

Loadstar Capital K.K. Consolidated Financial Results for the Three-Month Period Ended March 31, 2025 (Japanese GAAP)

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(Amounts rounded down to the nearest million yen)

1. Consolidated Financial Results for the Three-Month Period Ended March 31, 2025 (January 1, 2025 to March 31, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of the parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Three-month period ended March 31, 2025	11,052	35.3	5,550	110.1	5,341	115.7	3,584	125.7
Three-month period ended March 31, 2024	8,168	94.8	2,641	145.0	2,476	182.6	1,588	202.3

Note: Comprehensive income: Three-month period ended March 31, 2025: 3,565 million yen, 124.4%
Three-month period ended March 31, 2024: 1,588 million yen, 202.3%

	Earnings per share	Diluted earnings per share
	yen	yen
Three-month period ended March 31, 2025	216.48	212.31
Three-month period ended March 31, 2024	96.53	95.24

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio
	million yen	million yen	%
As of March 31, 2025	118,947	28,106	23.1
As of December 31, 2024	107,403	25,642	23.4

Reference: Total equity: As of March 31, 2025: 27,504 million yen,
As of December 31, 2024: 25,086 million yen,

2. Dividends

	Dividend per share				
	End-Q1	End-Q2	End-Q3	Year-end	Total
	yen	yen	yen	yen	yen
FY2024	-	0.00	-	70.00	70.00
FY2025	-	-	-	-	-
FY2025 (forecast)	-	0.00	-	83.00	83.00

Note: Revisions from the latest release of dividend forecasts: None

3. Forecast for the FY2025 (January 1, 2025 to December 31, 2025)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of the parent		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	47,926	39.2	13,221	15.5	11,635	8.7	7,642	11.2	461.53

Note: Revisions from the latest release of forecasts: None

***Notes**

- (1) Significant changes in scope of consolidation during the period: None
- (2) Adoption of special accounting methods and special accounting practices to preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policy, changes in accounting estimates, and retrospective restatement
- 1) Changes in accordance with revisions to accounting and other standards: None
 - 2) Changes other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None

(4) Number of shares issued (common stock)

	As of March 31, 2025	As of December 31, 2024
1) Number of shares issued (including treasury shares)	21,444,000	21,444,000
2) Number of shares held in treasury	4,893,101	4,884,101
	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
3) Average number of shares outstanding during the period	16,559,943	16,455,126

*Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None.

***Appropriate Use of Forecasts and Other Important Information**

The above forecasts, which constitute forward-looking statements, are based on information available to the Company as of the date of the release of this document. Loadstar Capital makes no assurances as to the actual results, which may differ materially from the above forecasts due to a range of factors. For information related to the forecast, please refer to page 3 of "1. Results of Operations (3) Forecasts on operating performance".

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"Loadstar" means Loadstar Capital K.K.

"Loadstar Group" means Loadstar Capital K.K. and its subsidiaries.

"Loadstar Subsidiary" means Loadstar Capital K.K.'s subsidiary only.

1. Results of Operations

(1) Overview of operating performance

Overview of operating performance

For the first quarter ended March 31, 2025, net sales reached 11,052 million yen (up 35.3% year on year), and operating profit totaled 5,550 million yen (up 110.1% year on year), as a result of steady real estate market. Further, ordinary profit stood at 5,341 million yen (up 115.7% year on year) mainly due to a valuation gain of 169 million yen on interest rate swap contracts entered into in preparation for a possible interest rate hike, and interest expenses of 276 million yen. Net income attributable to owners of the parent amounted to 3,584 million yen (up 125.7% year on year).

Since Loadstar Group has one reportable segment, information by reportable segment is omitted here. Instead, information by business segment is presented.

Net sales by key business segment

Business Segment	Q1 FY2024	Q1 FY2025	Change YoY
	Amount (millions of yen)	Amount (millions of yen)	Change (%)
Corporate Funding Business			
Real Estate Investment	6,860	8,800	28.3
Real Estate Leasing	598	756	26.4
Hotel Operation	—	1,147	—
Asset Management Business	536	170	(68.2)
Crowdfunding Business	165	176	6.6
Other Business	8	2	(66.4)
Total	8,168	11,052	35.3

Corporate Funding Business

1) Real estate investment

Real estate investment sales totaled 8,800 million yen (Up 28.3% year on year) due to the sale of one hotel property in Tokyo.

2) Real estate leasing

Loadstar sold the above one property. Loadstar acquired three new properties, including office buildings in Tokyo.

As a result, real estate leasing sales totaled 756 million yen (up 26.4% year on year).

3) Hotel Operation

Hotel operation revenue progressed largely in line with the budget. As a result, it amounted to 1,147 million yen.

Asset Management Business

Asset Management Business sales amounted to 170 million yen (a 68.2% decrease), as a result of managing mandated assets and partially selling some assets. Although there was a decrease of sales compared to the same period last year which saw a disposition fee associated with the sale of mandated assets, the amount of asset under management (AUM) as of the end of the first quarter of the current fiscal year exceeded 130 billion yen, significantly surpassing the 90 billion yen at the end of the same period last year, which is leading to stable revenues.

Crowdfunding Business

During the period, we executed loans totaling 2,961 million yen (a decrease of 31.7% compared to the same period last year), while redemptions totaled 2,037 million yen. As a result, the balance of operating loans related to the crowdfunding business reached a record high of 10,705 million yen (an increase of 9.4% compared to the end of the first quarter of the previous consolidated fiscal year), and sales from the crowdfunding business amounted to 176 million yen (an increase of 6.6 % year-on-year).

Overview of Real estate market

In the real estate and real estate finance industries, especially the B to B office real estate market, in which Loadstar Group operates, according to the latest office building market data released by Miki Shoji Co., Ltd. (as of March 2025), the vacancy rate for existing office buildings in Tokyo's five central wards (Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku and Shibuya-ku) was 3.39%. The average rent per tsubo was 20,474 yen. This indicates that the market is solid.

In the Tokyo office building transaction market, demand has been robust. This is mainly due to the fact that interest rates in Japan have remained lower compared to other countries, the spread between real estate cap rate and government bond yield has been and will continue to be wide, geopolitical risks are not as high as in other countries. Loadstar will continue to proceed with its business while keeping a close eye on the market conditions, such as potential interest hike by the Bank of Japan, and trade policy of the US.

In the hotel market, according to the Overnight Travel Statistics Survey published by the Japan Tourism Agency, the total number of overnight guests in Japan in 2025 is at the record high since the survey began, in all months through February, which is the latest data currently available. This indicates that the hotel market is booming.

(2) Overview of Financial Position

(Assets)

As of March 31, 2025, total assets were 118,947 million yen (up 10.7 % compared with the same period-end of the previous fiscal year). This was mainly due to the acquisition of real estate as inventory.

(Liabilities)

As of March 31, 2025, total liabilities were 90,841 million yen (up 11.1 % compared with the same period-end of the previous fiscal year). This was mainly due to an increase in borrowings related to the acquisition of real estate as inventory.

(Net Assets)

As of March 31, 2025, net assets were 28,106 million yen (up 9.6 % compared with the same period-end of the previous fiscal year). This was mainly due to an increase in retained earnings from net income attributable to owners of the parent and a decline in retained earnings due to the payment of dividends.

(3) Forecasts on operating performance

Consolidated operating performance in the Three-month period ended March 31, 2025, was generally in line with the original plan. Therefore, we have not revised our previous forecast for the full year.

2. Consolidated Financial Statements and Notes

(1) Consolidated Financial Position

(Millions of yen)

	As of December 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	12,653	14,044
Operating loans	9,781	10,705
Real estate as inventory	81,527	91,953
Other	1,970	649
Total current assets	105,933	117,352
Non-current assets		
Property, plant and equipment	112	106
Intangible assets	41	40
Investments and other assets	1,316	1,447
Total non-current assets	1,470	1,595
Total assets	107,403	118,947
Liabilities		
Current liabilities		
Short-term borrowings	1,735	1,790
Current portion of long-term borrowings	8,565	6,364
Income taxes payable	2,355	1,714
Provision for bonuses	-	63
Deposits received	1,676	1,789
Other	2,152	1,566
Total current liabilities	16,485	13,289
Non-current liabilities		
Long-term borrowings	52,459	64,307
Deposits received from silent partnerships investors	11,494	11,493
Other	1,321	1,750
Total non-current liabilities	65,275	77,551
Total liabilities	81,761	90,841
Net assets		
Shareholders' equity		
Share capital	1,402	1,402
Capital surplus	1,670	1,676
Retained earnings	24,882	27,308
Treasury shares	(2,824)	(2,818)
Total shareholders' equity	25,131	27,569
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(44)	(64)
Total accumulated other comprehensive income	(44)	(64)
Share acquisition rights	555	601
Non-controlling interests	0	0
Total net assets	25,642	28,106
Total liabilities and net assets	107,403	118,947

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

(Millions of yen)

	Three-month period ended March 31, 2024	Three-month period ended March 31, 2025
Net sales	8,168	11,052
Cost of sales	5,138	4,933
Gross profit	3,029	6,119
Selling, general and administrative expenses	387	568
Operating profit	2,641	5,550
Non-operating income		
Gain on valuation of derivatives	55	169
Other	0	5
Total non-operating income	55	174
Non-operating expenses		
Interest expenses	129	276
Commission expenses	90	105
Other	0	1
Total non-operating expenses	220	383
Ordinary profit	2,476	5,341
Profit before dividend distribution from silent partnerships and income taxes	2,476	5,341
Dividends distribution from silent partnerships	137	120
Profit before income taxes	2,339	5,221
Income taxes - current	796	1,647
Income taxes - deferred	(45)	(11)
Total income taxes	750	1,636
Profit	1,588	3,585
Profit attributable to non-controlling interests	-	0
Profit attributable to owners of the parent	1,588	3,584

This is an abridged translation of the original Japanese document and is provided for informational purposes only.
If there are any discrepancies between this and the original, the original Japanese document prevails.

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three-month period ended March 31, 2024	Three-month period ended March 31, 2025
Profit	1,588	3,585
Other comprehensive income		
Valuation difference on available-for-sale securities	-	(19)
Total other comprehensive income	-	(19)
Comprehensive income	1,588	3,565
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	1,588	3,564
Comprehensive income attributable to non- controlling interests	-	0

(3) Notes to quarterly consolidated financial statements

(Segment and other information)

Segment information is omitted here as all operations of the Loadstar Group belong to a single segment of real estate related business.

(Note on significant change in shareholders' equity)

Not applicable

(Note on the going concern-assumption)

Not applicable

(Note on Consolidated Statements of Cash Flows)

For the Three-month period ended March 31, 2025, a quarterly consolidated statement of cash flows has not been prepared. Depreciation and amortization (including amortization of intangible assets excluding goodwill) for the Three-month period ended March 31, 2025 are as follows.

	Three-month period ended March 31, 2024	Three-month period ended March 31, 2025
Depreciation and amortization	174 million yen	357 million yen

(Material subsequent events)

Not applicable