

Company Report

September 2, 2026

Strategy Advisors Co., Ltd.

Kenichi Ito



Solid Results Show Signs of Expanding Business Scale

Global Link Management reported its results for FY12/2026 H1, net sales were ¥28.42 billion (-20.3% YoY) and ordinary profit was ¥2.69 billion (-35.6% YoY), a sharp decline in profit but within the company's own expectations. The main causes were the concentration of sales in H2 this year and, in the land planning business, the fact that strong procurement of adjacent land led the company to push back the timing of sales.

Real estate held for sale rose to ¥44.39 billion (+¥20.37 billion from the end of FY12/2025), reflecting robust procurement. The Company appears to be securing property efficiently, drawing on close relationships with nearly 100 business partners built up over many years and a high volume of repeat business from returning clients. On the other hand, the equity ratio fell to 23.7% as a result of the strong pace of procurement. From H2 onward, in addition to the earnings contribution from the existing pipeline, the Company aims to optimize the timing of some procurement to FY12/2027 and beyond, achieving earnings growth while maintaining financial discipline.

Notably, a highlight of the H1 results was that signs of business scale expansion were confirmed in both the land planning and revitalization businesses. The Company is moving forward with a shift toward a business model that utilizes SPCs ahead of GLM200 (whose final year is FY12/2030), and as business scale expands, per-employee productivity in procurement and sales is expected to rise further.

The stock price has recovered somewhat since the earnings announcement. This likely reflects the confirmation of solid results, together with the announcement of a share buyback of up to ¥300 million (equivalent to 1.13% of outstanding shares). That said, the PER remains low at around 6x, and the valuation continues to be sluggish.

Global Link Management's equity story is "Improved profitability through an optimized business mix driven by the expansion of the land planning business and revitalization business, as well as further improvements in turnover rates and diversification of earnings opportunities using SPCs." Strategy Advisors believes there is room for the PER to improve if the Company can demonstrate, through its shift toward a fund-based business model ahead of GLM200, that high growth will continue beyond FY12/2028. Kasumigaseki Capital (3498, TSE Prime) trades at a PER of over 10x, suggesting that the Company's stock price also has room for re-rating.

Stock Price & Trading Volume (1-Year)



Source: Strategy Advisors

Key Indicators

Stock Price (9/1/26)	1,977
52-Week High (10/8/25)	2,973
52-Week Low (6/11/26)	1,688
All-Time High (10/8/25)	2,973
All-Time Low (3/19/20)	220
Shares on Issue (mn)	16.0
Market Cap (¥bn)	31.6
EV (¥bn)	69.5
Equity Ratio (12/25 Actual, %)	31.3
ROE (12/25 Actual, %)	34.8
PER (12/26 CoE, x)	6.2
PBR (12/25 Actual, x)	2.1
Dividend Yield (12/26 CoE, %)	5.1

Source: Strategy Advisors

Japan GAAP - Consolidated

FY	Net Sales (¥mn)	YoY (%)	Operating Profit (¥mn)	YoY (%)	Ordinary Profit (¥mn)	YoY (%)	Net Profit (¥mn)	YoY (%)	EPS (¥)	DPS (¥)
12/25 H1	35,672	98.4	4,530	283.9	4,181	351.8	2,824	414.5	176.3	-
12/26 H1	28,424	-20.3	3,270	-27.8	2,691	-35.6	1,856	-34.3	116.5	-
12/23	41,258	15.7	4,586	65.2	4,260	87.0	2,878	97.3	180.4	50.0
12/24	64,482	56.3	5,732	25.0	5,138	20.6	3,413	18.6	213.3	65.0
12/25	69,262	7.4	7,436	29.7	6,739	31.2	4,611	35.1	288.0	80.5
12/26 CoE	75,000	8.3	8,500	14.3	7,500	11.3	5,130	11.2	320.4	100.0

Note: EPS and DPS figures are adjusted for the impact of stock splits. Net income refers to profit attributable to owners of the parent.

Source: Company Data. Compiled by Strategy Advisors.

1. Results Look Weaker on the Surface, but Profitability Is Expected to Improve from H2 Onward

H1 Saw a Sharp Profit Decline, but Within Expectations, with Full-Year Upside Expected on Strong Core Business

For FY12/2026 H1, net sales were ¥28.42 billion (-20.3% YoY) and ordinary profit was ¥2.69 billion (-35.6% YoY), a sharp profit decline but within the company's own expectations. The main reasons were the concentration of sales in H2 this year and a shift in the land planning business toward pushing back sale timing to add more value before selling, following strong procurement of adjacent land. In the development business, the Company's core revenue source, 758 units are planned for sale this year, of which 406 units had already been sold by the end of H1. Contracted-but-unsettled units also stood at a healthy 636 units, a trend that, as in the prior year, suggests scope for an upward revision to the full-year forecast this year as well.

Land Planning and Revitalization Could Lift Profitability as They Ramp Up in H2

Notably, Strategy Advisors is paying attention to the possibility that profitability will improve more than initially planned this year. The Company's plan assumes a gross profit margin of 19.3%, while the actual H1 margin came in at 19.7%. Given that the land planning and revitalization businesses, which carry higher profitability than the development business, are expected to contribute more to sales from H2 onward, expectations for H2 profit are high. In fact, the Company plans to sell 5 land planning properties in Q3 and 15 in Q4. As noted above, since some of these properties are being sold with more added value than initially assumed, Q4 profitability could exceed the plan.

Improvement in the Equity Ratio Is Also Expected Going Forward

Real estate held for sale rose to ¥44.39 billion (+¥20.37 billion from the end of FY12/2025), reflecting robust procurement. The development business's unit sales target for FY12/2027 is 1,280 units, and with a pipeline of 1,362 units already secured, confidence in achieving not only this year's but also next year's earnings targets has increased, which should reassure investors. Strategy Advisors highly rates the Company's ability to procure efficiently, drawing on close relationships with nearly 100 business partners built up over many years and a high volume of repeat business from returning clients. On the other hand, the equity ratio fell to 23.7% as a result of the strong pace of procurement. Because financial institutions determine loan terms based on fiscal year-end financial statements, the Company is expected both to benefit from the existing pipeline's earnings contribution from H2 onward and

Aiming to Ease Financial Constraints Through SPCs and Asset Management Fees

to slide some procurement to FY12/2027 and beyond, improving its financial capacity in parallel.

As a new topic, the Company made SAGL Advisors a wholly owned subsidiary (disclosed on June 15 and June 30) and renamed it GL Capital Management. Strategy Advisors has focused on the Company's equity story of "Improved profitability through an optimized business mix driven by the expansion of the land planning business and revitalization business, as well as further improvements in turnover rates and diversification of earnings opportunities using SPCs," and by acquiring a wholly owned subsidiary responsible for asset management operations, the Company is now able to capture asset management fees even after selling properties to SPCs.

As noted above, a challenge with the existing flow-centric business alone was that the faster the pace of business expansion, the more financial capacity became a constraint. Going forward, however, by leveraging SPCs to improve turnover and by accumulating asset management fees, the Company should be able to pursue business expansion with even greater speed.

Figure 1. GLOBAL LINK MANAGEMENT: FY12/2026 H1 Results Summary

(¥bn)	12/25 H1	12/26 H1 (A)	YoY	Progress rate (A)/(B)	12/26 CoE (B)
Net Sales	35.7	28.4	-20.3%	37.9%	75
Development Business	12.7	20.1	58.9%	51.5%	39
Land Planning Business	1.2	3.1	152.0%	15.5%	20
Revitalization Business	2.5	4.9	98.4%	30.9%	16
Operating Profit	4.5	3.3	-27.8%	38.5%	8.5
Ordinary Profit	4.2	2.7	-35.6%	35.9%	7.5
Profit Attributable to Owners of the Parent	2.8	1.9	-34.3%	36.2%	5.1

Source: Company Data. Compiled by Strategy Advisors.

Figure 2. Quarterly Performance Trends (¥mn)

FY	12/24				12/25				12/26	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
[P/L]										
Net Sales	5,450	12,530	15,492	31,008	16,472	19,199	16,251	17,338	15,287	13,137
(YoY)	-21.7%	-25.0%	192.7%	152.1%	202.2%	53.2%	4.9%	-44.1%	-7.2%	-31.6%
Gross Profit	978	1,859	1,851	5,105	2,880	3,938	2,583	3,006	3,202	2,388
Gross Profit Margin	17.9%	14.8%	11.9%	16.5%	17.5%	20.5%	15.9%	17.3%	20.9%	18.2%
SG&A Expenses	815	842	989	1,414	1,065	1,222	965	1,718	1,152	1,168
Operating Profit	163	1,017	861	3,690	1,814	2,715	1,618	1,287	2,050	1,220
(YoY)	-63.7%	-59.7%	86.4%	220.6%	1012.9%	167.0%	87.9%	-65.1%	13.0%	-55.1%
OP Margin	3.0%	8.1%	5.6%	11.9%	11.0%	14.1%	10.0%	7.4%	13.4%	9.3%
[B/S]										
Real Estate for Sale in Process	18,861	19,682	16,215	15,924	22,325	26,927	32,118	24,022	43,768	44,391
YoY	-4.9%	11.8%	-5.0%	7.6%	18.4%	36.8%	98.1%	50.9%	96.0%	64.9%
Total Interest-Bearing Debt	26,836	26,972	31,863	21,299	34,891	33,525	33,869	29,627	46,960	46,668
Equity Ratio	19.9%	20.9%	19.4%	31.8%	22.4%	27.1%	28.6%	31.3%	23.1%	23.7%
Net D/E Ratio	2.5	2.4	2.9	0.9	2.1	1.8	1.6	1.0	2.5	2.4

Source: Company Data. Compiled by Strategy Advisors.

Figure 3. Contracts & Closings Status

			Total number											
			First Quarter			Second Quarter			Third Quarter			Fourth Quarter		
			1	2	3	4	5	6	7	8	9	10	11	12
Development Business	Closing planned for properties under contract	636 units		138 units	127 units			141 units			46 units		27 units	157 units
	Closing planned for properties not under contract	122 units									23 units			99 units
	Total	758 units	265 units			141 units			69 units			283 units		
Land Planning Business	Closing planned for land under contract	8 properties	1 property	1 property	1 property	1 property		1 property			3 properties			
	Closing planned for land not under contract	17 properties									2 properties			15 properties
	Total	25 properties	3 properties			2 properties			5 properties			15 properties		
Revitalization Business	Closing planned for properties under contract	4 buildings				1 building		3 buildings						
	Closing planned for properties not under contract	5 buildings									3 buildings			2 buildings
	Total	9 buildings	0 buildings			4 buildings			3 buildings			2 buildings		
	Closing planned for properties under contract for purchase	7 buildings	5 buildings			1 building			1 building					
	Closing planned in purchase plan	3 buildings									1 building			2 buildings
	Total	10 buildings	5 buildings			1 building			2 buildings			2 buildings		

Source: Company data.

2. Business Scale Is Expanding, Raising Expectations for GLM200

Development Business Tops 50% H1 Progress; Higher Material Costs Can Be Passed Through

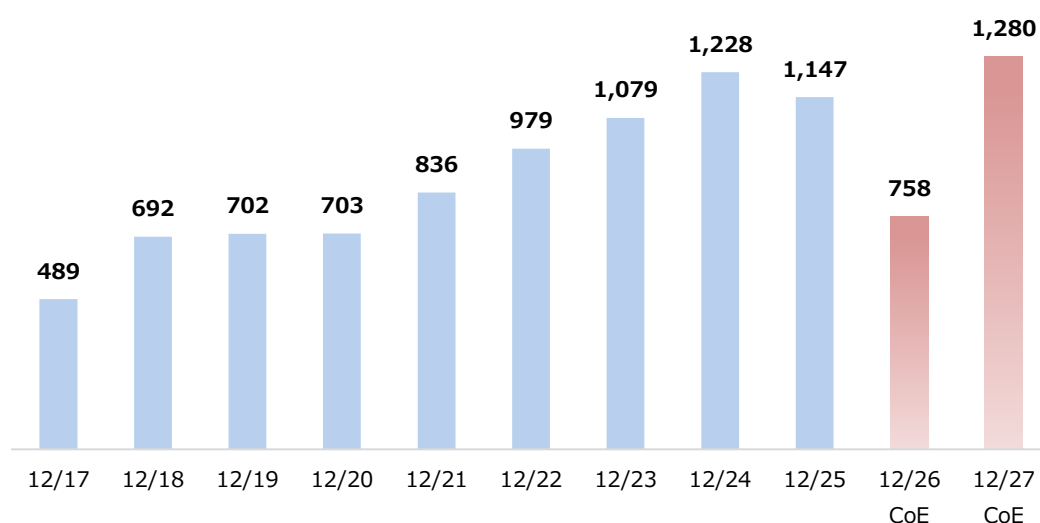
The development business posted H1 sales of ¥20.1 billion, a solid 51.5% progress rate against the full-year plan. The Company sold 406 units, a 53.6% progress rate against its unit sales plan of 758 units. Given that the Company already holds a sufficient pipeline, whether sales proceed as planned is an important factor in gauging this year's results, and the results so far offer reassurance on that front. Procurement has also been favorable: the number of units procured for sale in FY12/2028 reached 1,289. Since the Company has already secured the 1,280 units needed to achieve its FY12/2027 plan, it is expected to proceed with procurement for FY12/2028 and beyond going forward.

Note that this year there are concerns over deteriorating profitability due to rising construction material costs amid the Middle East situation, but sales contracts have already concluded for roughly 80% of the units scheduled for sale this fiscal year, so the impact is expected to be limited. While there is some risk that the resulting cost increases could weigh on profitability from next fiscal year onward, Strategy Advisors believes that, given rents in Tokyo's 23 wards have risen by around 10%, the Company should be well able to offset the impact by raising sale prices.

Tightening Supply-Demand Balance Amid Falling Supply Leaves Ample Room to Negotiate Price Pass-Through, Backed by Strong Client Relationships

In addition, new supply in the new-build residence market is expected to decline further from 2026 onward, which should make it easier to negotiate price increases to secure an appropriate margin. The Company's clients are not individuals but institutional investors such as real estate funds. Given the Company's long-standing relationships of trust with its clients, and given that its clients themselves have the expertise to revise rents in line with market conditions, there is ample room to negotiate passing through the impact of rising material prices, and excessive concern is unwarranted.

Figure 4. Trends in the Number of Residential Units Sold (Units)



Source: Company Data. Compiled by Strategy Advisors.

Strategic Delay from Adjacent-Land Procurement; Confidence in Upside to Land Planning Profitability

The land planning business posted H1 sales of ¥3.1 billion, a progress rate of just 15.5% against the full-year plan, but this was within expectations. The Company plans 25 sales this year, but only 5 were completed in H1. The Company had planned 9 sales in H1, but pushed back the timing of 4 of them as procurement of adjacent land progressed favorably.

Note that the land planning business is one in which high gross margins can be secured by investing effort into rights adjustment and demolition to add value before selling. The gross margin under the Company's plan (sales of ¥20.0 billion, gross profit of ¥4.0 billion) is 20%, but the Company appears confident of securing profitability above plan. Because the Company can flexibly judge the timing of sales depending on the state of construction cost inflation and procurement progress, continued growth while containing risk is expected from this fiscal year onward.

Larger Deal Sizes and a High-Turnover Model Point to Full-Year Plan Achievement

The revitalization business posted H1 sales of ¥4.9 billion, a progress rate of 30.9% against the full-year plan. The Company sold 4 buildings as planned, an in-line progress rate. The Company plans to sell 9 buildings for the full year, and given that larger properties are scheduled for sale from H2 onward, sales are expected to come in as planned.

Note that Q2 procurement, originally planned at 3 buildings, came in at just 1. Compared with the past, deal sizes have grown larger, and while the full-year procurement plan was revised down from 12 buildings to 10, procurement on a value basis is expected to proceed as planned. Strategy Advisors views the growing deal size in the revitalization business as a positive for the Company's future results. The Company announced on January 20 that it had secured a ¥5.45 billion loan from Mizuho Bank. By building a track record of transactions in the revitalization business, the Company appears to be strengthening relationships of trust with financial institutions, and the amount available to borrow per deal appears to have increased compared with previous years. Business scale expansion is expected ahead of GLM200, and the fact that positive signs are already emerging is worth noting.

In addition, as the scale of business per building expands, per-employee productivity in procurement and sales should rise, increasing the compensation the Company can offer employees and enabling it to hire outstanding talent.

Note that the gross margin under this year's business plan (sales of ¥16.0 billion, gross profit of ¥3.5 billion) is 22.0%. In FY12/2025, many deals carried high profitability, and the gross margin reached a high 30.5%, but margins are expected to decline this year. Competitors in the same business, such as Tosei (8923, TSE Prime), San Frontier Realty (8934, TSE Prime), and Loadstar Capital (3482, TSE Prime), often spend one to two years enhancing value until gross margins of 30-40% are reached, but the Company prioritizes turnover, selling once a certain margin has been secured. The rent uplift on FY12/2025 sales was 31.2%, and the Company is expected to continue its high-turnover business model this year as well, leveraging its sharp eye for value.

Figure 5. Revitalization Business - Purchases & Sales Status

Purchase timing		Property address	Floor area	Rent increase rate	Date of sales contract for purchase
FYE Dec. 2025	May	Arakicho, Shinjuku-ku	887.19㎡		April 2025
	May	2-chome, Ikebukuro, Toshima-ku	1,173.00㎡		April 2025
	June	2-chome, Hatagaya, Shibuya-ku	1,864.90㎡		May 2025
	July	2-chome, Honkomagome, Bunkyo-ku	4,017.44㎡		June 2025
FYE Dec. 2026	January	2-chome, Midori, Sumida-ku	830.30㎡		June 2025
	January	2-chome, Minamitsuka, Toshima-ku	5,724.39㎡	Target is 30% or higher	September 2025
	January	1-chome, Shinkawa, Chuo-ku	2,298.06㎡		September 2025
	January	2-chome, Shinyokohama, Kohoku-ku, Yokohama-shi	2,798.55㎡		September 2025
	January	6-chome, Kameido, Koto-ku	1,198.36㎡		October 2025
	April	Minami 6-jo Nishi 5-chome, Chuo-ku, Sapporo-shi	1,906.98㎡		February 2026
	July	1-chome, Shinjuku, Shinjuku-ku	1,129.49㎡		May 2026
↓ Plan to continuously conclude purchase contracts for properties in the third quarter and beyond, with the target to purchase 10 buildings in FY2026.					Sales contracts concluded

Source: Company data.

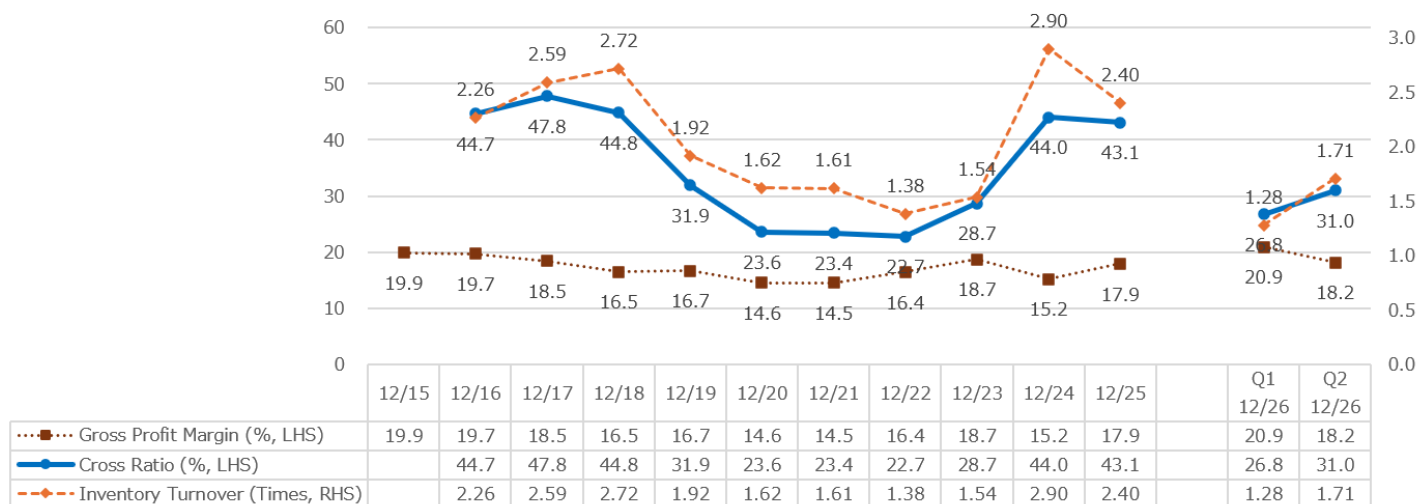
3. Capital Markets Are Rewarding Turnover-Focused Management Through Off-Balance-Sheet Development

Off-Balance-Sheet Development Eases the Financial Burden and Secures Scalability

A defining feature of the Company is that it has grown sales while curbing the increase in inventory by making use of off-balance sheet development. Off-balance-sheet development is a model in which land selected by the Company is acquired and developed by a partner such as a general contractor, after which the Company purchases the property and sells it to institutional investors within a few months.

Under conventional on-balance-sheet development, the balance sheet burden from land acquisition is large, reducing financial capacity, which in turn limits the scope for additional development. Using off-balance-sheet development reduces the financial burden and makes it possible to secure scalability. The reason off-balance-sheet development is feasible is that the Company has a strong network with institutional investors such as funds, who are the ultimate buyers, and can sell in bulk. The model works because the Company aggregates properties developed individually by multiple partners and sells them in bulk to funds. The Company has actively pursued off-balance-sheet development since 2022, and its stock price has also risen substantially since 2023, suggesting that the market is rewarding the Company's business model, marked by an extremely high inventory turnover rate.

Figure 6. Trend in Global Link Management's Cross Ratio



Note: Only non-consolidated results are disclosed for FY12/2021.

Crossover Ratio = Gross profit margin x Inventory turnover ratio.

When calculating the crossover ratio, the inventory turnover ratio is calculated based on the cost of sales.

Source: Company Data. Compiled by Strategy Advisors.

Global Link Management | 3486 (TSE Prime)

Figure 7. Financial Comparison with Peers: Comparison of CCC (Cash Conversion Cycle) & Crossover Ratio (Based on Most Recent Full-Year Results)

Company Name	Code	FY	Accounts Receivable Turnover Period (Day)	Inventory Turnover Period (Day)	Payables Turnover Period (Day)	CCC (Day)	Gross Profit Margin (%)	Inventory Turnover (x)	Crossover Ratio (%)
[Developer]									
GLOBAL LINK MANAGEMENT	3486	12/25	0.2	151.8	0.2	151.9	17.9	2.4	43.1
FJ NEXT HOLDINGS	8935	3/26	16.0	196.8	9.6	203.2	18.9	1.9	35.0
ES-CON JAPAN	8892	3/26	3.6	1,054.3	0.0	1,057.9	29.9	0.3	10.4
Hoosiers Holdings	3284	3/26	1.7	405.2	26.4	380.5	22.0	0.9	19.8
Meiwa Estate	8869	3/26	0.8	602.0	83.5	519.3	21.3	0.6	12.9
DEAR LIFE	3245	9/25	1.9	112.1	1.8	112.1	13.7	3.3	44.8
[Used/Renovated]									
INTELLEX HOLDINGS	463A	5/25	3.7	242.2	7.9	238.0	17.8	1.5	26.8
PROPERST	3236	5/26	78.3	294.9	43.3	329.9	17.4	1.2	21.5
MUGEN ESTATE	3299	12/25	0.4	511.1	6.2	505.3	28.3	0.7	20.2
[DX-Related]									
GA technologies	3491	10/25	1.7	22.6	7.1	17.2	16.9	16.1	273.3
TASUKI Holdings	166A	9/25	0.0	247.1	2.6	244.5	19.9	1.5	29.4
MIGALO HOLDINGS	5535	3/26	3.7	369.9	10.2	363.4	24.2	1.0	23.8
Property Technologies	5527	11/25	0.4	269.6	11.9	258.1	15.0	1.4	20.3
Average	-	-	8.7	344.6	16.2	337.0	20.2	2.5	44.7
Median	-	-	1.7	269.6	7.9	258.1	18.9	1.4	23.8
Company Name	Code	FY	Accounts Receivable Turnover Period (Day)	Inventory Turnover Period (Day)	Payables Turnover Period (Day)	CCC (Day)	Gross Profit Margin (%)	Inventory Turnover (x)	Crossover Ratio (%)
[Real Estate Finance]									
GLOBAL LINK MANAGEMENT	3486	12/25	0.2	151.8	0.2	151.9	17.9	2.4	43.1
Ichigo	2337	2/26	16.4	935.7	0.0	952.2	32.5	0.4	12.7
TOSEI	8923	11/25	36.2	1,056.5	61.5	1,031.2	42.1	0.3	14.6
Sun Frontier Fudousan	8934	3/26	9.3	730.9	20.7	719.4	32.8	0.5	16.4
Kasumigaseki Capital	3498	8/25	7.5	309.9	0.0	317.4	37.8	1.2	44.5
JINUSHI	3252	12/25	2.4	439.4	1.9	439.9	18.4	0.8	15.3
Loadstar Capital	3482	12/25	0.0	1,088.7	0.0	1,088.7	34.6	0.3	11.6
Average	-	-	10.3	673.3	12.0	671.5	30.9	0.9	22.6
Median	-	-	7.5	730.9	0.2	719.4	32.8	0.5	15.3

Note: CCC (Cash Conversion Cycle) is calculated as "Accounts Receivable Turnover Period + Inventory Turnover Period – Accounts Payable Turnover Period." INTELLEX HOLDINGS transitioned to a holding company on December 1, 2025. The figures above are for Intellix (8940).

Source: Strategy Advisors.

4. Medium-Term Plan Achievement Is Within Reach; Focus on GLM200 Through SPC Utilization

**Confidence in
Achieving GLM100 Is
High; Market
Attention Shifts to
GLM200**

The Company is pursuing business expansion in line with its medium-term management plan (GLM100), whose final year is FY12/2027. The ordinary profit target for FY12/2027 is ¥10.0 billion, and as noted above, given that the Company already holds the pipeline needed to achieve its FY12/2027 results and that its assumed gross margins by business are conservative, confidence in achieving the plan is high. Strategy Advisors believes that capital market attention is also shifting from GLM100 to GLM200, whose final year is FY12/2030. The key point to watch going forward is whether ordinary profit can be doubled to ¥20.0 billion during the period of the next medium-term management plan, whose final year is FY12/2030.

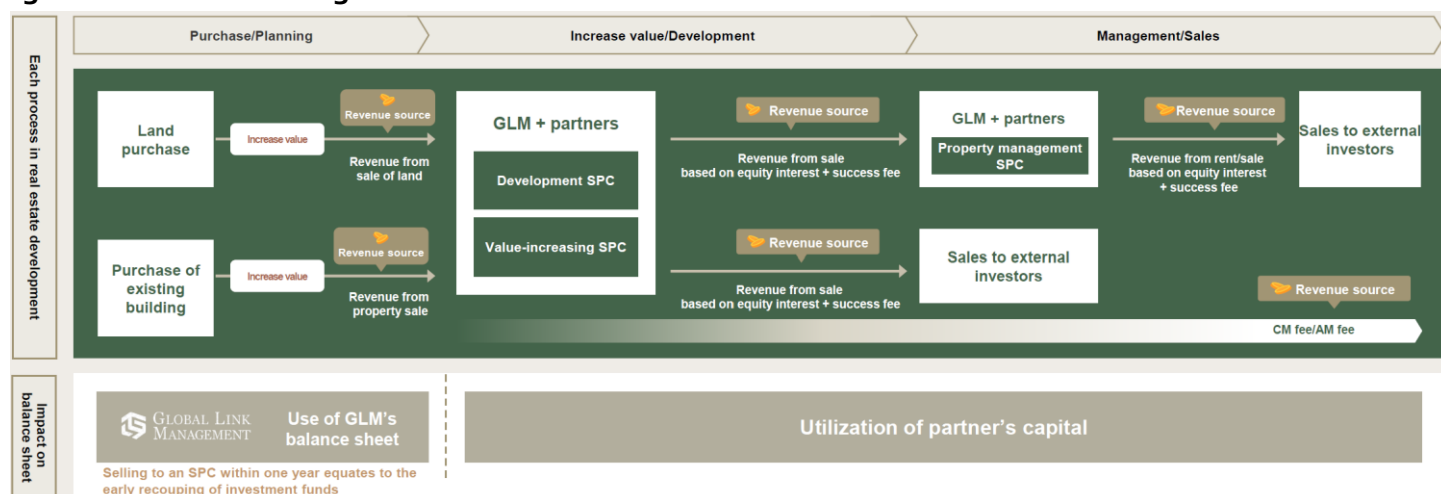
According to Strategy Advisors' interviews, while not a concrete target at this stage, the Company envisions, toward achieving ¥20.0 billion in ordinary profit by FY12/2030, a business portfolio in which each business grows to a scale of roughly ¥50.0 billion and the development, land planning, and revitalization businesses contribute to earnings in a balanced way. In the H1 FY12/2026 results, signs of business scale expansion were confirmed in both the land planning and revitalization businesses, an extremely important point in gauging achievement of the plan. In addition, going forward, the shift toward a business model utilizing SPCs is also expected to diversify cash-generating points and improve inventory turnover. Given that Kasumigaseki Capital (3498, TSE Prime) achieved high growth with a fund-based model centered on the hotel asset class, expectations for the Company can also be considered high.

**Higher Turnover and
More Diverse Profit
Points Through SPC
Utilization**

Under the current business model, the Company's only profit point comes at the time of sale, but going forward, the use of SPCs is expected to increase the number of profit points. Specifically, the Company plans to form development and operating SPCs together with partners and financial institutions, sell properties it has procured to the development SPC, and advance development on the SPC's balance sheet.

The property will then be sold to the operating SPC, and the Company is expected to transition to a model in which it handles asset management for the properties held by the operating SPC. As noted above, having acquired a wholly owned subsidiary responsible for asset management operations, the ability to capture expanded asset management fees after selling to SPCs can also be considered a step taken toward achieving GLM200. In light of this, the Company's equity story can be described as "Improved profitability through an optimized business mix driven by the expansion of the land planning business and revitalization business, as well as further improvements in turnover rates and diversification of earnings opportunities using SPCs."

Figure 8. Schematic Diagram of the SPC-Based Business Model



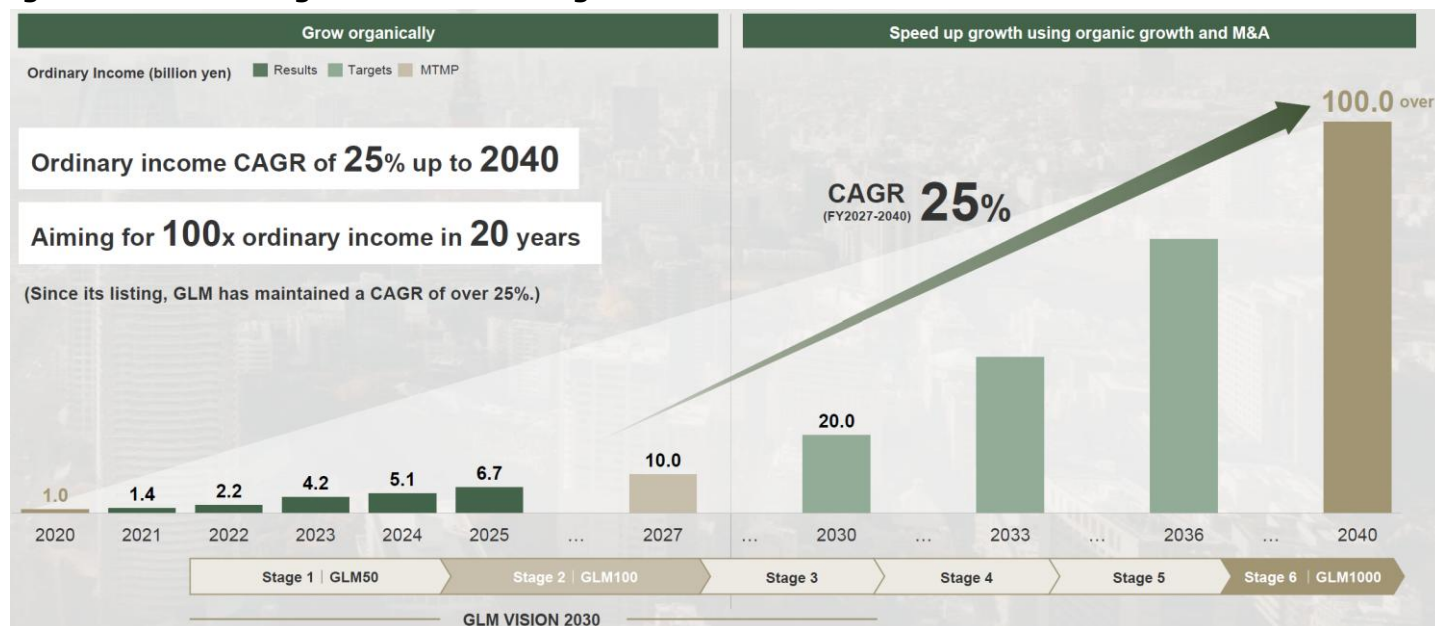
Source: Company data

Figure 9. Breakdown of the Mid-Term Management Plan (¥bn)

Items	FY12/25 (Actual)	FY12/26 (Company Plan)	FY12/27 (Mid-term Plan)	CAGR from FY12/24
Net Sales	69.3	75.0	100.0	15.7%
Development Business	41.1	39.0	50.0	—
Land Planning Business	19.2	20.0	30.0	—
Revitalization Business	8.3	16.0	20.0	—
Gross Profit	12.4	14.5	17.0	20.2%
Development Business	6.0	7.0	7.0	—
Land Planning Business	3.8	4.0	6.0	—
Revitalization Business	2.5	3.5	4.0	—
Gross Profit Margin	17.9%	19.3%	17.0%	—
Development Business	14.7%	18.0%	14.0%	—
Land Planning Business	19.8%	20.0%	20.0%	—
Revitalization Business	30.5%	22.0%	20.0%	—
# of Purchase Workforce (Persons)	—	—	50	—
Development Business	—	—	16	—
Land Planning Business	—	—	22	—
Revitalization Business	—	—	12	—
Development Business				
Unit Sales (Units)	1,147	758	1,280	1.4%
Non-Residential (Bldgs)	0	1	2	-20.6%
Land Planning Business				
Properties Sold (Properties)	22	25	32	19.0%
Revitalization Business				
Building Purchased (Bldgs)	5	10	14	—
Building Sold (Bldgs)	4	9	12	—

Source: Company Data. Compiled by Strategy Advisors.

Figure 10. GLM's Long-Term Growth Image



Source: Company data.

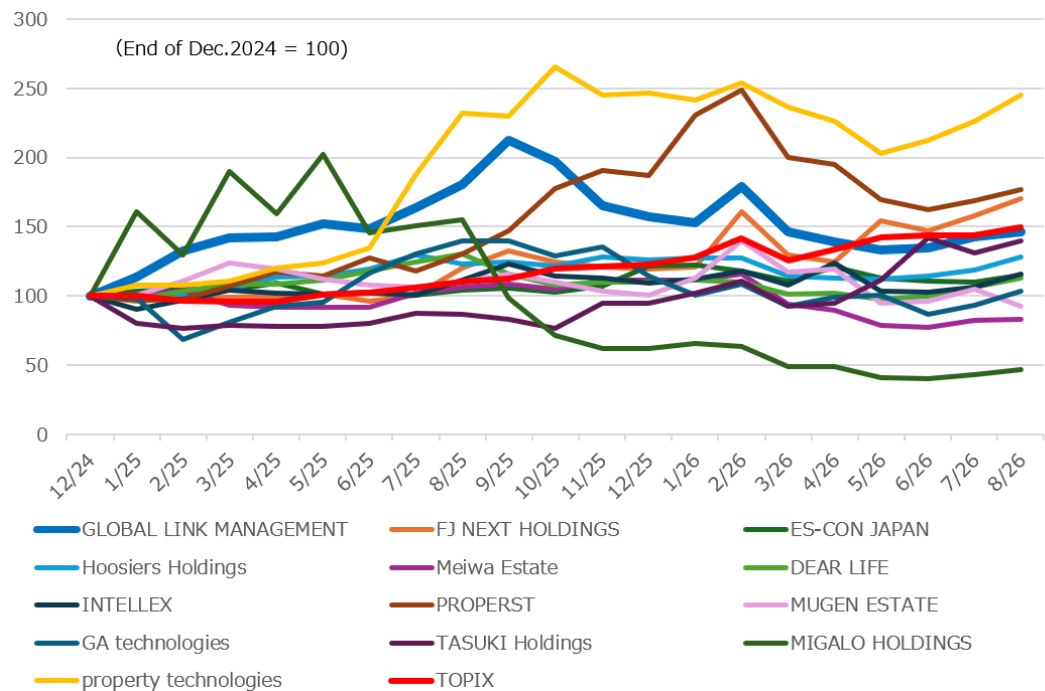
5. Valuation Should Rise as the Business Model Transforms

Stock Price Weighed Down by Rising Rates; Focus Now Turns to PER Improvement

The Company's stock price has trended weakly since peaking in September 2025. As 10-year JGB yields, which had been around the mid-1% level, rose rapidly, real estate developer stocks broadly weakened as investors grew wary of rising funding costs, and the Company's stock price can be seen as having been affected by this industry-wide trend as well.

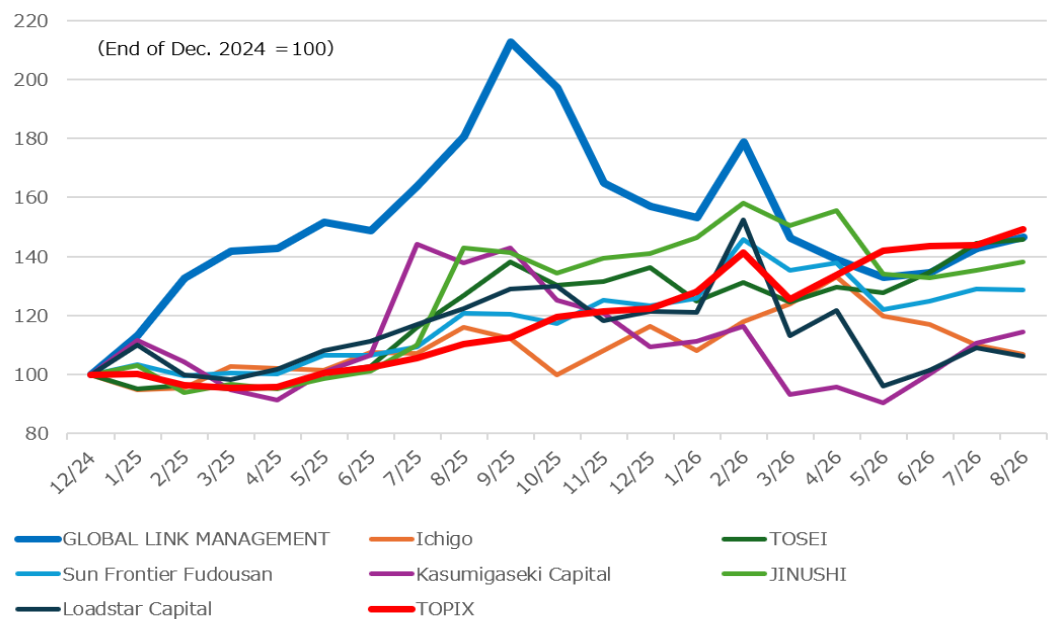
Although results have been trending solidly, the valuation has languished as the stock price has fallen. The PER, once around 10x, has fallen to around 6x currently. Reflecting high ROE, the PBR remains relatively high at 2.1x, so how the Company can raise its PER will be an important focus going forward.

**Figure 11. Listed companies providing small condominiums
(incl. used/renovation-focused companies and DX-focused
companies) (Category 1) Stock Price Trends (2025 Onward)**



Source: Strategy Advisors.

**Figure 12. Stock Price Trends of Listed Real Estate Finance Companies
(Category 2) (2025 Onward)**



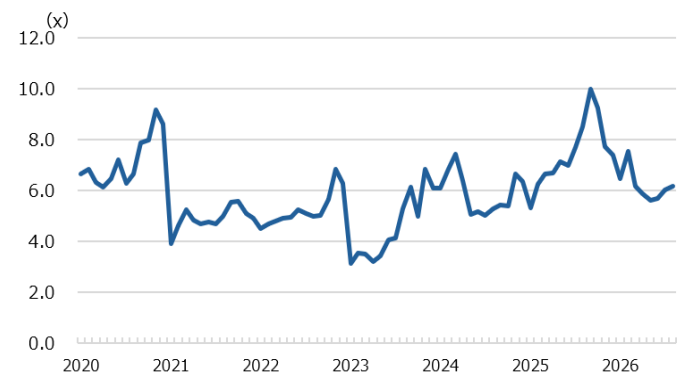
Source: Strategy Advisors.

Strengthening Both Profitability and Turnover

Strategy Advisors is watching whether the Company can be assigned a valuation similar to that of Kasumigaseki Capital, whose PER exceeds 10x. Kasumigaseki Capital employs a high-turnover, fund-based business model, but specializes in developing asset classes with a supply-demand gap, such as hotels and logistics warehouses, and as a result has a higher gross margin than the Company. Its success in expanding business on both the turnover and profitability fronts has led to a high market valuation.

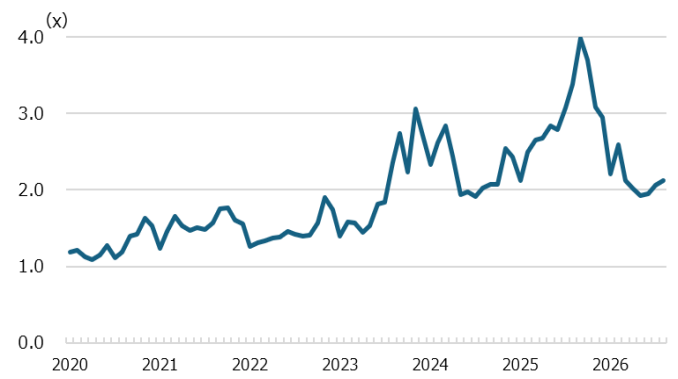
As the Company also shifts toward a business model that utilizes SPCs, higher turnover is expected, and Strategy Advisors will also be watching whether profitability can be improved by layering on growth from success fees earned upon sale to SPCs and from the acquisition of asset management fees. Going forward, the Company also plans to develop not only residences but also hotels. Because hotels are more profitable than residences, active development is expected against a backdrop of robust inbound demand.

Figure 13. Trends in PER



Source: Strategy Advisors.

Figure 14. Trends in PBR



Source: Strategy Advisors.

Figure 15. Valuation Comparison with Peers (Category 1: Listed Companies Offering Small Condominiums (Incl. Used/Renovation Companies and DX-Related Companies))

Company Name	Code	FY	Stock Price (9/1)	Market Cap. (¥mn)	PER CoE (x)	PBR Actual (x)	Dividend Yield CoE (%)	ROE Actual (%)
[Developer]								
GLOBAL LINK MANAGEMENT	3486	12/25	1,977	31,580	6.2	2.1	5.1	34.8
FJ NEXT HOLDINGS	8935	3/26	2,057	67,371	6.4	0.8	3.9	13.0
ES-CON JAPAN	8892	3/26	1,116	107,013	7.4	1.2	4.7	14.7
Hoosiers Holdings	3284	3/26	1,339	54,767	7.6	1.0	5.6	15.0
Meiwa Estate	8869	3/26	844	19,790	6.8	0.5	4.7	10.8
DEAR LIFE	3245	9/25	1,147	57,728	-	1.8	5.6	20.2
[Used/Renovated]								
INTELLEX HOLDINGS	463A	5/25	1,004	10,013	5.9	0.6	4.8	-
PROPERST	3236	5/26	294	9,730	6.0	0.7	3.4	13.7
MUGEN ESTATE	3299	12/25	1,728	40,743	8.5	1.1	6.0	19.6
[DX-Related]								
GA technologies	3491	10/25	1,570	64,452	11.8	2.1	0.8	14.5
TASUKI Holdings	166A	9/25	1,205	74,373	12.8	2.3	4.1	18.5
MIGALO HOLDINGS	5535	3/26	299	19,227	12.8	1.3	3.0	10.9
property technologies	5527	11/25	732	9,128	7.0	1.1	3.4	13.6

Note: INTELLEX HOLDINGS transitioned to a holding company on December 1st, so available indicators are limited.

Source: Strategy Advisors.

Figure 16. Valuation Comparison with Peers (Category 2: Listed Real Estate Finance Companies)

Company Name	Code	FY	Stock Price (9/1)	Market Cap. (¥mn)	PER CoE (x)	PBR Actual (x)	Dividend Yield CoE (%)	ROE Actual (%)
GLOBAL LINK MANAGEMENT	3486	12/25	1,977	31,580	6.2	2.1	5.1	34.8
Ichigo	2337	2/26	399	156,675	8.8	1.4	3.9	14.6
TOSEI	8923	11/25	1,844	179,178	11.8	1.7	3.0	15.3
Sun Frontier Fudousan	8934	3/26	2,520	144,104	8.3	1.1	3.2	14.4
Kasumigaseki Capital	3498	8/25	7,460	183,241	11.1	4.1	2.2	32.2
JINUSHI	3252	12/25	2,988	61,843	7.7	1.2	4.4	15.6
Loadstar Capital	3482	12/25	2,616	44,239	5.8	1.4	3.7	27.2

Source: Strategy Advisors.

Figure 17. Consolidated Income Statement (Full Year, ¥mn)

(¥mn)	12/21 Non- Consolidated	12/22	12/23	12/24	12/25	12/26 CoE
Net Sales	30,675	35,673	41,258	64,482	69,262	75,000
Cost of Sales	26,227	29,810	33,552	54,687	56,853	-
Gross Profit	4,447	5,863	7,706	9,794	12,409	14,500
Gross Profit Margin	14.5%	16.4%	18.7%	15.2%	17.9%	19.3%
SG&A Expenses	2,769	3,086	3,119	4,062	4,972	-
Operating Profit	1,677	2,776	4,586	5,732	7,436	8,500
OP Margin	5.5%	7.8%	11.1%	8.9%	10.7%	11.3%
Non-Operating Income	-100	6	124	7	47	-
Non-Operating Expenses	289	504	451	602	745	-
Ordinary Profit	1,487	2,278	4,260	5,138	6,739	7,500
Ordinary Profit Margin	4.9%	6.4%	10.3%	8.0%	9.7%	10.0%
Extraordinary Income	442	1	-	140	-	-
Extraordinary Losses	-	-	1	5	-	-
Profit Before Income Taxes	1,930	2,280	4,259	5,273	6,739	-
Income Taxes - Current	555	974	1,454	1,935	2,192	-
Income Taxes - Deferred	-48	-155	-76	-77	-67	-
Total Income Taxes	506	819	1,378	1,857	2,124	-
(Corporate Tax Rate)	26.2%	35.9%	32.4%	35.2%	31.5%	-
Profit Attributable to Owners of Parent	1,423	1,458	2,878	3,413	4,611	5,130
Net Profit Margin	4.6%	4.1%	7.0%	5.3%	6.7%	6.8%
EPS (¥)	91.05	91.78	180.38	213.28	288.03	320.40
ROE	-	-	37.5%	33.3%	34.7%	-
ROIC (Invested Capital)	-	-	11.0%	12.5%	13.7%	-
ROIC (Business Assets)	-	-	12.7%	16.8%	19.4%	-
DPS (¥)	17.5	26.3	50.0	65.0	80.5	100.0
Average # of Shares Outstanding (mn)	7.8	7.9	8.0	8.0	16.0	-
# of Shares Outstanding at Year-end (mn)	7.9	8.0	8.0	8.0	15.9	-

Note:

Only non-consolidated results are disclosed for FY12/21. Therefore, there are no figures for ROE and ROIC for FY12/21 and FY12/22, which are calculated using the average for the period.

Starting FY12/23, loan fees, which had previously been recorded under SG&A expenses, are now recorded under non-operating expenses, although the new accounting method was applied retroactively through FY12/22.

Retrospective adjustments have been made accordingly, but no retrospective adjustments were made for periods prior to FY12/21.

EPS and dividends have been retroactively adjusted to reflect the impact of the 2-for-1 stock split effective April 1, 2025

Source: Company Data. Compiled by Strategy Advisors.

Figure 18. Consolidated Balance Sheet (Full Year, ¥mn)

(¥mn)	12/21 Non- Consolidated	12/22	12/23	12/24	12/25
Current Assets	20,605	30,551	28,232	34,043	44,942
Cash and Deposits	2,480	3,531	8,648	11,291	14,564
Accounts Receivable	-	-	-	12	80
Inventories	17,355	25,755	17,945	19,800	27,494
Others	770	1,265	1,639	2,952	2,884
Non-Current Assets	1,161	1,768	3,815	2,371	2,708
Tangible Assets	600	1,307	3,209	1,320	1,279
Land	270	670	1,950	665	665
Intangible Assets	105	109	86	50	65
Investments and Other Assets	454	350	519	1,000	1,362
Investment Securities	14	14	14	424	659
Deferred Tax Assets	122	278	355	432	500
Others	318	58	150	144	203
Total Assets	21,767	32,319	32,047	36,414	47,650
Current Liabilities	11,068	14,565	14,041	14,033	13,838
Accounts Payable	-	-	-	32	26
Accounts Payable - Other	2,222	1,807	1,628	1,366	740
Interest-Bearing Debt	7,933	11,529	10,973	10,621	11,014
Short-Term Borrowings	3,495	4,923	2,628	6,288	7,944
Current Portion of Long-Term Borrowings	4,409	6,557	8,230	4,218	2,956
Current Portion of Bonds Payable	28	48	114	114	114
Income Taxes Payable	386	728	1,053	1,290	1,280
Others	527	501	387	724	778
Non-Current Liabilities	5,463	11,307	9,066	10,762	18,825
Interest-Bearing Debt	5,365	11,202	8,975	10,678	18,613
Others	98	105	91	84	212
Net Assets	5,235	6,446	8,939	11,617	14,986
Shareholders' Equity	5,235	6,438	8,929	11,570	14,900
Share Capital/Capital Surplus	878	907	936	964	1,023
Retained Earnings	4,357	5,531	7,992	10,606	14,177
Share Acquisition Rights	-	-	-	34	70
Non-Controlling Interests	-	7	10	13	16
Total Liabilities and Net Assets	21,767	32,319	32,047	36,414	47,650
Interest-Bearing Debt	13,298	22,732	19,948	21,300	29,627
Equity Ratio	24.1%	19.9%	27.9%	31.8%	31.3%
D/E Ratio (x)	2.54	3.53	2.23	1.84	1.99

Note: Only non-consolidated results are disclosed for FY12/21

Source: Company Data. Compiled by Strategy Advisors.

Figure 19. Consolidated Cash Flow Statement (Full Year, ¥mn)

(¥mn)	12/21 Non- Consolidated	12/22	12/23	12/24	12/25
Cash Flows from Operating Activities					
Profit Before Income Taxes	1,930	2,280	4,259	5,273	6,739
Depreciation and Amortization	88	90	89	107	72
Working Capital	-2,619	-9,142	7,797	-1,860	-7,690
Other	5	-1,544	-1,813	-2,820	-2,407
Total	-574	-8,290	10,360	731	-3,201
Cash Flows from Investing Activities					
Income/Losses from Purchase and Sale of Tangible Assets	-2	-12	-1,944	1,962	-3
Income/Losses from Purchase and Sale of Intangible Assets	-23	-39	-13	-3	-41
Purchase of Investment Securities	-	-	-	-410	-253
Other	390	55	-29	10	-56
Total	365	4	-1,986	1,559	-353
Cash Flows from Financing Activities					
Net Increase (Decrease) in Short-Term Loans Payable	2,796	1,728	-2,295	3,836	1,586
Net Increase (Decrease) in Long-Term Debt	-1,933	7,611	-691	-2,527	6,682
Net Increase (Decrease) in Bonds	-28	72	152	-114	-114
Issuance of Shares	19	-	-	-	-
Dividends Paid	-270	-277	-417	-799	-1,040
Other	-5	172	-2	27	-295
Total	579	9,306	-3,253	423	6,819
Net Increase (Decrease) in Cash	1,199	1,020	5,120	2,713	3,263
Cash Beginning Balance	2,035	2,406	3,451	8,571	11,285
Cash Ending Balance	2,406	3,451	8,571	11,285	14,549

Note: Only non-consolidated results are disclosed for FY12/21

Source: Company Data. Compiled by Strategy Advisors.

Disclaimer

This report is published by Strategy Advisors Co., Ltd. (hereinafter referred to as the "Publisher") and was prepared primarily by external partner companies and analysts.

The purpose of this report is to introduce and explain the target companies using a different approach than usual. In principle, the issuer does not review or approve the contents of the report (however, the issuer will point out to the author only if there are obvious errors or inappropriate expressions).

The Publisher may have received compensation, directly or indirectly, from the Target Company for planning, proposing and providing the infrastructure for issuing this report.

The external partners and analysts who write this report may receive compensation directly or indirectly from the subject company for activities other than preparing this report. In addition, the external partners and analysts who write this report may have or may in the future have transactions in the securities of the subject company.

This report has been prepared solely for the purpose of providing information to serve as a reference for investment decisions and is not intended as a solicitation for securities or other transactions. Investors should make final decisions regarding securities and other transactions at their own discretion and responsibility.

In preparing this report, the authors received information through interviews with the target companies, etc. However, the hypotheses and opinions expressed in this report are not those of the target companies but are the result of the authors' analysis and evaluation.

This report is based on information that the author believes to be reliable, but does not guarantee its accuracy, completeness or timeliness. The views and forecasts contained in this report are the judgment of the author at the time of publication of this report and are subject to change without notice.

Neither the Publisher nor the authors shall be liable for any direct, indirect, incidental or special damages which an investor may suffer as a result of placing reliance on the information or analysis contained in this report.

In principle, the copyright of this report belongs to the Publisher. It is prohibited by law to copy, sell, display, distribute, publish, modify, distribute or use for commercial purposes any information provided in this report without the Publisher's consent.



Strategy Advisors

Address: Central Building 703, 1-27-8 Ginza, Chuo-Ku, Tokyo 104-0061



Strategy Advisors