



**Kyoritsu Maintenance Co., Ltd.**  
**(Securities Code: 9616)**

**Summary of Consolidated Financial Results for the  
Fiscal Year Ended March 31, 2025**

**[JGAAP]**

**May 2025**

# Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 [based on Japanese GAAP]

May 15, 2025

Name of listed company Kyoritsu Maintenance Co., Ltd. Listed exchange: Tokyo  
 Code 9616 URL <https://www.kyoritsugroup.co.jp/>  
 Representative (Title) President (Name) Koji Nakamura  
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 Scheduled date for ordinary general meeting of shareholders: June 26, 2025  
 Scheduled filing date of Annual Securities Report: June 27, 2025  
 Scheduled date of start of dividend payment: June 25, 2025  
 Supplementary materials for the financial results: Yes  
 Investor conference for the financial results: Yes (For Institutional Investors)

(Rounded down to the nearest million yen)

## 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

### (1) Consolidated Operating Results

(Percentage figures represent year-over-year changes)

	Net sales		Operating income		Ordinary income		Income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended March 31, 2025	228,933	12.2	20,491	22.6	21,417	1.4	14,562	17.3
Year ended March 31, 2024	204,126	16.2	16,708	128.0	21,116	196.8	12,414	192.7

Note: Comprehensive income: Year ended March 31, 2025: 15,164 million yen (16.3%)  
 Year ended March 31, 2024: 13,041 million yen (176.3%)

	Income per share	Diluted net income per share	Return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
Year ended March 31, 2025	186.56	160.15	15.7	7.5	9.0
Year ended March 31, 2024	159.12	136.57	15.4	7.8	8.2

Reference: Gain/loss on equity-method investments Year ended March 31, 2025: 1,331 million yen (–%)  
 Year ended March 31, 2024: 5,025 million yen (–%)

Note: The Company conducted a two-for-one stock split on common stock effective April 1, 2024. Net income per share and diluted net income per share have been calculated assuming this stock split had taken place at the start of the previous consolidated fiscal year.

### (2) Consolidated Financial Position

	Total assets	Total net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2025	301,470	99,360	33.0	1,272.69
As of March 31, 2024	270,921	86,604	32.0	1,109.91

Reference: Shareholders' Equity: As of March 31, 2025: 99,360 million yen As of March 31, 2024: 86,604 million yen

Note: The Company conducted a two-for-one stock split on common stock effective April 1, 2024. Net assets per share have been calculated assuming this stock split had taken place at the start of the previous consolidated fiscal year.

### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Year ended March 31, 2025	29,449	-43,682	8,195	25,349
Year ended March 31, 2024	24,083	-31,533	-16,792	31,431

## 2. Dividend Payments

(Record date)	Dividend per share					Total dividend amount (annual)	Dividend payout ratio (consolidated)	Dividend to net assets (consolidated)
	First quarter	Second quarter	Third quarter	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Year ended March 31, 2024	–	16.00	–	33.00	49.00	1,911	15.4	2.4
Year ended March 31, 2025	–	16.00	–	22.00	38.00	2,966	20.4	1.6
Year ending March 31, 2026 (Forecast)	–	23.00	–	23.00	46.00		20.0	

Note: Note: The Company executed a two-for-one stock split on common stock effective April 1, 2024. Results in the years ended March 31, 2024 show actual dividends before this stock split. Results in the year ending March 31, 2025 show figures after the stock split. Annual dividends in the previous period would have been 24.50 yen, assuming that the stock split had taken place at the start of that period.

### 3. Forecasted Consolidated Results for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentage figures represent year-over-year changes)

	Net sales		Operating income		Ordinary income		Income attributable to owners of parent		Income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full Year	274,000	19.7	25,000	22.0	25,000	16.7	18,000	23.6	230.56

#### Notes

- (1) Major changes in the scope of consolidation during the period under review: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatements
  - (i) Changes in accounting policies due to revision of accounting standards, etc.: Yes
  - (ii) Changes in accounting policies other than those under (i) above: None
  - (iii) Changes in accounting estimates: None
  - (iv) Retrospective restatements: None

#### (3) Number of issued shares (common stock)

(i) Number of issued shares at the end of the period (including treasury shares)	Year ended March 31, 2025	78,439,636 shares	Year ended March 31, 2024	78,439,636 shares
(ii) Number of treasury shares at the end of the period	Year ended March 31, 2025	368,148 shares	Year ended March 31, 2024	410,902 shares
(iii) Average number of shares during the period	Year ended March 31, 2025	78,058,768 shares	Year ended March 31, 2024	78,020,925 shares

Note: The Company conducted a two-for-one stock split on common stock effective April 1, 2024. Number of issued shares has been calculated assuming this stock split had taken place at the start of the previous consolidated fiscal year.

#### (Reference) Summary of Non-Consolidated Financial Results

##### 1. Results of the Non-Consolidated Fiscal Year Ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

##### (1) Non-Consolidated Results of Operations

(Figures in percentages denote the year-on-year change.)

	Net sales		Operating income		Ordinary income		Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended March 31, 2025	198,196	10.9	18,765	24.3	19,320	30.0	13,185	99.7
Year ended March 31, 2024	178,696	11.4	15,092	161.4	14,865	85.6	6,602	17.3

	Income per share	Diluted net income per share
	Yen	Yen
Year ended March 31, 2025	168.92	144.99
Year ended March 31, 2024	84.63	72.53

Note: The Company conducted a two-for-one stock split on common stock effective April 1, 2024. Net income per share and diluted income per share have been calculated assuming this stock split had taken place at the start of the previous consolidated fiscal year.

##### (2) Non-Consolidated Financial Position

	Total assets	Total net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2025	275,203	84,956	30.9	1,088.19
As of March 31, 2024	242,961	73,543	30.3	942.52

Reference: Shareholders' equity: As of March 31, 2025: 84,956 million yen As of March 31, 2024: 73,543 million yen

Note: The Company conducted a two-for-one stock split on common stock effective April 1, 2024. Net assets per share have been calculated assuming this stock split had taken place at the start of the previous consolidated fiscal year.

\* Summaries of financial results are not subject to auditing by a certified public accountant or auditing firm.

\* Explanation of the appropriate use of earnings forecasts and other special notes

(Note concerning forward-looking statements)

The forward-looking statements, including earnings forecasts and other future projections contained in this document are based on information available to the Company at the time of preparation and on certain assumptions deemed reasonable by the Company. As such, they do not constitute an assurance that the Company promises to achieve these projected results. Actual business results may differ materially from the forecasts due to various factors.

Please see "(4) Future outlook" under "1. Overview of Operating Results, etc." on page "10" for the assumptions used for the forecast of financial results and notes concerning the use of the forecast of financial results.

(How to obtain supplementary materials of financial results)

Supplementary materials on financial results are released on TDnet on the same day and posted to the Company website.

In addition, a video of the financial results briefing will be posted to the Company website at a later date.

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# 1. Overview of Operating Results, etc.

## (1) Overview of operating results

### 1). Overview of general financial position

(Consolidated Financial Results)

(in million yen)

	Fiscal Year ended March 31, 2024	Fiscal Year ended March 31, 2025	Change (%)
Net sales	204,126	228,933	12.2
Operating income	16,708	20,491	22.6
Ordinary income	21,116	21,417	1.4
Net income attributable to owners of parent	12,414	14,562	17.3

During the consolidated fiscal year under review, despite continuing improvements in the Japanese economy with regard to employment and income and signs of recovery in personal consumption, the economic outlook remained uncertain for various reasons, including declining consumer confidence, attributable to inflation, trends in trade policies in various countries, and fluctuating exchange rates.

Under such conditions, while the rising cost of food and labor affected Group performance, our Dormitory Business showed steady growth, as reflected in the opening of new locations and success in optimizing selling prices. Our Hotel Business fared well due to favorable tailwinds, including strong domestic demand and growing numbers of inbound tourists. At over 36 million, the number of foreign visitors to Japan in 2024 set a new annual record; figures for January-March 2025 indicate the milestone of 10 million was reached and surpassed earlier than ever before (source: “Number of Foreign Visitors to Japan,” Japan National Tourism Organization [JNTO]).

Accordingly, the Group recorded record high earnings through the fourth quarter of the consolidated fiscal year under review, with net sales of 228,933 million yen (up 12.2% YoY), operating income of 20,491 million yen (up 22.6% YoY), ordinary income of 21,417 million yen (up 1.4% YoY), and net income attributable to owners of parent of 14,562 million yen (up 17.3% YoY).

### 2) Overview of financial position by major business segment

<Dormitory Business (student dormitories, employee dormitories, Domeal and contracted dormitories)

(in million yen)

	Fiscal Year ended March 31, 2024	Fiscal Year ended March 31, 2025	Change (%)
Net sales	52,303	54,923	5.0
Operating income	5,881	6,077	3.3

In April, the Dormitory Business opened a total of eight new facilities nationwide, accounting for 907 rooms. The occupancy rate at the start of the period was 97.0%, down 1.2 points YoY. In response to rising costs, in addition to promoting its services to a wider market, based on an emphasis on the key advantages of safety and security, the Company continued to pursue thoroughgoing cost controls and to optimize selling prices while continuing to strengthen customer relationships.

Net sales of the Dormitory Business overall totaled 54,923 million yen (up 5.0% YoY). Net sales for student dormitories were 31,250 million yen (up 4.2% YoY), 14,391 million yen for employee dormitories (up 7.3% YoY), 5,098 million yen for Domeal (studio) dormitories (up 1.4% YoY), and 4,182 million yen for contracted dormitories—dormitories owned by companies and schools and managed and operated by the Company on consignment (up 8.1% YoY). Operating income stood at 6,077 million yen (up 3.3% YoY).

As of the end of March 2025, the number of facilities totaled 526 locations (up by seven facilities YoY; excluding contracted dormitories), corresponding to a capacity for 44,908 occupants (up by 851 YoY). The number of residents totaled 43,991 (up 1,259 YoY).

## &lt; Hotel Business (Dormy Inn, Resorts) &gt;

(in million yen)

	Fiscal Year ended March 31, 2024	Fiscal Year ended March 31, 2025	Change (%)
Net sales	125,570	139,250	10.9
Operating income	14,843	18,498	24.6

In the Hotel Business during the period under review, within the Dormy Inn Business, the remodeled Global Cabin Yokohama Chinatown and Dormy Inn Express Seoul Insadong in South Korea opened.

Despite temporary stagnation in demand during the period under review, various factors, including warnings of a Nankai Trough earthquake and the impact of typhoons during the summer, the Hotel Business on a full-year basis succeeded in capturing booming domestic and international demand while continuing to optimize selling prices. These and other factors, including enhancement of the official website and membership program bore fruit in high occupancy rates and unit prices.

As a result, net sales of the Hotel Business totaled 139,250 million yen (up 10.9% YoY). Operating income increased sharply to 18,498 million yen (up 24.6% YoY), more than covering the impact of construction costs on large-scale remodeling intended to improve customer satisfaction and the effects of rising costs.

As of the end of March, 2025, the Hotel Business as a whole operated 138 facilities (up one YoY), accounting for 21,440 rooms (up 73 YoY).

## &lt;Comprehensive Building Management Business&gt;

(in million yen)

	Fiscal Year ended March 31, 2024	Fiscal Year ended March 31, 2025	Change (%)
Net sales	22,604	27,116	20.0
Operating income	824	1,213	47.1

In the Comprehensive Building Management Business, growth in large-scale repairs, cleaning, and other services contributed to net sales of 27,116 million yen (up 20.0% YoY) and operating income of 1,213 million yen (up 47.1% YoY).

## &lt;Food Service Business (Restaurants/ Contracted Food Service/ Contracted Hotel Restaurants, etc.)&gt;

(in million yen)

	Fiscal Year ended March 31, 2024	Fiscal Year ended March 31, 2025	Change (%)
Net sales	11,103	12,530	12.9
Operating income	208	244	17.3

In the Food Service Business, due to growing numbers of contracted hotel restaurants in addition to growth in numbers of other restaurants, among other factors, net sales grew to 12,530 million yen (up 12.9% YoY), while operating income rose to 244 million yen (up 17.3% YoY).

## &lt;Development Business&gt;

(in million yen)

	Fiscal Year ended March 31, 2024	Fiscal Year ended March 31, 2025	Change (%)
Net sales	3,623	9,953	174.7
Operating income	340	672	97.4

In the Development Business, real estate securitization and an increase in hotel and other development projects, together with the contributions of the condominium business, led to net sales of 9,953 million yen (up 174.7% YoY) and operating income of 672 million yen (up 97.4% YoY).

## &lt;Other Businesses&gt;

(in million yen)

	Fiscal Year ended March 31, 2024	Fiscal Year ended March 31, 2025	Change (%)
Net sales	16,190	17,813	10.0
Operating income	-310	-426	—

Other Businesses consist of the Senior Life Business (management and operation of senior residences); the Public Kyoritsu Partnership (PKP) Business (services provided under contract to local governments); the support business for people who live alone; the insurance agency business; comprehensive human-resource services; the financial business; and the administrative outsourcing business. Total net sales recorded by these businesses rose to 17,813 million yen (up 10.0% YoY), with an operating loss of 426 million yen (vs. an operating loss of 310 million yen in the previous fiscal year) due mainly to factors such as rising labor costs in the PKP Business.

**(2) Overview of financial position**

## (Assets)

Total assets at the end of this consolidated fiscal year stood at 301,470 million yen, up by 30,548 million yen from the end of the previous consolidated fiscal year. Main factors behind this increase included increases in land and construction in progress.

## (Liabilities)

Liabilities at the end of this consolidated fiscal year stood at 202,109 million yen, up by 17,792 million yen from the end of the previous consolidated fiscal year, due mainly to increases in accounts payable—other under other non-current liabilities and in long-term loans payable.

## (Net Assets)

Net assets at the end of this consolidated fiscal year stood at 99,360 million yen, up 12,756 million yen from the end of the previous consolidated fiscal year. This was due mainly to an increase in retained earnings.

As a result, the equity ratio was 33.0%, up 1.0 point from the end of the previous consolidated fiscal year.

**(3) Cash flow position**

The balance of cash and cash equivalents at the end of this consolidated fiscal year stood at 25,349 million yen, for a decrease of 6,082 million yen from the end of the previous consolidated fiscal year.

## (Cash flows from operating activities)

Net cash provided by operating activities was 29,449 million yen, for an increase of 5,366 million yen from the end of the previous consolidated fiscal year due to the effect of changes in inventories.

## (Cash flows from investment activities)

Net cash used in investing activities was 43,682 million yen, for an increase of 12,148 million yen from the end of the previous consolidated fiscal year due to the impact of payments for acquisition of property, plant, and equipment.

## (Cash flows from financing activities)

Net cash provided by financing activities was 8,195 million yen, for an increase of 24,988 million yen from the end of the previous consolidated fiscal year as a result of the impact of receipts from long-term loans payable.



(Reference) Trends in Cash Flow-related Indicators

	Fiscal Year ended March 31, 2021	Fiscal Year ended March 31, 2022	Fiscal Year ended March 31, 2023	Fiscal Year ended March 31, 2024	Fiscal Year ended March 31, 2025
Equity ratio (%)	29.6	29.2	27.4	32.0	33.0
Equity ratio on a market value basis (%)	59.8	74.5	76.6	100.9	80.6
Cash flow to interest-bearing debt ratio (annual):	-7.3	5.3	19.9	5.8	5.1
Interest coverage ratio (times):	-39.1	43.4	13.2	35.8	39.3

Equity ratio:  $\text{Equity capital} / \text{total assets}$

Equity ratio on a market value basis:  $\text{Market capitalization} / \text{total assets}$

Cash flow to interest-bearing debt ratio:  $\text{Interest-bearing debt} / \text{cash flow}$

Interest coverage ratio:  $\text{Cash flow} / \text{interest payments}$

Notes:

1. Each indicator is calculated based on the consolidated financial figures.
2. Market capitalization is calculated based on the number of outstanding shares not including treasury shares.
3. Cash flow used to calculate this indicator is operating cash flow.
4. Interest-bearing debts used to calculate this indicator are all debts recorded on the consolidated balance sheet that are subject to interest payments.
5. Interest payments used to calculate this indicator are the interest expenses paid that are stated on the consolidated statement of cash flows.

#### (4) Future outlook

(Consolidated Financial Results)

(in million yen)

	Results for the Fiscal Year ended March 31, 2025	Outlook for the Fiscal Year ending March 31, 2026	Change (%)
Net sales	228,933	274,000	19.7
Operating income	20,491	25,000	22.0
Ordinary income	21,417	25,000	16.7
Net income attributable to owners of parent	14,562	18,000	23.6

In addition to growing demand for domestic business and leisure travel, inbound tourism demand appears likely to grow further. However, with US tariff policies, monetary policies around the world, the protracted Russia-Ukraine conflict, and the growing dispute over Gaza in the Middle East, economic instability continues to grow as well.

As part of its strategy to assure future growth, the Group sees 2025 as the first year of its new development initiatives. It plans to actively develop and open new facilities and continue large-scale remodeling intended to increase customer satisfaction, while enhancing the features of the Dormy's membership program and implementing sustainability, human resource, and digital transformation (DX) strategies to establish solid business foundations in order to adapt to changing societal conditions.

The Dormitory Business opened a total of 12 facilities, accounting for 1,364 rooms nationwide, reporting an initial occupancy rate of 97.4% (up 0.4 points YoY) in April. Moving forward, it plans to open new facilities in seven prefectures. In addition to efforts to promote the Company's strengths in safety and security to prospective customers, an approach demonstrated during the COVID-19 pandemic, this business will continue to optimize selling prices and to respond to cost inflation through rigorous cost controls.

In the Hotel Business, the number of travelers to Japan from overseas showed an increasing trend along with continued booming domestic demand. Both the Dormy Inn Business and the Resorts Business began the year with revenue per available room (RevPAR) significantly above figures for the previous year. The Dormy Inn business plans to open four facilities—Natural Hotsprings Wakasa-No-Yu Dormy Inn Tsuruga, Natural Hotsprings Mitoya-No-Yu Dormy Inn Express Izumonokuni Unnan, Natural Hotsprings Higo-No-Yu Onyado Nono Kumamoto, and Onyado Nono Fukui—and the Resorts Business two facilities: Kyoto Omuro Ninnaji and La Vista Atami Terrace (all facility names given are tentative). In doing so, the business will actively open facilities in new areas to grow its network of facilities nationwide. The business will also continue to pursue measures intended to optimize the cost of attracting customers through enhancements of the Company website while strengthening customer convenience in various ways, including the adoption of a smart check-in system, as it strives to increase labor productivity and enhance its earning power.

The Comprehensive Building Management Business will enhance market competitiveness by focusing on strengthening its sales structure and improving its technological capabilities and product value, including specialized functions intended to strengthen customer trust and providing quality building-related services.

The Food Service Business, while implementing strict cost controls, will continue to develop products and services that lead to higher customer satisfaction.

The Development Business will continue to pursue real estate securitization in association with the recovering pace of opening new locations, supporting the Kyoritsu Group in its development and expansion plans. Additionally, it will seek to develop external trading partnerships and to strengthen its cost management system.

Among Other Businesses, the Company considers the Senior Life Business as a business development focus and will work to quickly achieve profitability by focusing on customer satisfaction and strengthening brand recognition.

Based on the above, as it enters the plan's third year, the Group considers the fiscal year ending March 31, 2026 to be the first year of its new development initiatives, which are intended to swiftly achieve the targets of its medium-term management plan. It forecasts net sales of 274,000 million yen (up 19.7% YoY), operating income of 25,000 million yen (up 22.0% YoY), ordinary income of 25,000 million yen (up 16.7% YoY), and net income attributable to owners of the parent of 18,000 million yen (up 23.6% YoY).

The above forecasts are based on information available as of the date of publication of this document. Actual results may differ for various reasons.

## **(5) Basic policy on distribution of surplus and dividends for the current and next period**

Based on the conviction that it is entrusted the capital it raises from markets by its shareholders, the Company sees returning earnings to shareholders through performance-linked dividends that reflect earnings as a key instrument for distributing its surplus. We will strive to increase the dividends payout ratio based on the basic stance of assuring steady and stable rewards to shareholders over the long term, with a target payout ratio of 20 percent.

During the fiscal year, the Company achieved the highest record for income, thanks to stable growth in its main Dormitory Business and significant growth, powered by strong customer satisfaction, in its Hotel Business. Accordingly, we plan to pay year-end dividends of 22 yen per share (increased by two yen above the dividends in the forecast announced February 7, 2025), for total annual dividends of 38 yen/share (for a 20.4% payout ratio), up 13.50 yen (55.1%) from the previous fiscal year on a full-year basis. (Annual dividends in the fiscal year ended March 31, 2024 would have been 24.50 yen had the stock split effective April 1, 2024 taken place at the start of that fiscal year.) The Company forecasts an increase of eight yen (21.1%) in full-year dividends for the fiscal year ending March 31, 2026, to 46 yen for the year (for a 20.0% payout ratio).

Pursuing even more dynamic policies on shareholder returns in the future, we will strive to achieve stable and continuous growth in dividends. We will retain internal reserves in the amounts needed to make effective capital investments, develop new businesses, and implement other forward-looking management policies, while adapting to changing business conditions.

## **2. Basic Policy on Selection of Accounting Standards**

The Group's policy for the time being is to prepare its consolidated financial statements in accordance with Japanese GAAP, taking into consideration the comparability of consolidated financial statements over time and across companies.

The Group will properly deal with the application of IFRS taking into account domestic and international situations.

### 3. Consolidated Financial Statements and Major Notes

#### (1) Consolidated balance sheets

(in million yen)

	As of March 31, 2024	As of March 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	31,807	25,675
Notes, accounts receivable - trade and contract assets	17,915	18,301
Real estate for sale	11,451	8,602
Real estate for sale in process	9,643	7,951
Costs on uncompleted construction contracts	265	822
Other	9,367	8,276
Allowance for doubtful accounts	-64	-53
Total current assets	80,385	69,576
Non-current assets		
Property, plant and equipment		
Buildings and structures	94,006	101,474
Accumulated depreciation	-45,323	-49,652
Buildings and structures, net	48,682	51,821
Land	42,646	54,784
Construction in progress	18,850	42,002
Other	21,766	24,891
Accumulated depreciation	-16,643	-18,525
Other, net	5,123	6,365
Total property, plant and equipment	115,303	154,974
Intangible fixed assets	4,487	4,801
Investments and other assets		
Investment securities	15,018	16,506
Long-term loans receivable	526	653
Guarantee deposits	18,893	18,476
Lease deposits	20,551	21,357
Deferred tax assets	3,525	2,415
Other	12,026	12,592
Allowance for doubtful accounts	-106	-103
Total investments and other assets	70,433	71,899
Total non-current assets	190,224	231,675
Deferred assets		
Bond issuance costs	311	218
Total deferred assets	311	218
Total assets	270,921	301,470

(in million yen)

	As of March 31, 2024	As of March 31, 2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	9,394	9,220
Short-term borrowings	26,860	26,153
Current portion of bonds payable	4,880	4,680
Current portion of convertible bonds	–	30,022
Income taxes payable	2,640	4,286
Provision for bonuses	2,928	3,686
Provision for directors' bonuses	486	715
Other	23,936	29,328
Total current liabilities	71,127	108,093
Non-current liabilities		
Bonds payable	13,700	9,020
Convertible bonds with share acquisition rights	30,052	–
Long-term loans payable	62,453	78,749
Long-term guarantee deposited	3,305	3,722
Deferred tax liabilities	0	–
Net defined benefit liability	986	1,038
Provision for directors' retirement benefits	258	260
Allowance for loss on business withdrawal	1,160	140
Asset retirement obligations	499	499
Other	773	583
Total non-current liabilities	113,189	94,015
Total liabilities	184,317	202,109
<b>Net Assets</b>		
Shareholders' equity		
Share capital	7,964	7,964
Capital surplus	12,920	13,016
Retained earnings	65,167	77,193
Treasury shares	-331	-299
Total shareholders' equity	85,721	97,875
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	675	894
Deferred hedge gain (loss)	692	1,107
Foreign currency translation adjustment	-601	-596
Remeasurements of defined benefit plans	117	79
Total accumulated other comprehensive income	882	1,485
Total net assets	86,604	99,360
Total liabilities and net assets	270,921	301,470

**(2) Consolidated income statement and consolidated statement of comprehensive income**

## Consolidated income statement

(in million yen)

	Year Ended March 31, 2024 (April 1, 2023 - March 31, 2024)	Year Ended March 31, 2025 (April 1, 2024 - March 31, 2025)
Net sales	204,126	228,933
Cost of sales	155,132	173,016
Gross income	48,993	55,917
Selling, general and administrative expenses		
Salaries, allowances and bonuses	5,842	6,389
Employee benefits expenses	1,301	1,367
Provision for bonuses	1,009	1,215
Provision for directors' bonuses	486	715
Retirement benefit expenses	145	142
Provision for directors' retirement benefits	2	1
Sales promotion expenses	2,540	2,894
Business consignment expenses	2,504	2,689
Rent expenses	519	520
Fees payable	14,733	15,399
Depreciation and amortization	551	694
Other	2,649	3,395
Total selling, general and administrative expenses	32,285	35,426
Operating income	16,708	20,491
Non-operating income		
Interest income	119	156
Dividend income	161	201
Gain on equity-method investments	5,025	1,331
Other	497	486
Total non-operating income	5,804	2,175
Non-operating expenses		
Interest expenses	672	743
Other	723	505
Total non-operating expenses	1,395	1,249
Ordinary income	21,116	21,417

(in million yen)

	Year Ended March 31, 2024 (April 1, 2023 - March 31, 2024)	Year Ended March 31, 2025 (April 1, 2024 - March 31, 2025)
Extraordinary losses		
Loss due to disaster	218	278
Loss on valuation of shares of subsidiaries	441	—
Loss on business withdrawal	1,137	—
Impairment loss	2,015	311
Other	234	29
Total extraordinary losses	4,047	619
Net income before income taxes	17,069	20,797
Income taxes - current	2,620	5,433
Income taxes - deferred	2,033	802
Total income taxes	4,654	6,235
Net income	12,414	14,562
Net income attributable to owners of parent	12,414	14,562

## Consolidated statement of comprehensive income

(in million yen)

	Year Ended March 31, 2024 (April 1, 2023 - March 31, 2024)	Year Ended March 31, 2025 (April 1, 2024 - March 31, 2025)
Net income	12,414	14,562
Other comprehensive income		
Valuation difference on available-for-sale securities	515	219
Deferred hedge gain (loss)	43	415
Foreign currency translation adjustment	-12	-35
Remeasurements of defined benefit plans	80	-37
Share of other comprehensive income of entities accounted for using equity method	—	41
Total other comprehensive income	626	602
Comprehensive income	13,041	15,164
(Breakdown)		
Comprehensive income attributable to owners of parent	13,041	15,164



**(3) Consolidated statement of changes in equity**

Year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

(in million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,964	12,862	53,845	-349	74,322
Changes during period					
Dividends from surplus			-1,092		-1,092
Net income attributable to owners of parent			12,414		12,414
Share buybacks				-5	-5
Disposal of treasury stock		0		0	0
Restricted stock units		58		24	82
Net changes of items other than shareholders' equity					
Total changes during period	—	58	11,322	18	11,398
Balance at end of period	7,964	12,920	65,167	-331	85,721

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred hedge gain (loss)	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	160	648	-589	36	256	74,579
Changes during period						
Dividends from surplus						-1,092
Net income attributable to owners of parent						12,414
Share buybacks						-5
Disposal of treasury stock						0
Restricted stock units						82
Net changes of items other than shareholders' equity	515	43	-12	80	626	626
Total changes during period	515	43	-12	80	626	12,025
Balance at end of period	675	692	-601	117	882	86,604

Year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

(in million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,964	12,920	65,167	-331	85,721
Changes during period					
Dividends from surplus			-2,536		-2,536
Net income attributable to owners of parent			14,562		14,562
Share buybacks				-4	-4
Disposal of treasury stock		0		0	0
Restricted stock units		95		35	131
Net changes of items other than shareholders' equity					
Total changes during period	—	96	12,025	31	12,153
Balance at end of period	7,964	13,016	77,193	-299	97,875

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred hedge gain (loss)	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	675	692	-601	117	882	86,604
Changes during period						
Dividends from surplus						-2,536
Net income attributable to owners of parent						14,562
Share buybacks						-4
Disposal of treasury stock						0
Restricted stock units						131
Net changes of items other than shareholders' equity	219	415	5	-37	602	602
Total changes during period	219	415	5	-37	602	12,756
Balance at end of period	894	1,107	-596	79	1,485	99,360

**(4) Consolidated statement of cash flows**

(in million yen)

	Year Ended March 31, 2024 (April 1, 2023 - March 31, 2024)	Year Ended March 31, 2025 (April 1, 2024 - March 31, 2025)
Cash flows from operating activities		
Net income before taxes	17,069	20,797
Depreciation and amortization	6,780	7,716
Amortization of long-term prepaid expenses	512	709
Amortization of guarantee deposits	391	413
Increase (decrease) in provision for bonuses	992	760
Interest and dividend income	-280	-357
Interest expenses	672	743
Share of (profit) loss of entities accounted for using equity method	-5,025	-1,331
Loss on valuation of shares of subsidiaries	441	—
Loss on business withdrawal	1,137	—
Impairment loss	2,015	311
Loss on disaster	218	278
Decrease (increase) in notes and accounts receivable - trade	-2,696	-396
Decrease (increase) in accounts receivable - other	432	-289
Decrease (increase) in inventories	-3,079	3,367
Increase (decrease) in notes and accounts payable - trade	2,143	-172
Increase (decrease) in accrued expenses	566	284
Increase (decrease) in advances received	409	1,046
Increase (decrease) in accounts payable - other	-897	-310
Increase (decrease) in accrued consumption taxes	999	144
Increase (decrease) in deposits received	517	-454
Increase (decrease) in guarantee deposits received	322	493
Other	945	-562
Subtotal	24,588	33,193
Interest and dividends received	171	467
Interest expenses paid	-672	-749
Income taxes refund	1,051	0
Income taxes paid	-977	-3,462
Loss on store closings	-78	—
Net cash provided by (used in) operating activities	24,083	29,449

(in million yen)

	Year Ended March 31, 2024 (April 1, 2023 - March 31, 2024)	Year Ended March 31, 2025 (April 1, 2024 - March 31, 2025)
Cash flows from investing activities		
Purchase of investment securities	-6,164	-19
Proceeds from sale of investment securities	6	—
Purchase of property, plant and equipment	-22,892	-41,990
Proceeds from sale of property, plant and equipment	—	157
Purchase of intangible assets	-652	-1,086
Purchase of long-term prepaid expenses	-555	-803
Payments of loan receivable	-284	-904
Collection of loans receivable	224	1,570
Payments for lease and guarantee deposits	-1,742	-1,181
Proceeds from collection of lease and guarantee deposits	61	151
Purchase of insurance funds	-431	-246
Proceeds from cancellation of insurance funds	1,078	757
Other	-181	-87
Net cash provided by (used in) investing activities	-31,533	-43,682
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	—	150
Proceeds from long-term loans payable	1,970	31,400
Repayments of long-term loans payable	-12,347	-15,960
Redemption of convertible bonds	-4,881	-4,881
Share buybacks	-5	-3
Cash dividend paid	-1,089	-2,530
Other	-438	22
Net cash provided by (used in) financing activities	-16,792	8,195
Effect of exchange rate changes on cash and cash equivalents	22	-45
Increase (decrease) in cash and cash equivalents	-24,219	-6,082
Balance of cash and cash equivalents at beginning of period	55,651	31,431
Balance of cash and cash equivalents at end of period	31,431	25,349

## (5) Notes on consolidated financial statement

(Notes on the going concern assumption)

Not applicable

(Change in accounting policies)

(Changes in accounting policies)

(Application of the Accounting Standard for Current Income Taxes and other applicable standards)

The Accounting Standard for Current Income Taxes (Accounting Standards Board of Japan [ASBJ] Statement No. 27, October 28, 2022; "2022 Revised Accounting Standard" hereinafter) and other applicable standards have been applied from the start of consolidated fiscal year under review.

The provisional handling specified in the provisions of Paragraph 20-3 of the 2022 Revised Accounting Standard and the provisional handling specified in the provisions of Paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; "2022 Revised Guidance" hereinafter) have been applied for revisions related to the accounting classifications of income tax (taxation on other comprehensive income). This change in accounting policies has had no effect on the consolidated financial statements.

The 2022 Revised Guidance has been applied since the start of consolidated fiscal year under review for changes related to the revision of handling in the consolidated financial statements of carryover for tax purposes of gains/losses on sale arising in connection with sale of assets such as stock in subsidiaries among consolidated companies. This change in accounting policies has been applied retroactively. The consolidated financial statements for the previous consolidated fiscal year reflect this retroactive application.

This change has had no effect on the consolidated financial statements for the previous consolidated fiscal year.

(Additional information)

Not applicable

(Segment Information etc.)

[Segment Information]

### 1. Summary of Reportable Segments

The Group's reportable segments are structural units of the Group, for which disaggregated financial information is available, that are subject to periodic review by the Board of Directors to make decisions on allocation of management resources and evaluate business performance.

The Group establishes business units for individual services (or subsidiaries for some services) within the Group. Each business unit or subsidiary formulates strategies for its services and engages in business activities.

Accordingly, the Group consists of service-specific segments based on these business units and subsidiaries. The Group's five reportable segments are the Dormitory Business, the Hotel Business, the Comprehensive Building Management Business, the Food Service Business, and the Development Business.

Each reporting segment is summarized below.

Dormitory Business:	Operation and management of student dormitories, employee dormitories, Domeal, and contracted dormitories
Hotel Business:	The Dormy Inn (limited-service hotel) and Resorts (resort hotel) businesses
Comprehensive Building Management Business:	The office-building management and residential-building management businesses
Food Service Business:	The businesses dealing with restaurants, contracted food service, and hotel restaurants and other facilities operated under contract
Development Business:	The construction, planning, design, and brokerage businesses, the condominium business, the real-estate sale and leaseback business, and other development-related businesses, other development-related businesses

### 2. Calculation methods for net sales, income or losses, assets, and other amounts for each reporting segment

The accounting method for the reported business segments is the same as that described in "Significant Matters that Form the Basis for Preparing Consolidated Financial Statements."

Income of the reportable segments is based on operating income.

Intersegment sales and transfers are based on market prices.

### 3. Information on net sales, income or losses, assets and other items by reporting segment

Year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

(in million yen)

	Segment Information						Other Note 1	Total	Adjustment Note 2	Amount recorded on consolidated consolidated financial statements Note 3
	Dormitory	Hotel	Comprehensive Building Management	Food Service	Development	Total				
Net sales										
Net sales to external customers	52,062	125,433	7,784	1,651	1,653	188,585	15,540	204,126	—	204,126
Intersegmental sales or transfers	240	136	14,819	9,452	1,969	26,619	649	27,269	-27,269	—
Total	52,303	125,570	22,604	11,103	3,623	215,205	16,190	231,396	-27,269	204,126
Segment income or loss	5,881	14,843	824	208	340	22,098	-310	21,788	-5,079	16,708
Segment assets	59,209	118,672	16,309	2,525	27,565	224,283	16,775	241,059	29,862	270,921
Other items										
Depreciation and amortization	1,525	5,006	60	38	42	6,672	130	6,802	-21	6,780
Impairment loss	211	1,727	—	77	—	2,015	—	2,015	—	2,015
Increase in tangible fixed assets and intangible fixed assets	3,900	14,089	121	192	4	18,308	271	18,579	-675	17,904

Notes: 1. The Other Business segment consists of the following businesses which are not included in the other reportable segments: the Senior Life Business (management and operation of senior residences), the Public Kyoritsu Partnership (PKP) Business (services provided under contract to local governments), support business for people who live alone, the insurance agency business, comprehensive human-resource services, the financial business, the administrative outsourcing business, and other related businesses.

2. Details of adjustments are described below.

(in million yen)

Segment income	
Elimination of intersegment transactions	-563
Corporate expenses <sup>(Note)</sup>	-4,516
Total	-5,079

Note: Corporate expenses mainly consist of expenses related to the Accounting Department and other administrative departments of the head office.

(in million yen)

Segment assets	
Elimination of intersegment transactions	-15,609
Corporate assets <sup>(Note)</sup>	45,471
Total	29,862

Note: Corporate assets refer to cash and deposits, investment securities, assets related to administrative sections, and deferred tax assets retained by the head office.

3. Segment income or loss is adjusted against operating loss on the consolidated financial statements.

Year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

(in million yen)

	Segment Information						Other Note 1	Total	Adjustment Note 2	Amount recorded on consolidated financial statements Note 3
	Dormitory	Hotel	Comprehensive Building Management	Food Service	Development	Total				
Net sales										
Net sales to external customers	54,570	139,006	8,325	1,933	7,985	211,821	17,112	228,933	—	228,933
Intersegmental sales or transfers	353	243	18,791	10,597	1,967	31,953	700	32,653	-32,653	—
Total	54,923	139,250	27,116	12,530	9,953	243,774	17,813	261,587	-32,653	228,933
Segment income or loss	6,077	18,498	1,213	244	672	26,706	-426	26,280	-5,789	20,491
Segment assets	61,781	159,398	19,223	2,744	24,086	267,234	16,666	283,900	17,569	301,470
Other items										
Depreciation and amortization	1,574	5,875	103	43	41	7,638	151	7,789	-73	7,716
Equity in earnings or losses of affiliates	—	—	—	—	—	—	1,331	1,331	—	1,331
Impairment loss	41	223	—	46	—	311	—	311	—	311
Increase in tangible fixed assets and intangible fixed assets	4,372	43,394	121	13	9	47,911	179	48,090	-38	48,052

Notes: 1. The Other Business segment consists of the following businesses which are not included in the other reportable segments: the Senior Life Business (management and operation of senior residences), the Public Kyoritsu Partnership (PKP) Business (services provided under contract to local governments), support business for people who live alone, the insurance agency business, comprehensive human-resource services, the financial business, the administrative outsourcing business, and other related businesses.

2. Details of adjustments are described below.

(in million yen)

Segment income	
Elimination of intersegment transactions	-825
Corporate expenses <sup>(Note)</sup>	-4,963
Total	-5,789

Note: Corporate expenses mainly consist of expenses related to the Accounting Department and other administrative departments of the head office.

(in million yen)

Segment assets	
Elimination of intersegment transactions	-20,851
Corporate assets <sup>(Note)</sup>	38,421
Total	17,569

Note: Corporate assets refer to cash and deposits, investment securities, assets related to administrative sections, and deferred tax assets retained by the head office.

3. Segment income or loss is adjusted against operating loss on the consolidated financial statements.

[Relevant Information]

Year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

1. Information by product and service

(in million yen)

	Student dormitories	Employee dormitories	Domeal	contracted dormitories	Dormy Inn	Resorts	Office building custodial services	Residential building custodial services	Food Service	Development	Other	Total
Net sales to external customers	29,949	13,258	5,003	3,851	72,753	52,680	4,489	3,294	1,651	1,653	15,540	204,126

2. Information by region

(1) Net sales

This item is omitted because the net sales to external customers in Japan account for more than 90% of the net sales on the consolidated income statement.

(2) Tangible fixed assets

This item is omitted because the amount of the tangible fixed assets located in Japan accounts for more than 90% of the amount of the tangible fixed assets on the consolidated balance sheet.

3. Information by major customer

This item is omitted because no single customer accounts for 10% or more of the net sales on the consolidated income statement.

Year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

1. Information by product and service

(in million yen)

	Student dormitories	Employee dormitories	Domeal	contracted dormitories	Dormy Inn	Resorts	Office building custodial services	Residential building custodial services	Food Service	Development	Other	Total
Net sales to external customers	31,193	14,141	5,073	4,161	83,674	55,332	4,582	3,742	1,933	7,985	17,112	228,933

2. Information by region

(1) Net sales

This item is omitted because the net sales to external customers in Japan account for more than 90% of the net sales on the consolidated income statement.

(2) Tangible fixed assets

This item is omitted because the amount of the tangible fixed assets located in Japan accounts for more than 90% of the amount of the tangible fixed assets on the consolidated balance sheet.

3. Information by major customer

This item is omitted because no single customer accounts for 10% or more of the net sales on the consolidated income statement.



[Information on impairment loss on non-current assets by reporting segment]

Year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

This item is omitted because the same information is disclosed in the Segment Information.

Year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

This item is omitted because the same information is disclosed in the Segment Information.

[Information on the amortization of goodwill and the unamortized balance by reporting segment]

Year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

Not applicable

Year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

Not applicable

[Information on gain from negative goodwill by reporting segment]

Year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

Not applicable

Year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

Not applicable

## (Per-share information)

	Year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)	Year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)
Net assets per share (yen)	1,109.91	1,272.69
Net income per share (yen)	159.12	186.56
Diluted net income per share (yen)	136.57	160.15

Notes: 1. Based on a resolution passed by the Board of Directors in its meeting held February 9, 2024, the Company conducted a two-for-one stock split on common stock effective April 1, 2024. Net assets per share, net income per share, and diluted net income per share have been calculated assuming this stock split had taken place at the start of the previous consolidated fiscal year.

2. The bases for calculation of net income per share and diluted net income per share are described below.

	Year ended March 31, 2024 (April 1, 2023 - March 31, 2024)	Year ended March 31, 2025 (April 1, 2024 - March 31, 2025)
(1) Net income per share		
Net income attributable to owners of parent (in million yen)	12,414	14,562
Amount not attributable to common shareholders (in million yen)	—	—
Net income attributable to owners of parent related to common shares (in million yen)	12,414	14,562
Average number of common shares during the period (thousand shares)	78,020	78,058
(2) Diluted net income per share		
Adjustment of net income attributable to owners of the parent (in million yen)	-20	-20
(Interest income [after tax] included above) (in million yen)	-20	-20
Increase in shares of common stock (thousand shares)	12,730	12,738
Summary of potential shares not included in the calculation of diluted net income per share due to the absence of dilutive effects	—	—

(Significant subsequent events)

Not applicable

#### 4. Other

(Status of production, order and sale)

Segment sales performances for current fiscal year are shown below:

Segment	Amount (in million yen)	Year-on-year comparison (%)
Dormitory	54,923	5.0
Student dormitories	31,250	4.2
Employee dormitories	14,391	7.3
Domeal	5,098	1.4
contracted dormitories	4,182	8.1
Hotel	139,250	10.9
Dormy Inn Business	83,802	15.1
Resorts Business	55,448	5.1
Comprehensive Building Management	27,116	20.0
Office Building Custodial Services Business	4,852	-1.4
Residential Building Custodial Services Business	22,263	25.9
Food Service	12,530	12.9
Development	9,953	174.7
Total of Reportable Segments	243,774	13.3
Other	17,813	10.0
Adjustment	-32,653	—
Total	228,933	12.2

Note: Amount does not include consumption taxes.