

Consolidated Financial Results for the Six Months Ended June 30, 2025 (Under Japanese GAAP)

August 8, 2025

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 Listing: Tokyo Stock Exchange Securities code: 3482
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(Amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Six Months Ended June 30, 2025 (January 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Six months ended June 30, 2025	20,797	36.7	7,544	54.9	6,889	46.4	4,528	53.2
Six months ended June 30, 2024	15,212	4.6	4,870	13.1	4,707	28.6	2,955	24.0

Note: Comprehensive income: For the six months ended June 30, 2025: 4,494 million yen, 52.1%
 For the six months ended June 30, 2024: 2,955million yen, 24.0%

	Basic earnings per share	Diluted earnings per share
	yen	yen
Six months ended June 30, 2025	273.33	268.01
Six months ended June 30, 2024	179.43	175.90

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio
	million yen	million yen	%
As of June 30, 2025	123,199	29,161	23.2
As of December 31, 2024	107,403	25,642	23.4

Reference: Total equity: As of June 30, 2025: 28,530 million yen,
 As of December 31, 2024: 25,086 million yen,

2. Dividends

	Annual 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	-	0.00			
FY2025 (forecast)			-	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 the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of semi-Annual consolidated financial statements: None

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

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

2) Changes accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common stock)

	As of June 30, 2025	As of December 31, 2024
1) Number of issued shares (including treasury shares)	21,444,000	21,444,000
2) Number of treasury shares	4,830,101	4,884,101
	Six months ended June 30, 2025	Six months ended June 30, 2024
3) Average number of shares outstanding during the period	16,569,385	16,470,417

*Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

*Proper use of forecasts and other special 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 4 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 for the six months ended June 30, 2025, net sales reached 20,797 million yen (up 36.7% year on year), and operating profit totaled 7,544 million yen (up 54.9% year on year), as a result of steady real estate market. Further, ordinary profit stood at 6,889 million yen (up 46.4% year on year) mainly due to a valuation gain of 102 million yen on interest rate swap contracts entered into in preparation for a possible interest rate hike, and interest expenses of 592 million yen. Net income attributable to owners of the parent amounted to 4,528 million yen (up 53.2% 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	Q2 FY2024	Q2 FY2025	Change YoY
	Amount (millions of yen)	Amount (millions of yen)	Change (%)
Corporate Funding Business			
Real Estate Investment	12,820	16,300	27.1
Real Estate Leasing	1,358	1,655	21.9
Hotel Operation	—	2,111	—
Asset Management Business	714	331	(53.6)
Crowdfunding Business	306	387	26.3
Other Business	12	12	(1.1)
Total	15,212	20,797	36.7

Corporate Funding Business

1) Real estate investment

Real estate investment sales totaled 16,300 million yen (up 27.1% year on year) due to the sales of one hotel property and one office property in Tokyo.

2) Real Estate Leasing

Loadstar sold the above two properties. Loadstar acquired five new properties, including office buildings in Tokyo.

As a result, real estate leasing sales totaled 1,655 million yen (up 21.9% year on year).

3) Hotel Operation

Hotel operation revenue progressed largely in line with the budget. As a result, it amounted to 2,111 million yen.

Asset Management Business

Besides managing mandated assets and partially selling some assets, asset management business sales amounted to 331 million yen (a 53.6% decrease). The background of the decrease is that the same period last year had a large disposition fee associated with the sale of mandated assets. The amount of asset under management (AUM) as of the end of the first half of the current fiscal year exceeded 120 billion yen.

Crowdfunding Business

During the period, we executed loans totaling 6,444 million yen (an increase of 1.5% compared to the same period last year), while redemptions totaled 3,839 million yen. As a result, the balance of operating loans related to the crowdfunding business reached a record high of 12,386 million yen (an increase of 26.6% compared to the end of the previous consolidated fiscal year), and sales from the crowdfunding business amounted to 387 million yen (an increase of 26.3% 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 June 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 3.03%. The average rent per tsubo was 20,678 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 May, which is the latest data currently available. This indicates that the hotel market is booming.

(2) Overview of Financial Position

(Assets)

As of June 30, 2025, total assets were 123,199 million yen (up 14.7 % compared to the end of the previous consolidated fiscal year). This was mainly due to the acquisition of real estate as inventory. From this interim consolidated accounting period, in the crowdfunding business, money deposited by investors is placed in trust and classified as deposits paid on the consolidated balance sheet. As a result, cash and deposits have decreased by the same amount.

(Liabilities)

As of June 30, 2025, total liabilities were 94,038 million yen (up 15.0 % compared to the end of the previous consolidated fiscal year). This was mainly due to an increase in borrowings related to the acquisition of real estate as inventory.

(Net Assets)

As of June 30, 2025, net assets were 29,161 million yen (up 13.7 % compared to the end of the previous consolidated 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.

(Overview of Cash flows)

As of June 30, 2025, the outstanding balance of cash and cash equivalents was 12,040 million yen, a decrease of 613 million yen from the end of the previous year.

The cash flows during the six months ended June 30, 2025, and the factors are discussed below.

(a) Cash flows from operating activities

Net cash used in operating activities was 10,696 million yen. The main factor was a cash inflow of 6,628 million yen from profit before income taxes. On the other hand, there was a cash outflow due to an increase in real estate as inventory of 14,192 million yen resulting from steady up-front

investment in property acquisitions, an increase in operating loans of 2,790 million yen, and payments of income taxes of 2,267 million yen.

(b) Cash flows from investment activities

Net cash used in investment activities was 1 million yen.

(c) Cash flows from financing activities

Net cash provided by financing activities was 10,085 million yen. This was mainly due to a cash inflow of 20,350 million yen from long-term borrowings, a cash outflow of 7,924 million yen in repayments of long-term borrowings, and a cash outflow of 1,159 million yen in dividends payment.

(3) Forecasts on operating performance

Consolidated operating performance in the Six months ended June 30, 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 June 30, 2025
Assets		
Current assets		
Cash and deposits	12,653	12,040
Operating loans	9,781	12,571
Real estate as inventory	81,527	95,004
Deposits paid	-	1,326
Other	1,970	636
Total current assets	105,933	121,579
Non-current assets		
Property, plant and equipment	112	102
Intangible assets	41	40
Investments and other assets	1,316	1,477
Total non-current assets	1,470	1,620
Total assets	107,403	123,199
Liabilities		
Current liabilities		
Short-term borrowings	1,735	664
Current portion of long-term borrowings	8,565	2,285
Income taxes payable	2,355	2,312
Provision for bonuses	-	124
Deposits received	1,676	1,712
Other	2,152	981
Total current liabilities	16,485	8,080
Non-current liabilities		
Long-term borrowings	52,459	71,165
Deposits received from silent partnerships investors	11,494	12,856
Other	1,321	1,936
Total non-current liabilities	65,275	85,958
Total liabilities	81,761	94,038
Net assets		
Shareholders' equity		
Share capital	1,402	1,402
Capital surplus	1,670	1,737
Retained earnings	24,882	28,252
Treasury shares	(2,824)	(2,781)
Total shareholders' equity	25,131	28,609
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(44)	(79)
Total accumulated other comprehensive income	(44)	(79)
Share acquisition rights	555	630
Non-controlling interests	0	0
Total net assets	25,642	29,161
Total liabilities and net assets	107,403	123,199

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

(Millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Net sales	15,212	20,797
Cost of sales	9,498	12,182
Gross profit	5,713	8,615
Selling, general and administrative expenses	842	1,071
Operating profit	4,870	7,544
Non-operating income		
Gain on valuation of derivatives	203	102
Other	1	8
Total non-operating income	204	111
Non-operating expenses		
Interest expenses	276	592
Commission expenses	91	166
Other	0	6
Total non-operating expenses	368	765
Ordinary profit	4,707	6,889
Extraordinary losses		
Loss on valuation of investment securities	125	-
Total extraordinary losses	125	-
Profit before dividend distribution from silent partnerships and income taxes	4,581	6,889
Dividends distribution from silent partnerships	242	261
Profit before income taxes	4,339	6,628
Income taxes - current	1,570	2,217
Income taxes - deferred	(186)	(118)
Total income taxes	1,383	2,099
Profit	2,955	4,528
Profit attributable to non-controlling interests	-	0
Profit attributable to owners of the parent	2,955	4,528

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Profit	2,955	4,528
Other comprehensive income		
Valuation difference on available-for-sale securities	-	(34)
Total other comprehensive income	-	(34)
Comprehensive income	2,955	4,494
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	2,955	4,494
Comprehensive income attributable to non-controlling interests	-	0

(3) Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	4,339	6,628
Depreciation and amortization	363	725
Interest expenses	276	592
Commission expenses	88	165
Loss (gain) on valuation of derivatives	(203)	(96)
Loss (gain) on valuation of investment securities	125	0
Share-based payment expenses	95	154
Decrease (increase) in operating loans receivable	(2,419)	(2,790)
Decrease (increase) in real estate as inventory	(8,165)	(14,192)
Increase (decrease) in deposits received from silent partnership investors	1,878	1,362
Increase (decrease) in deposits received	(567)	36
Increase (decrease) in accounts payable -other and accrued expenses	(2)	(110)
Increase (decrease) in contract liabilities	(598)	(750)
Decrease (increase) in accounts receivable -other	(100)	190
Decrease (increase) in deposit paid	598	(1,326)
Increase (decrease) in provision for bonuses	109	124
Decrease/increase in consumption taxes receivable/payable	6	798
Increase (decrease) in guarantee deposits received	105	614
Increase (decrease) in allowance for doubtful accounts	(59)	-
Other	5	136
Subtotal	(4,126)	(7,737)
Interest and dividends income received	0	1
Interest expenses paid	(276)	(695)
Income taxes paid	(1,286)	(2,267)
Proceeds from insurance income	-	2
Net cash provided by (used in) operating activities	(5,689)	(10,696)
Cash flows from investing activities		
Purchase of property, plant and equipment	(4)	(1)
Other	0	-
Net cash provided by (used in) investing activities	(3)	(1)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	654	(1,071)
Proceeds from long-term borrowings	13,060	20,350
Repayment of long-term borrowings	(7,525)	(7,924)
Commission of loans payable	(88)	(165)
Cash dividends paid	(863)	(1,159)
Proceeds from disposal of treasury shares	11	55
Other	0	-
Net cash provided by (used in) financing activities	5,248	10,085
Effect of exchange rate change on cash and cash equivalents	-	-
Net increase (decrease) in cash and cash equivalents	(445)	(613)
Cash and cash equivalents at beginning of period	11,927	12,653
Cash and cash equivalents at end of period	11,481	12,040

(4) 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