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May 9, 2025

Non-consolidated Interim Financial Results for the Six Months Ended March 31, 2025 (Under Japanese GAAP)

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 Scheduled date to file interim securities report: May15, 2025
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted)

1. Non-consolidated financial results for the Six Months Ended March 31, 2025 (from October 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	8,636	9.7	1,563	11.0	1,417	9.1	958	12.6
March 31, 2024	7,872	9.6	1,408	△1.7	1,299	△2.2	851	△5.5

	Profit per share	Profit per share after dilution
Six months ended	Yen	Yen
March 31, 2025	95.17	94.79
March 31, 2024	84.99	84.37

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
March 31, 2025	47,203	19,701	41.6
September 30, 2024	44,456	19,390	43.5

Reference: Equity
 As of March 31, 2025: ¥19,651 million
 As of September 30, 2024: ¥19,347 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended September 30, 2024	—	0.00	—	64.00	64.00
Fiscal year ending September 30, 2025	—	0.00			
Fiscal year ending September 30, 2025 (Forecast)			—	65.00	65.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Business Forecasts for the fiscal year ending September 30, 2025 (from October 1, 2024 to September 30, 2025)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full year	17,500	6.8	3,210	6.2	2,900	4.4	1,970	8.4	194.96

Note: Revisions to the forecast of financial results most recently announced: None

*** Notes**

(1) Adoption of accounting treatment specific to the preparation of interim financial statements: Yes

Note: As for details, refer to page 8 of the attached materials.

(2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	10,370,600 shares
As of September 30, 2024	10,369,600 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2025	297,152 shares
As of September 30, 2024	297,152 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended March 31, 2025	10,072,662 shares
Six months ended March 31, 2024	10,015,394 shares

Note: The total number of treasury shares at the end of the period included shares of the Company held by the Employee Stock Ownership Plan Trust (248,736 shares as of March 31, 2025 and 248,736 shares as of September 30, 2024).

* Interim financial results reports are not subject to review by certified public accountants or audit firms.

* Explanations and other special notes concerning the appropriate use of business performance forecasts

The business performance forecasts given in this document are based on assumptions, prospects, and future business plans, currently available on the date this document was published. Actual results may differ from these forecasts for a variety of reasons. For other matters relating to the forecasts, please refer to “1. (3) Future Outlook” on page 3 of the attached materials.

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1. Overview of Operating Results, etc.

(1) Operating Results

During the first six months of the current fiscal year (October 1, 2024 to March 31, 2025), the Japanese economy continued to recover in terms of economic activities while being affected by rising prices, showing improvement trends in capital investment, consumer spending, and employment conditions.

In the parking industry to which our company belongs, sales remained resilient, particularly driven by factors such as chronic parking shortages in major urban areas, parking demand associated with construction, and rebound in personal consumption.

Under these circumstances, the Company conducted aggressive sales activities and focused on improving profitability by developing new parking lots and setting flexible rate changes at existing parking lots.

Overall, during the first six months of the fiscal year, the number of newly developed parking was 165 lots with 5,798 spaces, while the number of closed parking was 89 lots with 1,147 spaces (net increase was 76 lots with 4,651 spaces). Total of 2,525 lots with 45,082 spaces is available as of March 31, 2025.

As a result, in the first six months of the fiscal year under review, the net sales was ¥ 8,636 million (up 9.7% year-on-year), operating profit was ¥ 1,563 million (up 11.0% year-on-year), ordinary profit was ¥ 1,417 million (up 9.1% year-on-year), and profit was ¥ 958 million (up 12.6% year-on-year).

The results of each type of parking business are as follows.

(Leased parking Business)

During the first six months of the fiscal year, the number of newly developed leased parking was 148 lots with 5,559 spaces, while the number of closed leased parking was 88 lots with 1,142 spaces (net increase was 60 lots with 4,417 spaces). The number of newly developed parking spaces was approximately 1.5 times as many as that of the same period of the previous year, including 11 parking lots with 3,606 spaces attached to facilities (excluding attached to convenience stores). As a result, a total of 2,204 lots with 39,413 spaces is available as of March 31, 2025. The net sales of leased parking business was ¥ 6,950 million (up 9.5% year-on-year), and gross profit was ¥ 1,274 million (up 9.0% year-on-year).

(Owned parking Business)

During the first six months of the fiscal year, owned parking lots were developed in Sapporo City (6 lots with 78 spaces), in Hakodate City (11 spaces), in Aomori City (31 spaces), in Akita City (20 spaces), in Niigata City (2 lots with 32 spaces), in Katsushika-ku, Tokyo (4 spaces), in Arakawa-ku, Tokyo (4 spaces), in Kawasaki City (6 spaces), in Nagoya City (14 spaces), in Kochi City (28 spaces), in Kagoshima City (6 spaces). In addition, by acquiring land adjacent to an existing parking lot, the Company added new parking spaces in Osaka City (5 spaces). On the other hand, in Sendai City, the Company reduced a parking space due to layout modifications (1 space) and sold a parking lot (land) as part of portfolio restructuring (4 spaces). This sale resulted in a gain on the sale of fixed assets of ¥ 11 million. As a result, the number of newly developed owned parking was 17 lots with 239 spaces, while the number of closed owned parking was 1 lot with 5 spaces. A total of 321 lots with 5,669 spaces is available as of March 31, 2025. The net sales of owned parking business was ¥ 1,401 million (up 12.3% year-on-year), and gross profit was ¥ 1,134 million (up 11.6% year-on-year).

Furthermore, the Company acquired land for parking in Otaru City (8 spaces), in Sapporo City (25 spaces), in Shinjuku-ku, Tokyo (5 spaces) which are scheduled to be opened in the third quarter or later.

(Others)

During the first six months of the fiscal year, the net sales except for car parking business, including real estate leasing, vending machine, bike/bus/cycle parking, and solar power generation, was ¥ 284 million (up 1.9% year-on-year).

Sales results of each type of parking business for the current fiscal year are as follows.

	Six months ended March 31, 2024	Six months ended March 31, 2025	Fiscal year ended September 30, 2024
Types	Sales (Millions of yen)	Sales (Millions of yen)	Sales (Millions of yen)
Leased parking Business	6,345	6,950	13,188
Owned parking Business	1,247	1,401	2,604
Others	279	284	587
Total	7,872	8,636	16,380

(2) Financial Position

Total assets at the end of the six months of the fiscal year under review increased by ¥ 2,746 million from the end of the previous fiscal year, to ¥ 47,203 million. It was mainly due to an increase in land (¥ 1,976 million).

Total liabilities at the end of the six months of the fiscal year under review increased by ¥ 2,435 million, to ¥ 27,501 million. It was mainly due to an increase in borrowings (¥ 1,900 million).

Total net assets at the end of the six months of the fiscal year under review increased by ¥ 311 million, to ¥ 19,701 million. It was mainly due to an increase in retained earnings (¥ 298 million). As a result, the equity ratio shifted to 41.6% from 43.5% at the end of the previous fiscal year.

<Cash Flows>

The cash and cash equivalents at the end of the six months of the fiscal year increased by ¥ 35 million from the end of the previous fiscal year, to ¥ 3,549 million. The main reasons were as follows.

(Cash flows from operating activities)

The cash and cash equivalents provided by operating activities increased by ¥ 558 million from the same period of the previous fiscal year, to ¥ 1,425 million. It was mainly due to the profit before income taxes (¥ 1,389 million), depreciation (¥ 286 million), and income taxes paid (¥ 377 million).

(Cash flows from investing activities)

The cash and cash equivalents used in investing activities increased by ¥ 228 million from the same period of the previous fiscal year, to ¥ 2,473 million. It was mainly due to purchase of property, plant and equipment (¥ 2,497 million).

(Cash flows from financing activities)

The cash and cash equivalents provided by financing activities decreased by ¥ 517 million from the same period of the previous fiscal year, to ¥ 1,082 million. It was mainly due to proceeds from borrowings (¥ 3,639 million), repayments of borrowings (¥ 1,738 million), repayments of lease obligations (¥ 159 million), and cash dividends paid (¥ 659 million).

(3) Future Outlook

In Japan, business confidence is improving due to a recovery in consumer spending and the employment environment, although prices are rising. In the parking industry, hourly parking lot is in short supply, especially in big cities, and the supply-demand balance is tight.

Under these circumstances, the Company will continue to conduct aggressive sales activities, and will also make efforts to improve the profitability of existing parking lots by setting flexible rate changes. In addition, the Company works on redevelopment projects and commercial building parking lot projects by taking advantage of business alliances with major real estate developers and real estate brokerage firms. And, the Company will focus on acquiring land for parking lots and aim to expand the Company's business and base earnings, taking into consideration demographic trends and other indicators.

As for the future outlook for the fiscal year ending September 30, 2025, while the Company anticipates an approximately 10% increase in selling, general and administrative expenses due to business expansion, the development and utilization of parking lots are expected to remain steady. There are no revisions to the business forecasts for the fiscal year ending September 30, 2025, which was announced on November 8, 2024.

*The forecasts are based on information available to the Company at this time, and include potential risks and uncertainties. Therefore, actual results may differ from the announced forecasts.

2. Financial Statements and Notes

(1) Balance Sheet

(Millions of yen)

	As of September 30, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	3,544	3,579
Accounts receivable - trade	249	271
Prepaid expenses	696	709
Other	59	24
Allowance for doubtful accounts	(1)	(2)
Total current assets	4,548	4,582
Non-current assets		
Property, plant and equipment		
Buildings, net	694	838
Machinery and equipment, net	536	499
Land	36,092	38,069
Leased assets, net	1,150	1,423
Other, net	648	910
Total property, plant and equipment	39,122	41,741
Intangible assets	51	132
Investments and other assets	733	747
Total non-current assets	39,908	42,620
Total assets	44,456	47,203
Liabilities		
Current liabilities		
Accounts payable - trade	397	428
Short-term borrowings	—	153
Current portion of long-term borrowings	2,638	2,805
Income taxes payable	465	523
Provision for bonuses	43	40
Other	790	964
Total current liabilities	4,334	4,916
Non-current liabilities		
Long-term borrowings	19,248	20,827
Lease liabilities	966	1,225
Provision for share awards	48	50
Asset retirement obligations	339	356
Other	129	125
Total non-current liabilities	20,732	22,585
Total liabilities	25,066	27,501

(Millions of yen)

	As of September 30, 2024	As of March 31, 2025
Net assets		
Shareholders' equity		
Share capital	1,903	1,904
Capital surplus	2,347	2,348
Retained earnings	15,473	15,771
Treasury shares	(375)	(375)
Total shareholders' equity	19,348	19,648
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	6	5
Deferred gains or losses on hedges	(7)	(2)
Total valuation and translation adjustments	(1)	3
Share acquisition rights	42	50
Total net assets	19,390	19,701
Total liabilities and net assets	44,456	47,203

(2) Statement of Profit and Loss

(Millions of yen)

	Six months ended March 31, 2024	Six months ended March 31, 2025
Net sales	7,872	8,636
Cost of sales	5,525	6,068
Gross profit	2,347	2,568
Selling, general and administrative expenses	938	1,005
Operating profit	1,408	1,563
Non-operating income		
Interest income	0	1
Dividend income	0	0
Gain on forfeiture of unclaimed dividends	0	0
Commission income	—	2
Compensation income	2	—
Other	1	0
Total non-operating income	4	5
Non-operating expenses		
Interest expenses	113	151
Other	0	0
Total non-operating expenses	114	151
Ordinary profit	1,299	1,417
Extraordinary income		
Gain on sale of non-current assets	—	11
Total extraordinary income	—	11
Extraordinary losses		
Loss on retirement of non-current assets	12	38
Loss on sale of non-current assets	—	0
Cost of new banknote support	43	—
Total extraordinary losses	56	39
Profit before income taxes	1,242	1,389
Income taxes	391	431
Profit	851	958

(3) Statement of Cash Flows

(Millions of yen)

	Six months ended March 31, 2024	Six months ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	1,242	1,389
Depreciation	255	286
Increase (decrease) in provision for bonuses	(10)	(2)
Increase (decrease) in provision for share awards	0	2
Interest and dividend income	(0)	(1)
Interest expenses	113	151
Loss (gain) on sale of non-current assets	—	(11)
Loss on retirement of non-current assets	12	38
Decrease (increase) in trade receivables	(31)	(22)
Increase (decrease) in trade payables	44	31
Decrease (increase) in other current assets	(129)	21
Increase (decrease) in other current liabilities	(62)	14
Other, net	46	51
Subtotal	1,480	1,951
Interest and dividends received	0	1
Interest paid	(112)	(149)
Income taxes paid	(501)	(377)
Net cash provided by (used in) operating activities	866	1,425
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,204)	(2,497)
Proceeds from sale of property, plant and equipment	—	134
Purchase of intangible assets	(0)	(84)
Payments of leasehold and guarantee deposits	(8)	(1)
Other, net	(30)	(23)
Net cash provided by (used in) investing activities	(2,244)	(2,473)
Cash flows from financing activities		
Proceeds from short-term borrowings	584	465
Repayments of short-term borrowings	(392)	(312)
Proceeds from long-term borrowings	3,277	3,174
Repayments of long-term borrowings	(1,143)	(1,426)
Proceeds from issuance of shares	69	1
Proceeds from disposal of treasury shares	4	—
Purchase of treasury shares	(0)	—
Repayments of lease liabilities	(143)	(159)
Dividends paid	(655)	(659)
Net cash provided by (used in) financing activities	1,600	1,082
Net increase (decrease) in cash and cash equivalents	223	35
Cash and cash equivalents at beginning of period	3,708	3,514
Cash and cash equivalents at end of period	3,931	3,549

(4) Notes to Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes on significant changes to shareholders' equity)

Not applicable.

(Adoption of accounting treatment specific to the preparation of interim financial statements)

Calculation of tax expense

Tax expenses are calculated by reasonably estimating the effective tax rate after applying tax effect accounting to profit before income taxes for the current fiscal year, which includes the second quarter ended March 31, 2025, and then multiplying profit before income taxes for the six months by the said estimated effective tax rate.

(Changes in accounting policies)

Not applicable.

(Changes in accounting estimates)

Not applicable.

(Notes to Statement of Profit and Loss)

Major components of selling, general and administrative expenses are as follows

	Six months ended March 31, 2024	Six months ended March 31, 2025
Salaries and allowances (Millions of yen)	268	266
Provision for bonuses (Millions of yen)	37	40

(Notes to Statement of Cash Flows)

The relationship between the interim period-end balance of cash and cash equivalents and the corresponding amounts reported in the interim balance sheet is as follows

	Six months ended March 31, 2024	Six months ended March 31, 2025
Cash and deposits (Millions of yen)	3,961	3,579
Time deposits over 3-month maturity (Millions of yen)	△30	△30
Cash and cash equivalents (Millions of yen)	3,931	3,549

(Segment information)

Six months ended March 31, 2024

The segment information is omitted, as the Company has a single segment related to the parking lot development, operation and management business.

Six months ended March 31, 2025

The segment information is omitted, as the Company has a single segment related to the parking lot development, operation and management business.