

# Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2026

Note: This document has been translated from the Japanese original for reference purposes only.  
In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

November 10, 2025



証券コード: 7187

## Message from the President

### Sales and profit both hit record highs and exceeded the company plan

I am Tsuchi Nakashima, Representative Director and President. I would like to express our sincere appreciation for your continued support. I hereby would like to report our financial results for the second quarter of the fiscal year ending March 31, 2026.

In the second quarter of the fiscal year under review, both sales and profits exceeded the company plan as a result of strong performance in residential rent guarantees and business rent guarantees, our main businesses. This was driven by the success of our community-based services leveraging the largest branch network in the rent guarantee industry, as well as our effective sales strategy in the Tokyo metropolitan area. In addition, medical expense guarantees, the real-estate-related business, and the IT-related business, which we position as Businesses in Development, have also exceeded company plans and continued performing strongly.

As rising prices lead to higher rents and growing demand for rental housing create new opportunities to improve our business performance, we will continue to increase our market share in the Tokyo metropolitan area and steadily advance our branch expansion strategy across all 47 prefectures (currently operating in 39 prefectures). In addition, K-net Co., Ltd., which joined our Group in April 2025, will leverage its network throughout the Kinki area and its strength in whole-building guarantee services, while AIVS (an IT-related business) and AFB Co., Ltd. (a general advertising company) will also work to maximize synergies within the Group. In the medical expense guarantee business, we will strengthen sales activities utilizing our nationwide branch network to achieve growth in a high-potential market.

Going forward, we will continue to make every effort to return profits to our shareholders, aiming to further improve our business performance and enhance corporate value through various initiatives. I would sincerely like to request your continued support.



Representative Director and President

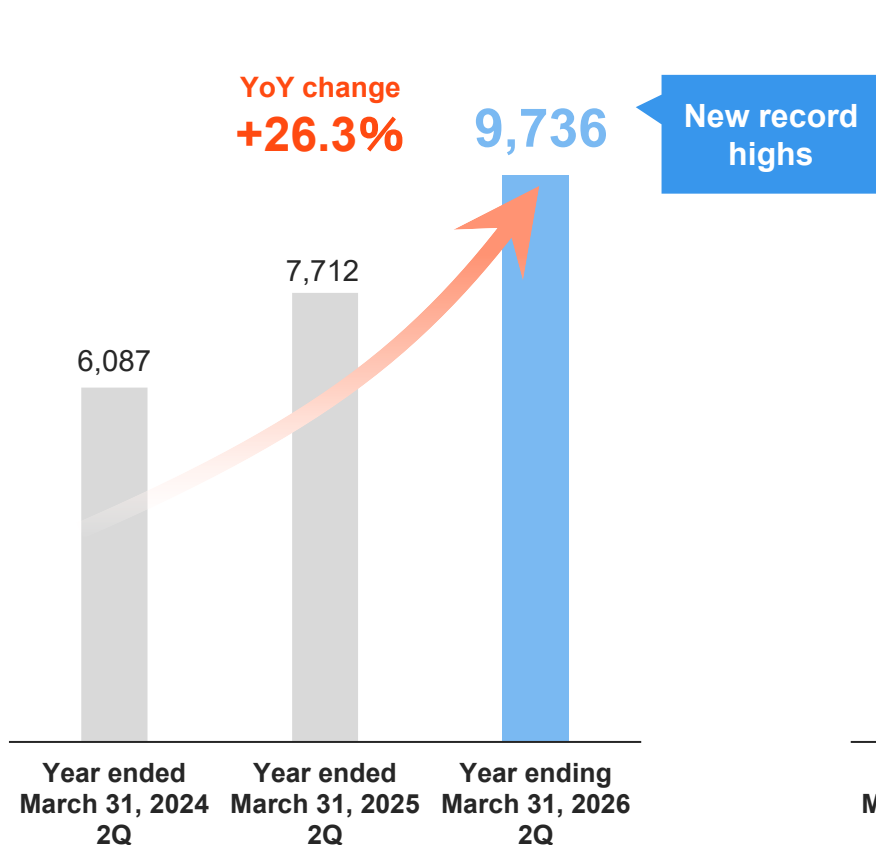
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# Financial Results for 2Q of the Fiscal Year Ending March 31, 2026

## Sales and profit both hit record highs and exceeded the company plan

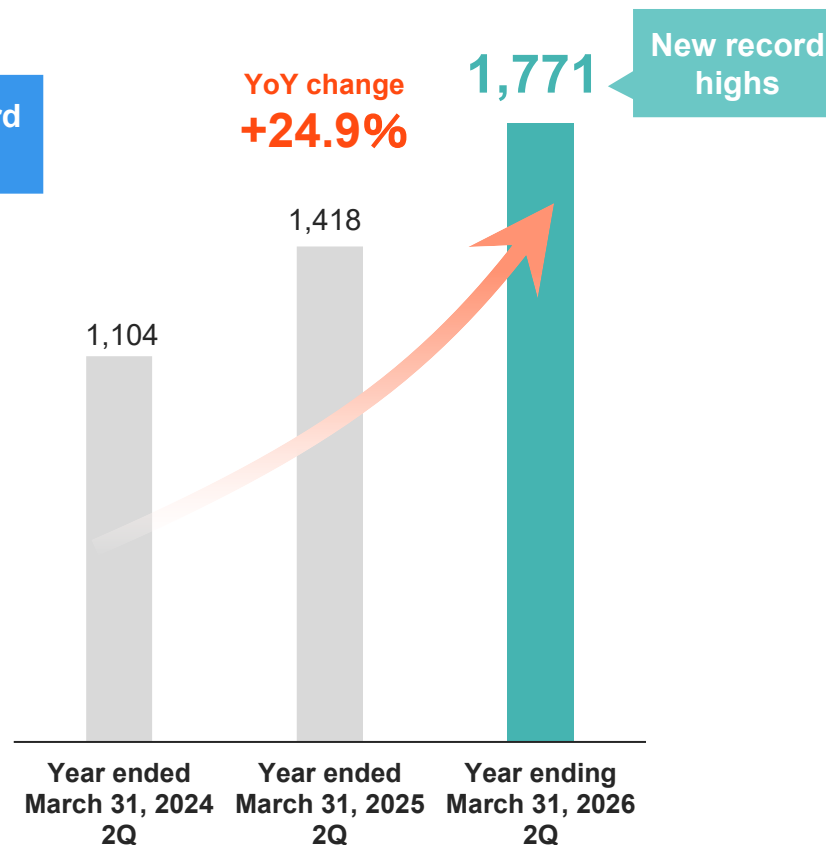
### Net sales

(Millions of yen)

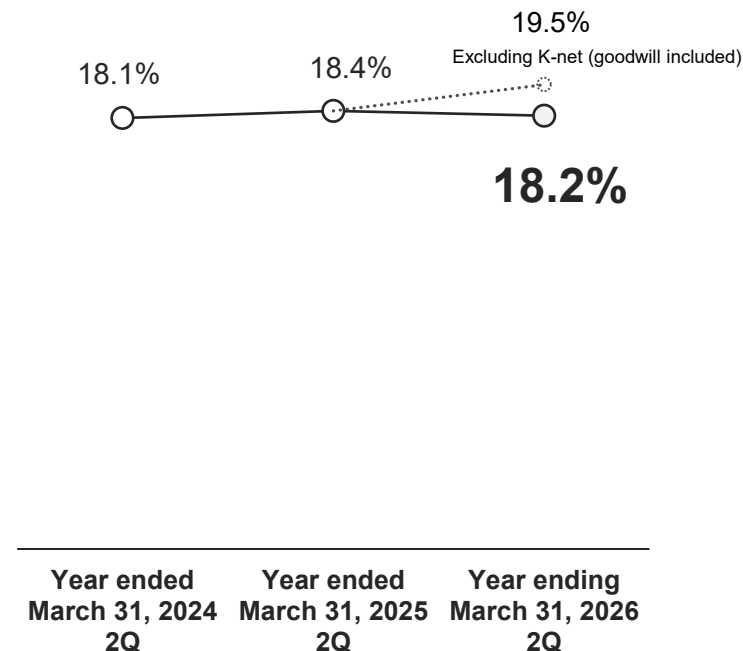


### Operating profit

(Millions of yen)



### Operating profit margin



For each item in second quarter of the fiscal year ended March 31, 2025, the figures reflect the retrospective application to the previous second quarter due to changes in presentation in the current second quarter following the establishment of J-Lease Football Club Co., Ltd. (spin-off), and the finalized accounting treatment for the previous second quarter (goodwill amortization amount), resulting from the completion of the provisional accounting related to the business combination at the end of the previous fiscal year accompanying the acquisition of subsidiary AIVS.

## Summary of Financial Results for 2Q of the Fiscal Year Ending March 31, 2026

### Sales, profit, and profit margin all exceeded the company plan

(Millions of yen)	Year ended March 31, 2025 2Q results*	Year ending March 31, 2026 2Q planned	Year ending March 31, 2026 2Q results	YoY change	Versus plan
Net sales	7,712	9,620	9,736	+26.3%	+1.2%
Operating profit	1,418	1,540	1,771	+24.9%	+15.0%
Operating profit margin	18.4%	16.0%	18.2%	-0.2pt	+2.2pt
Ordinary profit	1,405	1,520	1,741	+23.9%	+14.6%
Profit attributable to owners of parent	916	1,000	1,174	+28.2%	+17.5%

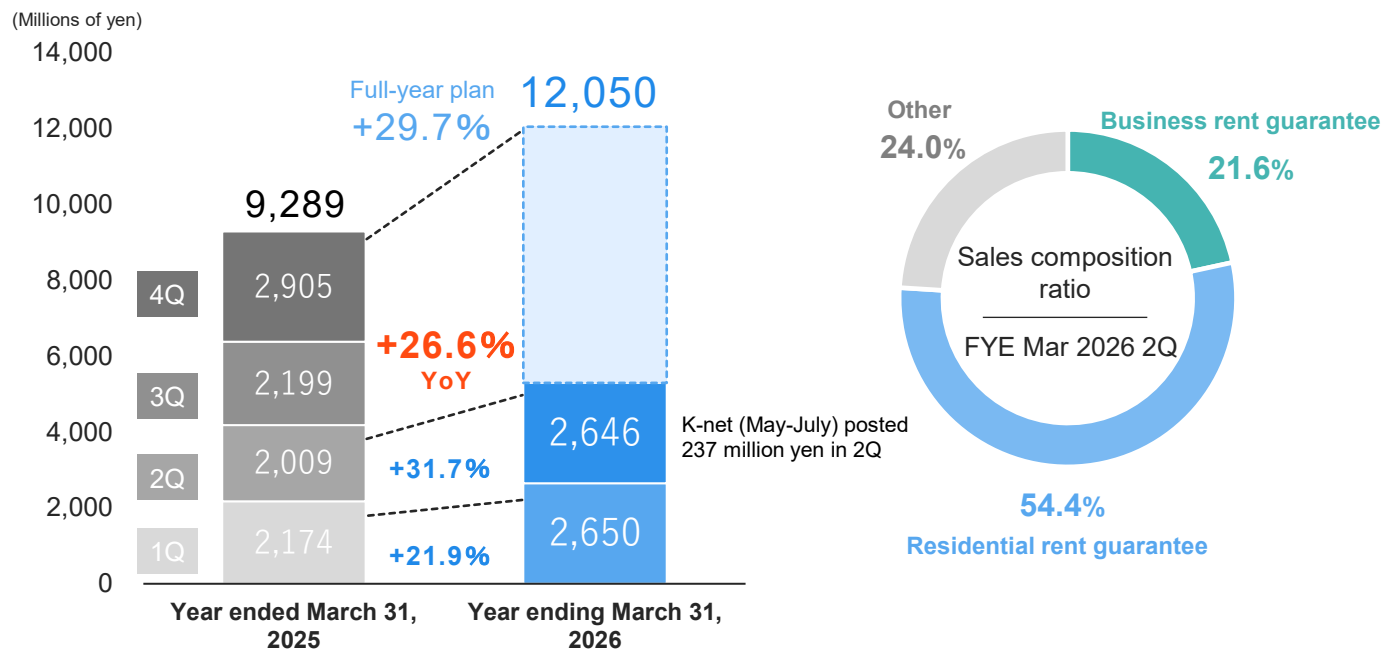
\* For items in "Year ended March 31, 2025 2Q results" above, the figures reflect the retrospective application to the previous second quarter due to changes in presentation in the current second quarter following the establishment of J-Lease Football Club Co., Ltd. (spin-off), and the finalized accounting treatment for the previous second quarter (goodwill amortization amount), resulting from the completion of the provisional accounting related to the business combination at the end of the previous fiscal year accompanying the acquisition of subsidiary AIVS.

- ▶ In addition to sales expansion, net sales were boosted by the contribution from K-net, which became a subsidiary in April 2025 (coverings sales from May to July 2025), and mainstay residential and business rent guarantees continued to perform well.
- ▶ As the fiscal year ends are different (October for K-net), the B/S reflects the amount as of the end of July, and the P/L reflects the period from May to July (see page 18 for details).
- ▶ All profits posted record highs and exceeded the company plan, absorbing higher bad debt-related expenses in line with an increase in the number of contracts and an increase in administrative fees (cost of sales) resulting from intensifying competition, that were offset by higher sales and cost control.
- ▶ Continuously promoted appropriate risk control and improvements in operational efficiency through credit screening and credit management operations, etc. utilizing AI.

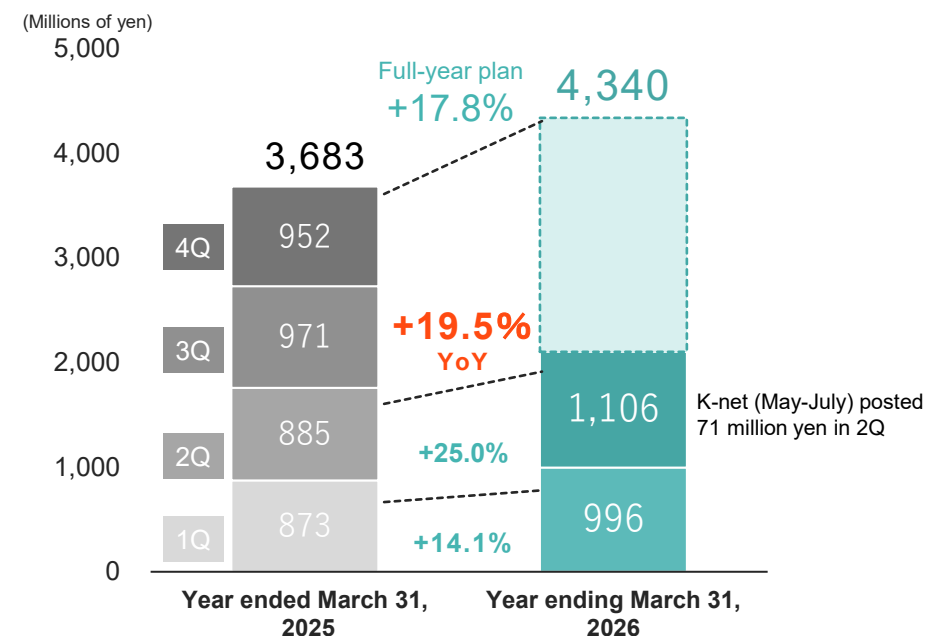
## Performance Status of Main Businesses

### Business remained strong, on track to achieve record-high full-year net sales

#### Residential rent guarantee



#### Business rent guarantee



#### Residential rent guarantee

##### Significant growth of +26.6% YoY, contributing also to increased sales at K-net

New transactions increased due to the success of various strategies, including the strengthening of human resources in the Tokyo metropolitan area, human resource development, and the formation of alliances  
Further solidified relationships with existing customers by responding to their detailed community-based needs and made progress in acquiring customers in areas where stores were opened

#### Business rent guarantee

##### Strong performance toward renewing the record-high full-year sales

Further focused on sales activities in the Tokyo metropolitan area, where the market is large, against a backdrop of risk avoidance among real estate owners and the growing use of business rent guarantees  
Contract unit prices also increased due to growth in high-value properties from approaches to large real estate companies

#### Other

Medical expense guarantees, IT-related business, and real-estate-related business remained strong, exceeding plans  
Subrogation fees and collection agency fees also increased in line with an increase in the number of contracts


# Main Businesses: Growth Strategy of Residential Rent Guarantee

## Significantly outperformed market growth rate

### Market environment

- Mature market with over 200 competitors but few new entrants (including credit card and consumer credit companies)
- Use of guarantees for leased residential properties is becoming common, and guarantee company utilization rates remain high
- Leveraging our own strengths (see right), we significantly outperformed the market growth rate of 3% and are performing well

(Condominiums, apartments, etc.)

	Year ended March 31, 2024 Results	Year ended March 31, 2025 Results	Year ending March 31, 2026 Plan
 Guarantee company utilization rate in the market	75%	76%	77%
Market sales size (Market growth rate)	224.0 billion yen (+4%)	230.0 billion yen (+3%)	236.0 billion yen (+3%)
Our Group's net sales (Growth rate)	7.7 billion yen (+19.6%)	9.2 billion yen (+19.3%)	12.0 billion yen (+29.7%)
			2Q results 5.2 billion yen (+26.6%)

### The Company's strengths in residential rent guarantee

- Listed on the Prime Market of the Tokyo Stock Exchange, with proven track record and high credibility accumulated over 22 years since our establishment
- No. 1 store network in the industry; attentive service through localization
- Continued development of marketing human resources with a high level of expertise and response capabilities
- High-precision credit screening that leverages AI analysis, and strong credit management capabilities through a customer-oriented approach
- Rich services created through co-creation with diverse alliance partners

See Page 11 for details.

### Residential rent guarantee strategies

- Further expansion of nationwide network by opening stores
- Expansion of sales in the Tokyo metropolitan area, where market share is currently small
- Sales synergy with subsidiary K-net (increase sales of the whole-building guarantee service and grow market share in the Kinki area)
- Engagement in marketing collaborations with partner companies and approaches to large real estate companies through teams of experts selected from across the country
- Cross-selling of residential and business rent guarantees

Note: "Guarantee company utilization rate in the market" (percentage of rental contracts that use guarantee contracts) and "Market sales size (Market growth rate)" are the Company's estimates.


# Main Businesses: Growth Strategy of Business Rent Guarantee

## Business rent guarantee market continues to expand

### Market environment

- Taking into consideration that the special demand for active move-ins and move-outs in the post-pandemic period has tailed off, the market growth rate is estimated to be approx. 10%.
- The utilization rate for business rent guarantees remains in the 20% range, which is still low compared with the utilization rate for residential rent guarantees (77%). Thus, **the market will continue to expand**.
- We have expanded the market base through expansion into various sizes and formats including large-scale facilities.

(Offices, stores, etc.)

	Year ended March 31, 2024 Results	Year ended March 31, 2025 Results	Year ending March 31, 2026 Plan
 <b>Guarantee company utilization rate in the market</b>	21%	23%	25%
<b>Market sales size</b> (Market growth rate)	31.0 billion yen (+14%)	35.0 billion yen (+14%)	38.5 billion yen (+10%)
<b>Our Group's net sales</b> (Growth rate)	3.2 billion yen (+23.9%)	3.6 billion yen (+14.4%)	4.3 billion yen (+17.8%)
			2Q results: 2.1 billion yen (+19.5%)

### Potential for expansion in the business rent guarantee market

- Small- and medium-sized offices, stores, restaurants, etc.  
→ Guarantee needs remain strong and use continues to expand
- Large offices and commercial facilities  
→ Began to be used by some customers and there is great potential for expansion

The current market size for business rent guarantees is estimated at **38.5 billion yen**; the market is expected to expand to approximately **120.0 billion yen** in the future

### Business rent guarantee strategies

- Expansion of whole-building guarantee service (K-net) to business properties
- Strategic allocation of human resources to the Tokyo metropolitan area, where needs are expanding
- Approaches to investment properties and large commercial/office complex facilities through engagement in marketing collaborations with partner companies
- Approaches to building owners, investment companies, and general contractors, etc.
- Cross-selling of residential and business rent guarantees

Note: "Guarantee company utilization rate in the market" (percentage of rental contracts that use guarantee contracts) and "Market sales size (Market growth rate)" are the Company's estimates.



## Indicators related to sales and subrogation remained strong

### Guarantee-related business (J-lease alone)

	Year ended March 31, 2025 2Q results	Year ending March 31, 2026 2Q results	YoY
<b>Number of real estate company agreements</b> (thousands)	27	<b>30</b>	+9.8%
<b>Number of applications</b> (thousands)	128	<b>141</b>	+10.6%
<b>Guaranteed monthly rent</b> (millions of yen)*	54,037	<b>63,300</b>	+17.1%
<b>Subrogation incidence rate</b>	6.2%	(Full-year plan 6.6%) <b>6.5%</b>	+0.3pt
<b>Subrogation recovery rate</b>	97.2%	(Full-year plan 96.8%) <b>97.4%</b>	+0.2pt
<b>Balance of advance subrogation payments</b> (millions of yen)	6,648	<b>7,860</b>	+18.2%
<b>Number of stores</b> (stores)	38	<b>No. 1 store network in the industry</b> <b>42</b>	+4 stores
<b>Number of prefectures with stores</b>	35	<b>39</b>	+4 prefectures
<b>Number of employees</b> (persons)	433	<b>451</b>	+18 persons

-0.1pt versus plan

+0.6pt versus plan

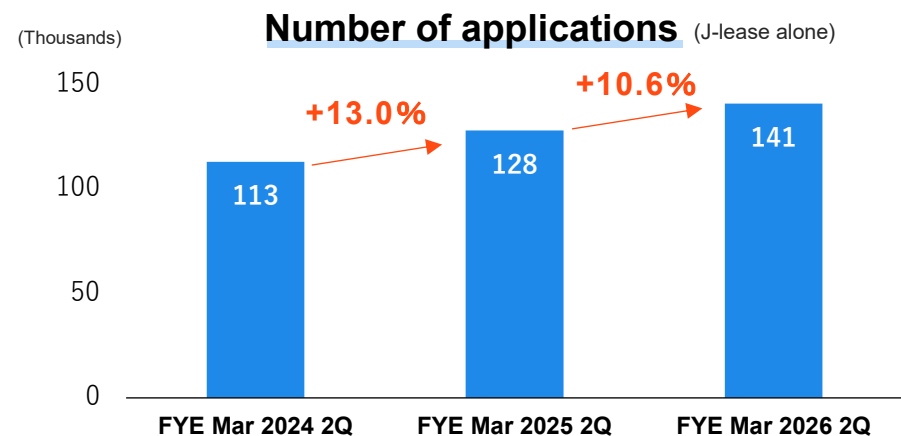
Figures for each indicator are those for J-lease alone, excluding K-net

\*Guaranteed monthly rent: Amount to be subrogated if the subrogation incident rate were 100% (monthly)

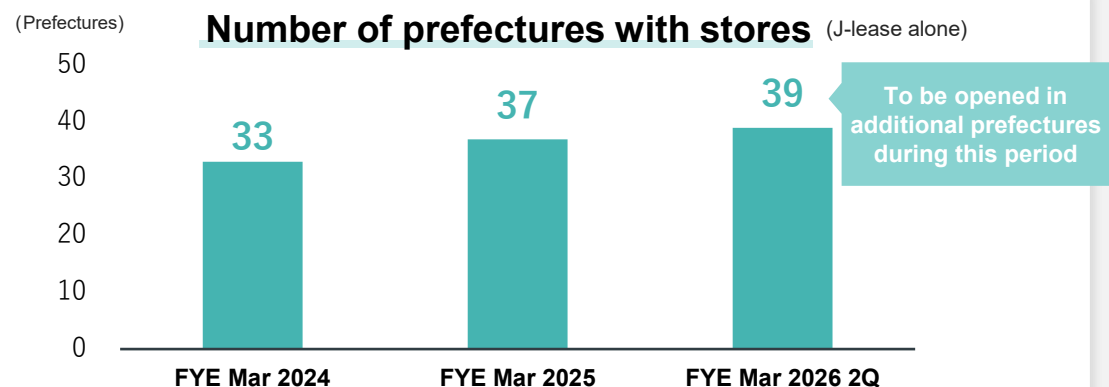


## Key Performance Indicators (KPI)

### Indicators related to sales and subrogation remained strong

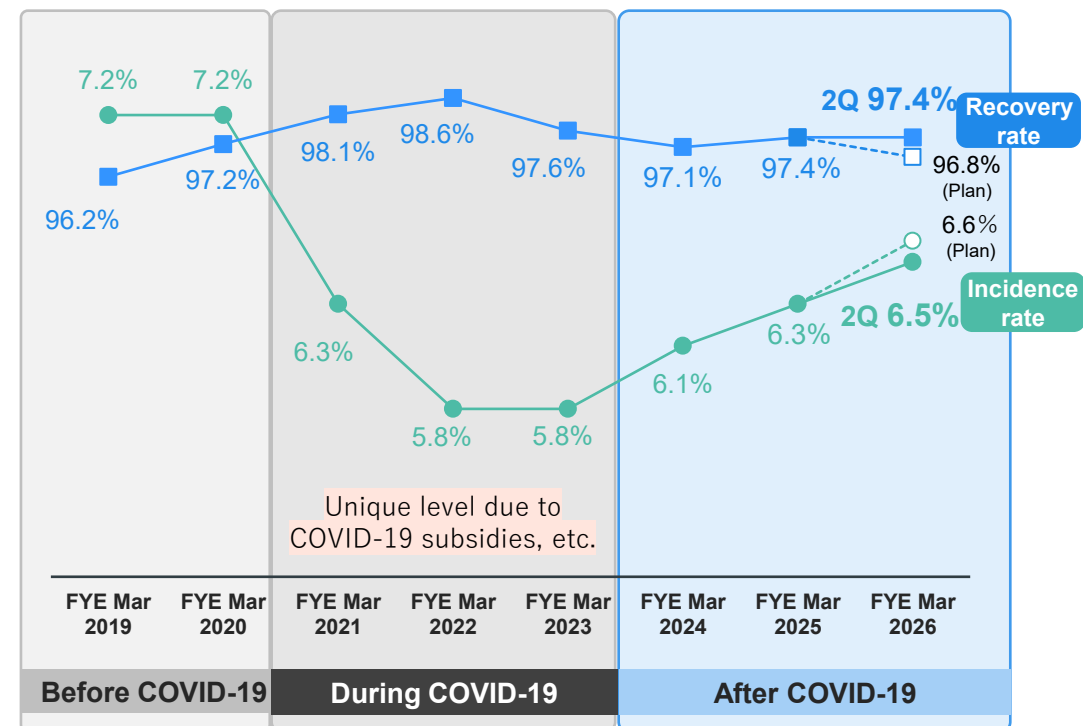


▶ The number of new applications continued its double-digit growth



▶ We aim at opening branches in 47 prefectures, with the Mie Branch opened in June 2025 and the Yamagata Branch in September

### Subrogation incidence and recovery rates (J-lease alone)



▶ Subrogation incidence rate remained in line with the plan through measures such as credit screening based on AI analysis

▶ Subrogation recovery rate was brought to a favorable level of 0.6 pt above the full-year plan through attentive customer service and other efforts

## Aiming for further growth by turning risks into opportunities

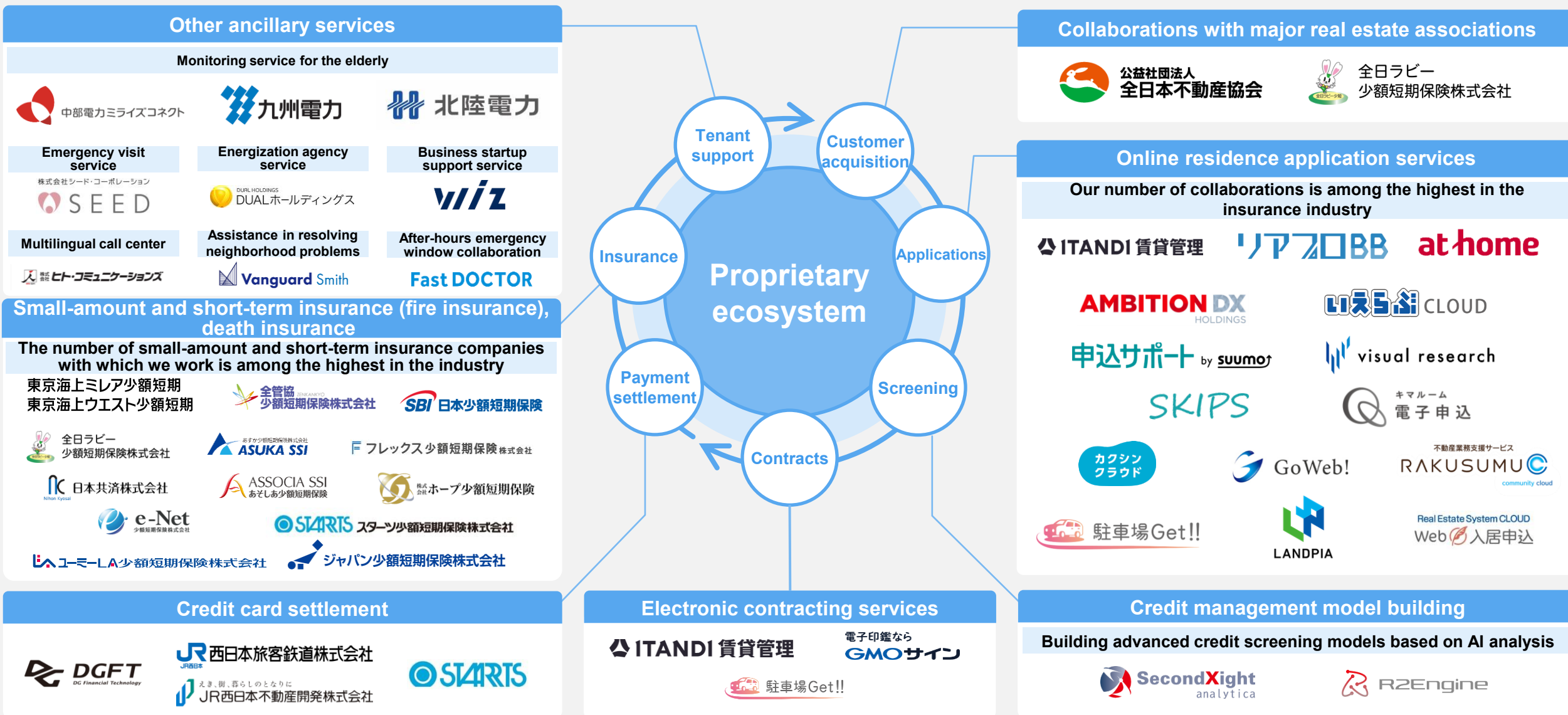
Opportunities	AIX (AI Transformation)	Operational efficiency will be improved through optimizing operations using generative AI and utilizing big data, as demand for technology will increase due to the declining birthrate, aging population, and shrinking population. → e.g., collaboration with the group company AIVS (IT-related business)
	Awareness of risk aversion	As more businesses fail due to labor shortages and the rising costs of food ingredients and materials, real estate owners will become more risk averse, which will increase the need for residential and business rent guarantees, and therefore expand our Group's opportunities.
	Preference for rentals	The shift of preference from owner-occupied to rental housing will expand due to rising interest rates and property prices.*1
	Foreign nationals	Due to the increase in the number of foreign students, workers, etc., the number of guarantees for foreign nationals will increase and business opportunities for Asumirai Co., Ltd., a subsidiary engaged in the real estate business for such nationals, will expand. *2
	Aging population	The need for credit enhancement service will expand with the arrival of an aging society.
	Rent increases	If rents are pushed upward by pressures such as the sharply rising costs of construction materials and renovation, this will bring a corresponding rise in the guarantee fee portion of our Group's sales, resulting in sales growth.
Risks	Increase in interest rates	The direct impact is minimal due to the amount of our Group's borrowings. On the other hand, the number of applications for guarantees may stagnate because of companies' postponing store openings due to higher borrowing costs and curbing moves in the wake of the economic downturn. → This will support "Preference for rentals" opportunities.
	Price increases	If raw material prices rise due to inflation or economic stagnation deteriorates, it may have a certain impact on the operations of tenant companies such as restaurants, which may affect the Company's advance subrogation payments, etc. → This will support "Awareness of risk aversion" opportunities.

\*1 According to the "Ownership and Renting Orientation" survey in the 2023 "Survey on Public Awareness of Land Issues" (Ministry of Land, Infrastructure, Transport and Tourism), the percentage of respondents who "do not mind renting or prefer renting" is on an increasing trend to 17.5% from 15.1%.

\*2 The Company has expanded its services for foreign visitors to Japan (see "Notice of Expansion of Rent Guarantee Services for Foreign Visitors to Japan" dated January 24, 2024).

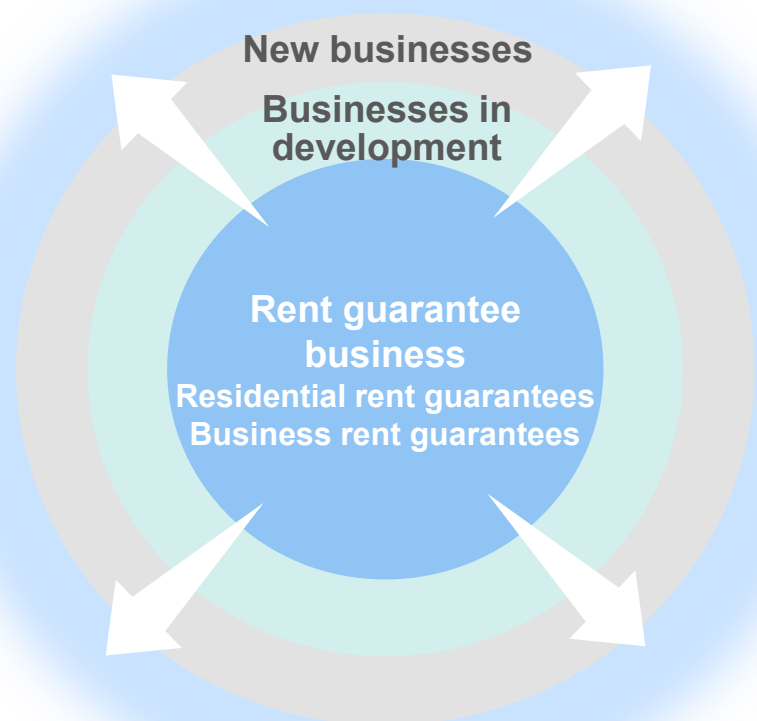
# Scheme for Further Growth

## Ecosystem that realizes competitiveness and sustainable growth



## Business Expansion

Corporate Philosophy: We pursue the happiness of all employees and everyone involved with us.  
Vision: We will create a society in which everyone can live their lives to the fullest.



### Rent guarantee business

- Oct. 2017 “J-AKINAI” Strategic business rent guarantee plan
- April 2025 Made K-net Co., Ltd. a subsidiary  
→ Acquired customers by utilizing whole-building guarantee services
- May 2025 Made Wellon Solutions Co., Ltd. an equity method company  
→ Expanded customer base by utilizing bank network

### Businesses in development

- June 2012 Established Asumirai Co., Ltd. (Real-estate-related business)  
→ Expanded services for foreign nationals
- July 2018 Launched the medical expense guarantee service
- May 2023 Launched the child support guarantee service

### New businesses

- April 2024 Made AIVS (IT-related business) a subsidiary  
→ Strengthened system infrastructure and implemented cross-selling
- April 2025 Established J-Lease Football Club Co., Ltd. (company split)  
→ Promotional function and enhanced brand recognition
- July 2025 Made AFB Co., Ltd. (advertising-related business) a subsidiary  
→ Strengthened marketing and promotion functions

Expanding businesses that solve social issues, aiming to realize our philosophy and vision

## Status of New Group Companies (K-net)

### K-net Co., Ltd. (Guarantee-related business)

Synergy strategy is underway

#### Net sales

**361** million yen

Full-year plan: 1,580 million yen

#### Operating loss

**20** million yen

Full-year plan: 10 million yen

K-net alone, performance from May to July 2025

### K-net's strengths

- K-net's competitive edge in whole-building guarantee services  
(See the next page for details)
- Partnership agreements with major and mid-size companies that deal in fund properties
- Network in the Kinki area  
(partnership agreements with 8,000 companies)

### Synergy strategy

#### Key focus 1

#### Expansion of whole-building guarantee service leveraging J-lease's nationwide branch network

Example: August 1, 2025 Business alliance with JPMC Finance Co., Ltd. Introduced whole-building guarantee services to properties throughout the country which are operated by JPMC and partner companies

#### Key focus 2

#### Sharing of overlapping service areas and appropriate allocation of human resources

Example: Efficient branch reorganization between K-net's Kobe head office and J-lease's Kobe branch, promoting knowledge sharing and exchange of human resources

#### Key focus 3

#### Exchange of expertise in sales and credit management and strengthening of human resource development

Example: Secondment from J-lease  
Improved figures for credit management indicators

#### Key focus 4

#### Formulate a strategy to maximize synergies (November)

1. Upgrade whole-building guarantee products
2. Expand whole-building guarantee services leveraging J-lease's nationwide branch network

- ▶ K-net: Various measures for generating synergy are underway
- ▶ Actively expanding the whole-building guarantee service with J-lease, with multiple companies in negotiations for its adoption

## About Whole-building Guarantee Services





Landlord / Managing company

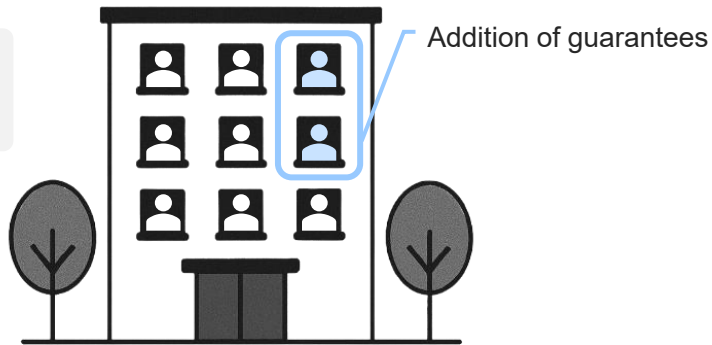
Whole-building guarantee  
service contracts



Guarantees are provided through a two-party contract with the landlord or the management company  
(Highly convenient compared to a typical three-party contract involving tenants)


Guarantees are additionally provided to current tenants without  
any guarantee

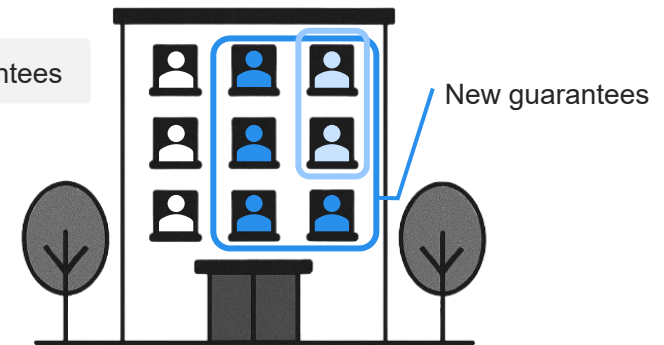
 Guarantees by  
other company  
 Not guaranteed



Note: There are many cases where rent guarantees are cancelled due to a change of owners accompanying the sale or purchase of real estate properties. Therefore, demand for addition of guarantees to current tenants is very high among new landlords (many inquiries from funds and major landlords)

After signing a whole-building guarantee contract, J-lease  
provides guarantees for unit replacements

 J-lease guarantees



Points strengthened by  
joining the Group

- Residential properties only → Expansion to other types of properties such as those for businesses and housing for the elderly with home-care services
- Mainly in the Kinki area → Nationwide development utilizing the Group's store network
- Provided free of charge → Launched paid services given excellent salability with nationwide development as an opportunity

## Status of New Group Companies (AIVS)

### AIVS (IT-related business)

Operating profit turned profitable, exceeding the company plan

#### Net sales

**672** million yen

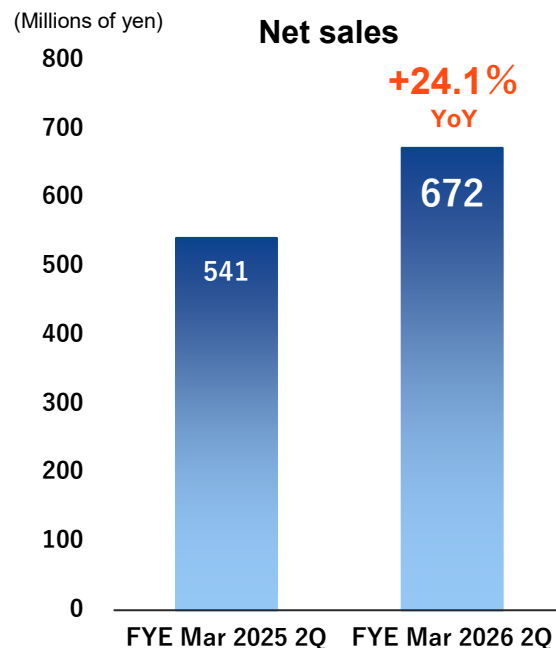
(+24.1% YoY)

#### Operating profit

**57** million yen

(13 million yen in operating loss  
for the same period of the  
previous year)

AIVS alone, consolidated since May 2024



### Synergy strategy

#### Key focus 1 Strengthen the system infrastructure

Example: Joint system project  
Participated as a member of the core system renewal project for J-lease

#### Key focus 2 Strengthen the customer base

Example: Mutual referrals of business partners focusing on medical  
expenses guarantees  
Both parties made progress in acquiring new customers

#### Key focus 3 Exchange human resources

Example: Secondment to J-lease  
Improved IT literacy

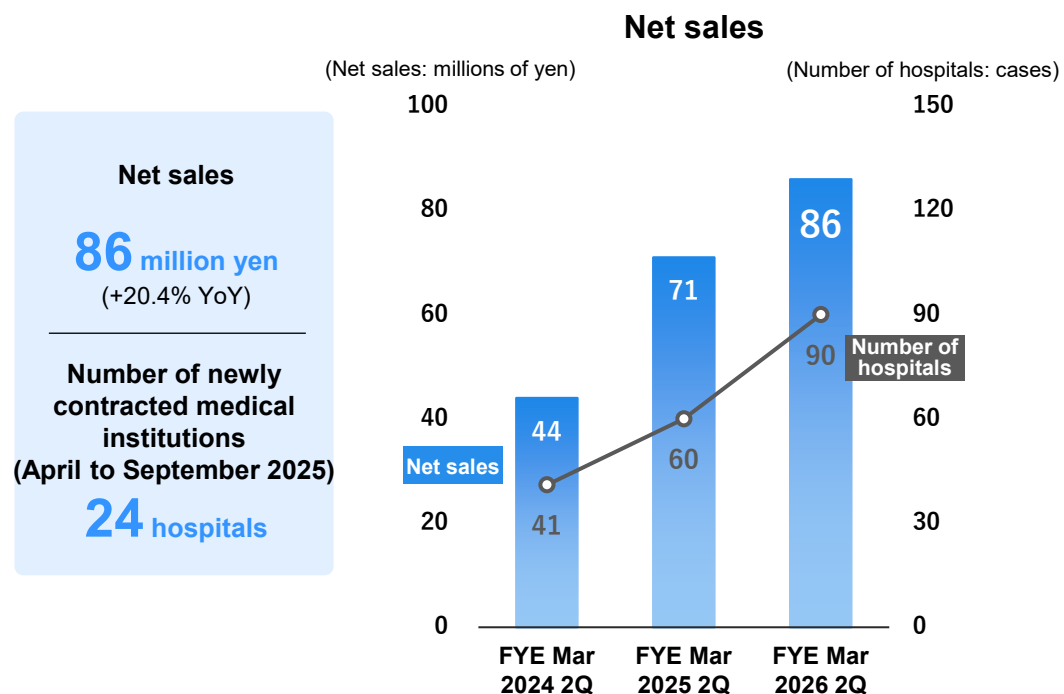
- ▶ AIVS: Strong business performance **securing a profit even in typically slow 2Q**, supported by enhanced creditworthiness after it joined the Group
- ▶ Business synergies generated due to system contracting from J-lease, joint system projects, etc.



## Performance Status of Businesses in Development

### Medical expense guarantees

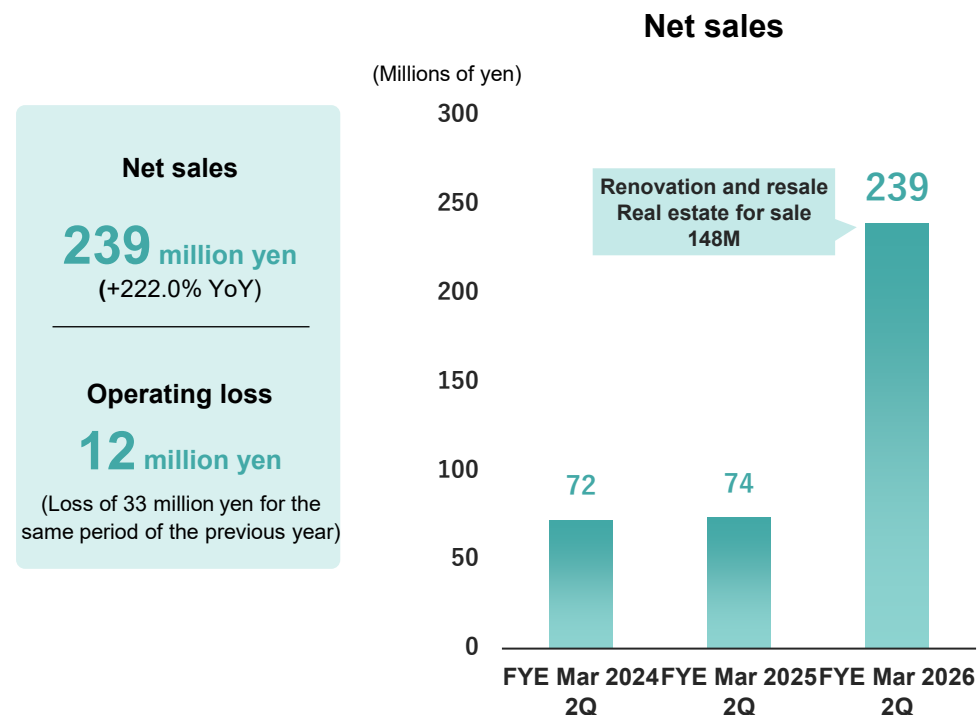
Exceeded the company plan



- ▶ Medical expense guarantees: Number of new contracted medical institutions was expanded owing to expanded recognition through direct sales, in addition to referrals from existing customers and alliance partners
- ▶ Entering into a growth period, sales activities have expanded from specialized departments to all stores nationwide from this term, and the number of negotiations and signed contracts has increased

### Asumirai Co., Ltd. (Real-estate-related business)

Significant growth through renovation and resale, etc.



- ▶ Real-estate-related business (subsidiary Asumirai: real estate brokerage for foreign nationals): Sales significantly increased and exceeded the company plan due to strong performance in renovation and resale and real estate for sale
- ▶ Operating profit is on track with the plan, progressing steadily toward full-year profitability

## Shareholder Returns (Dividend Forecasts)

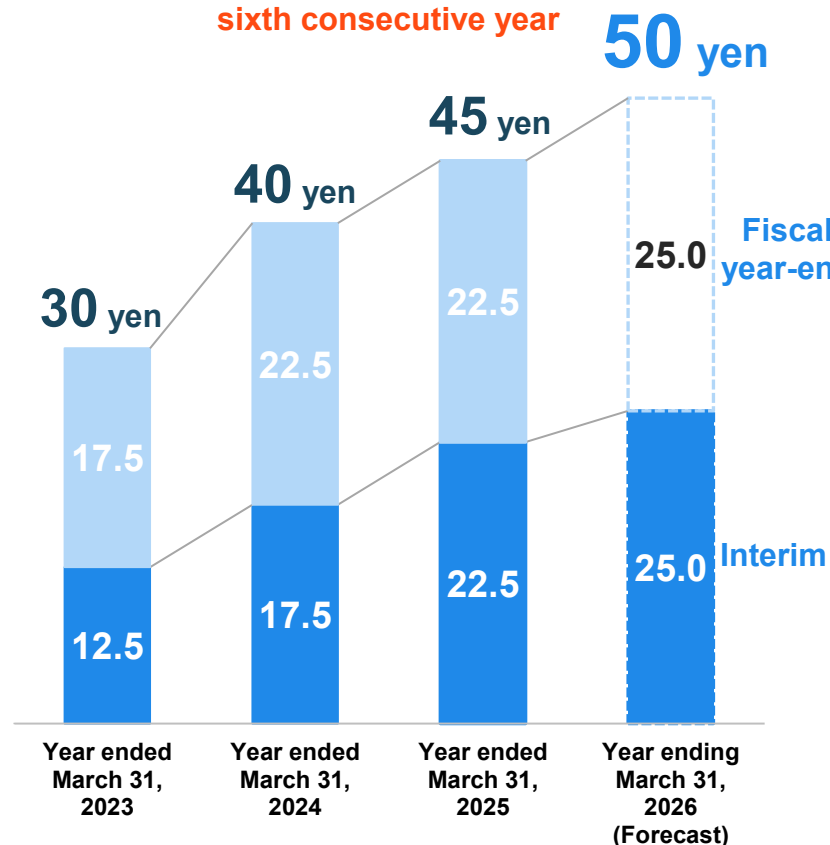
### We plan to increase interim and year-end dividends

	Year ended March 31, 2025 Results	Year ending March 31, 2026 (Forecast)
Interim	22.5 yen	25.0 yen
Fiscal year-end	22.5 yen	25.0 yen (Forecast)
Total	45.0 yen	50.0 yen (Forecast)

- ▶ Based on a dividend payout ratio of around 40% (Basic Dividend Policy)
- ▶ Continue Premium Benefit Club for shareholder benefits

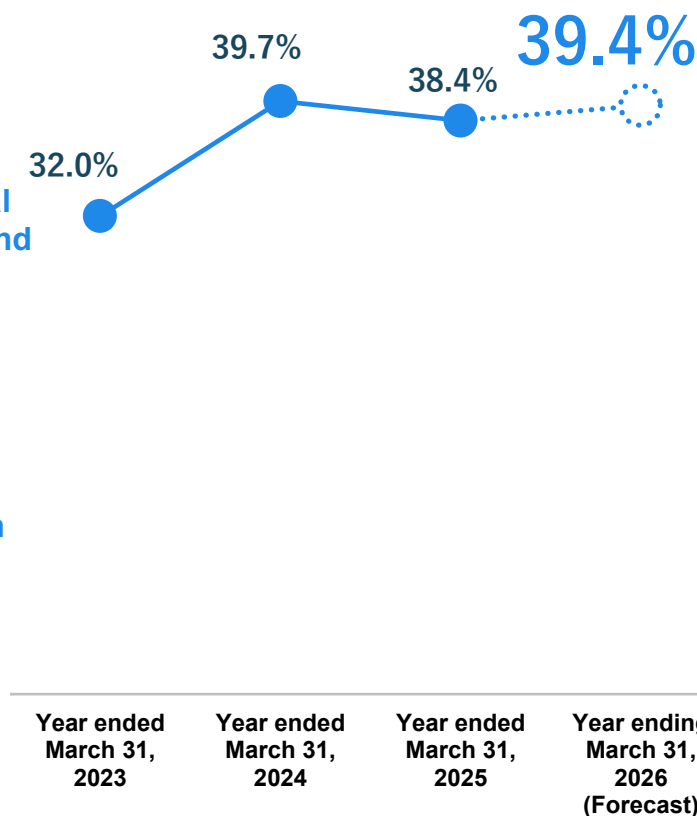
#### Trend of dividends

We will raise dividends for the sixth consecutive year



#### Dividend payout ratio

We will provide shareholder returns based on a dividend payout ratio of around 40%



\* The Company conducted a 2-for-1 stock split of shares of common stock on March 1, 2024, and this stock split is also taken into consideration for past figures.

## Consolidation of Financial Results of K-net

As the fiscal year ends are different (March for the Company, October for K-net), financial results for the current fiscal year are scheduled to be consolidated in an irregular manner as follows

		1Q			2Q			3Q			4Q		
		April	May	June	July	August	September	October	November	December	January	February	March
1Q (End of Jun.)	Consolidation of K-net for each financial result ↓ P/L: Not reflected B/S: End of Apr.	J-lease		(Quarterly results)									
		K-net	B/S only										
2Q (End of Sep.)	P/L: May to Jul. B/S: End of Jul.	J-lease					(Quarterly results)						
		K-net			B/S, P/L								
3Q (End of Dec.)	P/L: May to Dec. B/S: End of Dec.	J-lease								(Quarterly results)			
		K-net								B/S, P/L			
Full year (End of Mar.)	P/L: May to Mar. B/S: End of Mar.	J-lease											(Fiscal results)
		K-net											B/S, P/L

\*K-net plans to change its fiscal year ending from October to March at the general meeting of shareholders to be held in December 2025.

# J-lease Group's specific initiatives for sustainability

## Environment

We recognize the impact of our business activities on the environment and climate change and will maintain our efforts to achieve a sustainable society that balances social and economic development with global environmental conservation.

### Environmental initiatives

- Changing company vehicles to EVs and hybrid cars
- Indoor temperature control in summer and winter
- Reduction of paper use through various digitization efforts
- Calculation of CO2 emissions
- Eco-driving while using company vehicles
  - ➔ Telematics device is installed in company vehicles to manage driving conditions and control sudden starts, sudden acceleration, sudden deceleration, and idling time and to prevent speeding
- Cleanup activities by J-Lease FC at game venues
- Climate change-related disclosures (CDP score: B)

### Environmental analysis support systems

Subsidiary AIVS has developed various systems to support environmental analysis operations such as water quality inspections, air quality inspections, and legal inspections of septic tanks. It has supplied these systems to more than 200 companies and municipalities, including waterworks bureaus and factories.



## Social

### Initiatives for housing assistance

Efforts under the Revised Act on Promotion of Offering of Rental Housing to Persons Requiring Special Assistance in Securing Housing:  
• Corporation for Supporting Housing for Persons Requiring Special Assistance in Securing Housing (18 prefectures)

### DE&I promotion

- Hiring of people with disabilities
- Scholarships to support the visually impaired (J-LEASE Scholarship Foundation)
- DE&I training for our executives through collaboration with people with intractable diseases and disabilities
- Promotion of women's advancement (women in management positions)
- Promotion of maternity and childcare leave
- Social gatherings for employees raising children (Iku Cafe)
- Employment of foreign nationals, mainly at subsidiary Asumirai
- Web accessibility support, etc.



Introduced an in-house health keeper system  
(Tokyo Head Office and Oita Headquarters)

### Social contribution through sports

The dedication and high level of skill exhibited by J-Lease FC athletes greatly contribute to a vibrant and healthy society, raising people's interest in sports and giving them dreams and inspiration.

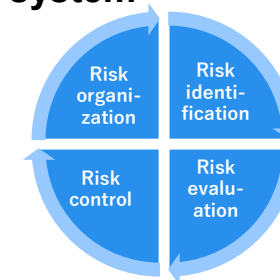
## Governance

### Evaluation of the effectiveness of the Board of Directors

To further strengthen the supervisory function of directors, the Company conducts independent and objective questionnaires using a third-party organization for directors to evaluate the effectiveness of the Board of Directors as a whole. Many items received positive evaluations, indicating that the Board of Directors is operating appropriately in accordance with the requirements of the Corporate Governance Code.



### Reinforcement of risk-management system



To strengthen our risk-management system, each department is working to analyze, evaluate, and control risk scenarios based on our business characteristics and comprehensive risk assessment.

### Ensuring compliance

We regard thorough compliance as our most important management responsibility. We will pursue highly transparent management and further strengthen our compliance system.

## Cautionary Statement Concerning Forward-Looking Statements

This document contains forward-looking statements, plans and management objectives related to the Company. These forward-looking statements are based on current assumptions about future events and trends, and there can be no assurance that such assumptions will prove accurate. A number of factors could cause actual results to differ materially from those described in this document.

For IR inquiries, please contact

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