



**FY03/23**

# **Financial Results Presentation**

**Securities code: 7868**

May 12, 2023

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## **FY03/23 Highlights**

# 1-01 FY03/23 Consolidated Financial Results

- The Group's consolidated business performance improved in profitability
- We aim for further growth based on this continuous, steady revenue base

(Millions of yen)

	FY03/24 performance forecast	FY03/23 results	FY03/22 results	YoY change		FY03/23 initial performance forecast (May 16, 2022)	Compared to forecast	
				Change	%		Change	%
Net sales	40,000	<b>36,668</b>	35,361	1,307	3.7	37,800	-1,132	-3.0
Operating profit	6,360	<b>4,280</b>	3,729	551	14.8	3,800	480	12.6
Ordinary profit	6,110	<b>4,185</b>	3,610	575	15.9	3,700	485	13.1
Profit attributable to owners of parent	4,500	<b>4,042</b>	3,643	399	11.0	2,950	1,092	37.0

# 1-02 Shareholder Return | Dividend

## Revisions to FY03/23 dividend forecast










- ✓ Year-end dividend has been revised (payout ratio 15%) due to the full-year consolidated performance results.

Record date	Dividend per share		
	End of Q2	End of FY	Total
FY03/22 results	0.00 yen	0.00 yen	0.00 yen
FY03/23 results	7.75 yen	—	—
FY03/23 Previous forecast (February 10, 2023)	7.75 yen (Completed)	12.50 yen	20.25 yen
FY03/23 Revised forecast	7.75 yen (Completed)	13.50 yen <sup>*</sup>	21.25 yen
FY03/24 Forecast	23.65 yen	23.65 yen	47.30 yen

Note: The FY03/23 year-end dividend will be approved at the Company's annual shareholders meeting on June 29.

# 1-03 FY03/23 Financial Results Summary by Business Segment

(Millions of yen)

	Net sales		YoY change		Operating profit		YoY change	
	FY03/23	FY03/22	Change	Percentage (%)	FY03/23	FY03/22	Difference	Percentage (%)
Funeral Services	 11,943	9,384	2,559	27.3	 4,200	3,233	967	29.9
Information	 18,047	19,120	-1,073	-5.6	 833	729	104	14.3
HR	 6,677	6,856	-179	-2.6	 133	480	-347	-72.3
Adjustments, etc.			0	—	 -886	-713	-173	
Total	 36,668	35,361	1,307	3.7	 4,280	3,729	551	14.8

(Regarding changes in the calculation method for profit or loss of reporting segments)

Management guidance fees paid by group companies, which were previously included in each reportable segment's profit, are included in the segment profit adjustment as a corporate expense beginning in the current consolidated fiscal year in order to more accurately present each segment's operating results. Segment information for the previous consolidated fiscal year is based on the classification and the calculation method for profit or loss after the change.

# 1-04 FY03/23 Funeral Services Segment (YoY)

(Millions of yen)								
	Net sales		YoY change		Operating profit		YoY change	
	FY03/23	FY03/22	Change	Percentage (%)	FY03/23	FY03/22	Change	Percentage (%)
Funeral Services	11,943	9,384	2,559	27.3	4,200	3,233	967	29.9

## Operating environment

- Despite the continuing trend toward the simplification of funerals, demand for funeral halls, confectionery, beverages and waiting rooms increased due to a rise in the number of visitors.

## Net sales

- ↑ The number of funerals and times that waiting rooms were used increased year on year.
- ↑ Despite the spread of COVID-19 between around August and December of 2022, there were no restrictions on movement, resulting in the suppression of the trend toward the simplification of funerals. Fees in relation to the use of funeral halls, confectionery, beverages and waiting rooms recovered year on year.

## Operating profit

- ↑ Profit improved due to increased sales related to the use of funeral halls, confectionery, beverages and waiting rooms.
- ➡ Introduced a surcharge-type variable fee due to soaring fuel costs (implemented from June 2022)

# 1-05 FY03/23 Information Segment (YoY)

(Millions of yen)								
	Net sales		YoY change		Operating profit		YoY change	
	FY03/23	FY03/22	Change	Percentage (%)	FY03/23	FY03/22	Change	Percentage (%)
Information	18,047	19,120	-1,073	-5.6	833	729	104	14.3

## Operating environment

- Demand for publication printing continued to decline. Competition intensified in business for BPO-related needs of government and municipal agencies.

## Net sales

- ↓ BPO: Public works projects related to COVID-19 shrank and competition intensified. There was a reactionary decrease in the previous fiscal year's COVID-19-related special demand in Q4.
- ↓ Printing: Although there were strong projects for some titles in publishing and printing, decreases in the number of new editions and reprints and the shrinking trend in commercial printing continued.
- ↓ Package Printing (China): Sales in China deteriorated due to lockdowns, etc.

## Operating profit

- ➡ Printing-related: Despite improvement of the in-house production rate (factory utilization rate), work allocation continued to decrease year on year.
- ➡ Printing-related: Improved for the full year due to significant improvement in Q1 (after profit had deteriorated in the previous fiscal year due to inadequate facility upgrades).
- ➡ BPO: Despite a reactionary decrease in Q4 from the completion of large-scale projects in the previous fiscal year, full-year profits were secured.



# 1-06 FY03/23 HR Segment (YoY)

(Millions of yen)								
	Net sales		YoY change		Operating profit		YoY change	
	FY03/23	FY03/22	Change	Percentage (%)	FY03/23	FY03/22	Change	Percentage (%)
HR	6,677	6,856	-179	-2.6	133	480	-347	-72.3

## Operating environment

- As socioeconomic activity recovered, recruitment demand remained firm, including in the tourism business, restaurant business, etc.

## Net sales

- ↑ HR Media/HR Tech: YoY growth in HR media and HR tech services for the full year.
- ↑ Temporary staffing: Higher sales at Career Station Inc. (clerical temp staffing in Niigata) and NT Co., Ltd. (logistics temp staffing in Saitama) contributed to higher sales.
- ↑ Recruitment: The domestic recruitment business performed firmly year on year.
- ↓ BPO: A reactionary decrease in COVID-19-related special demand for BPO projects in the previous fiscal year.

## Operating profit

- ↑ HR Media/Temporary staffing: Despite an increase in advertising expenses, overall profit increased year on year due in part to higher sales thanks to the effect of advertising.
- ↓ BPO: A reactionary decrease in COVID-19-related special demand for BPO projects in the previous fiscal year.

## 1-07 New Business

### Funeral Business

- FY03/23 Performance (two companies combined) (Millions of yen)

	Q1		Q2		Q3		Q4		Full year		FY03/24
	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Full-year plan
Net sales	17	44	97	210	373	376	401	383	890	1,013	1,490
Operating profit	-125	-60	-81	-39	119	16	128	46	40	-37	150

### Inheritance Consulting Business

- Started operations in February 2023 (currently 7 employees)
- Will become profitable in FY03/24

### Furnaces Business

- Finished team recruitment
- Start by bringing maintenance in-house



# 2

**FY03/24**

## **Financial Forecast and Dividend Forecast**

## 2-01 Consolidated Financial Forecast for FY03/24

### FY03/24

(Millions of yen)

	Full-year forecast	Prior FY results (recently announced)	YoY	
			Change	%
Net sales	<b>40,000</b>	36,668	3,332	9.1
Operating profit	<b>6,360</b>	4,280	2,080	48.6
Ordinary profit	<b>6,110</b>	4,185	1,925	46.0
Profit before income taxes	<b>6,110</b>	4,071	2,039	50.0
Income taxes	<b>1,610</b>	29	1,581	5,451.5
Profit attributable to owners of parent	<b>4,500</b>	4,042	458	11.3

Much higher net sales and operating profit to come  
from an increasing number of funeral halls.

Note: Listed in Medium-Term Business Plan 3.0



(Millions of yen)

## Q1

	Forecast	Prior FY results	YoY Change %	
Net sales	<b>7,164</b>	7,832	-668	-8.5
Operating profit	<b>295</b>	467	-172	-36.8
Ordinary profit	<b>281</b>	463	-182	-39.3
Profit attributable to owners of parent	<b>206</b>	356	-150	-42.2

## Q2

	Forecast	Prior FY results	YoY Change %	
Net sales	<b>8,796</b>	8,656	140	1.6
Operating profit	<b>931</b>	730	201	27.5
Ordinary profit	<b>767</b>	740	27	3.7
Profit attributable to owners of parent	<b>565</b>	573	-8	-1.4

## Q2 FY03/24 [First half]

	Forecast	Prior FY results	YoY Change %	
Net sales	<b>15,960</b>	16,489	-529	-3.2
Operating profit	<b>1,226</b>	1,197	29	2.4
Ordinary profit	<b>1,048</b>	1,203	-155	-12.9
Profit attributable to owners of parent	<b>771</b>	930	-159	-17.1

## Q3

	Forecast	Prior FY results	YoY Change %	
Net sales	<b>10,610</b>	9,711	899	9.3
Operating profit	<b>1,832</b>	1,219	613	50.3
Ordinary profit	<b>1,783</b>	1,172	611	52.2
Profit attributable to owners of parent	<b>1,313</b>	973	340	34.9

## Q4

	Forecast	Prior FY results	YoY Change %	
Net sales	<b>13,430</b>	10,469	2,961	28.3
Operating profit	<b>3,302</b>	1,864	1,438	77.1
Ordinary profit	<b>3,279</b>	1,810	1,469	81.2
Profit attributable to owners of parent	<b>2,416</b>	2,139	277	12.9

## FY03/24

	Forecast	Prior FY results	YoY Change %	
Net sales	<b>40,000</b>	36,668	3,332	9.1
Operating profit	<b>6,360</b>	4,280	2,080	48.6
Ordinary profit	<b>6,110</b>	4,185	1,925	46.0
Profit attributable to owners of parent	<b>4,500</b>	4,042	458	11.3

Note: Changes to reported segments will occur in FY03/24. The previous fiscal year's results were calculated based on the currently available information and are subject to change.

## 2-03 Consolidated Financial Forecast for FY03/24 | Quarterly by Segment (Millions of yen)

Q1

	Plan	Prior FY results	YoY	
			Change	%
Net sales	7,164	7,832	-668	-8.5
Public Funeral Services Segment	1,352	1,148	204	17.8
Profit-Generating Funeral Services Segment	1,703	1,256	447	35.6
Asset Consulting Segment	0	0	0	-
Information Segment	2,628	3,839	-1,211	-31.5
HR Segment	1,481	1,589	-108	-6.8
Operating profit	295	467	-172	-36.8
Public Funeral Services Segment	38	112	-74	-66.1
Profit-Generating Funeral Services Segment	516	435	81	18.6
Asset Consulting Segment	0	0	0	-
Information Segment	-419	-185	-234	-
HR Segment	-74	-45	-29	-
Adjustments	234	151	83	55.0

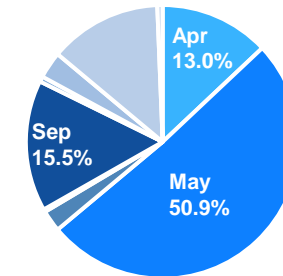
Q2

	Plan	Prior FY results	YoY	
			Change	%
Net sales	8,796	8,656	140	1.6
Public Funeral Services Segment	1,386	1,288	98	7.6
Profit-Generating Funeral Services Segment	1,973	1,478	495	33.5
Asset Consulting Segment	190	0	190	-
Information Segment	3,580	4,258	-678	-15.9
HR Segment	1,667	1,632	35	2.1
Operating profit	931	730	201	27.5
Public Funeral Services Segment	76	144	-68	-47.2
Profit-Generating Funeral Services Segment	662	449	213	47.4
Asset Consulting Segment	143	0	143	-
Information Segment	-138	-38	-100	-
HR Segment	29	-29	58	-
Adjustments	159	202	-43	-21.3

COVID BPO → normal public BPO

Information Segment  
Booked in Q4 (plan)  
BPO business 4.2 billion yen

(of which 3.16 billion yen under negotiation)



410 million yen ordered as of May 10

Month ordered	Order amount
Apr	410
May	1,610
Jun	80
Jul	10
Sep	490
Oct	20
Nov	100
Dec	420
Mar	20
Total	3,160

Q3

	Plan	Prior FY results	YoY	
			Change	%
Net sales	10,609	9,711	898	9.2
Public Funeral Services Segment	1,593	1,472	121	8.2
Profit-Generating Funeral Services Segment	2,374	1,756	618	35.2
Asset Consulting Segment	12	0	12	-
Information Segment	4,756	4,719	37	0.8
HR Segment	1,874	1,764	110	6.2
Operating profit	1,832	1,219	613	50.3
Public Funeral Services Segment	394	300	94	31.3
Profit-Generating Funeral Services Segment	993	599	394	65.8
Asset Consulting Segment	4	0	4	-
Information Segment	108	94	14	14.9
HR Segment	136	38	98	257.9
Adjustments	197	189	8	4.2

Q4

	Plan	Prior FY results	YoY	
			Change	%
Net sales	13,431	10,469	2,962	28.3
Public Funeral Services Segment	1,702	1,653	49	3.0
Profit-Generating Funeral Services Segment	2,589	1,892	697	36.8
Asset Consulting Segment	166	0	166	-
Information Segment	7,104	5,232	1,872	35.8
HR Segment	1,870	1,692	178	10.5
Operating profit	3,302	1,864	1,438	77.1
Public Funeral Services Segment	510	459	51	11.1
Profit-Generating Funeral Services Segment	1,180	656	524	79.9
Asset Consulting Segment	139	0	139	-
Information Segment	1,058	521	537	103.1
HR Segment	146	9	137	1,522.2
Adjustments	269	219	50	22.8

FY  
03/  
24

	Plan	Prior FY results	YoY	
			Change	%
Net sales	40,000	36,668	3,332	9.1
Public Funeral Services Segment	6,033	5,561	472	8.5
Profit-Generating Funeral Services Segment	8,639	6,382	2,257	35.4
Asset Consulting Segment	368	0	368	-
Information Segment	18,068	18,048	20	0.1
HR Segment	6,892	6,677	215	3.2
Operating profit	6,360	4,280	2,080	48.6
Public Funeral Services Segment	1,018	1,015	3	0.3
Profit-Generating Funeral Services Segment	3,351	2,139	1,212	56.7
Asset Consulting Segment	286	0	286	-
Information Segment	609	392	217	55.4
HR Segment	237	-27	264	-
Adjustments	859	761	98	12.9



## 2-04 Consolidated Dividend Forecast for FY03/24

### FY03/24

Record date	Dividend per share		
	End of Q2	End of FY	Total
FY03/23 results	7.75 yen	13.50 yen (Planned)	21.25 yen (Planned)
FY03/24 forecast	23.65 yen	23.65 yen	47.30 yen

As per Medium-Term Business Plan 2.0 (details announced May 21, 2022), the expected goal is a steady dividend payout ratio of 30% from FY03/24 onward.



# 3

## **Medium-Term Business Plan 3.0**



## 3-01 Performance Targets

### Medium-Term Business Plan 3.0

(Millions of yen)

	FY03/22 results	FY03/23 results	Medium-Term Business Plan 3.0		
			FY03/24 Forecast	FY03/25 Plan	FY03/26 Plan
Net sales	35,361	36,668	40,000	42,100	43,800
Operating profit	3,729	4,280	6,360	7,970	8,710
Ordinary profit	3,610	4,185	6,110	7,750	8,490
Profit before income taxes	3,627	4,071	6,110	7,750	8,490
Income taxes	17	29	1,610	2,250	2,490
Profit attributable to owners of parent	3,643	4,042	4,500	5,500	6,000

### 1. Further improve business performance

- Double earnings at funeral halls and more
- Optimize existing business

(Details under “Business Segment Summary” on P.29)

### 2. Invest for long-term growth

- Explore large M&A deals
- Make Asset Consulting Segment profitable

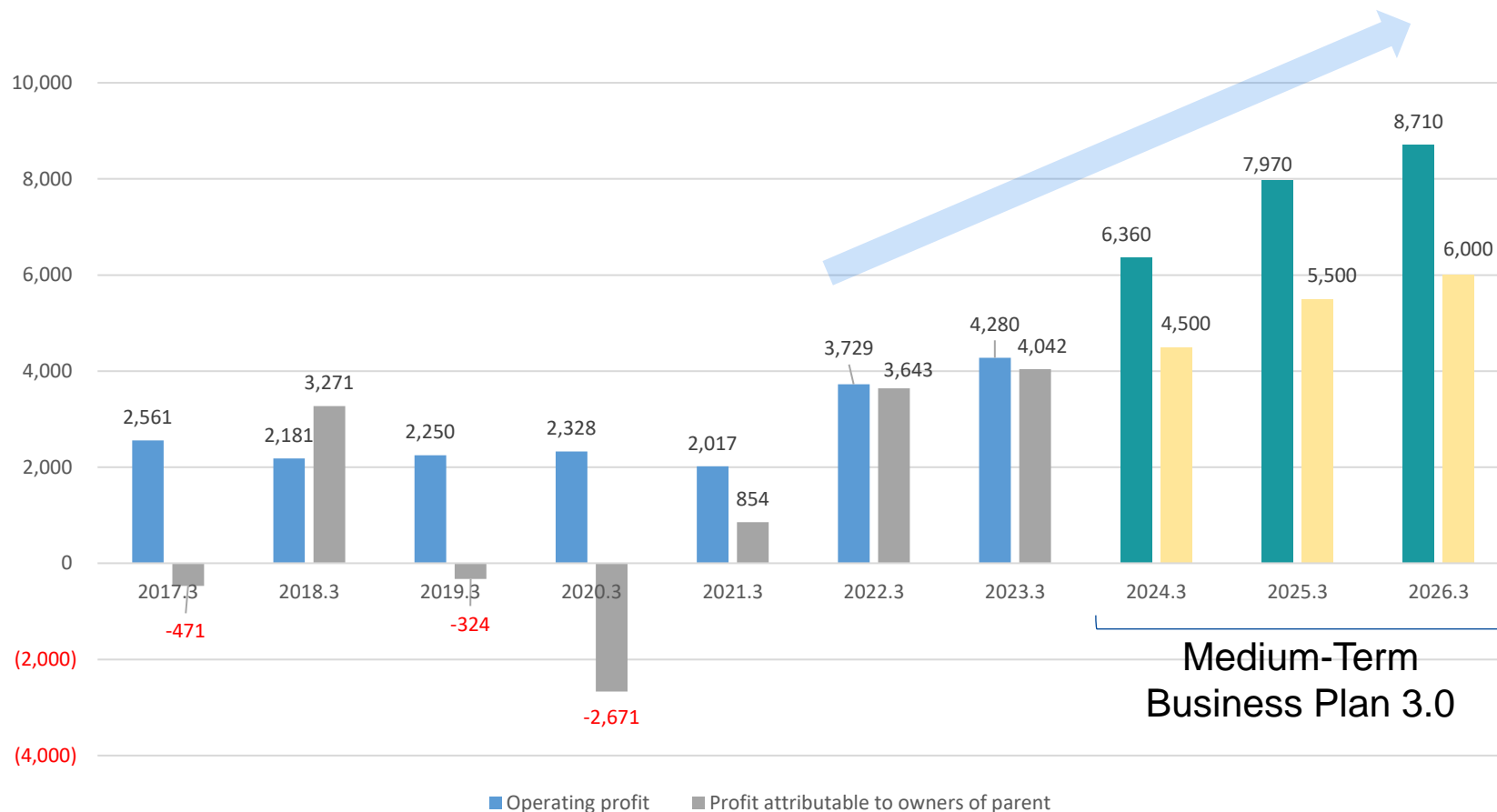
### 3. Further enhance shareholder returns

- Increase ratio of tradable shares → enable stock buybacks
- Dividend payout ratio | First, to 30% according to Plan 2.0

### 3-03 Operating Profit and Current Net Profit Trends

(Millions of yen)

Executing the Medium-Term Business Plan will book steady, continuous current net profit



## 3-04 Overview of Medium-Term Business Plan 3.0

Goal: growth by adding funeral halls

(100 million yen)

	'23.3	'24.3	'25.3	'26.3
Operating profit	42	60	74	77
Steady current net profit	40	43	51	53
Asset Consulting Segment operating profit	0	3	5	10+α
Current net profit total	40	45	55	60+α
Target market capitalization	800	1,000 - 1,500		+α

In FY03/26, we aim to make additional revisions to the Medium-Term Business Plan for “rebirth” through large M&A deals.

**Growth in the inheritance market!**

A market capitalization of 100 billion yen is considered a must for entering into large M&A deals.

Nursing care

Hospitals

Senior citizens

Medical care

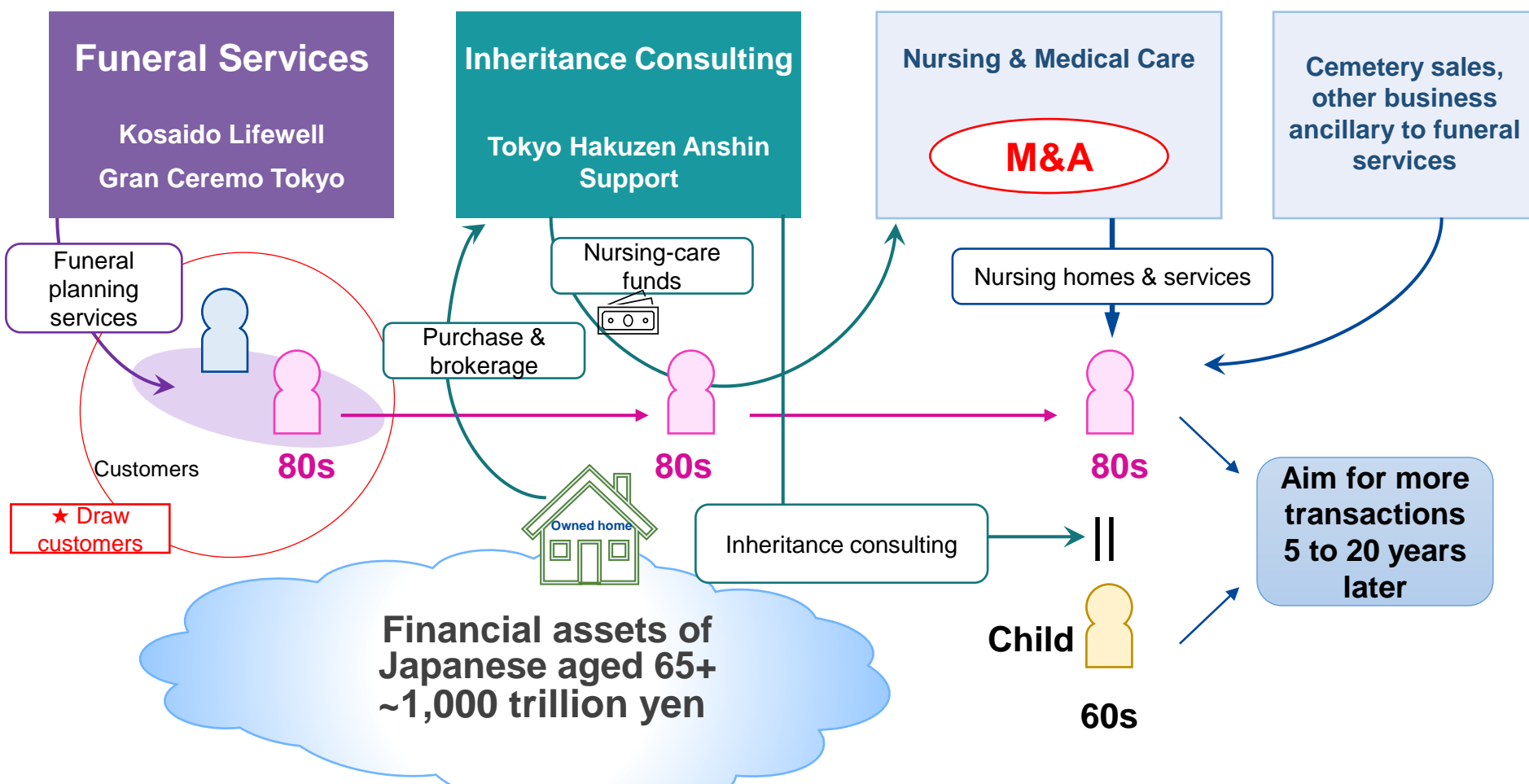
and

Ending

Growth with synergy!

For long-term growth, consider inheritance services and large M&A deals

## 3-05 Long-Term Outlook



**Become the #1 brand for super-aging Japan!**

# 3-06

## Major Changes from Medium-Term Business Plan 2.0 to 3.0 (Millions of yen)

			FY03/23 Plan	FY03/24 Plan	FY03/25 Plan	Total	FY03/26 Plan
Funeral business	Plan 2.0	Net sales	890	1,619	2,239	4,748	-
		Operating profit	40	275	485	800	-
	Plan 3.0	Net sales	-	1,490	1,790	3,280	2,150
		Operating profit	-	150	180	330	230
	Difference	Net sales	-890	-129	-449	-1,468	2,150
		Operating profit	-40	-125	-305	-470	230
Additional funeral halls	Plan 2.0	Net sales	0	0	0	0	-
		Operating profit	0	0	0	0	-
	Plan 3.0	Net sales	-	1,200	1,800	3,000	2,000
		Operating profit	-	960	1,440	2,400	1,600
	Difference	Net sales	0	859	849	1,708	2,000
		Operating profit	0	745	695	1,440	1,600
Asset consulting	Plan 3.0	Net sales	-	367	700	1,067	1,400
		Operating profit	-	286	500	786	1,000
Total	Plan 2.0	Net sales	890	1,619	2,239	4,748	-
		Operating profit	40	275	485	800	-
	Plan 3.0	Net sales	-	3,057	4,290	7,347	5,550
		Operating profit	-	1,396	2,120	3,516	2,830
	Difference	Net sales	-890	1,438	2,051	2,599	5,550
		Operating profit	-40	1,121	1,635	2,716	2,830

## 3-07

## Comparison with Medium-Term Business Plan 2.0

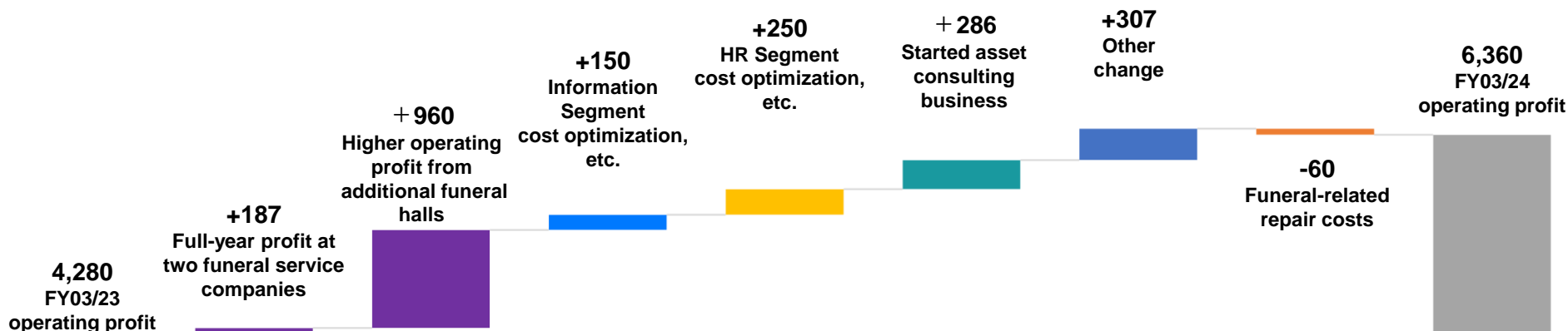
(Millions of yen)

		FY03/22 Results (ref)	FY03/23 Results	FY03/23 Plan	FY03/24 Plan	FY03/25 Plan	FY03/26 Plan
Medium-Term Business Plan 2.0	Existing business	4,442	5,203	4,730	5,517	6,882	
	Funeral services	0	-37	40	275	485	
	Adjustments, etc.	-713	-886	-970	-1,092	-1,167	
	Total	3,729	4,280	3,800	4,700	6,200	
Current net profit		3,643	4,042	2,950	3,750	4,800	
New Medium-Term Business Plan 3.0	Existing business				6,136	6,774	6,792
	Funeral services				150	180	230
	(New) Funeral halls				960	1,440	1,600
	Adjustments, etc.				-1,172	-924	-912
	Subtotal				6,074	7,470	7,710
Asset consulting					286	500	1,000
Total   Operating profit					6,360	7,970	8,710
Income taxes					1,610	2,250	2,490
Current net profit					4,500	5,500	6,000

Carry out 2.0 early on  
current net profit basis

# 3-08 Change in Operating Profit | FY03/23 → FY03/24

(Millions of yen)



In FY03/23, **+480** million yen **above target forecast (compared to Plan 2.0)**

And in FY03/24,

**additional funeral halls** +960 million yen, **asset consulting business start** +286 million yen, and **information & HR segments cost optimization** +400 million yen to be booked.

Operating profit 6,360 million yen **is our goal**.

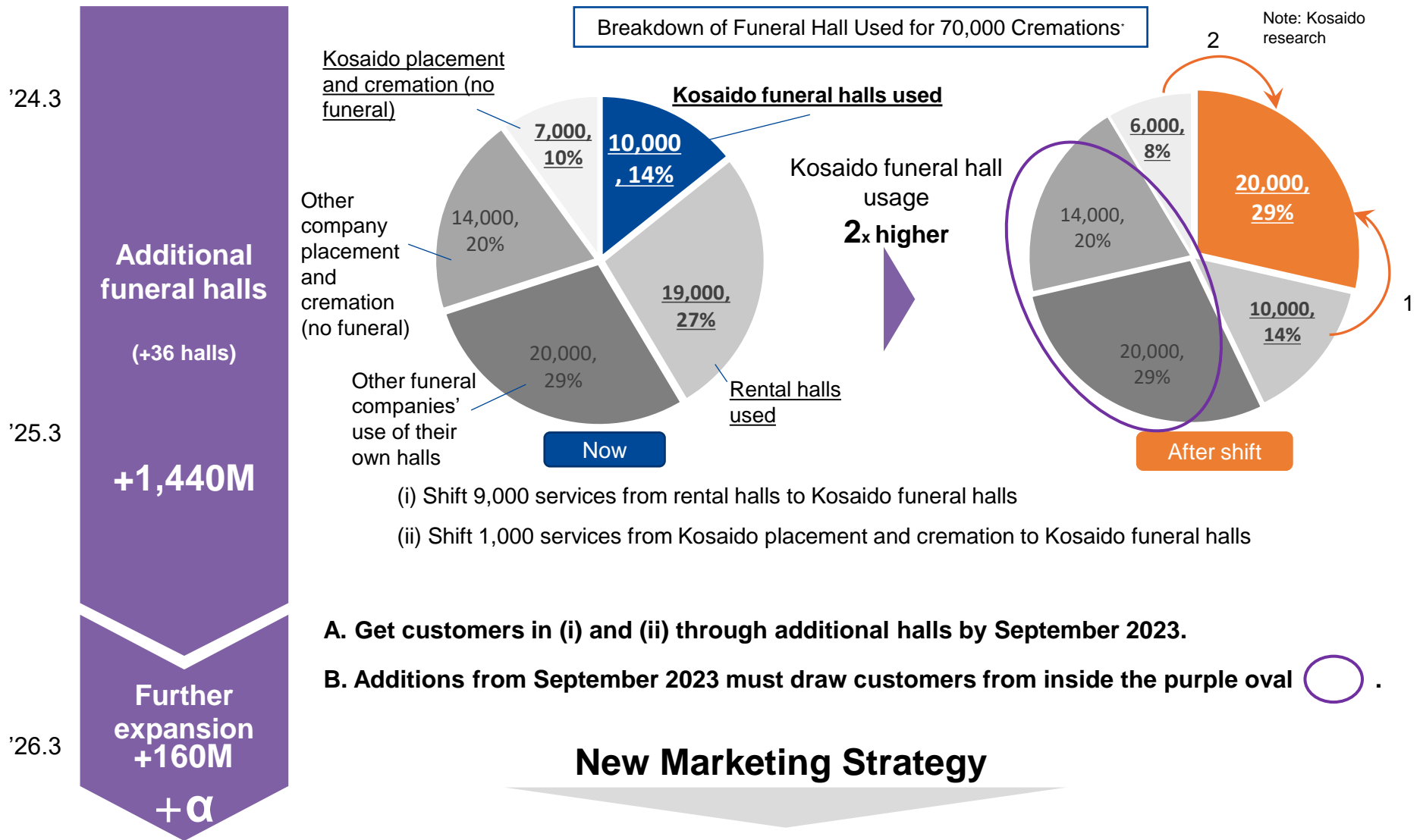
'23.3

Operating profit + 2,080 million yen  
(change of +48.6%)

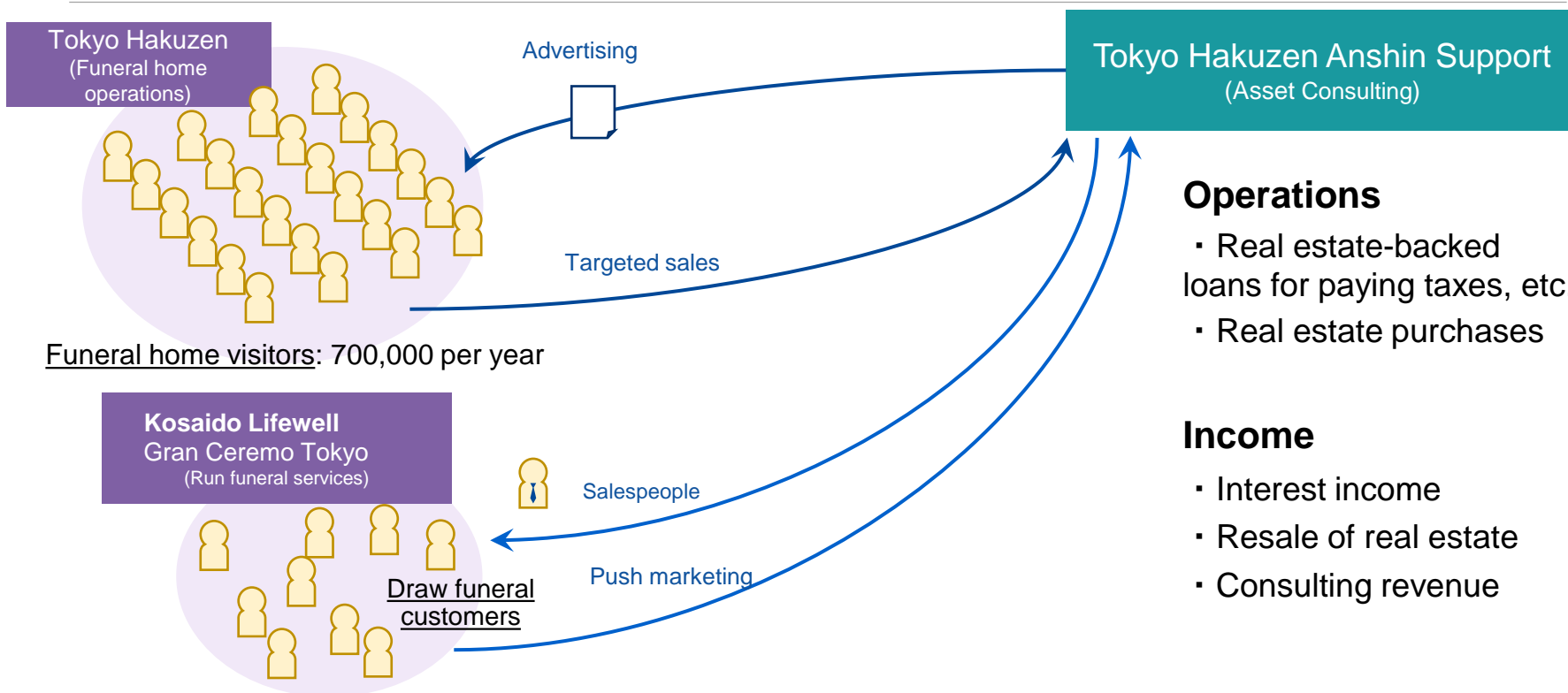
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## 3-10 Asset Consulting Business



### Operations

- Real estate-backed loans for paying taxes, etc.
- Real estate purchases

### Income

- Interest income
- Resale of real estate
- Consulting revenue

### Business plan

	FY03/22 Results	FY03/24 Plan	FY03/25 Plan	FY03/26 Plan
Amounts lent	0	5,000	5,000	10,000
Real estate investment balance	0	5,000	5,000	10,000
Segment gross profit	0	286	500	1,000

## 3-11 Shareholder Return

### Dividend plan

Under the Medium-Term Business Plan, the expected goal is a steady dividend payout ratio of 30%

(Millions of yen)

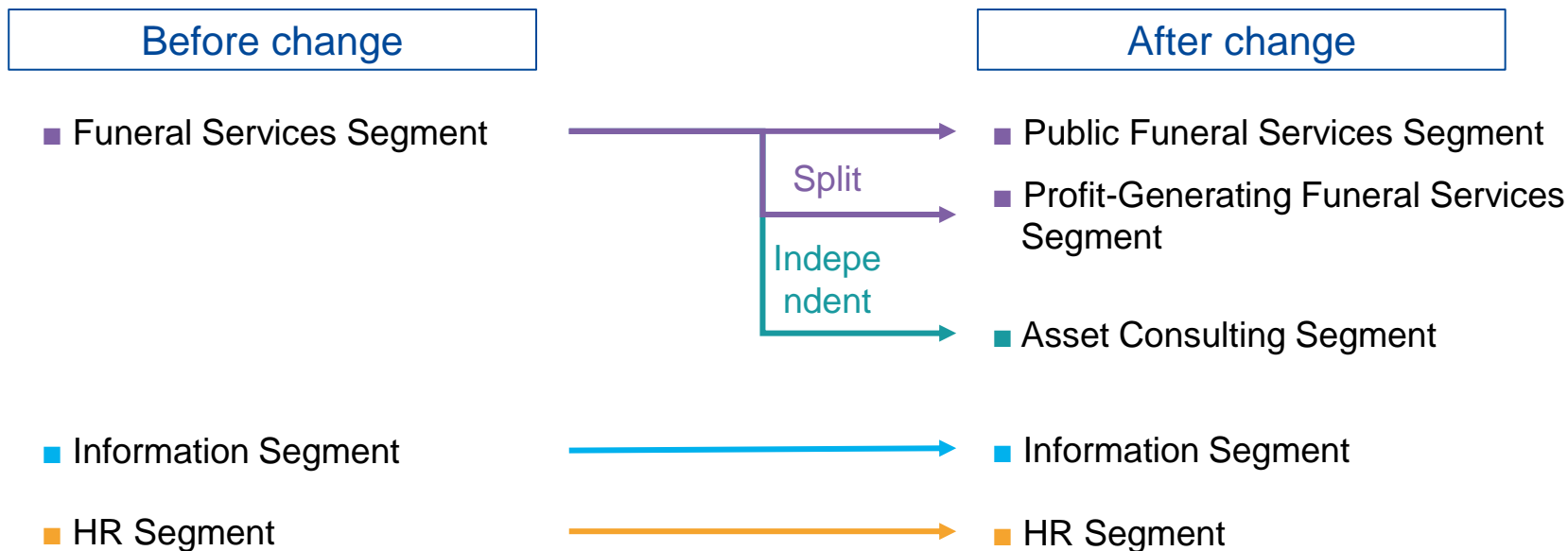
	FY03/22 Results	FY03/23 Results (planned)	FY03/24 Forecast	FY03/25 Plan	FY03/26 Plan
Current net profit	3,643	4,042	4,500	5,500	6,000
Target dividend amount	-	606	1,350	1,650	1,800
Target dividend payout ratio	-	15%	30%	30%	30%

### Other measures for shareholder return

Create an environment for various shareholder return measures by increasing the ratio of tradable shares through dialogue with major shareholders. Consider implementing proactive shareholder returns, including stock buybacks.

## 3-12 Changes to Segment Information

Business segments have been changed **to clarify the growth and management status of each business.** (Scheduled to begin in FY03/24).



Public Funeral  
Services Segment

Due to its nature, there is significant public interest in the business related to cremation, so information about this business segment will be disclosed separately from other business segments where the growth of profits is sought.

Asset Consulting  
Segment

Started inheritance consulting services in the Funeral Services segment. Disclosure upon becoming independent after growing into a business of suitable size.

# Public Funeral Services Business Income & Expenditures |

## 3-13 FY03/23 Full-Year Estimate

The Public Funeral Services Business is a business that by its nature has a significant amount of public interest and requires permanence and non-profitability.

Increased transparency



Increased business stability

### ■ Our responsibilities in the Public Funeral Services Business

Investment in maintaining and renovating cremation furnaces

Provision for losses, etc. in the Public Funeral Services business

### ■ Concept underlying the income and expenditures in the Public Funeral Services Business (calculation formula)

Profit from the Public Funeral Services Business – income taxes – reserve for special repair of cremation furnaces = Balance of income and expenditures

||

(Reserves for losses in the Public Funeral Services Business)

### ■ Business Income & Expenditure Estimates for FY03/23 | Cumulative total from April 2022 to March 2023

(i) Profit in the Public Funeral Services segment			(iv) Income taxes	(v) Furnaces reserve for special repair	(v) Reserve for special repair of cremation furnaces (i - iv - v) =	The balance of payments is appropriated as profit.	(vii) Public Funeral Services business reserves for losses
(ii) Segment sales	(iii) Segment expenses	(ii - iii) =					
5,561	4,546	1,015	362	750	- 97		0

(Millions of yen)

(\* Estimate based on information as of May 2023)

## 3-14 Business Segment Summary

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### ■ Public Funeral Services Segment

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- ✓ Carry out our social mission and provide greater convenience for Tokyo's residents.

### ■ Profit-Generating Funeral Services Segment

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- ✓ Add funeral halls and increase income.

### ■ Asset Consulting Segment

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- ✓ After a strong start, grow into a business with operating profit of 1 billion yen and become a core business in the long term.

### ■ Information Segment

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- ✓ Promote the advertising agency and BPO businesses. Look to reshape the industry while containing costs.

### ■ HR Segment

---

- ✓ Withdraw from the HR Tech business. Steadily engage in solid business.

## 3-15 Overall Funding Plan

(Millions of yen)

	FY03/23 Results	FY03/24 Plan	FY03/25 Plan	FY03/26 Plan
Operating cash flow	6,293	6,800	8,100	9,100
Investment cash flow	-3,936	-4,800	-6,100	-7,100
Debt containment	-5,121	-2,000	-2,000	-2,000
Dividend	-221	-1,030	-1,500	-1,700
End of FY cash balance	18,635	17,500	17,200	15,400



# A

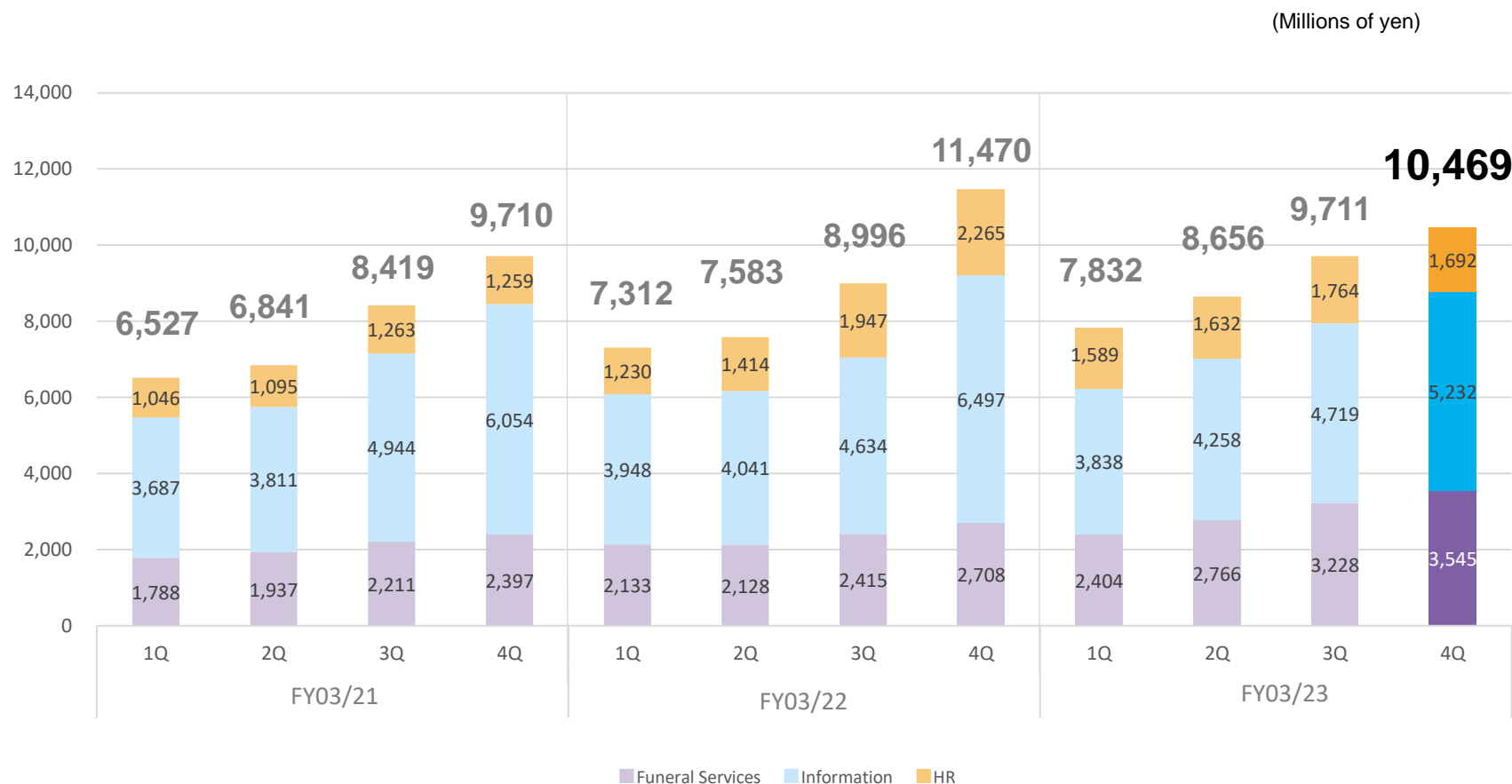
## **Appendix**

- 1. Details of FY03/23 Results**
- 2. Company Introduction**



## A1-01 Quarterly Trend (Net Sales)

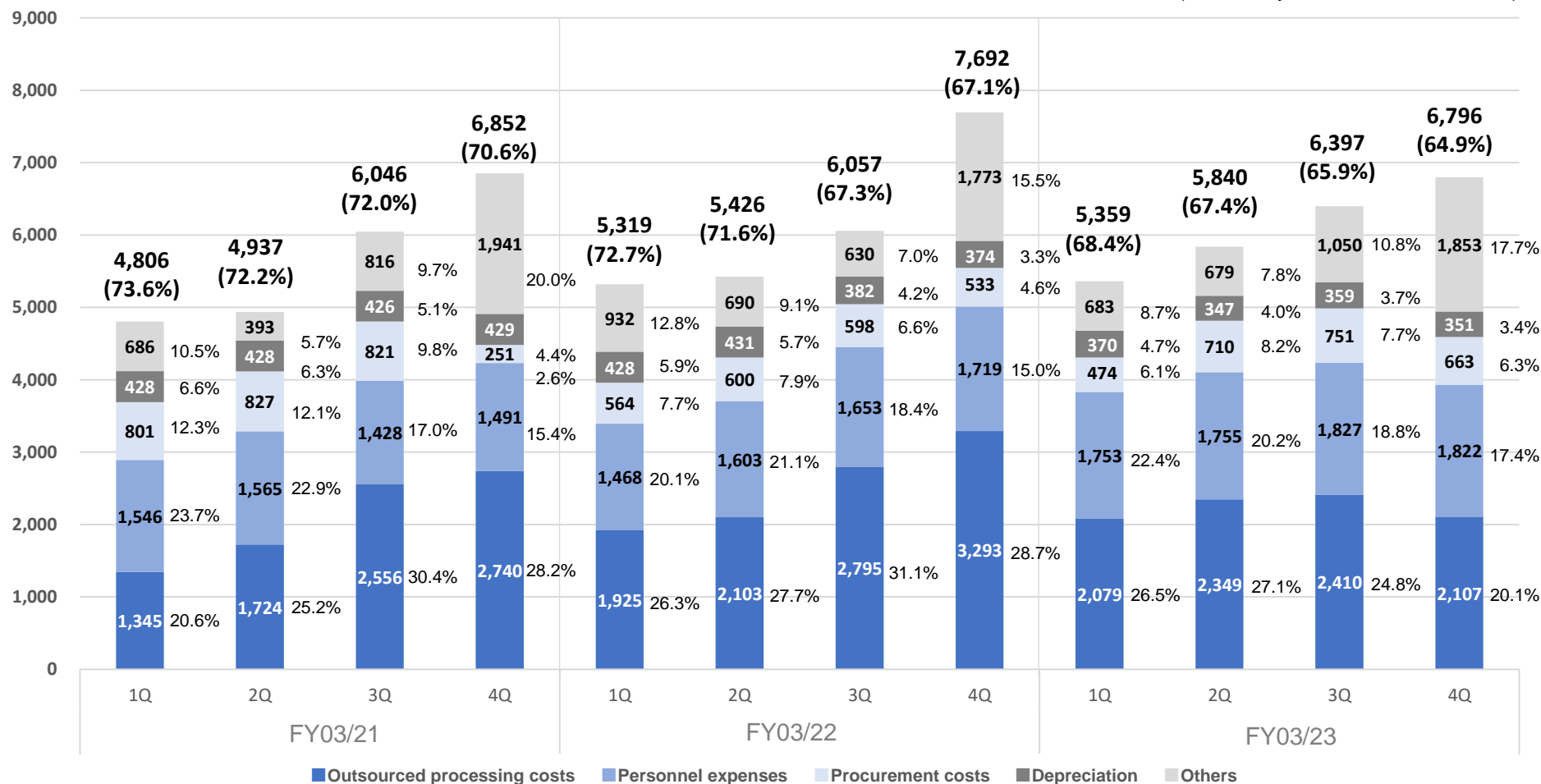
- Despite higher sales in the Funeral Services Segment, Q4 net sales declined 8.7% year on year due to the reactionary decrease in COVID-19-related BPO projects in the Information and HR segments



## A1-02 Quarterly Trend (Cost of Sales)

- Q4 cost of sales decreased year on year (-896 million yen, -2.2 pt cost of sales ratio)
- Thorough cost control reduced cost of sales for the full year in FY03/23.

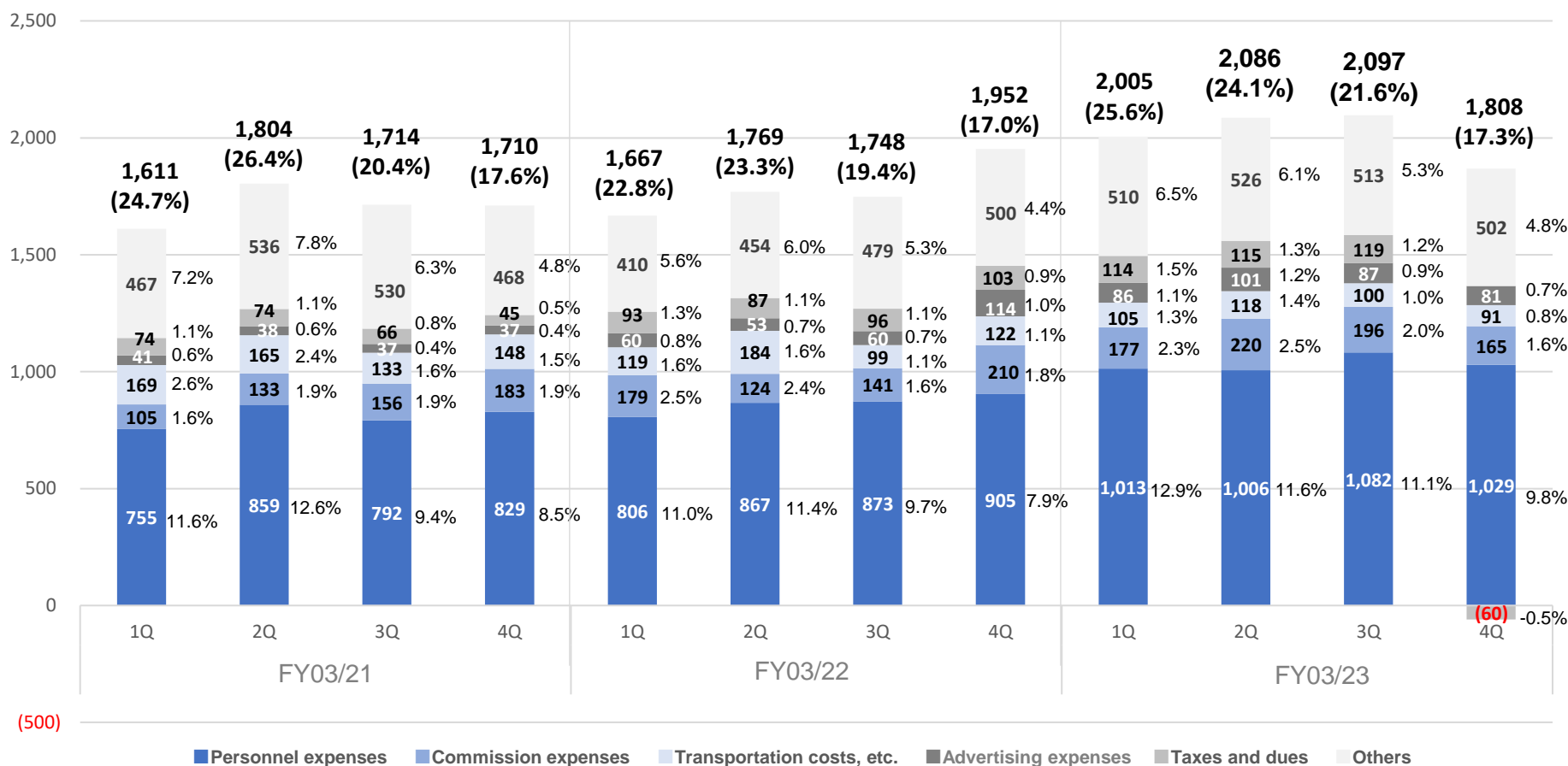
(Millions of yen / %: Cost of sales ratio)



## A1-03 Quarterly Trend (SG&A Expenses)

- Q4 SG&A expenses decreased year on year (-144 million yen, +0.3 pt SG&A expenses ratio)
- Q4 Taxes and dues were affected by pro forma standard taxation adjustments accompanying capital reductions.

(Millions of yen / %: SG&A expense ratio)



## A1-04 Quarterly Trend (Number of Employees)

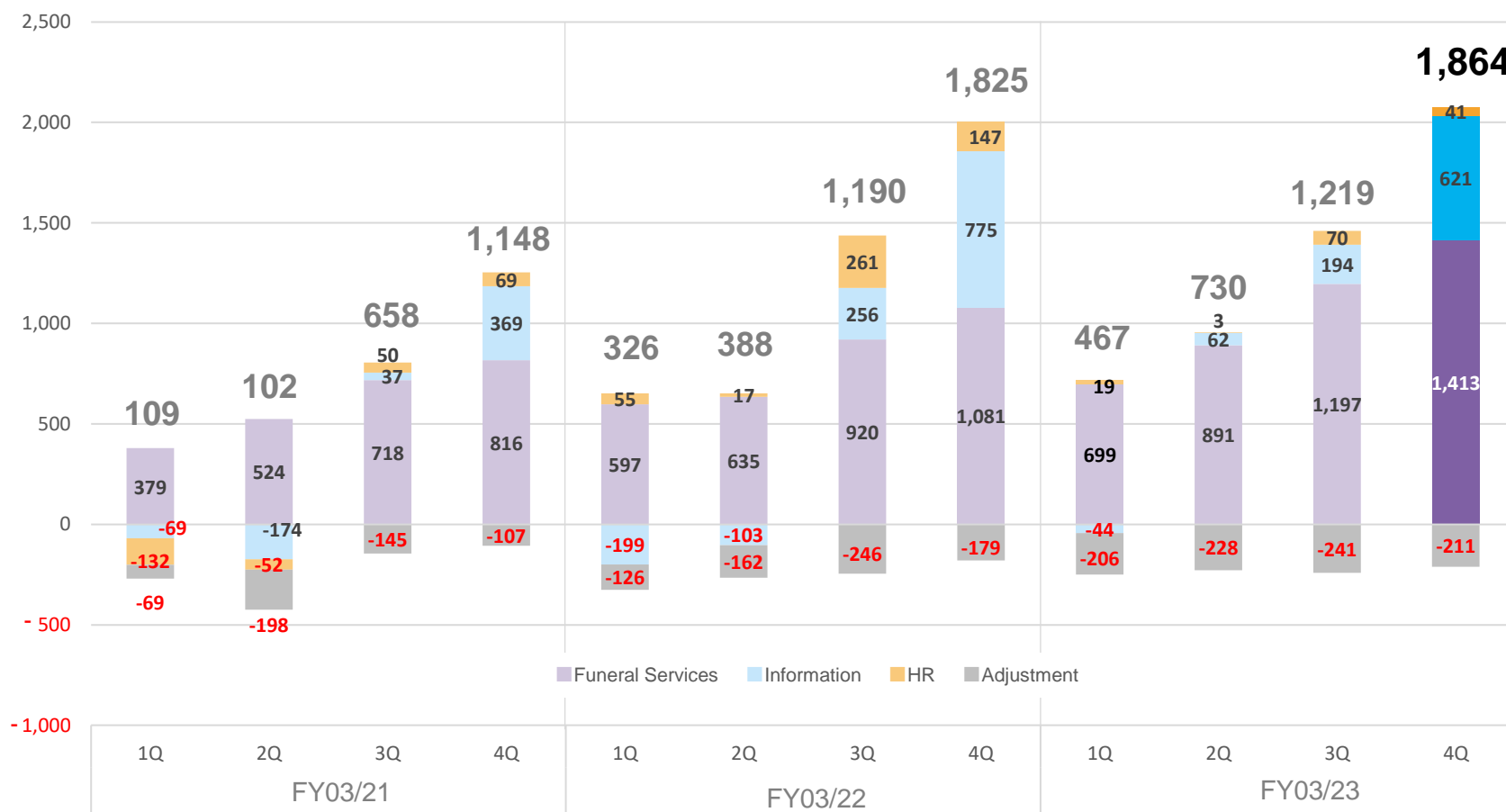
- Strengthened human resources in anticipation of medium- to long-term growth in the Funeral Services segment
- From Information to Funeral Services | Shifting employees to growth areas



## A1-05 Quarterly Trend (Operating Profit by Segment)

- Operating profit increased 2.1% year on year due in part to the growth of the funeral hall business, reflecting the increasing number of visitors in the Funeral Services segment, despite a reactionary decrease in COVID-19-related BPO projects.

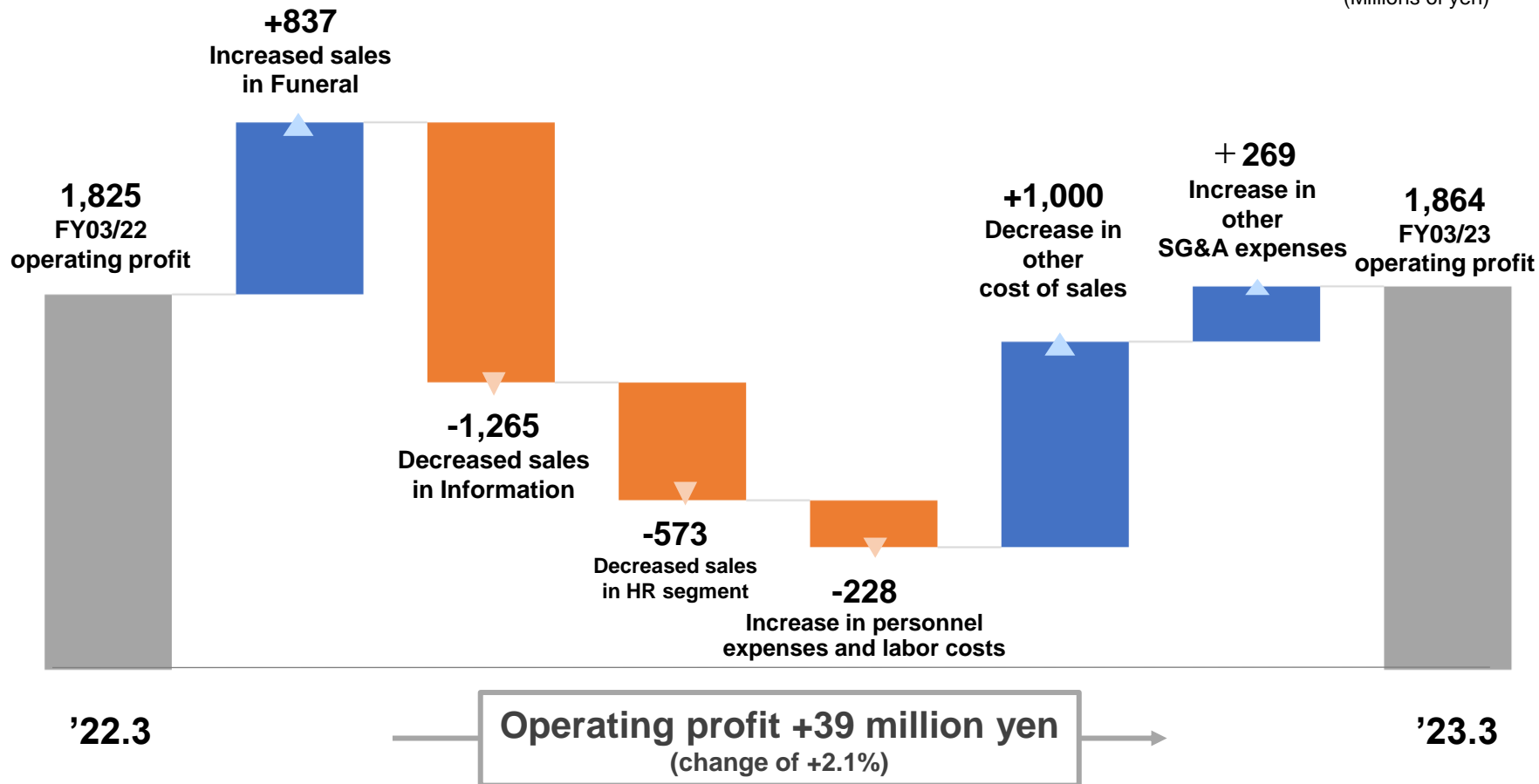
(Millions of yen)



## A1-06 Q4 FY03/23: Analysis of Change in Operating Profit (Major Items)

- **The year-on-year increase in Funeral Services sales failed to offset declines in Information and HR sales, but profit did increase after lower expenses associated with lower sales**

(Millions of yen)



# A1-07 Consolidated Balance Sheet

(Millions of yen)

	March 2022	March 2023	Difference
<b>Current assets</b>	<b>31,350</b>	<b>27,998</b>	<b>-3,352</b>
Cash and deposits	21,662	18,699	-2,963
Notes and accounts receivable– trade	7,131	5,810	-1,321
<b>Non-current assets</b>	<b>42,380</b>	<b>43,134</b>	<b>754</b>
Property, plant and equipment	35,820	35,807	-13
Intangible assets	916	886	-30
Investments and other assets	5,643	6,440	797
<b>Total assets</b>	<b>73,736</b>	<b>71,134</b>	<b>-2,602</b>
<b>Current liabilities</b>	<b>17,492</b>	<b>12,443</b>	<b>-5,049</b>
Short-term debt	5,500	1,400	-4,100
Income taxes payable	409	325	-84
<b>Non-current liabilities</b>	<b>18,723</b>	<b>17,256</b>	<b>-1,467</b>
<b>Total liabilities</b>	<b>36,215</b>	<b>29,699</b>	<b>-6,516</b>
<b>Shareholders' equity</b>	<b>37,239</b>	<b>41,060</b>	<b>3,821</b>
Capital	2,478	100	-2,378
Retained earnings	26,742	30,561	3,819
<b>Share acquisition rights</b>	<b>9</b>	<b>11</b>	<b>2</b>
<b>Total net assets</b>	<b>37,520</b>	<b>41,434</b>	<b>3,914</b>
<b>Total liabilities and net assets</b>	<b>73,736</b>	<b>71,134</b>	<b>-2,602</b>

## A-01 Company Overview

**Company  
name**

**KOSAIDO Holdings Co., Ltd.**

**Establish-  
ment**

**January 1949**

**Net sales**

**35,361**  
million yen  
(FY03/22)

**Total assets**

**68,843**  
million yen  
(as of December  
31, 2022)

**Net assets**

**39,218**  
million yen  
(as of December  
31, 2022)

**Represent-  
ative**

**Hiroshi Kurosawa, President & CEO**

**Number of  
employees**

**1,129 (consolidated | as of December 31, 2022)**

**Market  
information**

**Prime Market, Tokyo Stock Exchange  
(Securities code: 7868)**



## A-02 History



Kosaido Group



**1984**  
Tokyohakuzen joined the Group  
(Started ending-related business)

**2021**  
Transitioned to a **holding company structure**

**2022**  
Launched **Funeral Planning Services**  
(Kosaido Lifewell, Gran Ceremo Tokyo)



**2013**  
Established **Vietnam subsidiary**  
(Started **Foreign HR business**)



**1977**  
Launched a **job information magazine**  
(Started HR services business)



**1970**  
Founded **Japan's first computer typesetting** company

**1949**  
Founded Sakurai Toshyado  
(Started information solution business)



**MISSION** Further enrich 100-year lives

**VISION** A Company that creates myriad “thank yous”

**VALUE** Provide innovative services overflowing with gratitude through individual challenges and strong organizational connections.

Based on **our management philosophy** of “**Kosai**,” which means **contributing to society at large** and is part of our company name, we hope to be a trusted corporate group that plays a leading role in the development of society and the enrichment of people’s lives.

## A-04 KOSAIDO Group




Further enrich  
100-year lives.



By combining the Group's strengths  
in the three business domains of Ending-related Business,  
Information Solutions Business, and HR Service Business,  
KOSAIDO provides comprehensive support  
for people's 100-year lives.

We will take on the challenge of creating innovative services  
in order to achieve a better environment, more enriching lifestyles,  
and a society filled with hope for the future.




### Ending-related Business

-  TOKYO HAKUZEN
-  KOSAIDO LIFEWELL
-  GRAN CEREMO TOKYO



[Main businesses]  
Crematory operation and  
provision of funeral halls  
Funeral planning services  
Ending-related business

### Information Solution Business

-  KOSAIDO NEXT
-  WEIHAI K&K PACKAGE
-  x-climb



[Main businesses]  
Offset printing (publishing,  
commercial)  
Newspaper printing  
Digital printing  
Package printing  
IT & digital solutions  
Campaign solutions  
D2C business support  
Digital promotion support  
BPO services  
Exhibition business

### HR Service Business

-  KOSAIDO HR SOLUTIONS
-  KOSAIDO BUSINESS SUPPORT
-  Career Station
-  KYODO SYSTEM SERVICE
-  FINES
-  NT
-  KOSAIDO HR VIETNAM
-  TalentAsia



[Main businesses]  
HR media  
HR media agency  
Environmental magazine  
publishing  
Free newspaper rack agency  
Temporary staffing  
Recruitment  
HR development, education,  
training  
RPO services  
Foreign HR services  
HR Tech services

# A-05 KOSAIDO Group's SDGs Declaration

To put our corporate philosophy of “contributing to society at large” into action, we have identified and are acting on four materialities that contribute to the SDGs.

As our company name (KOSA “iDO”) implies, we aspire to take action (“DO”) together with our stakeholders, including our employees, to solve societal issues and create a bright future.



## Economy

Providing wide-ranging support

Value creation for sustainable economic activities

Even in a fast-changing world, we will create value in collaboration with others as an innovator of sustainable economic activities with flexibility unconstrained by preconceived assumptions, in keeping with our company name, “Kosai,” which means contributing to society at large and is in our DNA.



## Society

Live in harmony with others

Developing equitable and diverse communities

In the coming era where people live for 100 years, we will serve as a facilitator of local communities, “putting care first,” so that everyone can choose their own way of life and achieve a lifestyle of freedom both physically and mentally.



Company that guides the future in a positive direction

## Environment

Protect our future

Reduce environmental burden to leave a beautiful earth to future generations.

We will strive to safeguard the Earth by reducing greenhouse gas emissions and conserving ecosystems so that the next generation of children and living creatures can coexist in harmony, and we will work with our partners to further reduce environmental risks.



## Corporate Culture

Connect with smiles

Sound corporate management characterized by transparency and dialogue

We will not only comply with laws and regulations, but also promote “respect for human rights,” “gender equality,” and “women’s empowerment” based on the SDGs’ universal values, so that no one is left behind. As a result, each of us will be a mood maker who fosters a rewarding workplace and maintains a communication-rich corporate culture.



**If you have any comments or questions about this presentation or other IR-related topics, please use the inquiry form at the following URL to contact us.**

**Inquiry Form URL:**

**<https://www.kosaido.co.jp/contact/>**



# Further enrich 100-year lives

<Precautionary note regarding this material>

The figures included in the financial forecast and other sections of this material are based on judgements and assumptions made by the Company according to currently available information. Please be aware that actual results may differ significantly from these projections due to variabilities such as uncertainties inherent in judgements and assumptions, future company operations, and changes in internal and external conditions.



KOSAI DO GROUP

広済堂ホールディングス

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