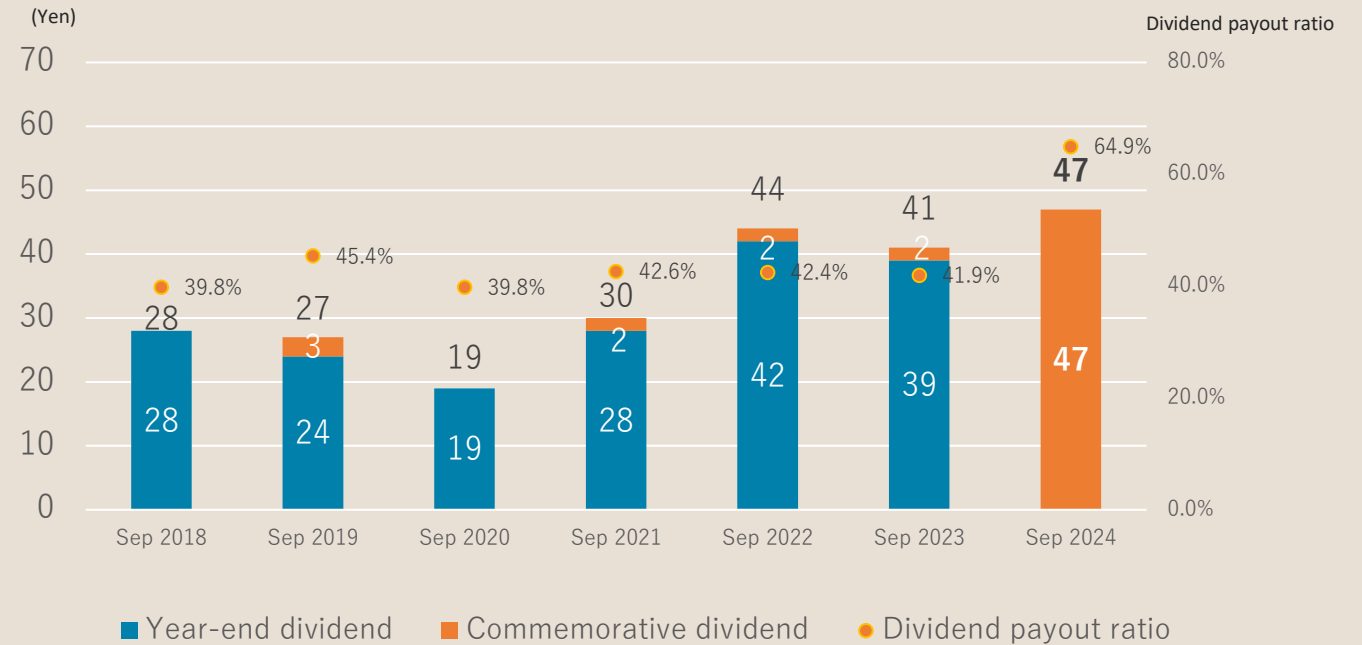
# Topics

—Dividend status and dividend policy—

**DOE\*** taken into account from FY2024

Set the 20th anniversary commemorative dividend at **¥47** per share.  
(Dividend payout ratio: 64.9%)

\*DOE: Dividend on equity ratio (%)  
Total dividends divided ÷ shareholders' equity



- Commemorative dividend of ¥3 distributed in FY2019 to commemorate the 15th anniversary of the Company's founding
- Record-high profit commemorative dividend of ¥2 distributed in FY2021, FY2022, and FY2023

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# 01. Operating Results & Financial Status

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# Operating Results

—Consolidated Statement of Income for  
FY2024—

**Higher revenue after proactive sales activities.**

**In the Sales Promotion Business, successfully reduced SG&A expenses and posted segment profit for the full-year as a result.**

(Millions of yen)	FY2023 (1)	FY2023 (2)	Change from 2023 (2)-(1)	Percentage change from 2023 ((2)-(1))/(1)
Net sales	43,503	46,880	3,377	7.8%
Real Estate Business	39,325	42,826	3,501	8.9%
Sales Promotion Business	4,177	4,053	-124	-3.0%
Selling, general and administrative expenses	2,472	2,475	3	0.1%
Operating profit	6,087	4,619	-1,468	-24.1%
Real Estate Business	6,867	5,417	-1,450	-21.1%
Sales Promotion Business	△ 16	20	36	—
Group-wide expenses, etc.	764	818	54	7.1%
<b>Ordinary profit</b>	<b>6,181</b>	<b>4,656</b>	<b>-1,525</b>	<b>-24.7%</b>
<b>Profit attributable to owners of parent</b>	<b>4,304</b>	<b>3,170</b>	<b>-1,134</b>	<b>-26.3%</b>
<b>Earnings per share (yen)</b>	<b>97.93</b>	<b>72.44</b>	<b>-25.49</b>	<b>-26.0%</b>

# Financial Status

## —Consolidated Balance Sheet—

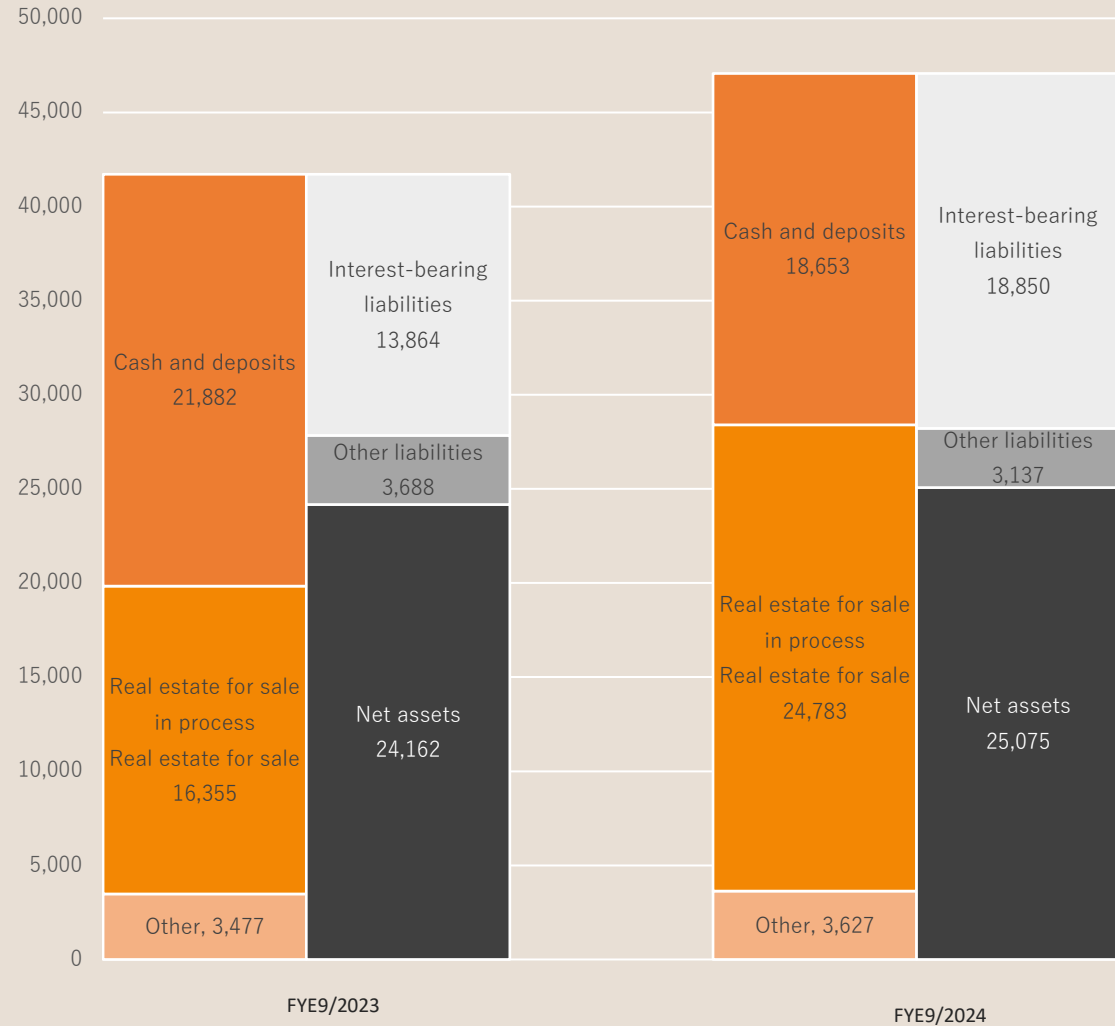
**Promoting the purchase of large-scale, high-quality real estate.**

**The balance of real estate has increased by about 1.5 times.**

**Solid capital-to-assets ratio of 52.5%.**

**(Average for the real estate industry: 30%)**

(Millions of yen)





# Financial Status

## —Cash Flow—

Actively utilized own funds to carry out agile property purchases

Favorable borrowing environment from financial institutions



## 02 Real Estate Business

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# Real Estate Business

—Segment Sales & Profit—

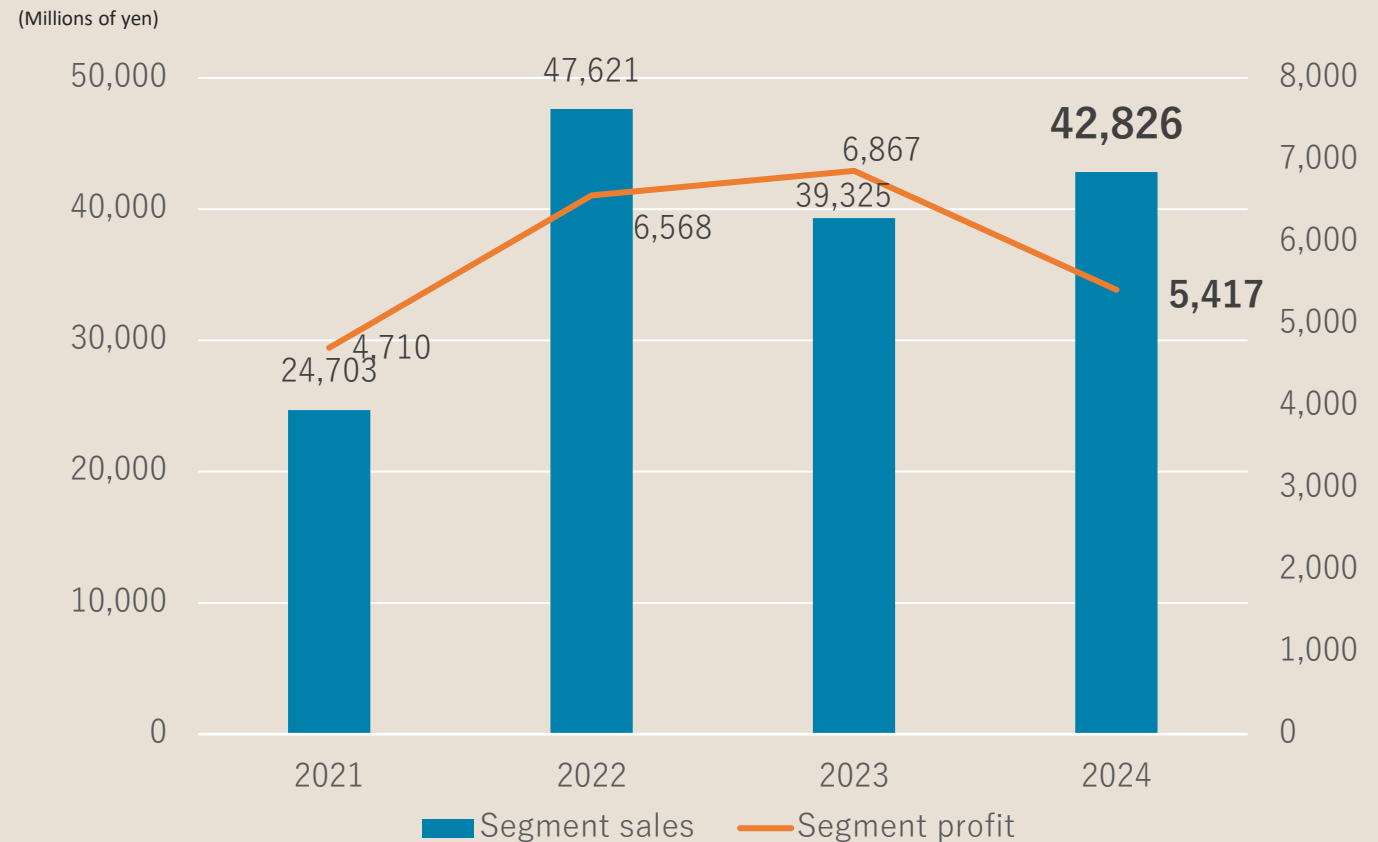
## Segment sales

¥**42,826** million

(up **8.9%** YoY)

Segment profit ¥**5,417** million

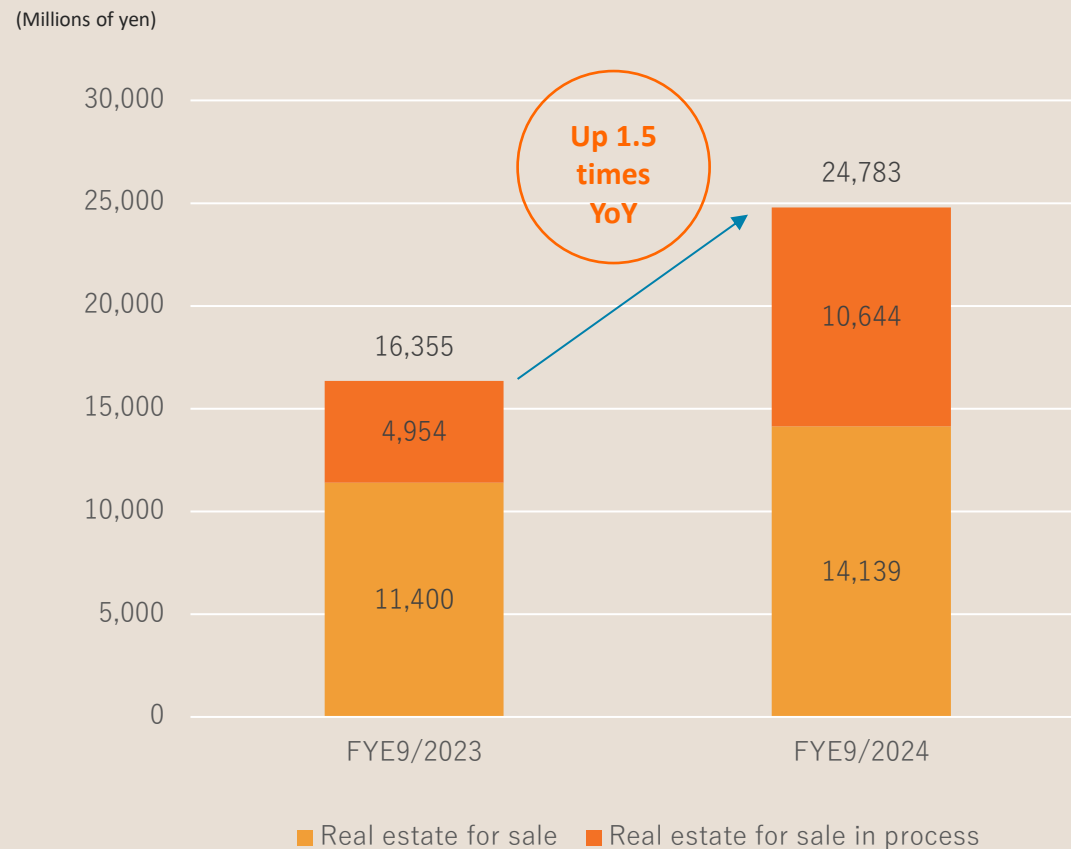
(down **21.1%** YoY)



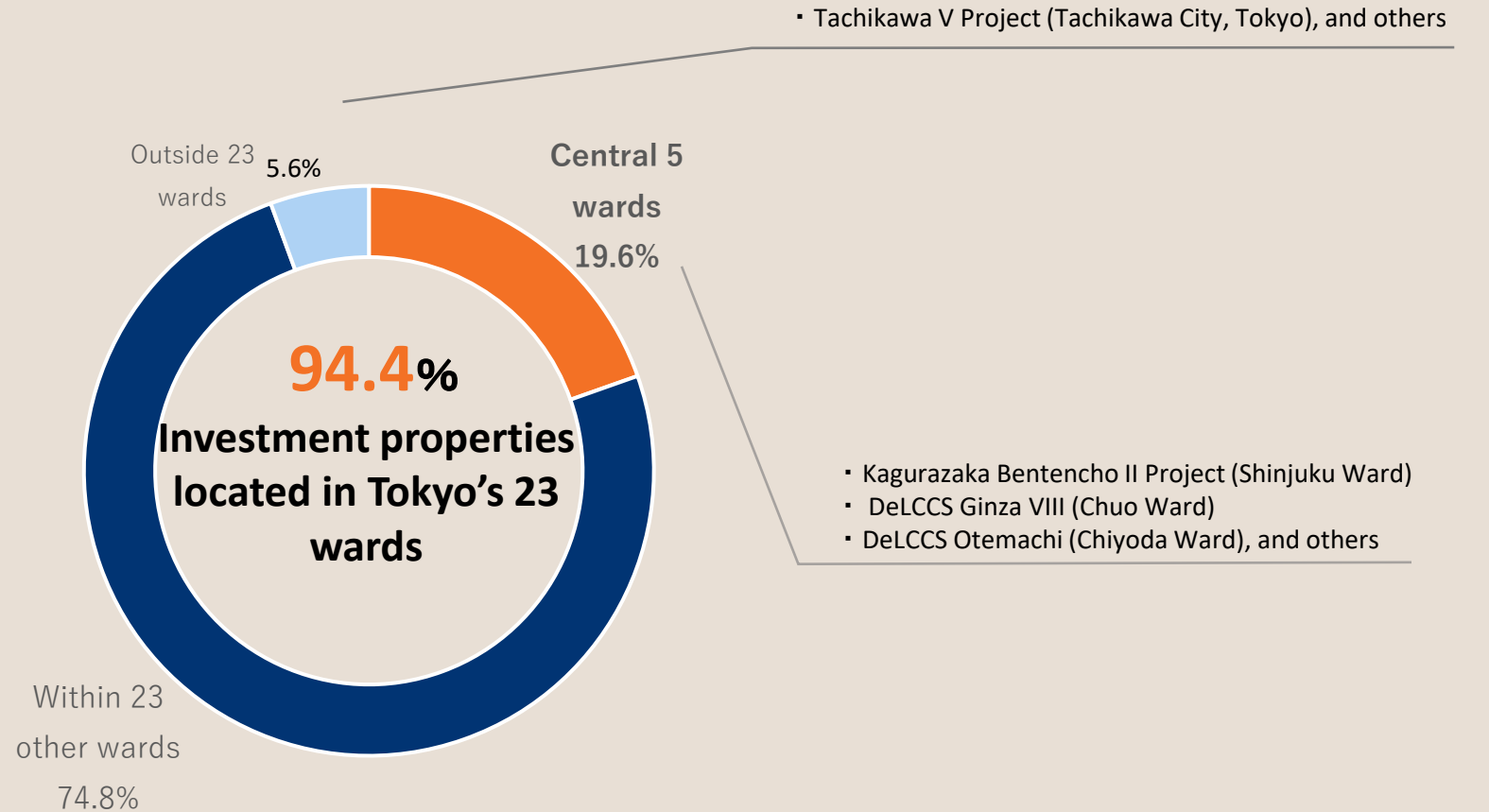
# Real Estate Business

—Purchasing Activities—

Inventory balance  
¥**24,783** million  
(up **51.5%** YoY)

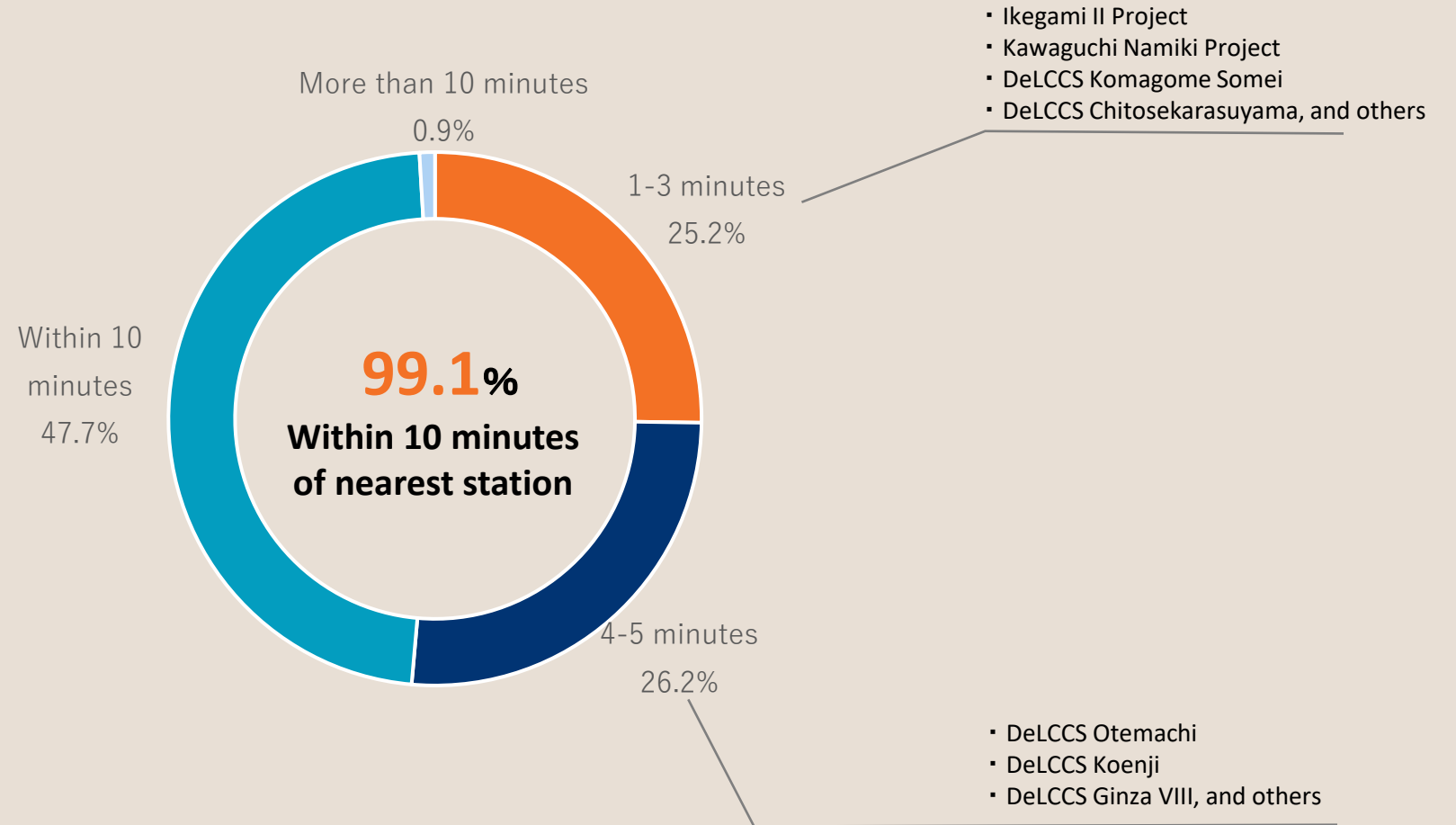


Continued investment in **23 wards** where demand is strong



\* Central 5 wards: Chiyoda, Chuo, Minato, Shibuya, and Shinjuku wards

Carefully selected investments in real estate located **within 10 minute-walk of nearest station** favored by singles and DINKs



# Real Estate Business

—Purchasing activities (volume)—

Portfolio set to be the **largest ever** with the goal to achieve Breakthrough 2025.

Actively promote purchasing and selling activities to achieve ordinary profit of **¥10 billion**.



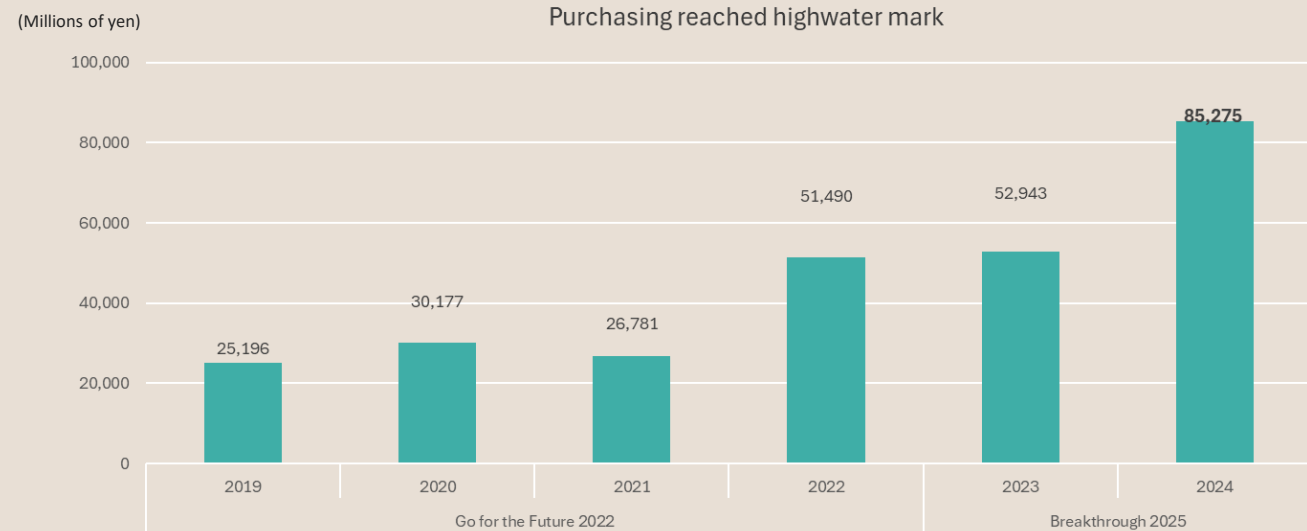
DeLCCS Otemachi



DeLCCS GINZA VIII



DeLCCS Yoga II



Notes: 1. Aggregated portfolio of projects acquired and settled in the Real Estate Business during the quarter

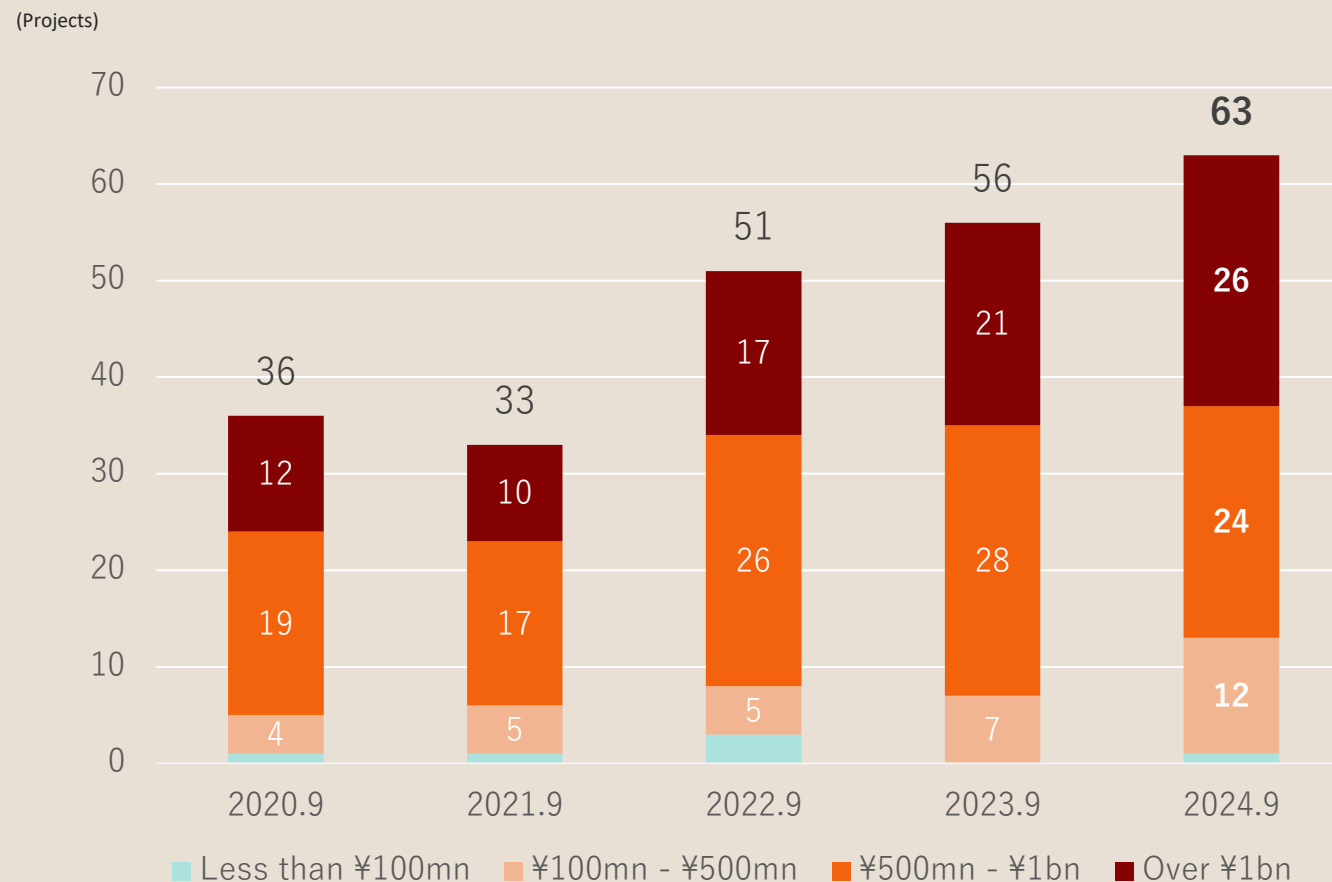
2. The property portfolio is the total amount invested at the time of acquiring real estate. The above property portfolio figures are comprised of the total invested in development projects and income-producing properties in the Real Estate Business.

## Real Estate Business

—Purchasing activities (number of properties)—

**Large-scale projects valued at more than ¥1 billion increased steadily.**

**Both the number and scale of projects are increasing.**



Notes 1: The property portfolio is the total amount invested at the time of acquiring real estate.

2: Aggregated portfolio of projects acquired and settled in the Real Estate Business during the fiscal year. The above property portfolio figures are comprised of the total invested in development projects and income-producing properties in the Real Estate Business.



## Entry into the hotel business

Acquired and now operates a resort hotel in Onjuku Town, a popular destination for swimming in the summer and surfing in the winter.

Also acquired land for hotel construction in Hebara, Katsuura City.

Two hotel projects underway



# Real Estate Business

## —Purchasing Activities—

Plan to operate the hotel over the medium to long term after **large-scale renovation** and **rebranding**.



Overview of Sayan Terrace Hotel & Resort

<b>Location</b>	Hama, Onjuku Town, Isumi District, Chiba Prefecture
<b>Access</b>	10-minute walk from Onjuku Station on the JR Sotobo Line
<b>Floor area</b>	2,794.39m <sup>2</sup> (approx. 845.30 <i>tsubo</i> )
<b>Structure/Size</b>	Reinforced concrete, 6 floors with 1 basement floor, and total number of rooms: 30

# Real Estate Business

—Main Properties under Development—

## Development projects

**28** projects underway

### Otorii III Project

Urban residential project with **113** units

7-minute walk from **Otorii** Station of Keikyu Airport Line  
Direct access to **Haneda Airport**, **Shinagawa** and **Sengakuji**

### Ikegami II Project

Total number of units: **29**  
Planning for mixed use commercial and residential building

3-minute walk from **Ikegami** Station of Tokyu Ikegami Line.  
Direct access to **Gotanda** and **Kamata**

### Shibuya Kamiyamacho Project

Total number of units: **4**  
Planning for two commercial and two residential

9-minute walk from **Shibuya** Station of JR Yamanote Line and other lines  
Planning a mixed use commercial and residential building in the popular “Ura Shibu” area

## Real Estate Business

—Main Income-Producing  
Properties under Development—

Income-producing properties

**27** projects underway

DeLCCS Ginza VIII Project

22 residential units and 2 commercial

4-minute walk from **Shiodome** Station of Toei Oedo Line

5-minute walk from **Shimbashi** Station of Tokyo Metro Ginza Line

Direct access to **Shimbashi**, **Toranomon**, **Roppongi**, and **Nihombashi**

DeLCCS Otemachi Project

**30** residential units

6-minute walk from **Otemachi** Station of Tokyo Metro Marunouchi Line and other lines

4-minute walk from **Kanda** Station of JR Yamanote Line and other lines

Walking distance to the office area around **Otemachi** Station and direct access to **Ikebukuro**, **Ueno**, **Shinjuku**, and **Shibuya**

DeLCCS Yoga II Project

**40** residential units

8-minute walk from **Yoga** Station of Tokyu Den-en-toshi Line

Direct access to **Shibuya**, **Sangen-jaya**, and **Futako-tamagawa**

# 03. Sales Promotion Business

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# Sales Promotion Business

—Segment Sales & Profit—

## Net sales

**Secured consistent sales every month**

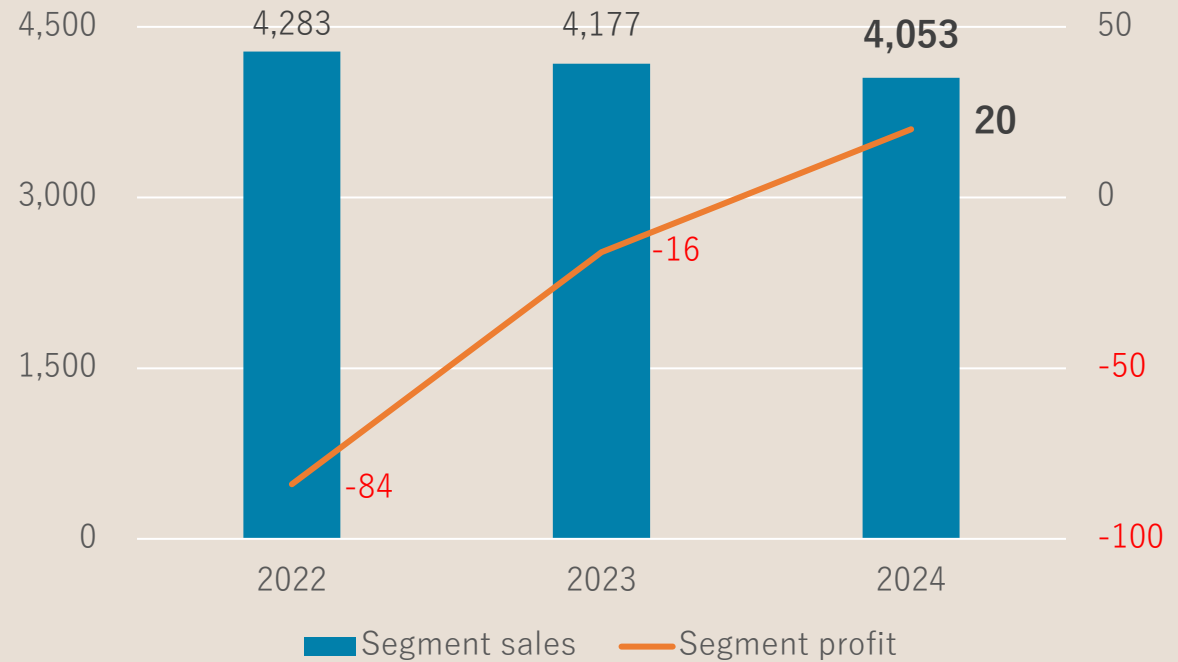
Incentives gained through performance beyond customer expectations.

## Segment profit

Successful reduction of SG&A expenses, including office relocation, helped achieve **profitability for the year**.

(Millions of yen)

(Millions of yen)



# 04. Measures to Achieve Breakthrough 2025

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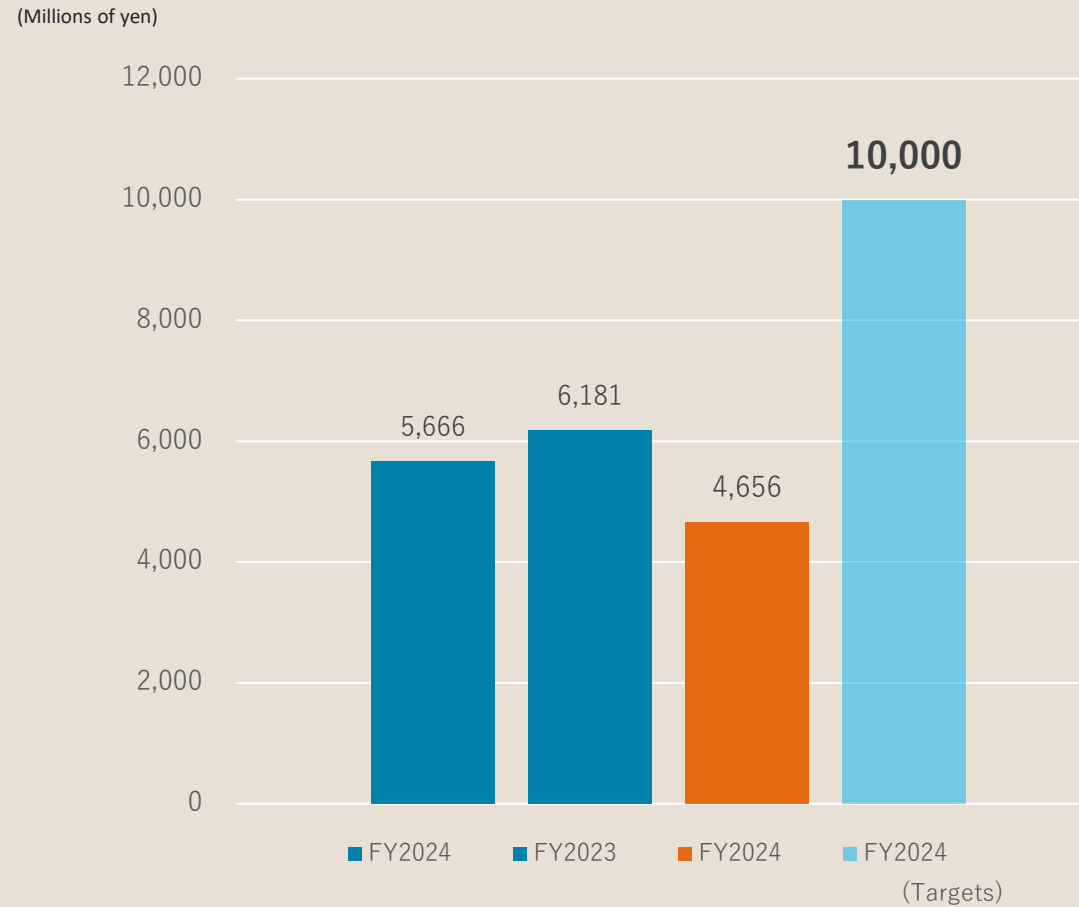
Overview of the Dear Life Group's Businesses

# Breakthrough 2025

—Performance targets for FY2025—

Ordinary profit target for the final year  
of Breakthrough 2025: **¥10 billion**  
(+14% YoY)

ROE: over 18% / ROA: 15% level





## Real Estate Business

—Measures to achieve  
Breakthrough 2025—

## Real Estate Business

# Key initiatives

- Purchases for FY2024 were on track and progress is also being made in purchasing prime inventory to achieve targets of FY2025.
- Promotes further measures to expand the scale and number of projects.
  - Developing the Asset Design & Resale (ADR) business by leveraging our planning capabilities
  - Focusing on purchasing projects in prime locations in central Tokyo and actively investing in commercial buildings, etc.

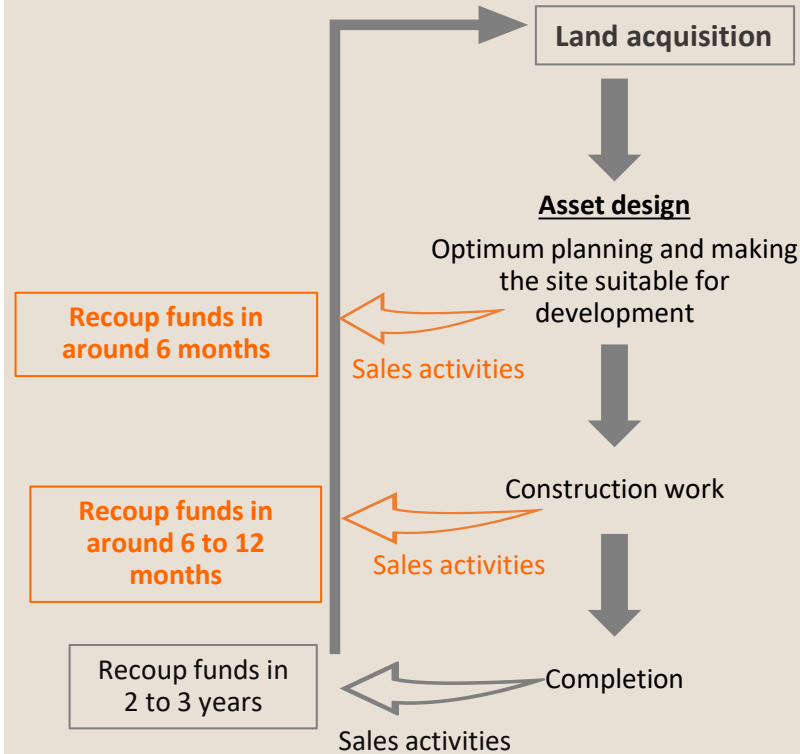
# Real Estate Business

—Measures to achieve  
Breakthrough 2025—

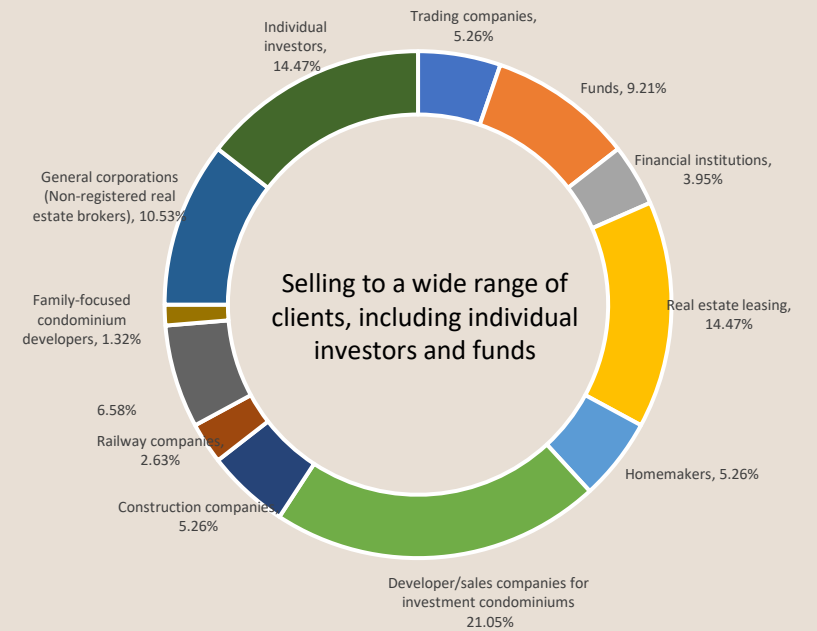
Engaging in ADR business\* by leveraging  
our planning capabilities

Efficient use of capital

Engaging in ADR Business  
Accelerated recouping of funds and reinvestment  
→: Funds collection cycle



Attribution of property buyers (FY2024)



\* Asset Design & Resale Business: Develops real estate for resale. It carries out any necessary demolition work, soil contamination surveys, settling of property rights, and obtains all the necessary permits and licenses, developing the site ready to be sold on.

# Real Estate Business

—Measures to achieve  
Breakthrough 2025—

## Focus on projects in prime locations in central Tokyo

While focusing on Chiyoda and  
Shinjuku wards, also expand to  
commercial buildings in Shibuya and  
Minato wards.



### Chiyoda Ward/Shinjuku Ward

Areas with good dining out, work, and living environments.

### Shibuya Ward/Minato Ward

Expanding to commercial buildings in Omotesando and Aoyama areas

# Sales Promotion Business

—Measures to achieve  
Breakthrough 2025—



ARCIEL

## Key initiatives

### ➤ Started new business by utilizing internal resources.

- Utilizing recruiting know-how, we have launched a new Recruitment Process Outsourcing (RPO) business that handles everything from the planning of corporate recruiting to interviews on behalf of clients.

### ➤ Steady securing of human resources and their retention

- Hiring a wide range of talent in response to workstyle diversification.
- Expanding training and follow-up systems for employees and enhancing communication to improve employee engagement.

### ➤ Promotion of more integrated management and strengthening of governance

- Utilize human resources flexibly to reduce personnel without work assignments & meet demand
- Build a robust management foundation by improving the efficiency of administrative departments, promoting cost reductions, and strengthening governance

# 05. Shareholder Returns Policy

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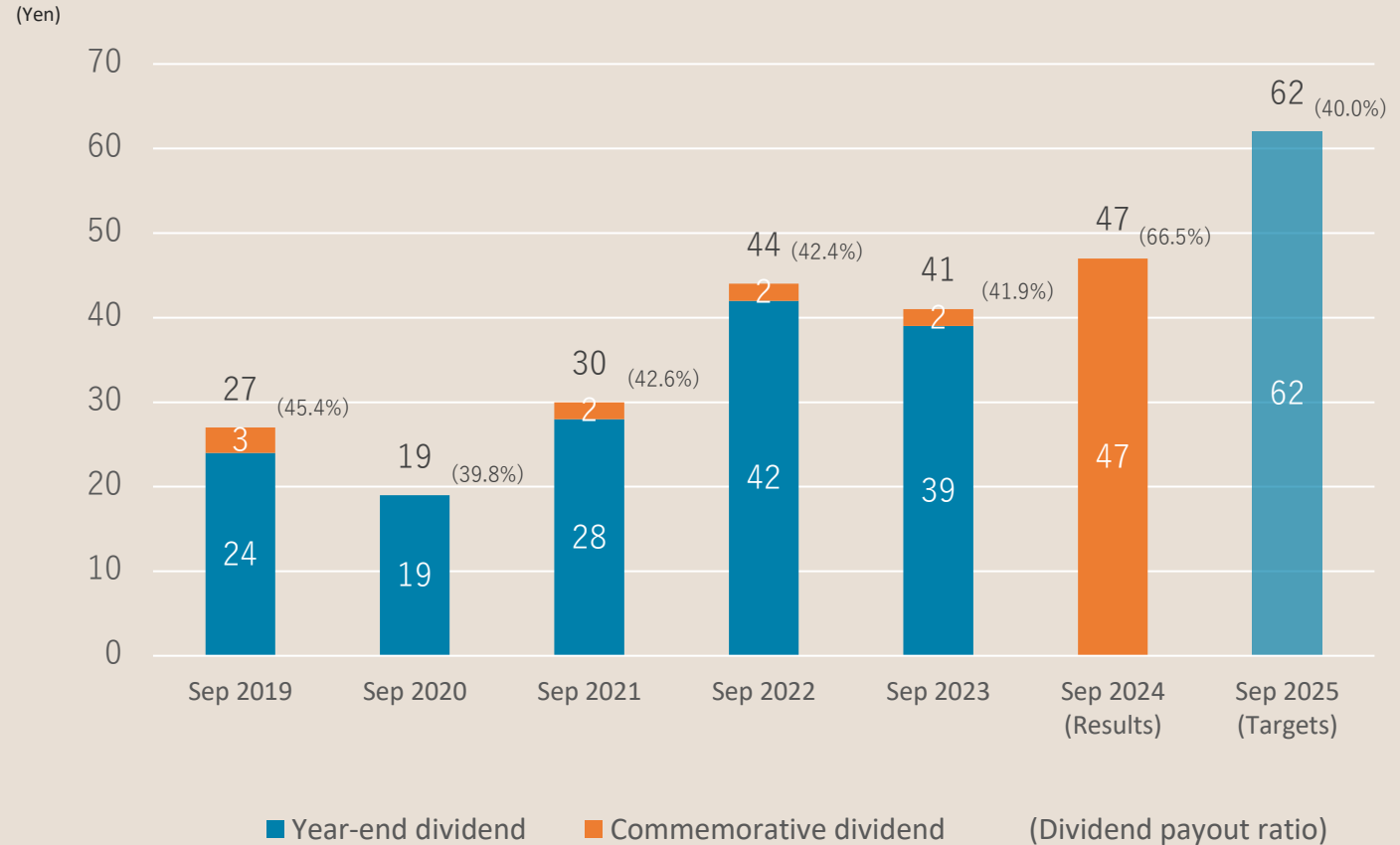
# Shareholder Returns Policy

—Dividend targets and past implementation—

Aim for stable dividends from FY2024 onward, taking into account **DOE\***.

Target of **¥62** per share for fiscal 2025 dividend

\*DOE: Dividend on equity ratio (%)  
 Total dividends divided ÷ shareholders' equity



- Record-high profit commemorative dividend of ¥2 distributed in FY2021, FY2022, and FY2023
- Commemorative dividend of ¥3 distributed in FY2019 to commemorate the 15th anniversary of the Company's founding

# Shareholder Returns Policy

## —Purchase of treasury shares—

### Executed two share buybacks in FY2024

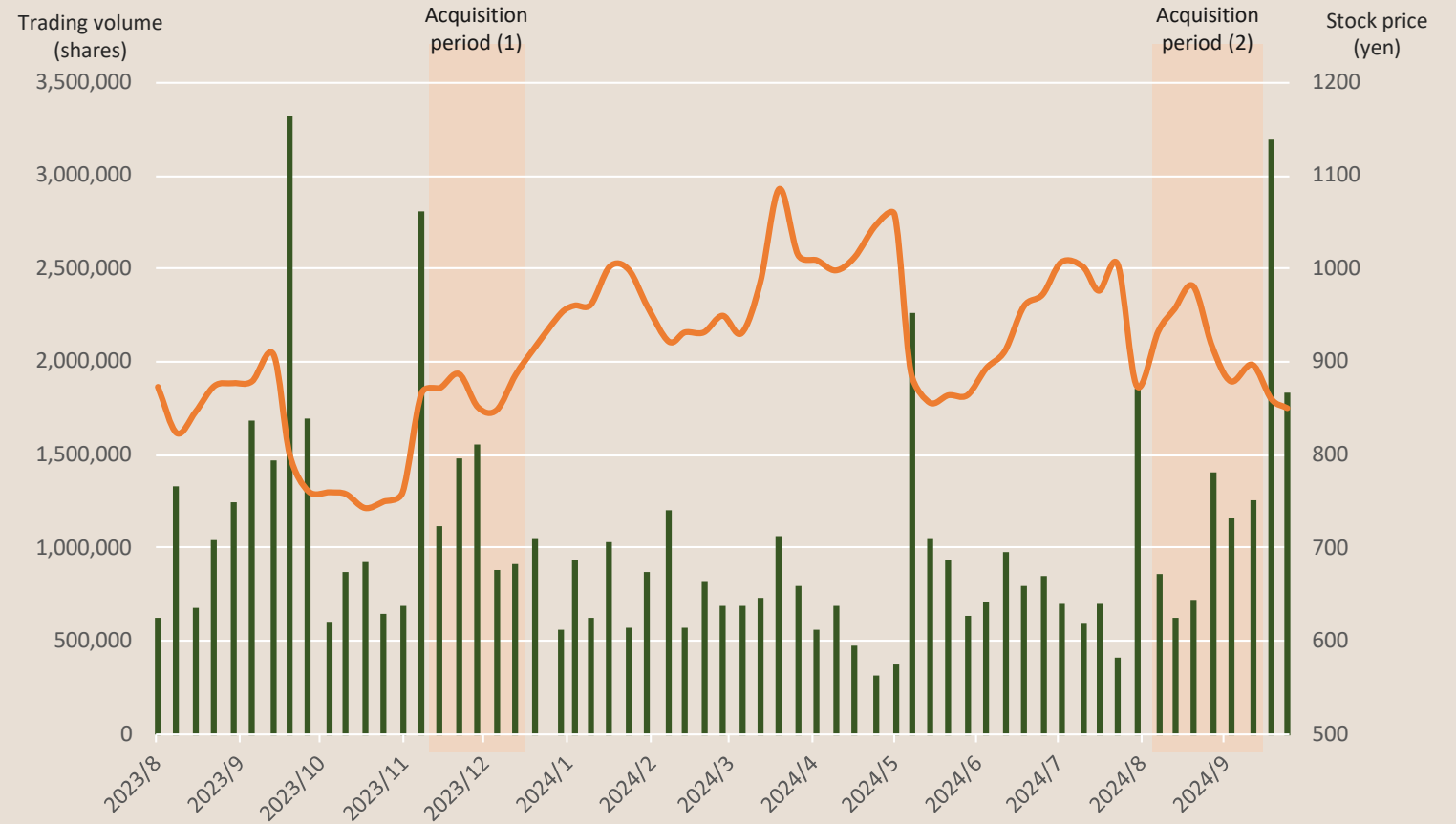
Acquisition period: (1) Nov. 15 to Dec. 15, 2023  
 (2) Aug. 13 - Sept. 20, 2024

Amount: Total of approx. ¥600 million

Number of shares: Total of 667,600 shares

Acquisition method: Market purchase based on discretionary transaction agreement for share buyback

Implemented the program flexibly while taking into account trends in the stock market and stock price, aiming to improve capital efficiency.



\* Created by aggregating the Company's stock price and trading volume on a weekly basis.

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# Appendix

## —Consolidated Income Statement—

**Revenue increased with the higher number of projects but profit decreased as the booking of projects was delayed to next fiscal year, amid other factors**

**Progress in reducing SG&A expenses in the Sales Promotion Business**

	FY2023	FY2024	Change from FY2023	Percentage change from FY2023
(Millions of yen)	(1)	(2)	(2)-(1)	{(2)-(1)}/(1)
<b>Net sales</b>	<b>43,503</b>	<b>46,880</b>	<b>3,377</b>	<b>7.8%</b>
Real Estate Business	39,325	42,826	3,501	8.9%
Sales Promotion Business	4,177	4,053	-124	-3.0%
Selling, general and administrative expenses	2,472	2,475	3	0.1%
<b>Operating profit</b>	<b>6,087</b>	<b>4,619</b>	<b>-1,468</b>	<b>-24.1%</b>
Non-operating income	269	259	-10	-3.7%
Non-operating expenses	175	222	47	26.9%
<b>Ordinary profit</b>	<b>6,181</b>	<b>4,656</b>	<b>-1,525</b>	<b>-24.7%</b>
Extraordinary gain	14	8	-6	-42.9%
Extraordinary loss	35	11	-24	-68.6%
<b>Profit attributable to owners of parent</b>	<b>4,304</b>	<b>3,170</b>	<b>-1,134</b>	<b>-26.3%</b>

## Appendix

### —Consolidated Balance Sheet—

Capital-to-assets ratio **52.5%**

D/E ratio **0.76** (times)

(Millions of yen)	FYE9/2023	FYE9/2024	Component ratio at end of FY2024	Change compared to end of FY2023
<b>Current assets</b>	39,504	<b>44,914</b>	95.4%	13.7%
Cash and deposits	21,882	<b>18,653</b>	39.6%	-14.8%
Real estate for sale in process	4,954	<b>10,644</b>	22.6%	114.9%
Real estate for sale	11,400	<b>14,139</b>	30.0%	24.0%
<b>Non-current assets</b>	2,209	<b>2,148</b>	4.6%	-2.8%
<b>Total assets</b>	41,714	<b>47,063</b>	100.0%	12.8%
<b>Current liabilities</b>	4,998	<b>6,463</b>	13.7%	29.3%
(of which, interest-bearing liabilities)	1,494	<b>3,611</b>	7.7%	141.7%
<b>Non-current liabilities</b>	12,553	<b>15,524</b>	33.0%	23.7%
(of which, interest-bearing liabilities)	12,370	<b>15,239</b>	32.4%	23.2%
<b>Net assets</b>	24,162	<b>25,075</b>	53.3%	3.8%
Capital	4,125	<b>4,125</b>	8.8%	0.0%
Capital surplus	4,911	<b>4,941</b>	10.5%	0.6%
Retained earnings	15,118	<b>16,484</b>	35.0%	9.0%
Treasury shares	(375)	<b>(923)</b>	-2.0%	146.1%
<b>Total liabilities and net assets</b>	41,714	<b>47,063</b>	100.0%	12.8%

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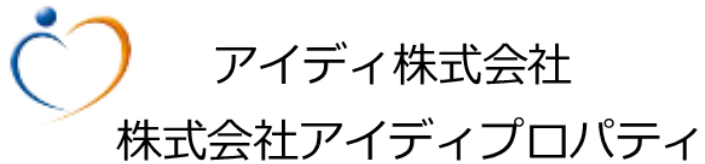
Overview of the Dear Life Group's Businesses

## Overview of the Dear Life Group's Businesses



Development and sale of real estate mainly in Tokyo  
Development of urban residences and commercial buildings  
Also began owning and operating hotels

## Overview of the Dear Life Group's Businesses



Wide rollout of development of residences, apartments, and detached houses, design and construction, rental and sales brokerage, and management business mainly in Shinagawa and Ota wards

## Overview of the Dear Life Group's Businesses



Dispatches outbound-style call center staff to the finance/insurance sector, and sales/admin staff to the real estate industry

## Overview of the Dear Life Group's Businesses



(Equity-method affiliate: 3461 TSE Growth Market)

Provides business process outsourcing (BPO) services for the self-storage market

Develops self-storage properties, etc.



## Contact details for inquiries regarding this presentation

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