



FY03/24

Q2 Financial Results Presentation

Securities code: 7868

November 10, 2023

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Q2 FY03/24 Highlights












1-01 Q2 FY03/24 Consolidated Financial Results

- As in Q1, income in the Information Segment decreased due to changes in COVID-19-related special demand from the previous fiscal year and large BPO projects that were shifted to Q4. However, profits were booked by curbing outsourcing costs and reducing fixed costs.
- The Profit-Generating Funeral Services Segment grew sales from funeral hall usage while the funeral business contributed to an increase in consolidated profit.
- The 154M that was scheduled to be sold from Asset Consulting is recognized as non-operating income.

(Millions of yen)								*Reference	
	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast		Q2 FY03/24	YoY change
			Change	Rate of Change (%)		Change	Rate of Change (%)		
Net sales	15,730	16,488	-758	-4.6	16,421	-691	-4.2	8,086	-6.6
Operating profit	1,817	1,197	620	51.8	1,625	192	11.8	1,071	46.7
Ordinary profit	1,842	1,202	640	53.1	1,533	309	20.2	1,024	38.4
Profit attributable to owners of parent	1,460	929	531	57.2	1,167	293	25.1	814	42.1

1-02 Q2 FY03/24 Financial Results Summary by Business Segment

(Millions of yen)

	Net sales		YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast		Operating profit		YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast	
	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	Change	Rate of Change (%)		Change	Rate of Change (%)	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	Difference	Rate of Change (%)		Change	Rate of Change (%)
Public Funeral Services	 2,513	2,435	78	3.2	2,593	-80	-3.1	 226	256	-30	-11.7	134	92	68.7
Profit- Generating Funeral Services	 3,796	2,734	1,062	38.8	3,750	46	1.2	 1,357	883	474	53.7	1,261	96	7.6
Asset Consulting	48	0	48	—	190	-142	-74.7	-22	0	-22	—	114	-136	—
Information	 6,422	8,096	-1,674	-20.7	6,740	-318	-4.7	 -266	-221	-45	—	-294	28	—
HR	 2,949	3,221	-272	-8.4	3,147	-198	-6.3	 -2	-73	71	—	6	-8	—
Adjustments , etc.			0	—		0	—	 525	352	173	49.1	403	122	30.3
Total	 15,730	16,488	-758	-4.6	16,421	-691	-4.2	 1,817	1,197	620	51.8	1,624	193	11.9

  ... YoY change

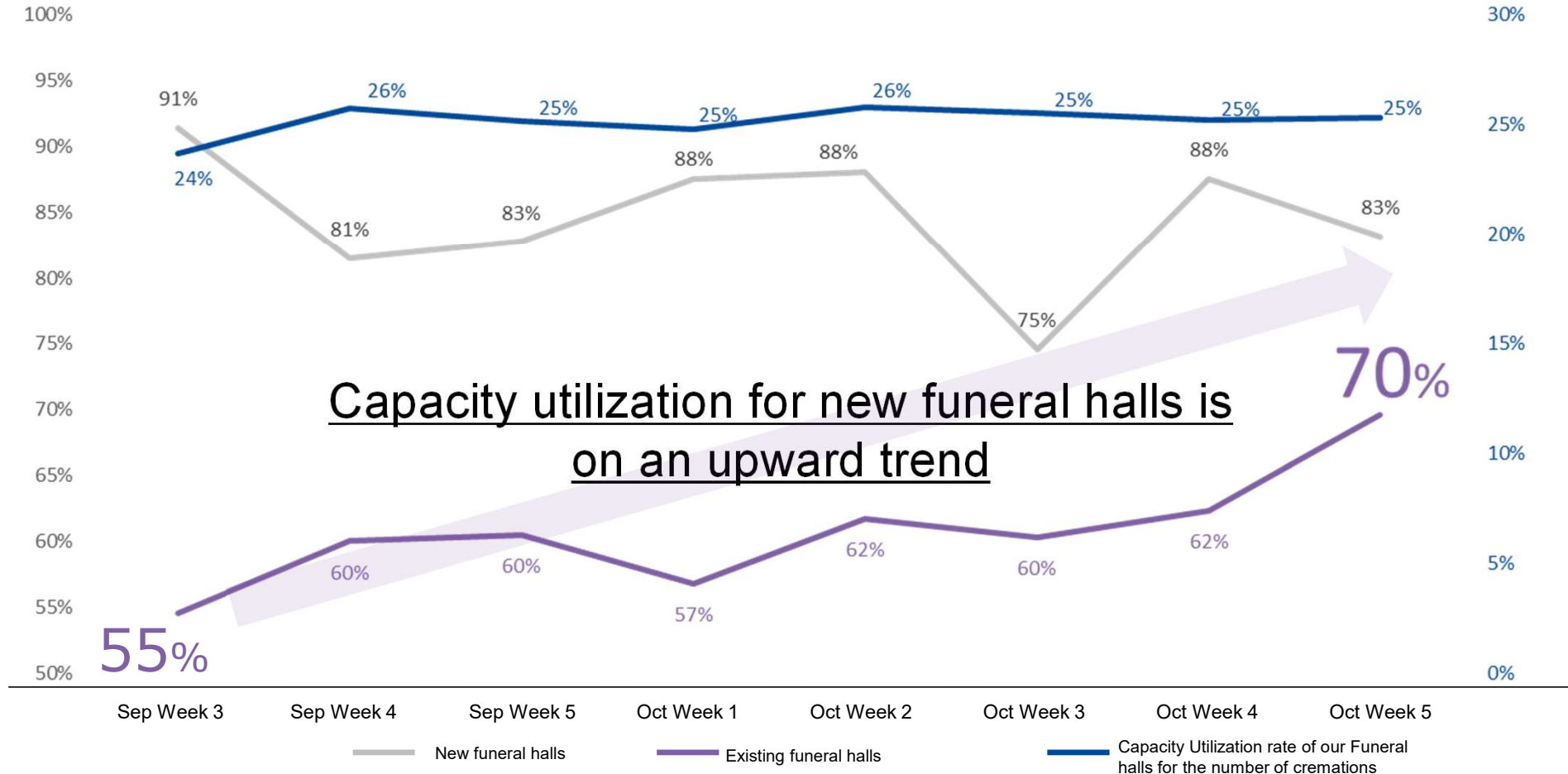
- Information and HR income declined due to the impact of the previous fiscal year's COVID-19-related special demand, but we ensured profits through cost reductions.
- Profit-Generating Funeral Services covered the overall revenue due to increased sales from opening new funeral halls and growth in the performance of funeral services company.
- Asset Consulting | 154M in non-operating income booked. Approx. 100M yen in sales to be booked late in Q3 or afterward.



1-03 New Funeral Hall Capacity Utilization

Capacity Utilization rate of existing and new Funeral halls

Capacity Utilization rate of our Funeral halls



- All new funeral halls became operational from September.
- The new funeral hall capacity utilization has exceeded expectations from 55% at the start.
- Continuous publicity and sales to funeral services companies have resulted in steadily increasing capacity utilization for new funeral halls.

1-04 Status of New Businesses

Funeral Business

* ... 2 companies: Kosaido Lifewell, Gran Ceremo Tokyo

- FY03/24 Performance (2 companies* combined)

(Millions of yen)

	Q1					Q2					Q2 (Cumulative)				
	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year
Net sales	329	343	-14	44	285	383	360	23	209	174	712	703	9	254	458
Operating profit	45	20	25	-59	104	35	31	4	-39	74	80	52	28	-98	178

Primary cause

(Difference from plan) - Sales are on an upward trend due to increased attendees. Advertising operations are optimized to further increase orders in 2Q

(Difference from the prior year) - There were upfront costs because the previous fiscal year was the first year for the newly launched funeral business.

Asset Consulting Business

- Sales of a project (100M scale) scheduled to be booked in 2Q were changed to sales in 4Q.
- Small-scale real estate-related projects are also progressing and gradually adding up the sales.

Furnaces

- Started in-house maintenance and crematorium design. It is progressing smoothly.

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Consolidated Financial Forecast for FY03/24

Revisions to Consolidated Financial Forecast for FY03/24

Q1

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	7,644	7,644	-	-	7,832	-188	-2.4
Operating profit	746	746	-	-	467	279	59.7
Ordinary profit	818	818	-	-	463	355	76.6
Quarterly profit	646	646	-	-	356	290	81.3

Q2

	Actual	Revised forecast (Aug 9)	Amount revised		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	8,086	8,777	-691	-7.9	8,657	-571	-6.6
Operating profit	1,071	879	192	21.8	730	341	46.7
Ordinary profit	1,024	715	309	43.2	740	275	38.4
Quarterly profit	814	521	293	56.2	573	241	42.1

H1 (cumulative)

(Millions of yen)

	Actual	Revised forecast (Aug 9)	Amount revised		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	15,730	16,421	-691	-4.2	16,488	-758	-4.6
Operating profit	1,817	1,625	192	11.8	1,197	620	51.8
Ordinary profit	1,842	1,533	309	20.2	1,202	640	53.1
Quarterly profit	1,460	1,167	293	25.1	929	531	57.2

Q3

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	10,589	10,488	101	1.0	9,711	878	9.0
Operating profit	1,766	1,721	45	2.6	1,219	547	44.9
Ordinary profit	1,717	1,672	45	2.7	1,172	545	46.5
Quarterly profit	1,418	1,220	198	16.2	973	445	45.7

Q4

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	13,521	13,311	210	1.6	10,469	3,052	29.2
Operating profit	3,357	3,212	145	4.5	1,864	1,493	80.1
Ordinary profit	3,334	3,189	145	4.5	1,810	1,524	84.2
Quarterly profit	2,022	2,333	-311	-13.3	2,139	-117	-5.5

Full year (cumulative)

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	39,841	40,221	-380	-0.9	36,668	3,173	8.7
Operating profit	6,940	6,558	382	5.8	4,280	2,660	62.1
Ordinary profit	6,893	6,394	499	7.8	4,185	2,708	64.7
Quarterly profit	4,900	4,720	180	3.8	4,042	858	21.2

FY03/24 current net profit forecast changed due to factors including +499M ordinary profit and -303M decrease in profit from higher tax expenses

1Q

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	7,644	7,644	0	0.0	7,832	-188	-2.4
Public Funeral Services Segment	1,207	1,207	0	0.0	1,148	59	5.1
Profit-Generating Funeral Services Segment	1,796	1,796	0	0.0	1,255	541	43.1
Asset Consulting Segment	0	0	0	-	0	0	-
Information Segment	3,160	3,160	0	0.0	3,838	-678	-17.7
HR Segment	1,480	1,480	0	0.0	1,589	-109	-6.9
Operating profit	746	746	0	0.0	467	279	59.7
Public Funeral Services Segment	58	58	0	0.0	112	-54	-48.2
Profit-Generating Funeral Services Segment	641	641	0	0.0	434	207	47.7
Asset Consulting Segment	-29	-29	0	-	0	-29	-
Information Segment	-156	-156	0	-	-185	29	-
HR Segment	-23	-23	0	-	-45	22	-
Adjustments	254	254	0	0.0	150	104	69.3

3Q

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	10,589	10,488	101	1.0	9,711	878	9.0
Public Funeral Services Segment	1,593	1,593	0	0.0	1,472	121	8.2
Profit-Generating Funeral Services Segment	2,302	2,302	0	0.0	1,756	546	31.1
Asset Consulting Segment	113	12	101	841.7	0	113	-
Information Segment	4,756	4,756	0	0.0	4,719	37	0.8
HR Segment	1,825	1,824	1	0.1	1,764	61	3.5
Operating profit	1,766	1,721	45	2.6	1,219	547	44.9
Public Funeral Services Segment	394	394	0	0.0	300	94	31.3
Profit-Generating Funeral Services Segment	900	900	0	0.0	599	301	50.3
Asset Consulting Segment	49	4	45	1,125.0	0	49	-
Information Segment	108	108	0	0.0	94	14	14.9
HR Segment	118	118	0	0.0	38	80	210.5
Adjustments	197	197	0	0.0	189	8	4.2

2Q

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	8,086	8,777	-691	-7.9	8,656	-570	-6.6
Public Funeral Services Segment	1,306	1,386	-80	-5.8	1,288	18	1.4
Profit-Generating Funeral Services Segment	2,000	1,954	46	2.4	1,478	522	35.3
Asset Consulting Segment	48	190	-142	-74.7	0	48	-
Information Segment	3,262	3,580	-318	-8.9	4,258	-996	-23.4
HR Segment	1,469	1,667	-198	-11.9	1,632	-163	-10.0
Operating profit	1,071	879	192	21.8	729	342	46.9
Public Funeral Services Segment	168	76	92	121.1	144	24	16.7
Profit-Generating Funeral Services Segment	716	620	96	15.5	449	267	59.5
Asset Consulting Segment	7	143	-136	-95.1	0	7	-
Information Segment	-110	-138	28	-	-37	-73	-
HR Segment	21	29	-8	-27.6	-29	50	-
Adjustments	271	149	122	81.9	202	69	34.2

4Q

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	13,521	13,311	100	0.8	10,469	3,052	28.1
Public Funeral Services Segment	1,702	1,702	0	0.0	1,651	51	3.1
Profit-Generating Funeral Services Segment	2,569	2,569	0	0.0	1,894	675	35.6
Asset Consulting Segment	376	166	210	126.5	0	376	-
Information Segment	7,104	7,104	0	0.0	5,232	1,872	35.8
HR Segment	1,770	1,770	0	0.0	1,692	78	4.6
Operating profit	3,357	3,212	145	4.5	1,864	1,493	80.1
Public Funeral Services Segment	510	510	0	0.0	357	153	42.9
Profit-Generating Funeral Services Segment	1,125	1,125	0	0.0	752	373	49.6
Asset Consulting Segment	284	139	145	104.3	0	284	-
Information Segment	1,058	1,058	0	0.0	521	537	103.1
HR Segment	111	111	0	0.0	9	102	1,133.3
Adjustments	269	269	0	0.0	223	46	20.6

H1 (cumulative)

(Millions of yen)

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	15,730	16,421	-691	-4.2	16,488	-758	-4.6
Public Funeral Services Segment	2,513	2,593	-80	-3.1	2,435	78	3.2
Profit-Generating Funeral Services Segment	3,796	3,750	46	1.2	2,734	1,062	38.8
Asset Consulting Segment	48	190	-142	-74.7	0	48	-
Information Segment	6,422	6,740	-318	-4.7	8,096	-1,674	-20.7
HR Segment	2,949	3,147	-198	-6.3	3,221	-272	-8.4
Operating profit	1,817	1,625	192	11.8	1,197	620	51.8
Public Funeral Services Segment	226	134	92	68.7	256	-30	-11.7
Profit-Generating Funeral Services Segment	1,357	1,261	96	7.6	884	473	53.5
Asset Consulting Segment	-22	114	-136	-	0	-22	-
Information Segment	-266	-294	28	-	-221	-45	-
HR Segment	-2	6	-8	-	-73	71	-
Adjustments	525	403	122	30.3	352	173	49.1

Full year (cumulative)

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	39,841	40,221	-380	-0.9	36,668	3,063	8.4
Public Funeral Services Segment	5,808	5,888	-80	-1.4	5,559	249	4.5
Profit-Generating Funeral Services Segment	8,667	8,621	46	0.5	6,383	2,284	35.8
Asset Consulting Segment	537	368	169	45.9	0	537	-
Information Segment	18,282	18,600	-318	-1.7	18,047	235	1.3
HR Segment	6,544	6,741	-197	-2.9	6,677	-133	-2.0
Operating profit	6,940	6,558	382	5.8	4,280	2,660	62.1
Public Funeral Services Segment	1,130	1,038	92	8.9	913	217	23.8
Profit-Generating Funeral Services Segment	3,382	3,286	96	2.9	2,235	1,147	51.3
Asset Consulting Segment	311	257	54	21.0	0	311	-
Information Segment	900	872	28	3.2	393	507	129.0
HR Segment	227	235	-8	-3.4	-26	253	-
Adjustments	991	869	122	14.0	764	227	29.7



3

FY03/24 Shareholder Return

3-01 Shareholder Return

Approach to shareholder return and internal reserves

Dividend and internal reserves

Dividend

... Dividends implemented as a stable return policy

⇒ Current dividend payout ratio ~~30%~~

32.5%

[As of November 10, 2023]

Further increase in the dividend payout ratio will be considered in the future

Internal reserves

... Seeking scale for growth investments reserves
(Expansion, furnace manufacturing, etc.)

Stock buyback

Plan to flexibly execute based on cash balances and stock price trends

3-02 Stock Split

Stock split (announced Nov 10, 2023)

At a meeting of the Company's Board of Directors held on November 10, 2023, the following resolution was adopted.

Purpose of the stock split:

In line with the new NISA system that will be introduced from January next year, the Company decided to carry out the stock split after comprehensively considering the level of the Company's stock price, how the Company's stock is circulating, changes in the composition of shareholders, and other factors.

By reducing the per-unit investment amount in the Company's shares, the Company aims to create an environment in which investors can invest more easily, improve the liquidity of the Company's shares, and further expand the investor base.

Method of split:

With November 30, 2023 as the record date, the shares of common stock held by shareholders listed or recorded in the shareholders' register as of the end of that date will be split at a ratio of five shares for each share held.

Split dates:

- Date of standard public notice: Wednesday, November 15, 2023
- Record date: Thursday, November 30, 2023
- Effective date: Friday, December 1, 2023

3-03 Revision to Dividend Forecast

Dividend Forecast for FY03/24

- ✓ In addition to reflecting revisions in the full-year consolidated financial forecast, the payout ratio will change from 30% to 32.5%

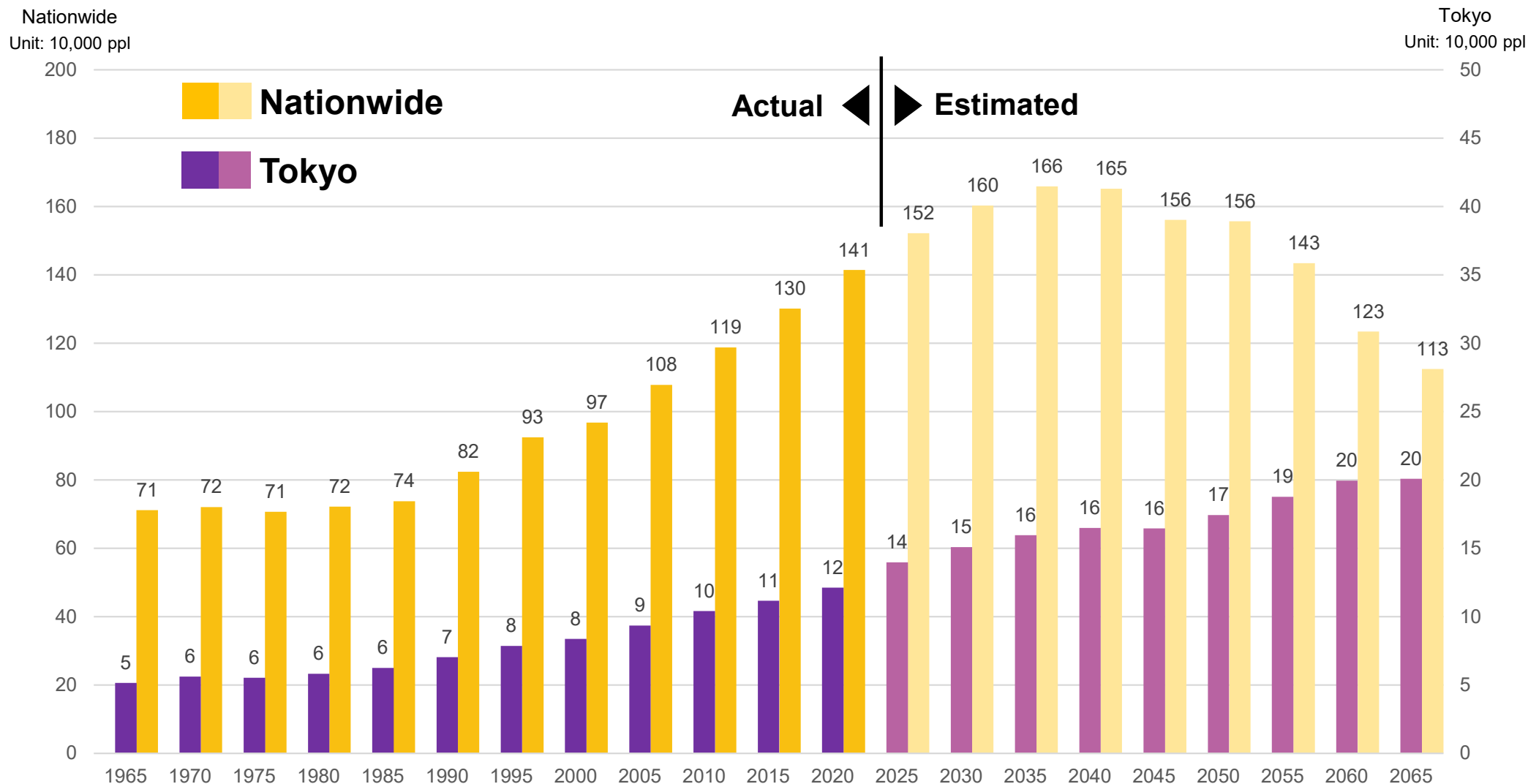
Record date	Dividend per share		
	End of Q2	End of FY	Total
FY03/23 results	7.75 yen	13.50 yen	21.25 yen
FY03/24 initial forecast (May 12, 2023)	23.65 yen	23.65 yen	47.30 yen
FY03/24 previous forecast (Aug 9, 2023)	26.30 yen	26.30 yen	52.60 yen
FY03/24 revised forecast (Conversion before stock split)	29.47 yen	5.89 yen* (29.47 yen)	— 58.94 yen

* ... Dividend per share after stock split effective December 1, 2023

4

Long-Term Outlook

4-01 State of the Population | Estimated Deaths



Nationwide: Statistics Bureau, Ministry of Internal Affairs and Communications; National Institute of Population and Social Security Research
Tokyo: Bureau of Social Welfare, Tokyo Metropolitan Government; Office of the Governor for Policy Planning, Tokyo Metropolitan Government

**Nationwide deaths will peak in around 2040, but will continue rising in Tokyo until at least 2065.
(*There were 1.58 million deaths nationwide in 2022.)**

4-02 Room for Expansion at Tokyo Hakuzen | Social Responsibility

As a company that provides cremation services in the public interest, we will fulfill our social responsibility in response to the increase in deaths.

Predicted number of cremation services

FY2022 **70,000**
(Deaths in Tokyo: 120,000)

FY2060 **130,000***
(Deaths in Tokyo | Estimate: 200,000)

*Company estimates based on statistical data from the Office of the Governor for Policy Planning, Tokyo Metropolitan Government

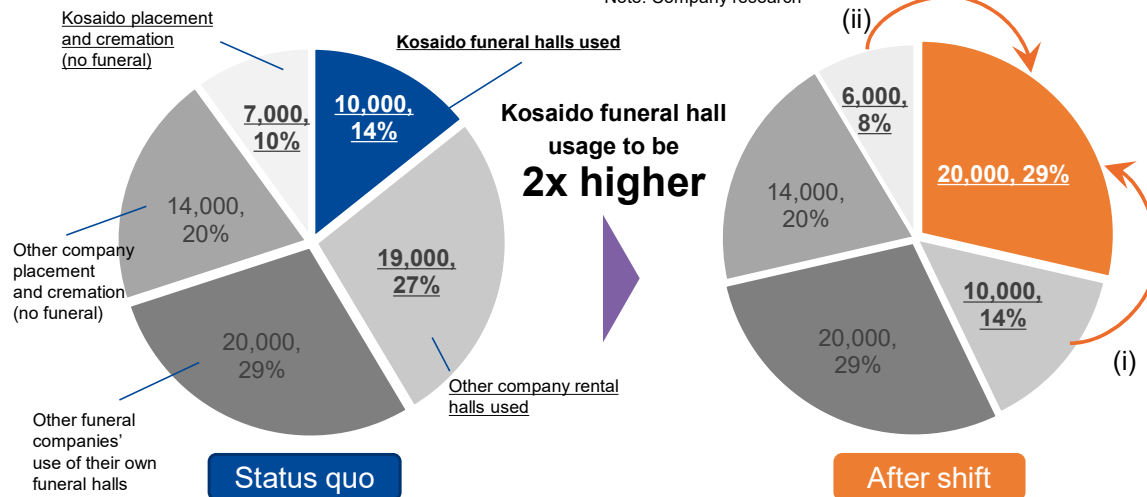
Our response

1. Operational capabilities developed by Tokyo Hakuzen

Expand service hours and cremations we handle

Breakdown of Funeral Hall Used for 70,000 Cremations*

Note: Company research



2. Utilize room for expansion at Tokyo Hakuzen

Additional furnaces (expansion)

Add yet more funeral halls

Current facilities			
Funeral homes	Number of funeral homes		6 locations (23 wards)
	Total floor area		45,132 m ²
	Furnaces	Total furnaces	64
		Area	1,568 m ² (including back of furnaces)
	Funeral halls	Total number of funeral halls	35 halls
		Area	3,889 m ² (including 1,790 m ² for waiting rooms)
	Additional funeral halls	Facilities added	36 halls (end of Sept 2023)
		Additional floor area	2,168 m ²
		Remarks	Floorspace added in existing funeral homes
	Room for expansion [7 locations (within the existing sites in the 23 wards)]		
Total floor area		10,460 m ²	
Funeral hall area rentable ratio		6,000m ² 57.4%	

4-03 Room for Growth through Expansion | Profit Estimates

Estimated impact on performance by utilizing room for expansion

- Facility-related data

Current facilities				
Funeral homes	Number of funeral homes		6 locations (23 wards)	
	Total floor area		45,132 m ²	
	Furnaces	Total furnaces	64	
		Area	1,568 m ² (including back of furnaces)	
	Funeral halls	Total number of funeral halls	35 halls	
		Area	3,889 m ² (including 1,790 m ² for waiting rooms)	
	Additional funeral halls	Facilities added	36 halls (end of Sept 2023)	
		Additional floor area	2,168 m ²	
		Remarks	Floorspace added in existing funeral homes	
Room for expansion [7 locations (within the existing sites in the 23 wards)]				
Total floor area			10,460 m ²	
Funeral hall area rentable ratio			6,000m ² 57.4%	

Funeral halls

Revenue per tsubo | 2,232,000 yen/year

Tsubo

Assumed annual revenue

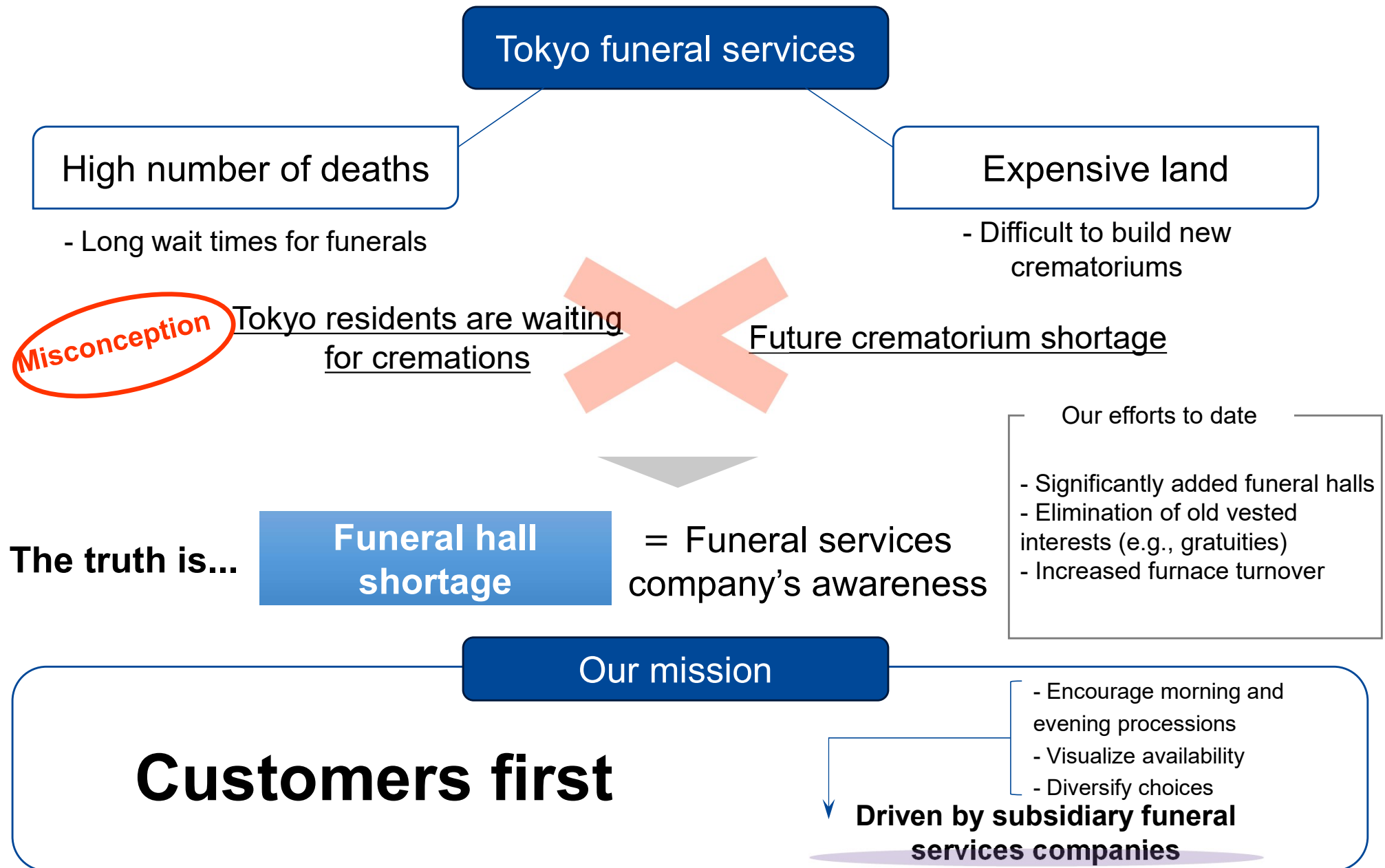
1,815 tsubo
(6,000 m²)

4,051 million yen

Expansion | Schedule to determine start date

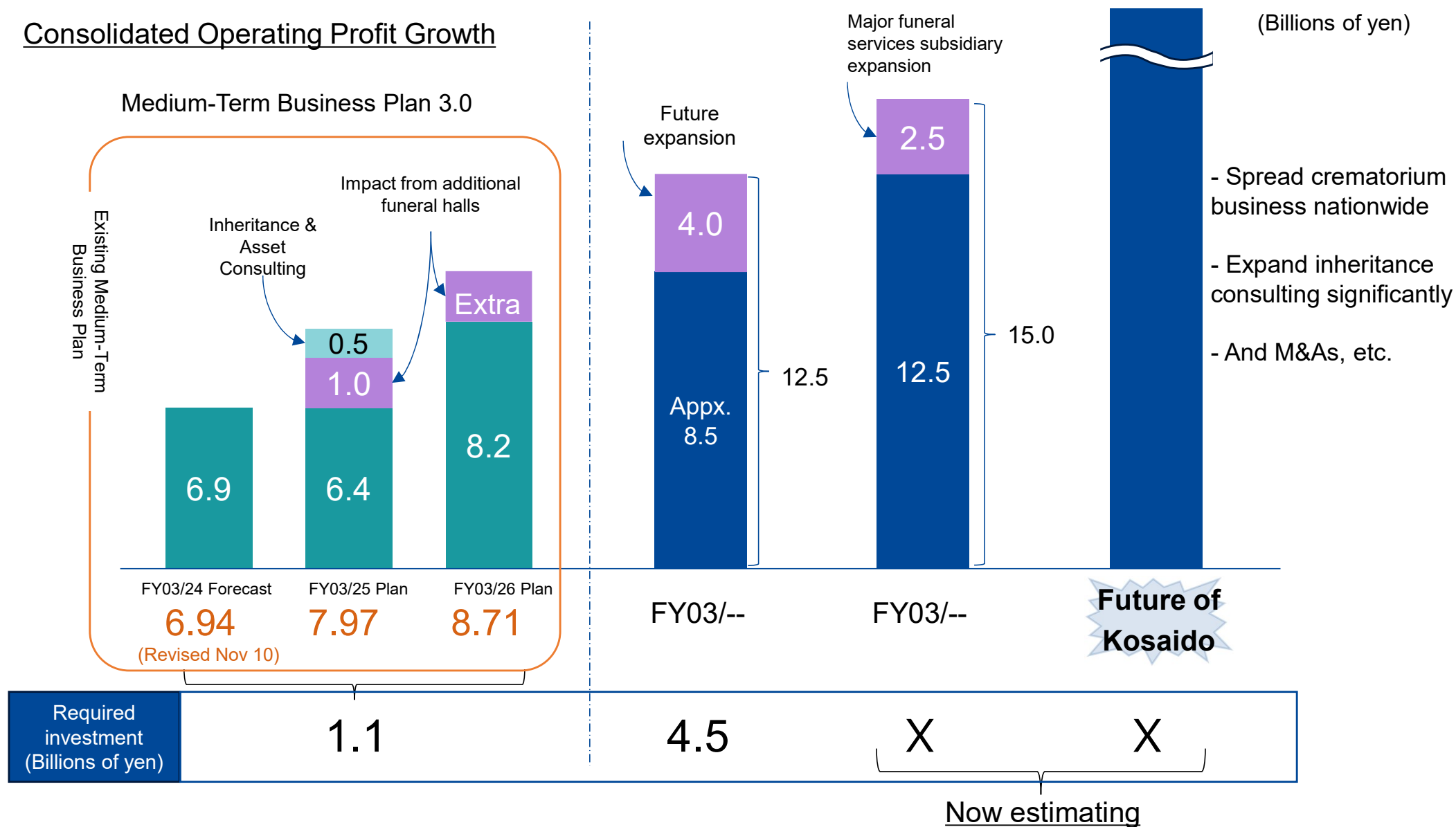
We would like to decide the date by April 2024.

4-04 The Tokyo End-of-Life Market



4-05 Business Growth Beyond Medium-Term Business Plan 3.0

Consolidated Operating Profit Growth



Improve planning accuracy and proceed to next Medium-Term Business Plan



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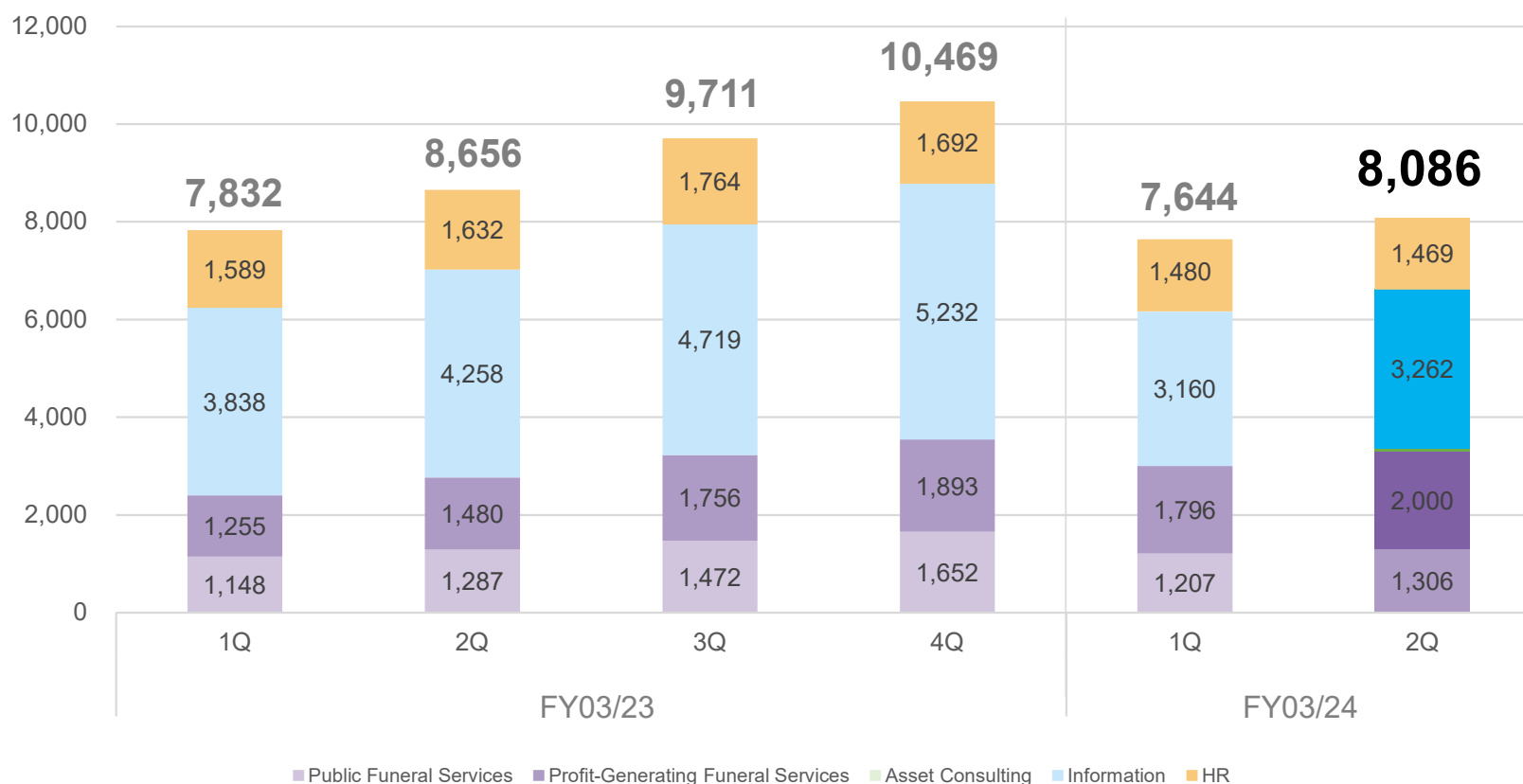
Appendix

- 1. Details of FY03/24 Performance**
- 2. Medium-Term Business Plan**
Performance Targets
- 3. ESG Activities Report**
- 4. Company Introduction**

A1-01 Quarterly Trend (Net Sales)

- Q2 sales increased in the Funeral Services segments due to the operation of new funeral halls at Tokyo Hakuzen and increased orders from two funeral service companies. In the Information and HR segments, overall sales decreased 6.6% year on year due to a difficult business environment compared to the previous year.

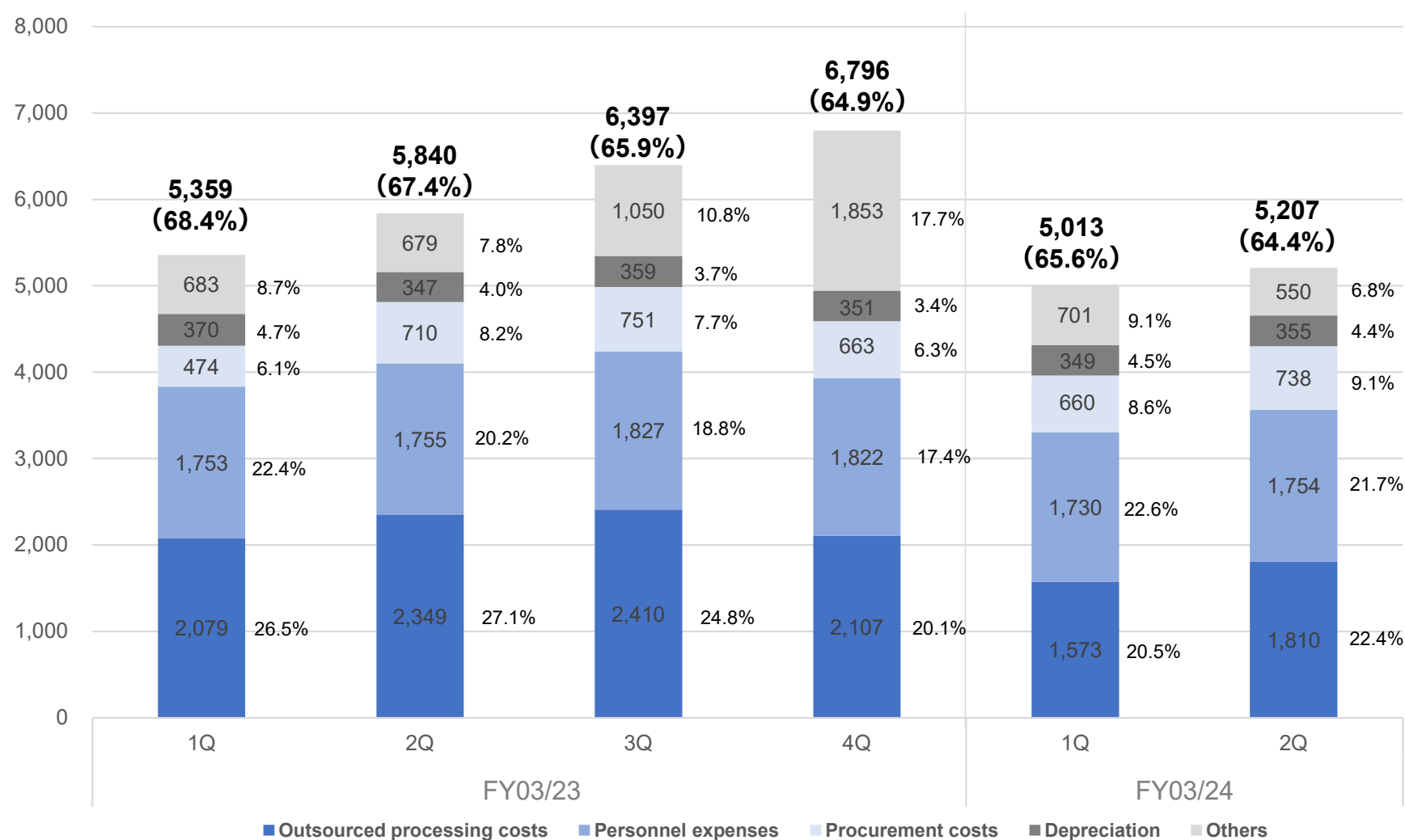
(Millions of yen)



A1-02 Quarterly Trend (Cost of Sales)

- Q2 cost of sales decreased year on year (-633 million yen, -3.0 pt cost of sales ratio)
- Continued control of subcontract expenses and reduction of fixed costs in the Information Segment contributed to cost cuts.

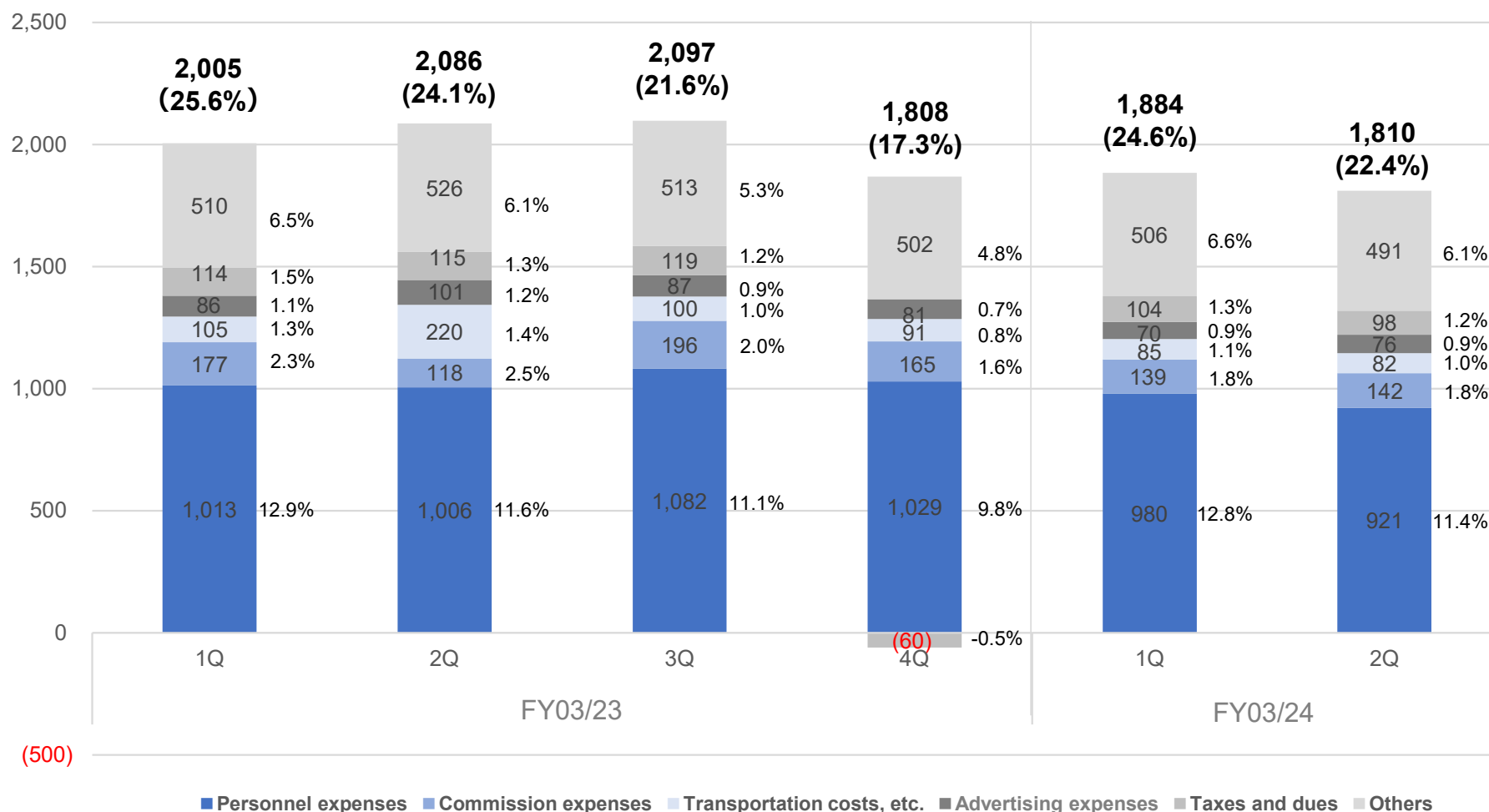
(Millions of yen / %: Cost of sales ratio)



A1-03 Quarterly Trend (SG&A Expenses)

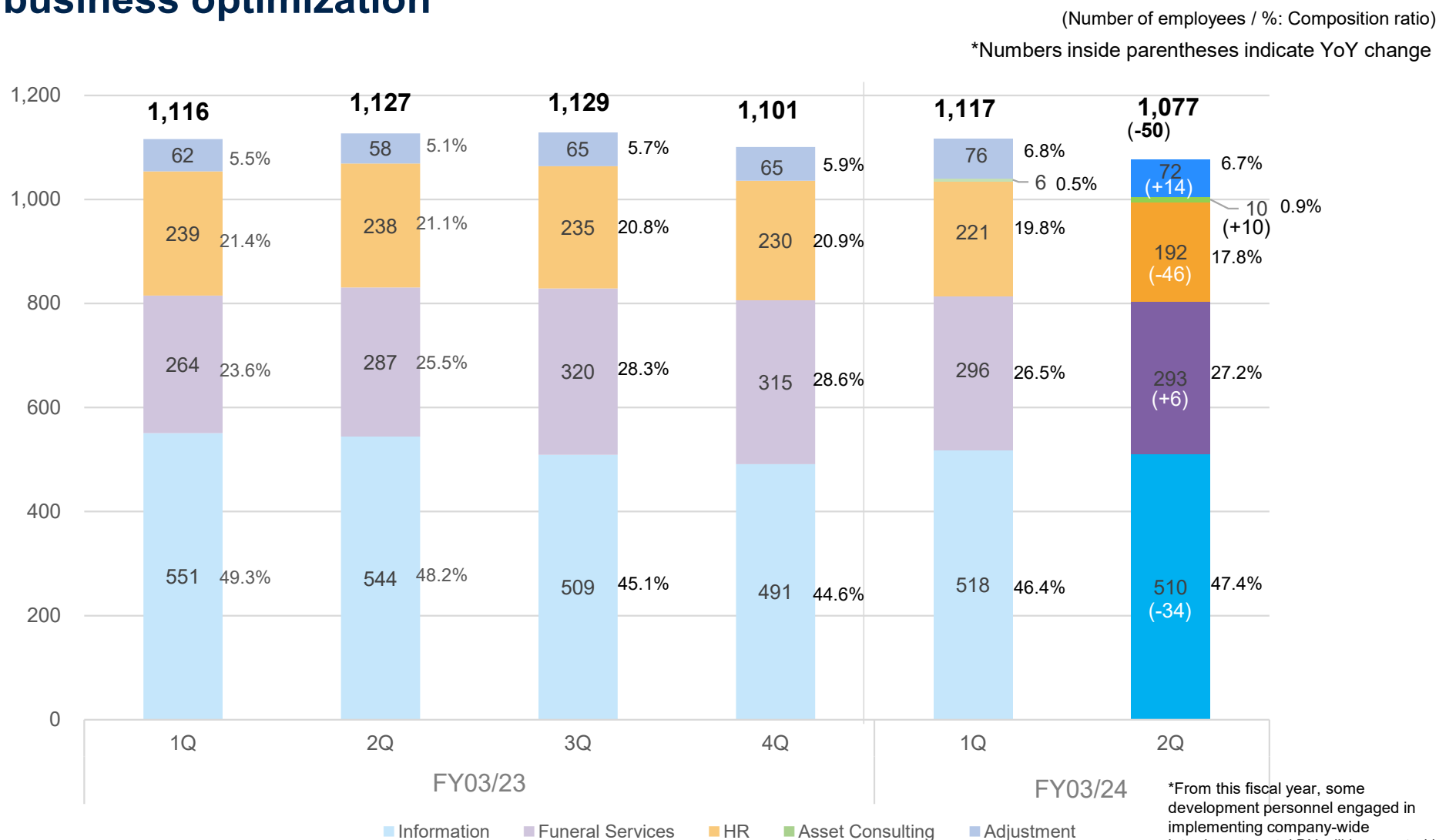
- Q2 SG&A expenses decreased year on year (-276 million yen, -1.7 pt SG&A expenses ratio)
- Continued reduction of fixed costs by implementing cost optimization at operating company.

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



A1-04 Quarterly Trend (Number of Employees)

- Review personnel in Information and HR segments and promote business optimization



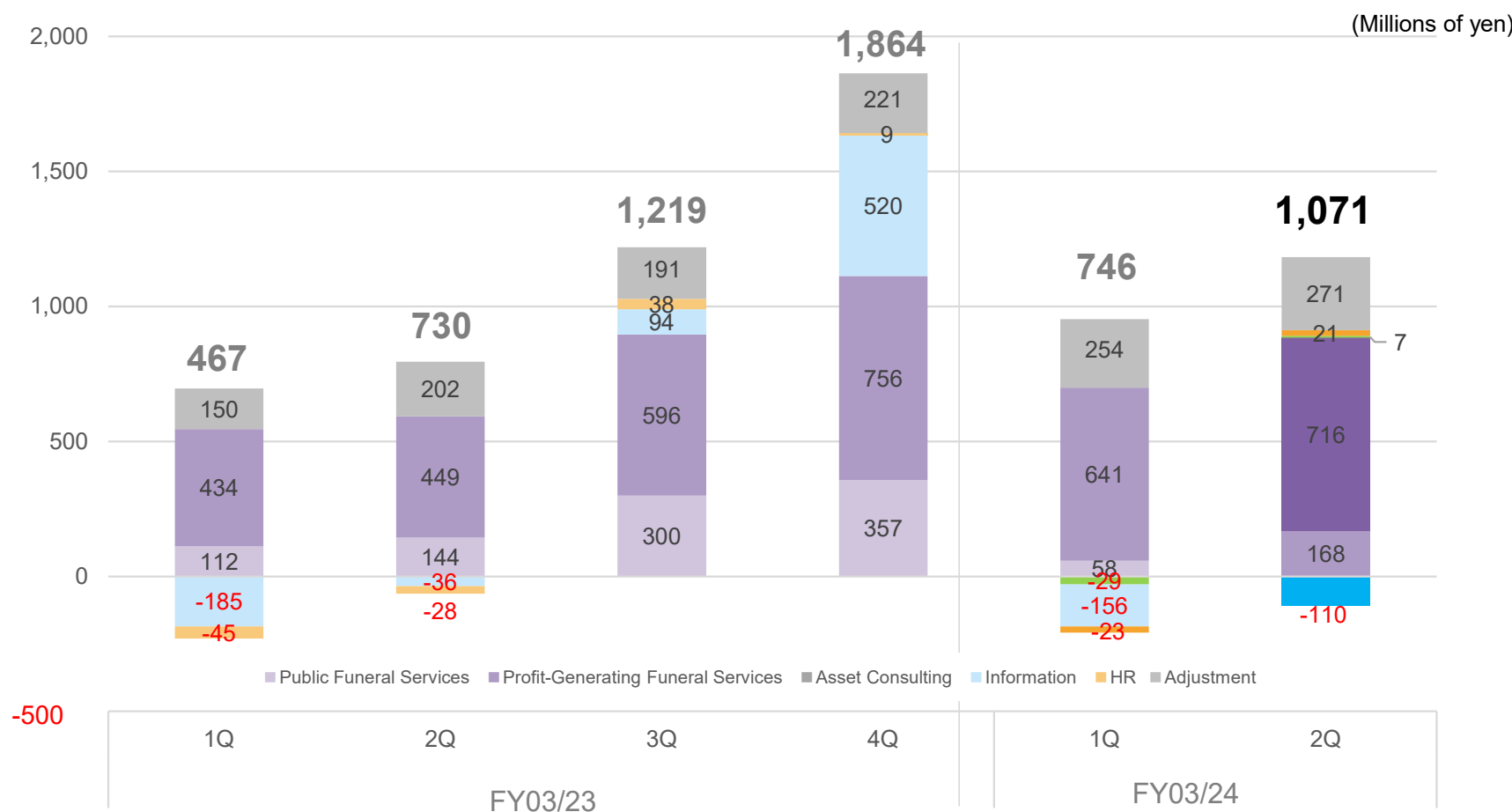
*From this fiscal year, some development personnel engaged in implementing company-wide interdepartmental DX will be counted in "Information" instead of "Other."

Quarterly Trend

A1-05 (Operating Profit by Segment)

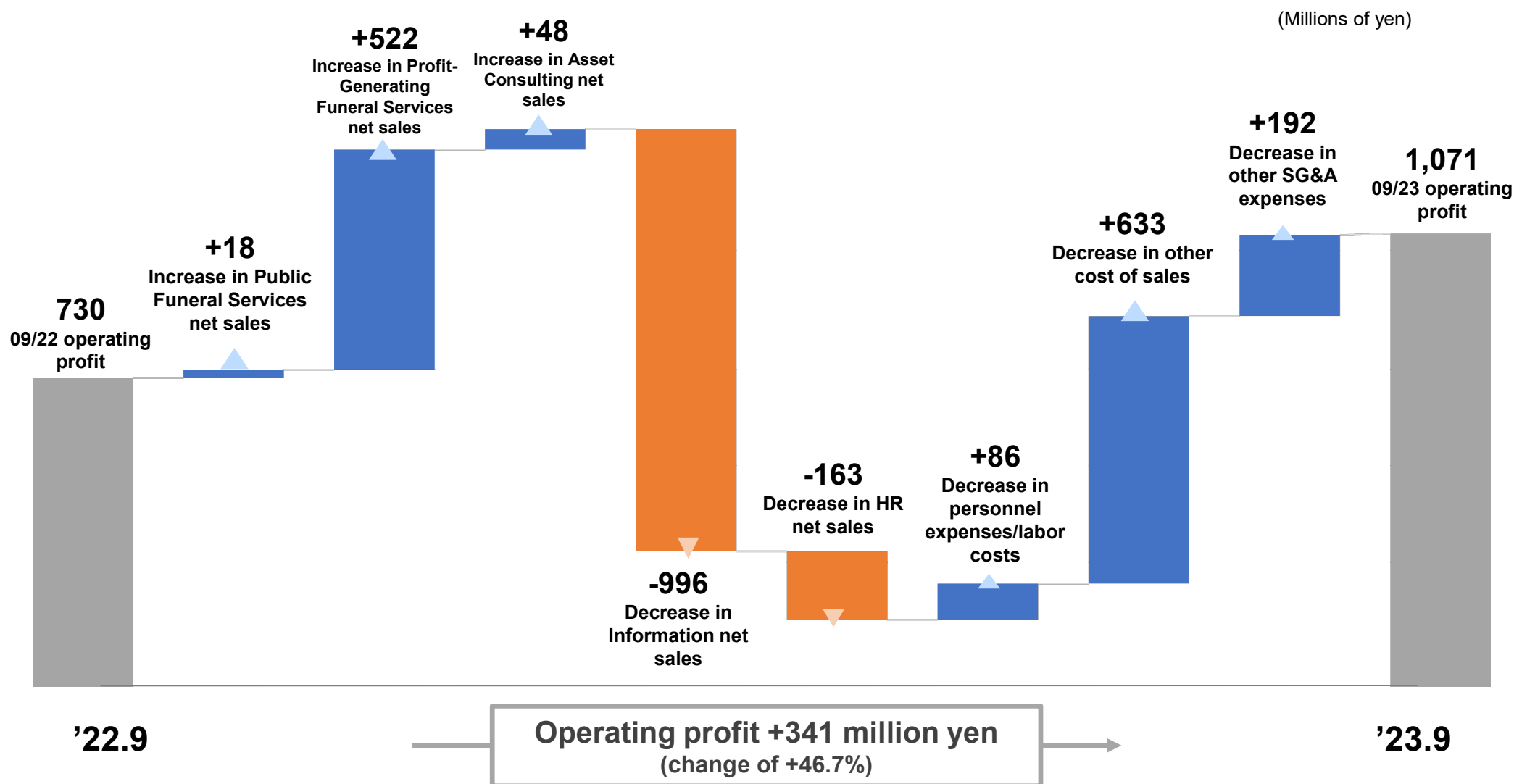
The method for booking management guidance fees for Group companies has been changed effective from the first quarter of the current fiscal year. These fees, which were included in corporate expenses as an adjustment, are now booked as operating expenses for each Group company of the reporting segment. Materials for the previous fiscal year were prepared according to this change.

- Operating profit increased 46.7% year on year due to solid performance of the funeral business, contribution from the Profit-Generating Funeral Services Segment with new funeral halls in operation, and continued cost optimization of Information and HR segments.



A1-06 Q2 FY03/24 Analysis of Change in Operating Profit (Major Items)

- Year on year, Information and HR segment income decreased, but Profit-Generating Funeral Services income increased. Overall income increased as a result of cost reductions in both Information and HR segments.



A1-07 Consolidated Balance Sheet

(Millions of yen)

	March 2023	Sep 2023	Difference as of quarter end
Current assets	27,998	27,127	-871
Cash and deposits	18,699	13,133	-5,566
Notes and accounts receivable–trade	5,810	3,458	-2,352
Non-current assets	43,134	43,937	803
Property, plant and equipment	35,807	36,684	877
Intangible assets	886	783	-103
Investments and other assets	6,440	6,469	29
Total assets	71,134	71,064	-70
Current liabilities	12,443	13,152	709
Short-term debt	1,400	1,400	0
Income taxes payable	325	551	226
Non-current liabilities	17,256	18,459	1,203
Total liabilities	29,699	31,611	1,912
Shareholders' equity	41,060	38,774	-2,286
Capital	100	159	59
Retained earnings	30,561	31,636	1,075
Share acquisition rights	11	66	55
Total net assets	41,434	39,452	-1,982
Total liabilities and net assets	71,134	71,064	-70



Public Funeral Services Business

A1-08 Income & Expenditures | Q2 FY03/24

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

Increase in transparency



Increase in business stability

■ The Company's 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 payments

||

(Reserves for losses in the Public Funeral Services Business)

■ Business Income & Expenditure for FY03/24 | Cumulative total from April 2023 to Sep 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	The balance of payments is appropriated as profit.	(vii) Public Funeral Services business reserves for losses
(ii) Segment sales	(iii) Segment expenses	(ii - iii) =			(i - iv - v) =		
2,513	2,287	226	69	375	- 218		0

(Millions of yen)

(*Estimate based on information as of August 2023)

A2-01 Medium-Term Business Plan 3.0 Performance Targets

Medium-Term Business Plan 3.0 (announced May 12, 2023)

(Millions of yen)

	FY03/22 Results	FY03/23 Results	Medium-Term Business Plan 3.0			
			FY03/24 Forecast		FY03/25 Plan	FY03/26 Plan
			May 12	Nov 10		
Net sales	35,361	36,668	40,000	39,841	42,100	43,800
Operating profit	3,729	4,280	6,360	6,940	7,970	8,710
Ordinary profit	3,610	4,185	6,110	6,893	7,750	8,490
Profit before income taxes	3,627	4,071	6,110	6,883	7,750	8,490
Income taxes	17	29	1,610	1,983	2,250	2,490
Profit attributable to owners of parent	3,643	4,042	4,500	4,900	5,500	6,000

Medium-Term Business Plan 3.0 Performance Targets

A2-02 by Business Segment

(Millions of yen)

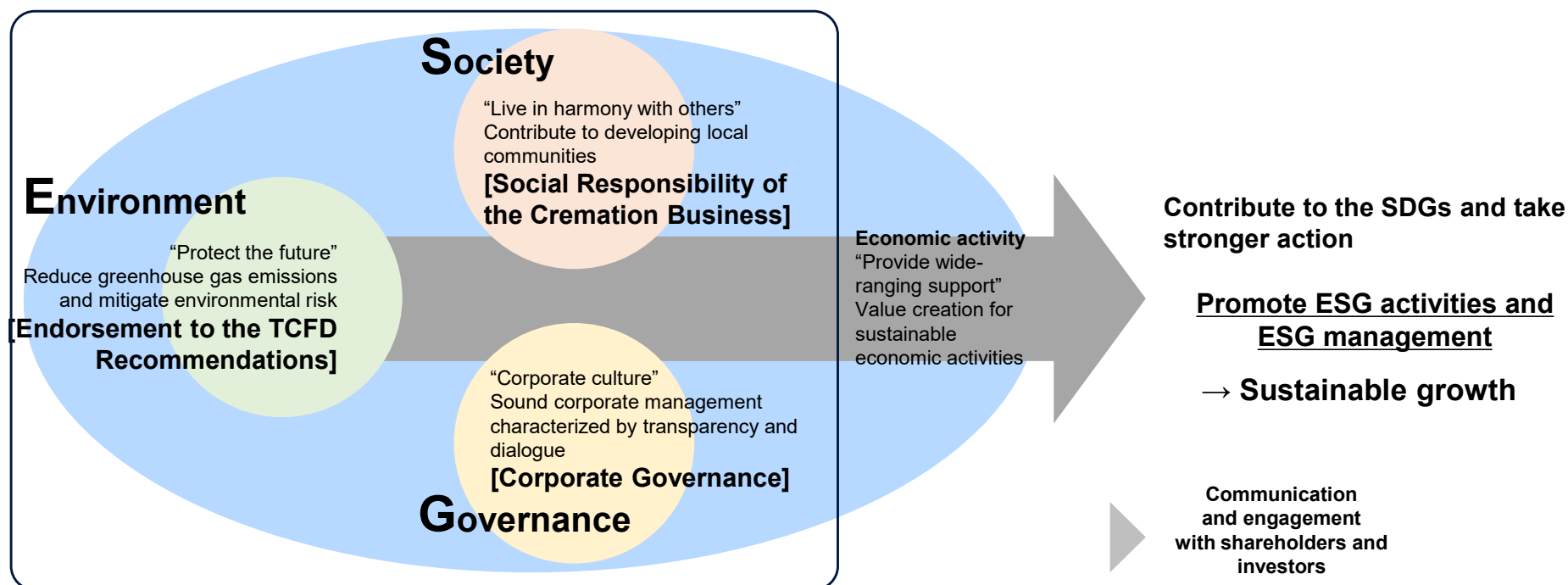
Medium-Term Business Plan 3.0 (announced May 12, 2023)

		FY03/23 Results	Medium-Term Business Plan 3.0			
			FY03/24 Forecast		FY03/25 PLAN	FY03/26 PLAN
			May 12	Nov 10		
Public Funeral Services	Net sales	5,561	6,033	5,808	6,215	6,400
	Operating profit	1,015	1,018	1,130	1,354	1,378
Profit- Generating Funeral Services	Net sales	6,382	8,639	8,667	9,785	10,100
	Operating profit	2,139	3,351	3,382	4,374	4,501
Asset Consulting	Net sales	0	368	537	700	1,400
	Operating profit	0	286	311	500	1,000
Information	Net sales	18,048	18,068	18,282	18,411	18,749
	Operating profit	392	609	900	684	694
HR	Net sales	6,677	6,892	6,544	6,989	7,151
	Operating profit	-27	237	227	244	247
Adjustments		761	859	991	814	890
Total	Net sales	36,668	40,000	39,841	42,100	43,800
	Operating profit	4,280	6,360	6,940	7,970	8,710

A3-01 ESG Activities Report

The purpose of the Kosaido Holdings ESG Activity Report is to provide shareholders, investors, business partners, and a wide range of other stakeholders with an understanding of the Company's approach and concrete action to further sustainability. The Kosaido Group SDGs Declaration defines four materialities (key issues) that are linked to both ESG activities and business management.

The word “Kosai” in our company name means “contributing to society at large.” Since our founding, we have diversified into the Public Funeral Services Business, Profit-Generating Funeral Services Segment, Asset Consulting, Information, and HR according to this common philosophy, thus providing valuable services that people and society appreciate. This report presents concrete action in our ESG activities with an awareness of our contribution to the SDGs, along with action to carry out our corporate philosophy.



ESG Activity Report [Society]

A3-02 - Social Responsibility of the Cremation Business

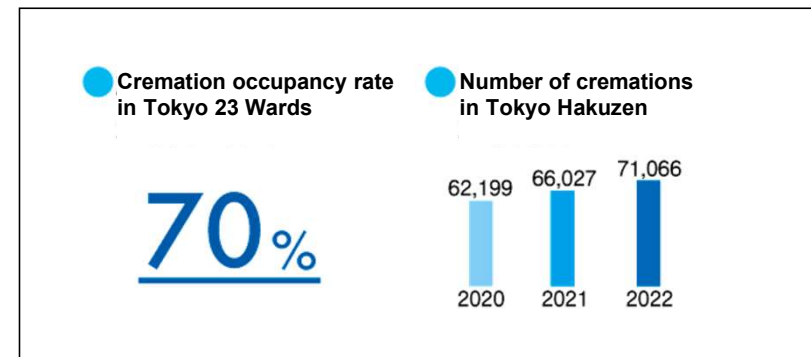
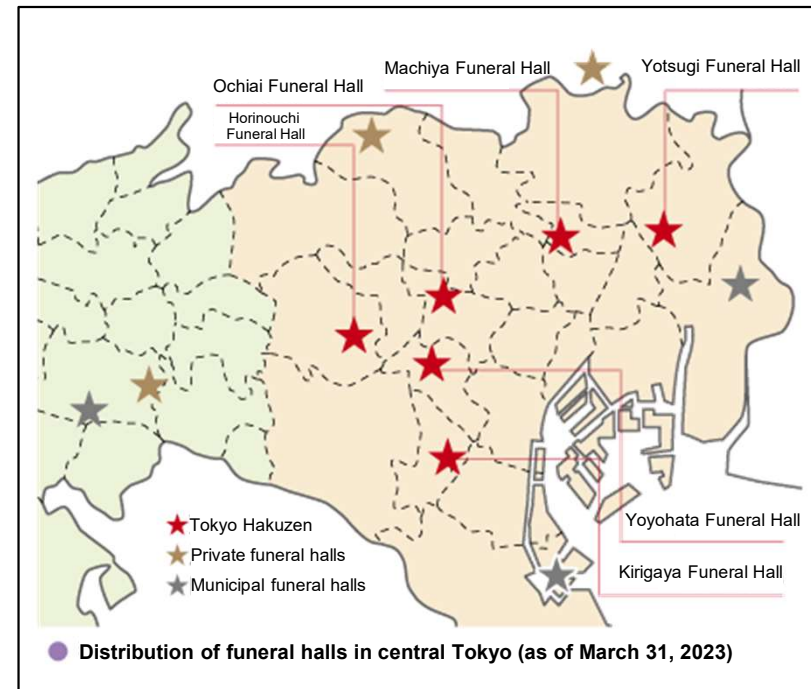
Basic Concept

The Company conducts our business based on the spirit of “Kosai,” which means “contributing to society at large.” Especially in Tokyo Hakuzen's cremation business, we contribute to the local community at large by carrying on this spirit and putting it into practice.

Originally, crematorium operations in Japan were regulated by the Act Concerning Graveyard, Burial, etc. and managing entities were generally local public organizations. Even if operations were more difficult, the operator had to be a public interest corporation or a religious corporation. But because Tokyo Hakuzen has been doing business in Tokyo since before this law came into force, **Tokyo Hakuzen, a private company, is operating six crematoriums.** Tokyo Hakuzen's crematoriums have a long history. They were built between the Edo Period (1603-1867) to the Meiji Era (1868-1912). Today, these facilities stand at convenient locations in Tokyo.

64* furnaces are operating at Tokyo Hakuzen funeral homes, **handling approximately 70,000 cremations a year.*** This accounts for about 70% of deaths in Tokyo's 23 wards.* Therefore, these locations receive many visitors, around 700,000. (*As of July 2023)

For more than 100 years since our establishment, we have been an indispensable business upholding the social infrastructure in the metropolis of Tokyo and fulfilling our social responsibility, but without public assistance, because we are a private company. In addition to contributing to the local community, our cremation business supports its development.



ESG Activity Report [Society]

A3-03 - Social Responsibility of the Cremation Business

Social Responsibility of the Cremation Business in a High-Death Society

Both local communities and Japanese society as a whole are facing a high number of deaths, and that figure increases by the year. As shown in these materials, nationwide deaths will peak by around 2040, and the number in Tokyo will continue increasing until 2065.



(From this document: Q1 FY03/24 Highlights)

*See next page for death statistics and trends.

In a society already facing a high number of deaths, those of us in the cremation business must take prompt action. However, public facilities operated by local governments cannot cope and there are already cremation waiting lists. In the future, the facilities may become more incapable of holding the funeral services requested by bereaved families.

In response, Tokyo Hakuzen is working to accurately understand social issues and problems from our unique business perspective as a private company, and we are striving for sustainable operations that do not rely on public funds. Tokyo Hakuzen, with a history spanning 100 years, takes the accelerating trend of a high number of deaths in Tokyo's large population seriously. We believe that it is our social responsibility to make efforts to build a society where we can always perform cremations and funeral processions at any time.

We also clearly recognize that without Tokyo Hakuzen, funeral processions in Tokyo would not be possible. Carrying on our business for the next 100 years and in perpetuity beyond is also connected to our company's great significance for society. We aspire to be a company that society always recognizes for its contributions, while establishing bonds of trust with society and members of the local community, and maintaining an awareness of the requirements for appropriate behavior according to our corporate responsibilities.



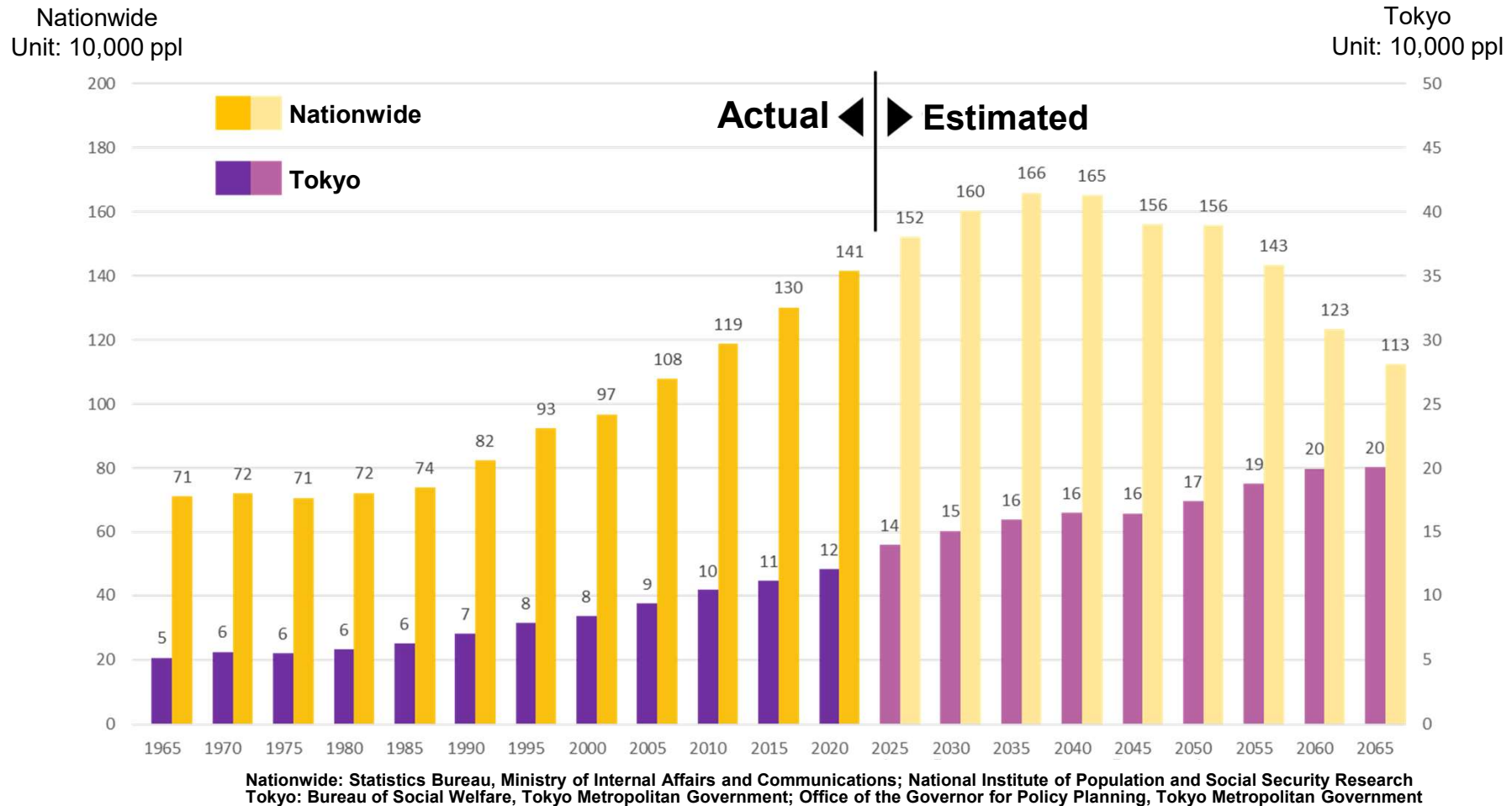
広済堂グループ
東京博善

ESG Activity Report [Society]

A3-04 - Social Responsibility of the Cremation Business

*Excerpt/reprint from this document: Q1 FY03/24 Highlights)

State of the Population | Estimated Deaths



**Nationwide deaths will peak in around 2040, but will continue rising in Tokyo until at least 2065.
(*There were 1.58 million deaths nationwide in 2022.)**

ESG Activity Report [Society]

A3-05 - Social Responsibility of the Cremation Business

Tokyo Hakuzen's Actions

■ Cremation technology for smooth funeral services

While many crematoriums use furnaces with carts, Tokyo Hakuzen uses grates that enable quick cremations so we can handle the increasing number of services. While other crematoriums normally handle two to three services per day, ours perform seven to nine. This eliminates waiting times before funeral services and reduces the psychological burden for the bereaved. To cope with a society with high number of deaths, we are focused on improving our operations as well as our technology.



Outside the cremation furnaces at Yotsugi Funeral Home

■ Development of new, environmentally friendly cremation furnace system (Patented)

*Environmentally friendly

To help protect the environment, we are furthering the development of new cremation furnace systems that suppress dioxins while reducing CO2 emissions. We have developed and patented Japan's first environmentally friendly cremation furnace system that generates electricity from the cremation furnace's residual heat and uses a power recycling system. This new cremation system significantly suppresses exhaust gas emissions compared to conventional cremation furnace systems, and has achieved reductions in CO2, dioxins, and other toxic substances.

Stimulating the local economy through mutual understanding from exchanges with the community *CSR activities

Each of our six funeral homes in Tokyo hold Community Appreciation Gatherings to thank neighboring communities for their understanding and support. We endeavor to provide a setting where people of all ages can have an enjoyable and meaningful time through various events such as facility tours, morning markets, sales of products that support the employment of people with disabilities, *rakugo* (traditional Japanese comic storytelling) performances, mini concerts, art exhibitions, health seminars, and more.



The Kirigaya Funeral Hall held a Community Appreciation Gathering on July 9, 2023 for the neighborhood.

The event was a great success, with a dance performance by local children, a show by top-ranked *rakugo* storyteller Hanahei Hayashiya, an earthquake experience, and a Mercari class.

A3-06 ESG Activity Report [Environment]

Disclosure Based on the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations

In addition to endorsing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), in 2022, in response to increasing greenhouse gas emissions and extreme weather conditions caused by global warming, which have become important issues for the international community, the Group announced our SDGs Declaration to promote sustainability management. We have established a materiality on the environment and will work with our partners to further reduce risks to the environment. In addition, we have begun to disclose information in accordance with the TCFD and we will continue to implement the PDCA cycle to strengthen our management strategies related to climate change based on feedback from our stakeholders.

GHG Emissions Reduction Target

For GHG emissions from business activities at our company's sites (Scope 1 and 2), we are taking action to reduce with a medium-term target of 2030. For Scope 3, we are surveying the state of GHG emissions control by suppliers and customers.

Item	Scope 1+2 reduction targets	Scope 3 reduction targets
2050 target	Carbon neutrality	Carbon neutrality
2030 target	Reduce CO ₂ emissions by 34%	To be formulated based on the status of suppliers and purchases
Emissions factor	Ministry of the Environment "Measurement Methods and Emissions Factors under the Measurement, Reporting, and Publication System"	
Reference year	2020	

We disclose information according to TCFD recommendations at our Japanese website (IR Site/Environmental Policy).

You can check the following items according to disclosure rules:
 "Governance," "Strategy," "Risk Analysis,"
 "Indicators and Targets," "Reduction Targets"

*The information will be updated in December 2023.



A3-07 ESG Activity Report [Governance]

Basic Concept

Aiming to maximize shareholder value, sustainably increase enterprise value, and earn society's trust, we not only boost profitability, but also emphasize shareholder rights, implement efficient, fair, and transparent management practices, and ensure compliance. Furthermore, we enhance corporate governance by fulfilling the social responsibilities required of companies in terms of the environment, society, and governance, and by addressing social issues for the sustainable growth of the company and society.

Overview of Corporate Governance Structure

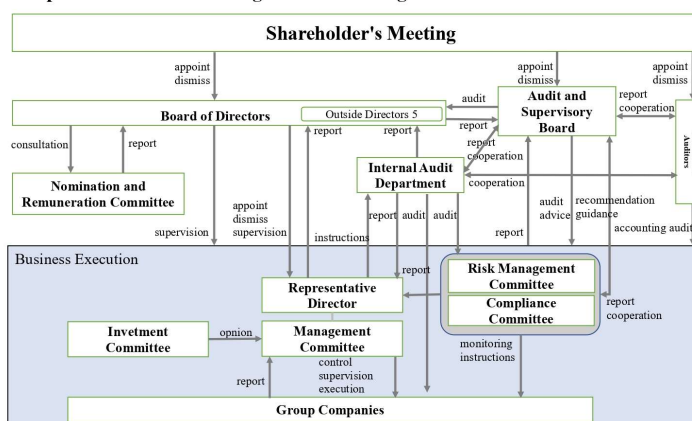
■ Board of Directors

As a company with a Board of Corporate Auditors, we endeavor to enhance corporate governance and improve the fairness and transparency of management based on our basic concept by building a management organization enabling proper supervision and monitoring while allowing directors to make appropriate decisions and promptly carry out business operations. In addition, we have established a voluntary nomination and compensation committee, whose primary members are independent outside directors and independent outside auditors, to deliberate and report to the Board of Directors on the directors' compensation, policy for determining their compensation, and proposed candidates for director positions. The Board of Directors, comprising two executive directors, one non-executive director, five outside directors, and corporate auditors, generally hold a regular monthly Board of Directors meeting, along with extraordinary meetings as necessary, to determine important business strategies, including management targets and strategies, as well as matters required by law, and to supervise business execution.

■ Board of Corporate Auditors

One full-time auditor and two outside auditors are appointed to ensure objectivity and neutrality in management oversight as they audit the state of governance and operations. In addition, we have appointed two outside auditors as independent directors, with the understanding that the roles of outside directors and outside auditors are, as an independent body entrusted by shareholders, to maintain a neutral and impartial position and ensure management's neutrality and objectivity.

Corporate Governance Organizational Diagram



For more information on corporate governance, please visit the IR News section of our website.

A4-01 Company Overview

**Company
name**

KOSAIDO Holdings Co., Ltd.

**Establish-
ment**

January 1949

Net sales

36,668
million yen
(FY03/23)

Total assets

71,064
million yen
(as of Sep 30, 2023)

Net assets

39,452
million yen
(as of Sep 30, 2023)

**Represent-
ative**

Hiroshi Kurosawa, President & CEO

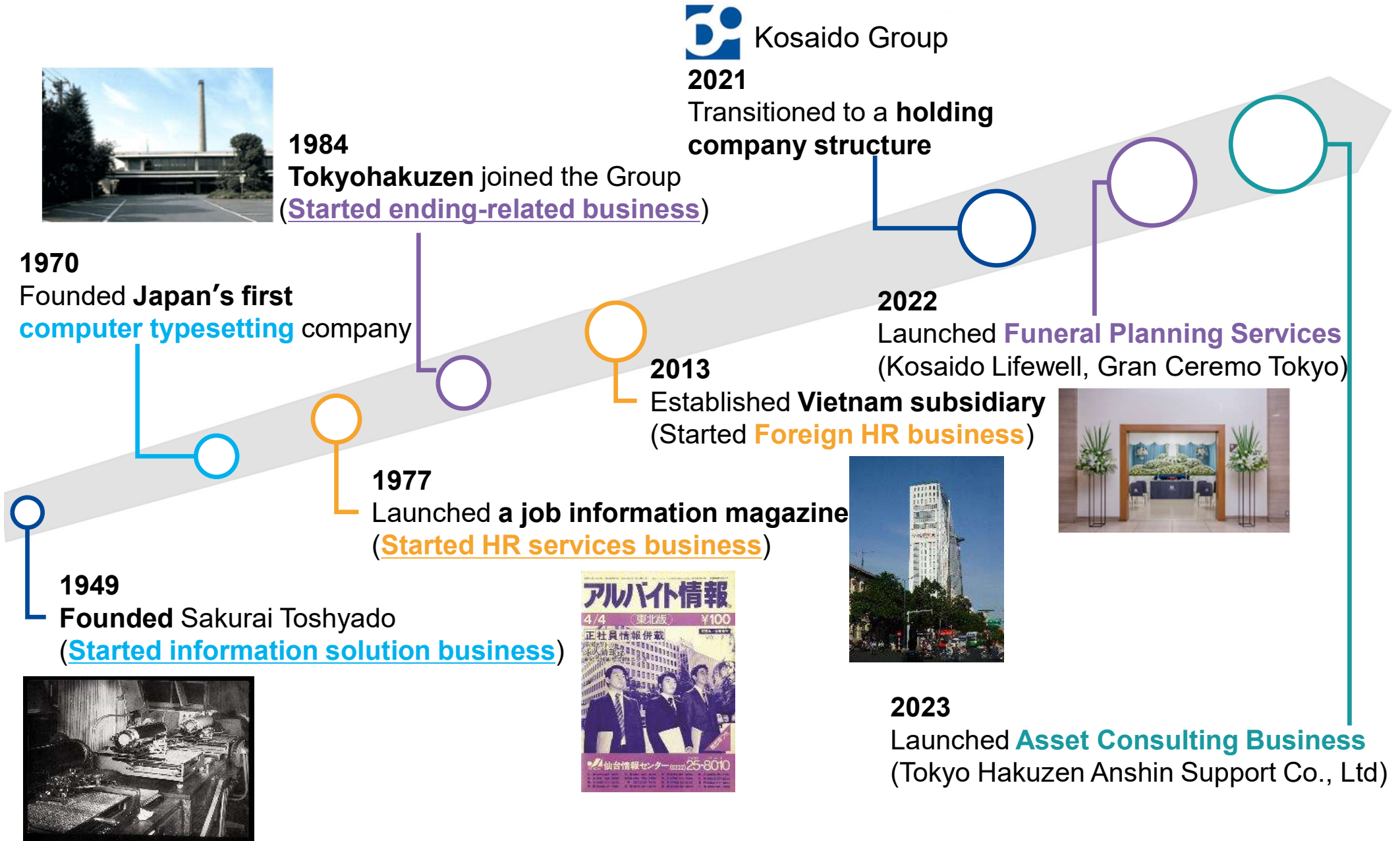
**Number of
employees**

1,077 (consolidated | as of Sep 30, 2023)

**Market
information**

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

A4-02 History



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.

A4-04 KOSAIDO Group

Further enrich
100-year lives.






KOSAIDO Holdings

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



[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



A4-05 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.



A4-06 Contact

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.

In addition, Facilities Tour for Institutional Investors and Analysts are held accordingly (funeral home tours operated by Tokyo Hakuzen Co., Ltd.).

If you would like to join, please contact us via the URL below.

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



FY03/24

Q2 Financial Results Presentation

Securities code: 7868

November 10, 2023

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1

Q2 FY03/24 Highlights












1-01 Q2 FY03/24 Consolidated Financial Results

- As in Q1, income in the Information Segment decreased due to changes in COVID-19-related special demand from the previous fiscal year and large BPO projects that were shifted to Q4. However, profits were booked by curbing outsourcing costs and reducing fixed costs.
- The Profit-Generating Funeral Services Segment grew sales from funeral hall usage while the funeral business contributed to an increase in consolidated profit.
- The 154M that was scheduled to be sold from Asset Consulting is recognized as non-operating income.

(Millions of yen)								*Reference	
	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast		Q2 FY03/24	YoY change
			Change	Rate of Change (%)		Change	Rate of Change (%)		Rate of Change (%)
Net sales	15,730	16,488	-758	-4.6	16,421	-691	-4.2	8,086	-6.6
Operating profit	1,817	1,197	620	51.8	1,625	192	11.8	1,071	46.7
Ordinary profit	1,842	1,202	640	53.1	1,533	309	20.2	1,024	38.4
Profit attributable to owners of parent	1,460	929	531	57.2	1,167	293	25.1	814	42.1

1-02 Q2 FY03/24 Financial Results Summary by Business Segment

(Millions of yen)

	Net sales		YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast		Operating profit		YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast	
	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	Change	Rate of Change (%)		Change	Rate of Change (%)	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	Difference	Rate of Change (%)		Change	Rate of Change (%)
Public Funeral Services	 2,513	2,435	78	3.2	2,593	-80	-3.1	 226	256	-30	-11.7	134	92	68.7
Profit- Generating Funeral Services	 3,796	2,734	1,062	38.8	3,750	46	1.2	 1,357	883	474	53.7	1,261	96	7.6
Asset Consulting	48	0	48	—	190	-142	-74.7	-22	0	-22	—	114	-136	—
Information	 6,422	8,096	-1,674	-20.7	6,740	-318	-4.7	 -266	-221	-45	—	-294	28	—
HR	 2,949	3,221	-272	-8.4	3,147	-198	-6.3	 -2	-73	71	—	6	-8	—
Adjustments , etc.			0	—		0	—	 525	352	173	49.1	403	122	30.3
Total	 15,730	16,488	-758	-4.6	16,421	-691	-4.2	 1,817	1,197	620	51.8	1,624	193	11.9

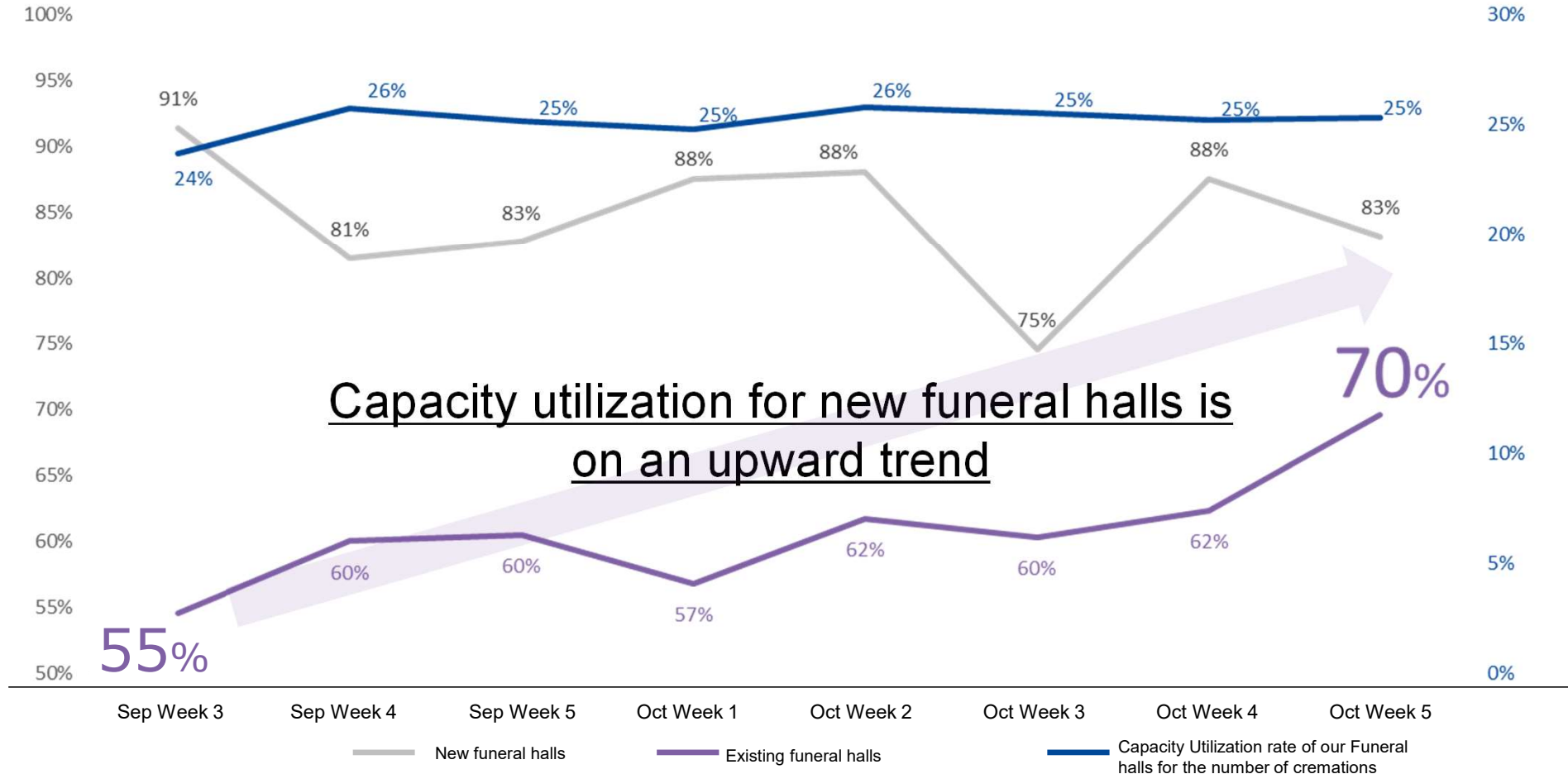
  ... YoY change

- Information and HR income declined due to the impact of the previous fiscal year's COVID-19-related special demand, but we ensured profits through cost reductions.
- Profit-Generating Funeral Services covered the overall revenue due to increased sales from opening new funeral halls and growth in the performance of funeral services company.
- Asset Consulting | 154M in non-operating income booked. Approx. 100M yen in sales to be booked late in Q3 or afterward.

1-03 New Funeral Hall Capacity Utilization

Capacity Utilization rate of existing and new Funeral halls

Capacity Utilization rate of our Funeral halls



- All new funeral halls became operational from September.
- The new funeral hall capacity utilization has exceeded expectations from 55% at the start.
- Continuous publicity and sales to funeral services companies have resulted in steadily increasing capacity utilization for new funeral halls.

1-04 Status of New Businesses

Funeral Business

* ... 2 companies: Kosaido Lifewell, Gran Ceremo Tokyo

- FY03/24 Performance (2 companies* combined)

(Millions of yen)

	Q1					Q2					Q2 (Cumulative)				
	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year
Net sales	329	343	-14	44	285	383	360	23	209	174	712	703	9	254	458
Operating profit	45	20	25	-59	104	35	31	4	-39	74	80	52	28	-98	178

Primary cause

(Difference from plan) - Sales are on an upward trend due to increased attendees. Advertising operations are optimized to further increase orders in 2Q

(Difference from the prior year) - There were upfront costs because the previous fiscal year was the first year for the newly launched funeral business.

Asset Consulting Business

- Sales of a project (100M scale) scheduled to be booked in 2Q were changed to sales in 4Q.
- Small-scale real estate-related projects are also progressing and gradually adding up the sales.

Furnaces

- Started in-house maintenance and crematorium design. It is progressing smoothly.

A blue background with organic, wavy shapes. A large white number '2' is centered within a lighter blue circular area.

2

Consolidated Financial Forecast for FY03/24

Q1

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	7,644	7,644	-	-	7,832	-188	-2.4
Operating profit	746	746	-	-	467	279	59.7
Ordinary profit	818	818	-	-	463	355	76.6
Quarterly profit	646	646	-	-	356	290	81.3

Q2

	Actual	Revised forecast (Aug 9)	Amount revised		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	8,086	8,777	-691	-7.9	8,657	-571	-6.6
Operating profit	1,071	879	192	21.8	730	341	46.7
Ordinary profit	1,024	715	309	43.2	740	275	38.4
Quarterly profit	814	521	293	56.2	573	241	42.1

H1 (cumulative)

(Millions of yen)

	Actual	Revised forecast (Aug 9)	Amount revised		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	15,730	16,421	-691	-4.2	16,488	-758	-4.6
Operating profit	1,817	1,625	192	11.8	1,197	620	51.8
Ordinary profit	1,842	1,533	309	20.2	1,202	640	53.1
Quarterly profit	1,460	1,167	293	25.1	929	531	57.2

Q3

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	10,589	10,488	101	1.0	9,711	878	9.0
Operating profit	1,766	1,721	45	2.6	1,219	547	44.9
Ordinary profit	1,717	1,672	45	2.7	1,172	545	46.5
Quarterly profit	1,418	1,220	198	16.2	973	445	45.7

Q4

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	13,521	13,311	210	1.6	10,469	3,052	29.2
Operating profit	3,357	3,212	145	4.5	1,864	1,493	80.1
Ordinary profit	3,334	3,189	145	4.5	1,810	1,524	84.2
Quarterly profit	2,022	2,333	-311	-13.3	2,139	-117	-5.5

Full year (cumulative)

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	39,841	40,221	-380	-0.9	36,668	3,173	8.7
Operating profit	6,940	6,558	382	5.8	4,280	2,660	62.1
Ordinary profit	6,893	6,394	499	7.8	4,185	2,708	64.7
Quarterly profit	4,900	4,720	180	3.8	4,042	858	21.2

FY03/24 current net profit forecast changed due to factors including +499M ordinary profit and -303M decrease in profit from higher tax expenses

1Q

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	7,644	7,644	0	0.0	7,832	-188	-2.4
Public Funeral Services Segment	1,207	1,207	0	0.0	1,148	59	5.1
Profit-Generating Funeral Services Segment	1,796	1,796	0	0.0	1,255	541	43.1
Asset Consulting Segment	0	0	0	-	0	0	-
Information Segment	3,160	3,160	0	0.0	3,838	-678	-17.7
HR Segment	1,480	1,480	0	0.0	1,589	-109	-6.9
Operating profit	746	746	0	0.0	467	279	59.7
Public Funeral Services Segment	58	58	0	0.0	112	-54	-48.2
Profit-Generating Funeral Services Segment	641	641	0	0.0	434	207	47.7
Asset Consulting Segment	-29	-29	0	-	0	-29	-
Information Segment	-156	-156	0	-	-185	29	-
HR Segment	-23	-23	0	-	-45	22	-
Adjustments	254	254	0	0.0	150	104	69.3

3Q

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	10,589	10,488	101	1.0	9,711	878	9.0
Public Funeral Services Segment	1,593	1,593	0	0.0	1,472	121	8.2
Profit-Generating Funeral Services Segment	2,302	2,302	0	0.0	1,756	546	31.1
Asset Consulting Segment	113	12	101	841.7	0	113	-
Information Segment	4,756	4,756	0	0.0	4,719	37	0.8
HR Segment	1,825	1,824	1	0.1	1,764	61	3.5
Operating profit	1,766	1,721	45	2.6	1,219	547	44.9
Public Funeral Services Segment	394	394	0	0.0	300	94	31.3
Profit-Generating Funeral Services Segment	900	900	0	0.0	599	301	50.3
Asset Consulting Segment	49	4	45	1,125.0	0	49	-
Information Segment	108	108	0	0.0	94	14	14.9
HR Segment	118	118	0	0.0	38	80	210.5
Adjustments	197	197	0	0.0	189	8	4.2

2Q

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	8,086	8,777	-691	-7.9	8,656	-570	-6.6
Public Funeral Services Segment	1,306	1,386	-80	-5.8	1,288	18	1.4
Profit-Generating Funeral Services Segment	2,000	1,954	46	2.4	1,478	522	35.3
Asset Consulting Segment	48	190	-142	-74.7	0	48	-
Information Segment	3,262	3,580	-318	-8.9	4,258	-996	-23.4
HR Segment	1,469	1,667	-198	-11.9	1,632	-163	-10.0
Operating profit	1,071	879	192	21.8	729	342	46.9
Public Funeral Services Segment	168	76	92	121.1	144	24	16.7
Profit-Generating Funeral Services Segment	716	620	96	15.5	449	267	59.5
Asset Consulting Segment	7	143	-136	-95.1	0	7	-
Information Segment	-110	-138	28	-	-37	-73	-
HR Segment	21	29	-8	-27.6	-29	50	-
Adjustments	271	149	122	81.9	202	69	34.2

4Q

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	13,521	13,311	100	0.8	10,469	3,052	28.1
Public Funeral Services Segment	1,702	1,702	0	0.0	1,651	51	3.1
Profit-Generating Funeral Services Segment	2,569	2,569	0	0.0	1,894	675	35.6
Asset Consulting Segment	376	166	210	126.5	0	376	-
Information Segment	7,104	7,104	0	0.0	5,232	1,872	35.8
HR Segment	1,770	1,770	0	0.0	1,692	78	4.6
Operating profit	3,357	3,212	145	4.5	1,864	1,493	80.1
Public Funeral Services Segment	510	510	0	0.0	357	153	42.9
Profit-Generating Funeral Services Segment	1,125	1,125	0	0.0	752	373	49.6
Asset Consulting Segment	284	139	145	104.3	0	284	-
Information Segment	1,058	1,058	0	0.0	521	537	103.1
HR Segment	111	111	0	0.0	9	102	1,133.3
Adjustments	269	269	0	0.0	223	46	20.6

H1 (cumulative)

(Millions of yen)

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	15,730	16,421	-691	-4.2	16,488	-758	-4.6
Public Funeral Services Segment	2,513	2,593	-80	-3.1	2,435	78	3.2
Profit-Generating Funeral Services Segment	3,796	3,750	46	1.2	2,734	1,062	38.8
Asset Consulting Segment	48	190	-142	-74.7	0	48	-
Information Segment	6,422	6,740	-318	-4.7	8,096	-1,674	-20.7
HR Segment	2,949	3,147	-198	-6.3	3,221	-272	-8.4
Operating profit	1,817	1,625	192	11.8	1,197	620	51.8
Public Funeral Services Segment	226	134	92	68.7	256	-30	-11.7
Profit-Generating Funeral Services Segment	1,357	1,261	96	7.6	884	473	53.5
Asset Consulting Segment	-22	114	-136	-	0	-22	-
Information Segment	-266	-294	28	-	-221	-45	-
HR Segment	-2	6	-8	-	-73	71	-
Adjustments	525	403	122	30.3	352	173	49.1

Full year (cumulative)

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	39,841	40,221	-380	-0.9	36,668	3,063	8.4
Public Funeral Services Segment	5,808	5,888	-80	-1.4	5,559	249	4.5
Profit-Generating Funeral Services Segment	8,667	8,621	46	0.5	6,383	2,284	35.8
Asset Consulting Segment	537	368	169	45.9	0	537	-
Information Segment	18,282	18,600	-318	-1.7	18,047	235	1.3
HR Segment	6,544	6,741	-197	-2.9	6,677	-133	-2.0
Operating profit	6,940	6,558	382	5.8	4,280	2,660	62.1
Public Funeral Services Segment	1,130	1,038	92	8.9	913	217	23.8
Profit-Generating Funeral Services Segment	3,382	3,286	96	2.9	2,235	1,147	51.3
Asset Consulting Segment	311	257	54	21.0	0	311	-
Information Segment	900	872	28	3.2	393	507	129.0
HR Segment	227	235	-8	-3.4	-26	253	-
Adjustments	991	869	122	14.0	764	227	29.7



3

FY03/24 Shareholder Return

3-01 Shareholder Return

Approach to shareholder return and internal reserves

Dividend and internal reserves

Dividend

... Dividends implemented as a stable return policy

⇒ Current dividend payout ratio ~~30%~~

32.5%

[As of November 10, 2023]

Further increase in the dividend payout ratio will be considered in the future

Internal reserves

... Seeking scale for growth investments reserves
(Expansion, furnace manufacturing, etc.)

Stock buyback

Plan to flexibly execute based on cash balances and stock price trends

3-02 Stock Split

Stock split (announced Nov 10, 2023)

At a meeting of the Company's Board of Directors held on November 10, 2023, the following resolution was adopted.

Purpose of the stock split:

In line with the new NISA system that will be introduced from January next year, the Company decided to carry out the stock split after comprehensively considering the level of the Company's stock price, how the Company's stock is circulating, changes in the composition of shareholders, and other factors.

By reducing the per-unit investment amount in the Company's shares, the Company aims to create an environment in which investors can invest more easily, improve the liquidity of the Company's shares, and further expand the investor base.

Method of split:

With November 30, 2023 as the record date, the shares of common stock held by shareholders listed or recorded in the shareholders' register as of the end of that date will be split at a ratio of five shares for each share held.

Split dates:

- Date of standard public notice: Wednesday, November 15, 2023
- Record date: Thursday, November 30, 2023
- Effective date: Friday, December 1, 2023

3-03 Revision to Dividend Forecast

Dividend Forecast for FY03/24

- ✓ In addition to reflecting revisions in the full-year consolidated financial forecast, the payout ratio will change from 30% to 32.5%

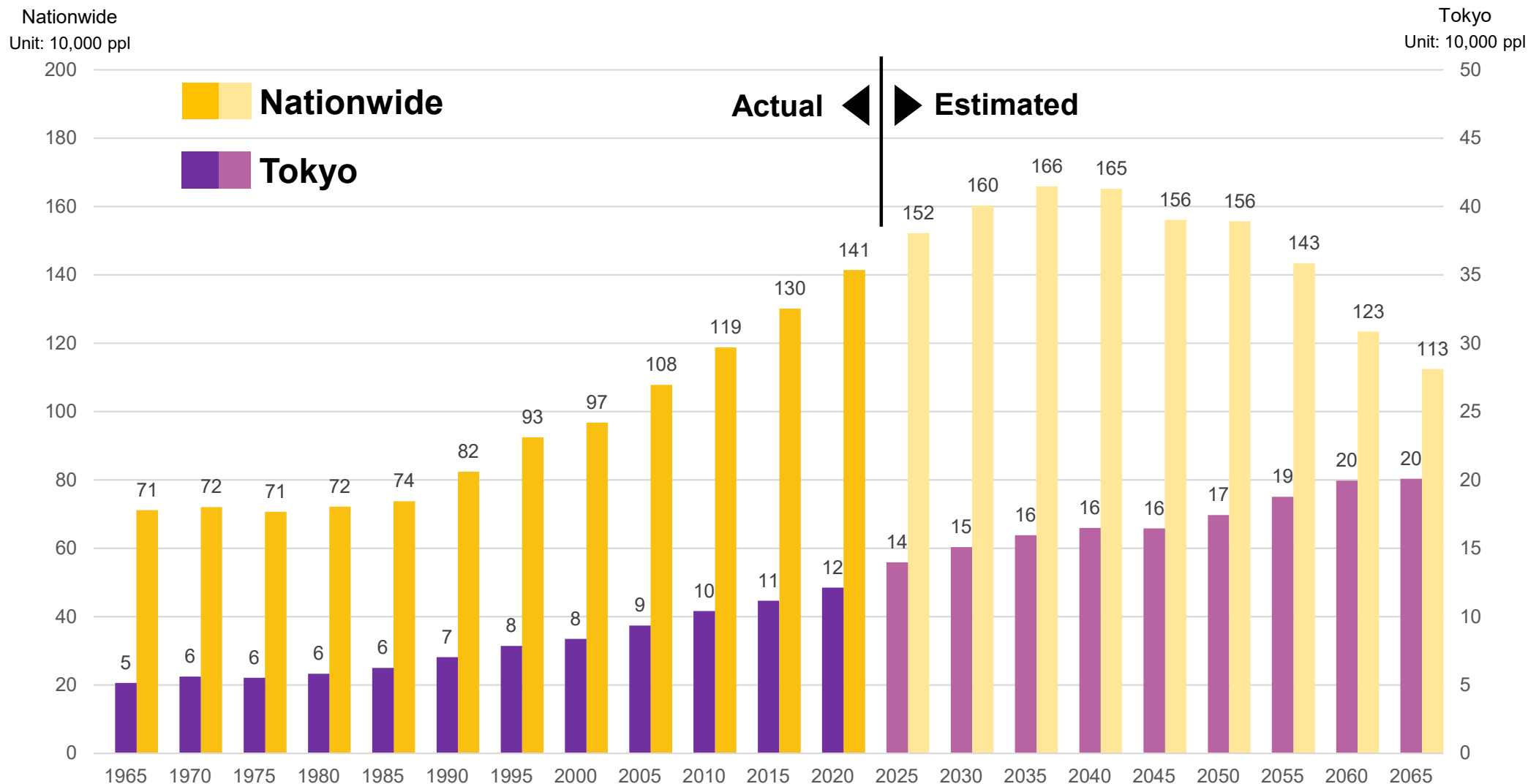
Record date	Dividend per share		
	End of Q2	End of FY	Total
FY03/23 results	7.75 yen	13.50 yen	21.25 yen
FY03/24 initial forecast (May 12, 2023)	23.65 yen	23.65 yen	47.30 yen
FY03/24 previous forecast (Aug 9, 2023)	26.30 yen	26.30 yen	52.60 yen
FY03/24 revised forecast (Conversion before stock split)	29.47 yen	5.89 yen* (29.47 yen)	— 58.94 yen

* ... Dividend per share after stock split effective December 1, 2023

4

Long-Term Outlook

4-01 State of the Population | Estimated Deaths



Nationwide: Statistics Bureau, Ministry of Internal Affairs and Communications; National Institute of Population and Social Security Research
Tokyo: Bureau of Social Welfare, Tokyo Metropolitan Government; Office of the Governor for Policy Planning, Tokyo Metropolitan Government

**Nationwide deaths will peak in around 2040, but will continue rising in Tokyo until at least 2065.
(*There were 1.58 million deaths nationwide in 2022.)**

4-02 Room for Expansion at Tokyo Hakuzen | Social Responsibility

As a company that provides cremation services in the public interest, we will fulfill our social responsibility in response to the increase in deaths.

Predicted number of cremation services

FY2022 **70,000**
(Deaths in Tokyo: 120,000)

FY2060 **130,000***
(Deaths in Tokyo | Estimate: 200,000)

*Company estimates based on statistical data from the Office of the Governor for Policy Planning, Tokyo Metropolitan Government

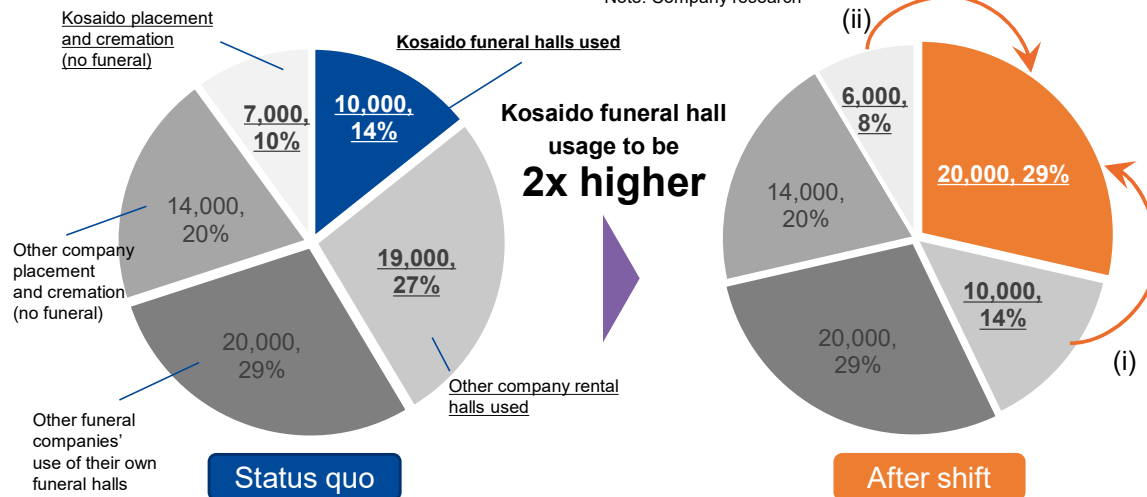
Our response

1. Operational capabilities developed by Tokyo Hakuzen

Expand service hours and cremations we handle

Breakdown of Funeral Hall Used for 70,000 Cremations*

Note: Company research



2. Utilize room for expansion at Tokyo Hakuzen

Additional furnaces (expansion)

Add yet more funeral halls

Current facilities			
Funeral homes	Number of funeral homes		6 locations (23 wards)
	Total floor area		45,132 m ²
	Furnaces	Total furnaces	64
		Area	1,568 m ² (including back of furnaces)
	Funeral halls	Total number of funeral halls	35 halls
		Area	3,889 m ² (including 1,790 m ² for waiting rooms)
	Additional funeral halls	Facilities added	36 halls (end of Sept 2023)
		Additional floor area	2,168 m ²
		Remarks	Floorspace added in existing funeral homes
	Room for expansion [7 locations (within the existing sites in the 23 wards)]		
Total floor area		10,460 m ²	
Funeral hall area rentable ratio		6,000m ² 57.4%	

4-03 Room for Growth through Expansion | Profit Estimates

Estimated impact on performance by utilizing room for expansion

- Facility-related data

Current facilities				
Funeral homes	Number of funeral homes		6 locations (23 wards)	
	Total floor area		45,132 m ²	
	Furnaces	Total furnaces	64	
		Area	1,568 m ² (including back of furnaces)	
	Funeral halls	Total number of funeral halls	35 halls	
		Area	3,889 m ² (including 1,790 m ² for waiting rooms)	
	Additional funeral halls	Facilities added	36 halls (end of Sept 2023)	
		Additional floor area	2,168 m ²	
		Remarks	Floorspace added in existing funeral homes	
Room for expansion [7 locations (within the existing sites in the 23 wards)]				
Total floor area			10,460 m ²	
Funeral hall area rentable ratio			6,000m ² 57.4%	

Funeral halls

Revenue per tsubo | 2,232,000 yen/year

Tsubo

Assumed annual revenue

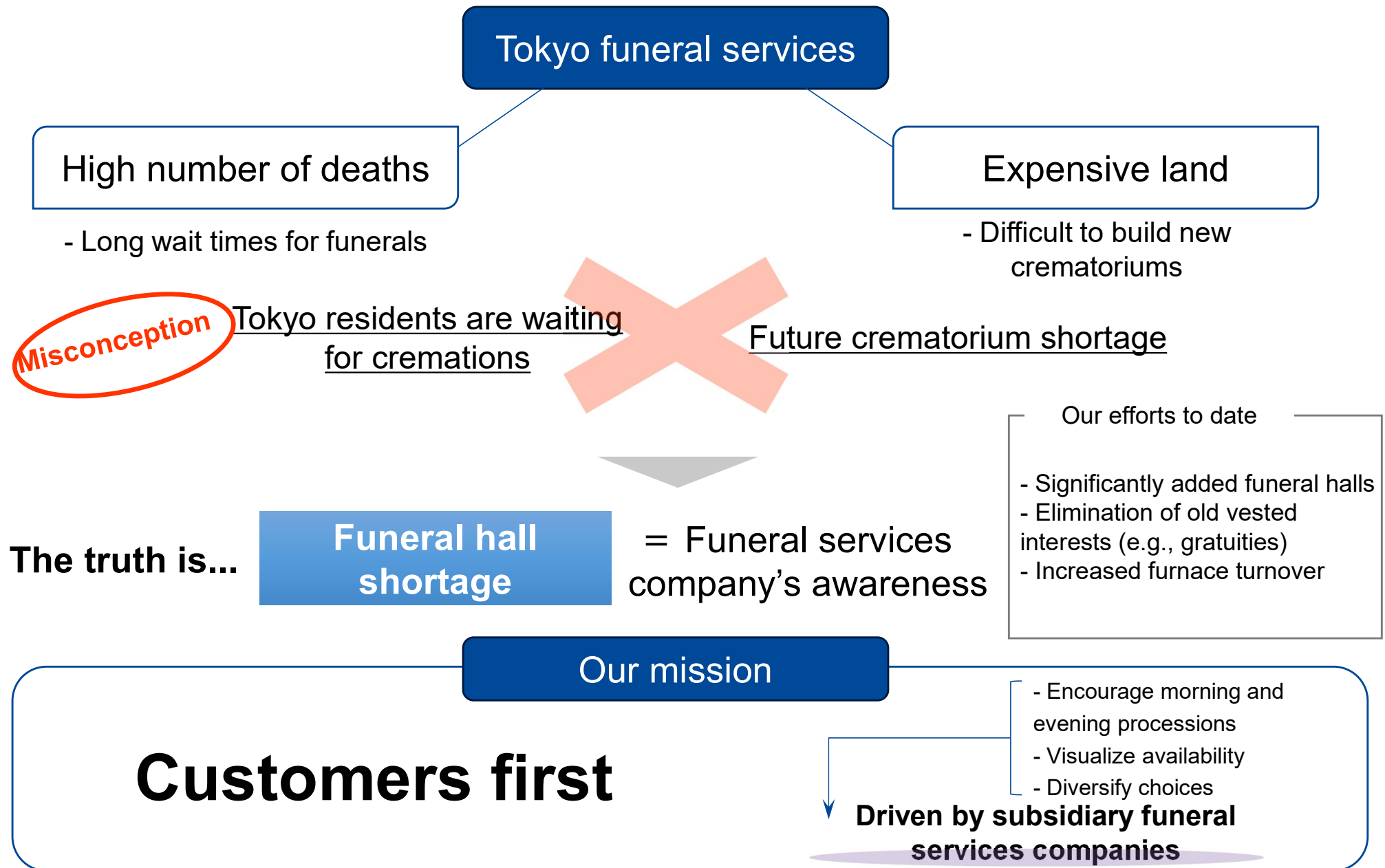
1,815 tsubo
(6,000 m²)

4,051 million yen

Expansion | Schedule to determine start date

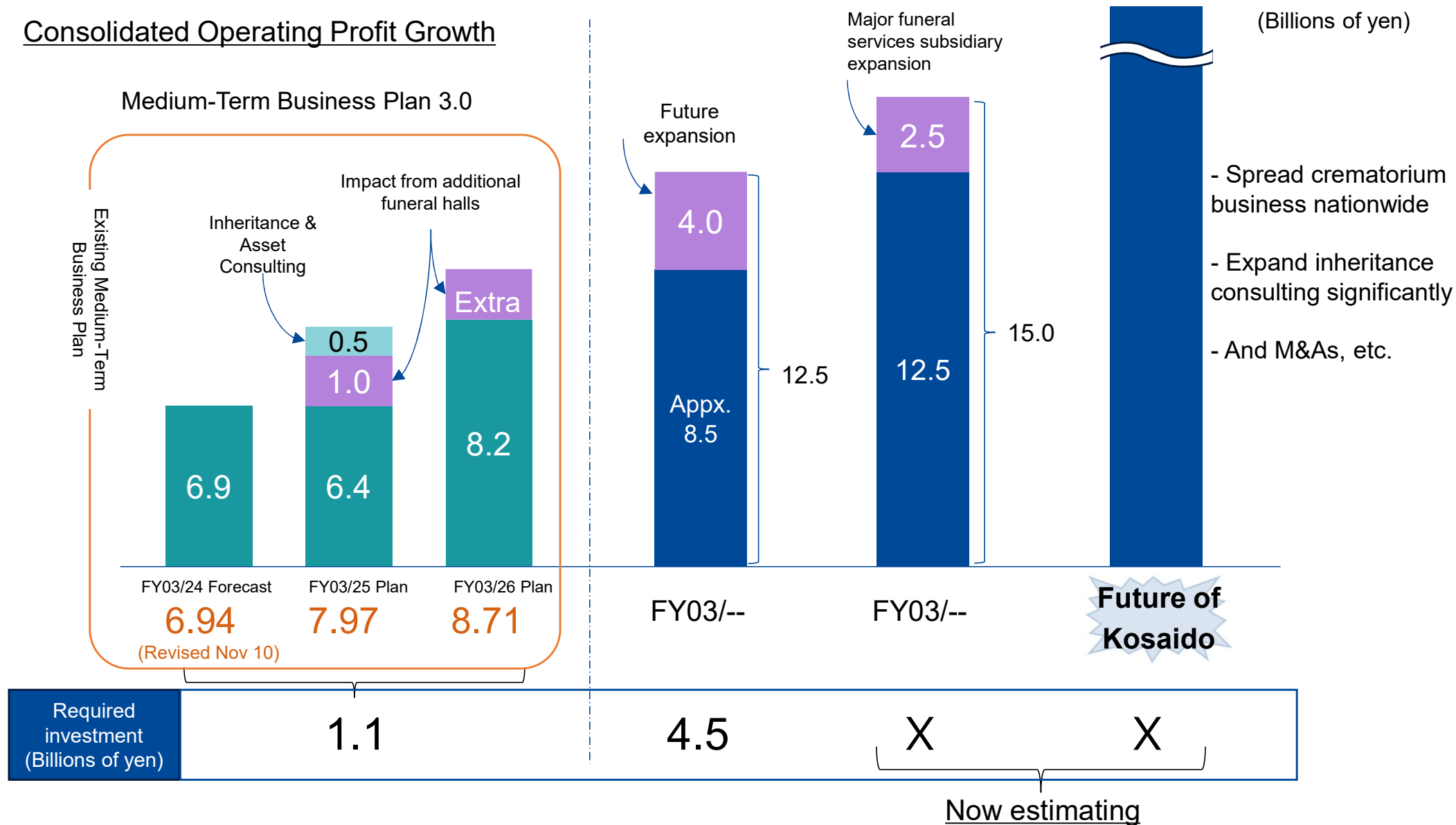
We would like to decide the date by April 2024.

4-04 The Tokyo End-of-Life Market



4-05 Business Growth Beyond Medium-Term Business Plan 3.0

Consolidated Operating Profit Growth



Improve planning accuracy and proceed to next Medium-Term Business Plan



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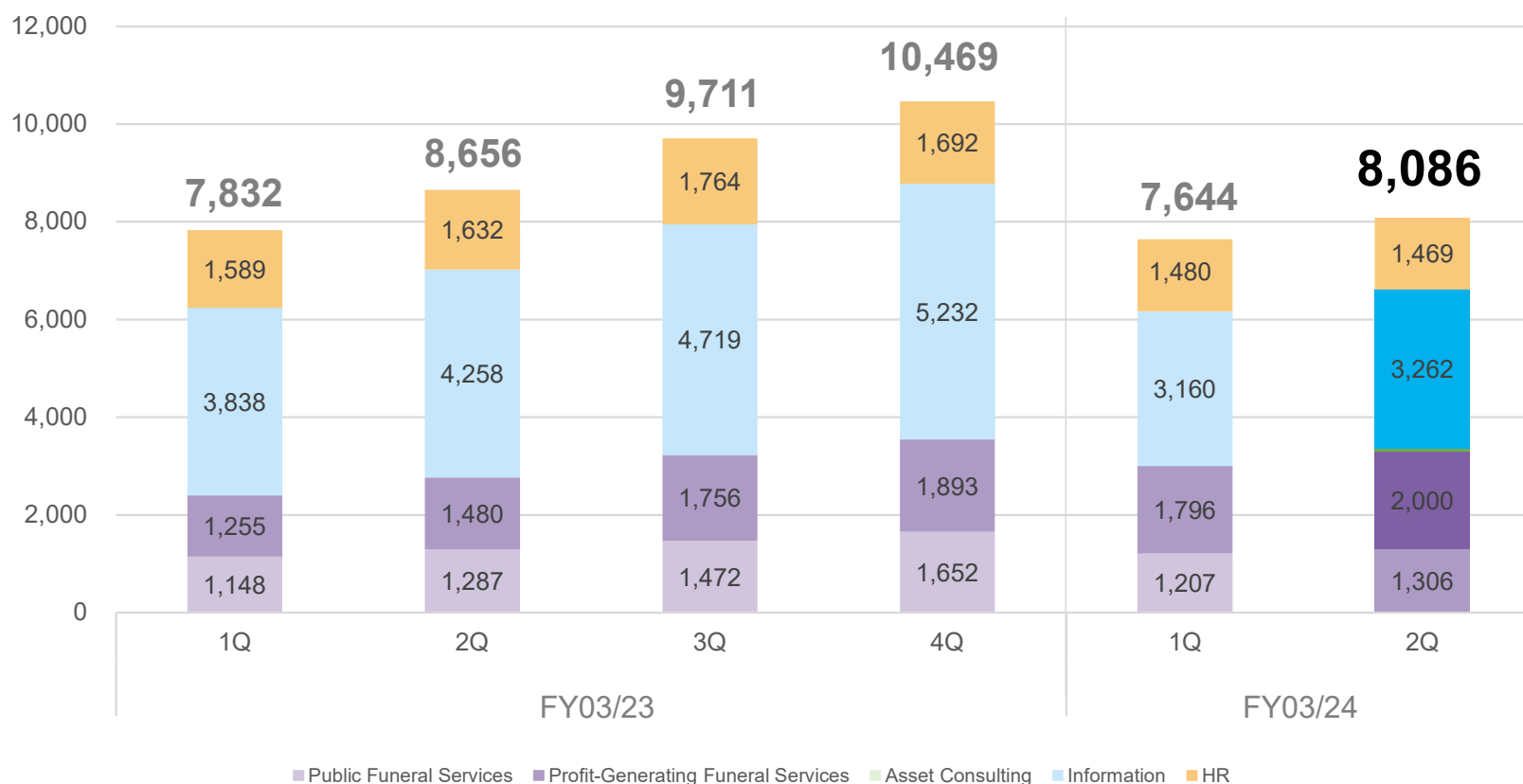
Appendix

- 1. Details of FY03/24 Performance**
- 2. Medium-Term Business Plan**
Performance Targets
- 3. ESG Activities Report**
- 4. Company Introduction**

A1-01 Quarterly Trend (Net Sales)

- Q2 sales increased in the Funeral Services segments due to the operation of new funeral halls at Tokyo Hakuzen and increased orders from two funeral service companies. In the Information and HR segments, overall sales decreased 6.6% year on year due to a difficult business environment compared to the previous year.

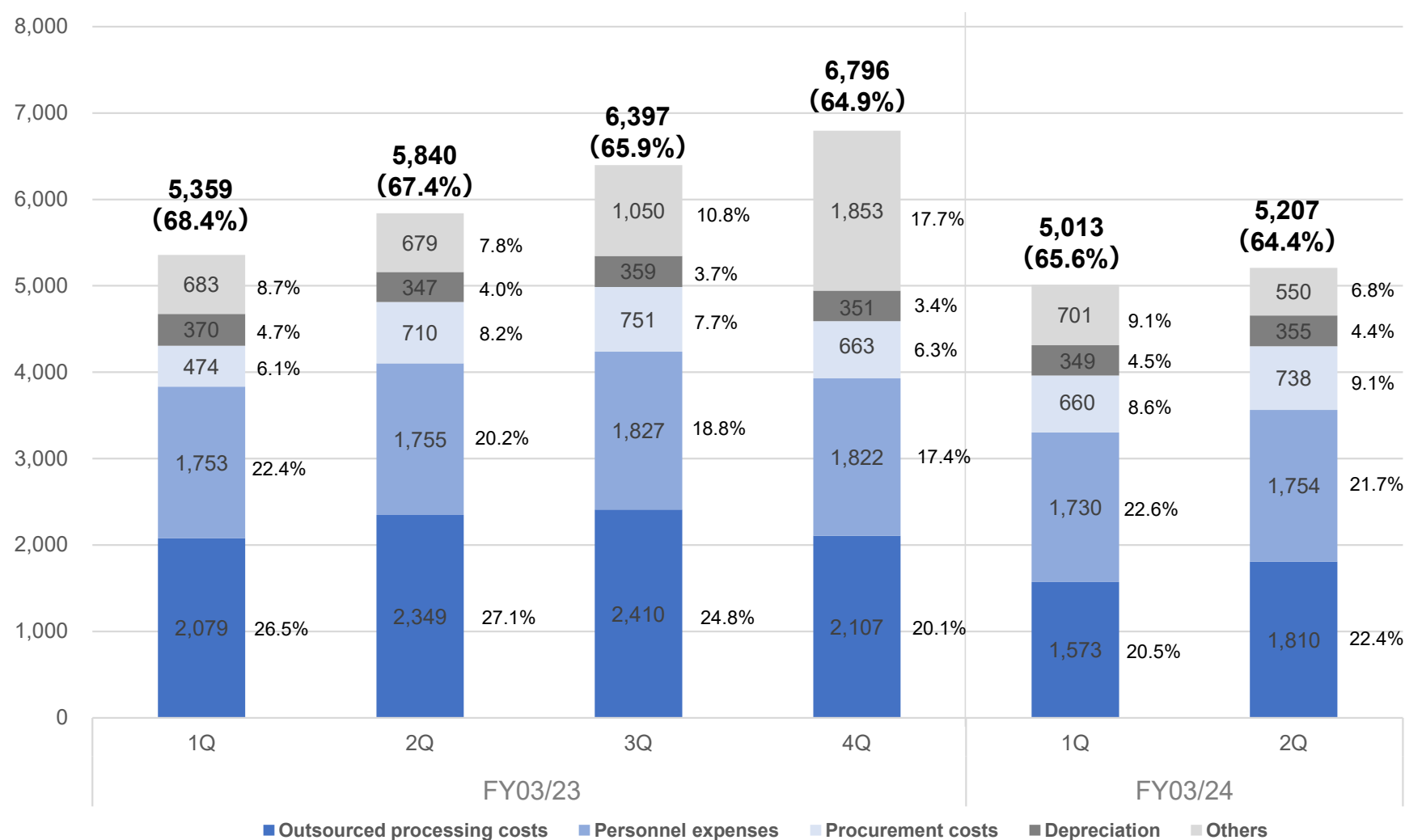
(Millions of yen)



A1-02 Quarterly Trend (Cost of Sales)

- Q2 cost of sales decreased year on year (-633 million yen, -3.0 pt cost of sales ratio)
- Continued control of subcontract expenses and reduction of fixed costs in the Information Segment contributed to cost cuts.

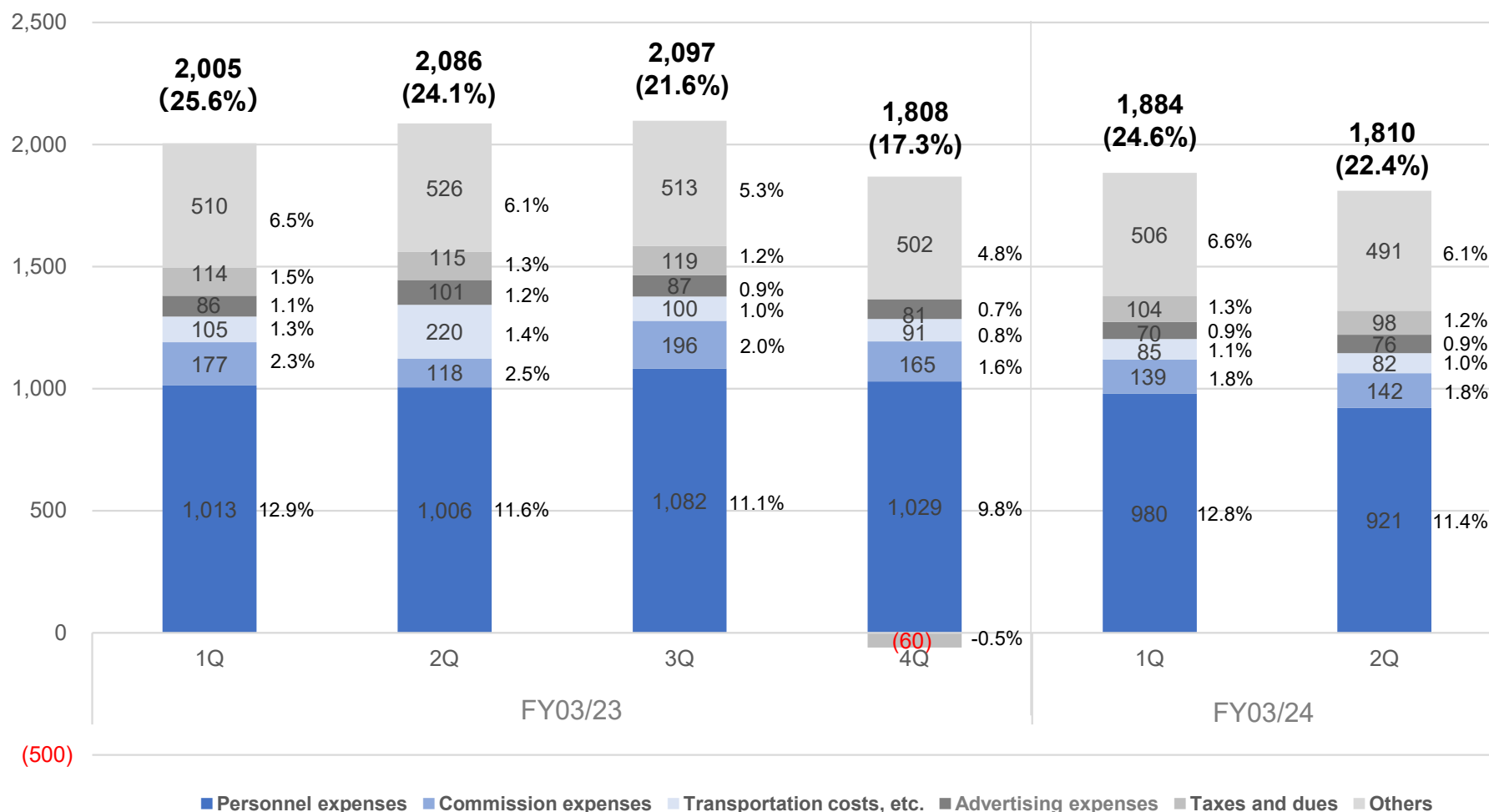
(Millions of yen / %: Cost of sales ratio)



A1-03 Quarterly Trend (SG&A Expenses)

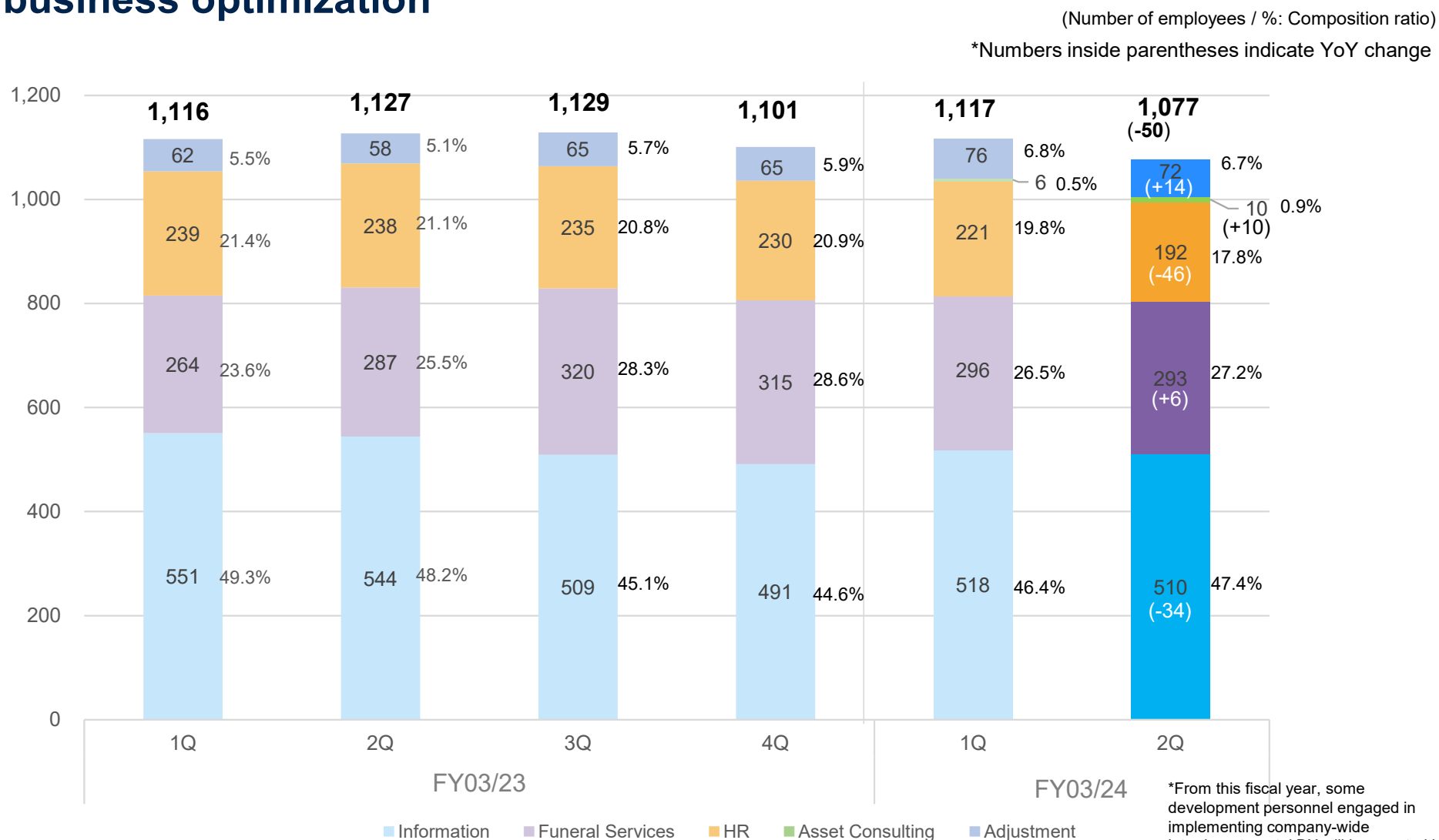
- Q2 SG&A expenses decreased year on year (-276 million yen, -1.7 pt SG&A expenses ratio)
- Continued reduction of fixed costs by implementing cost optimization at operating company.

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



A1-04 Quarterly Trend (Number of Employees)

- Review personnel in Information and HR segments and promote business optimization



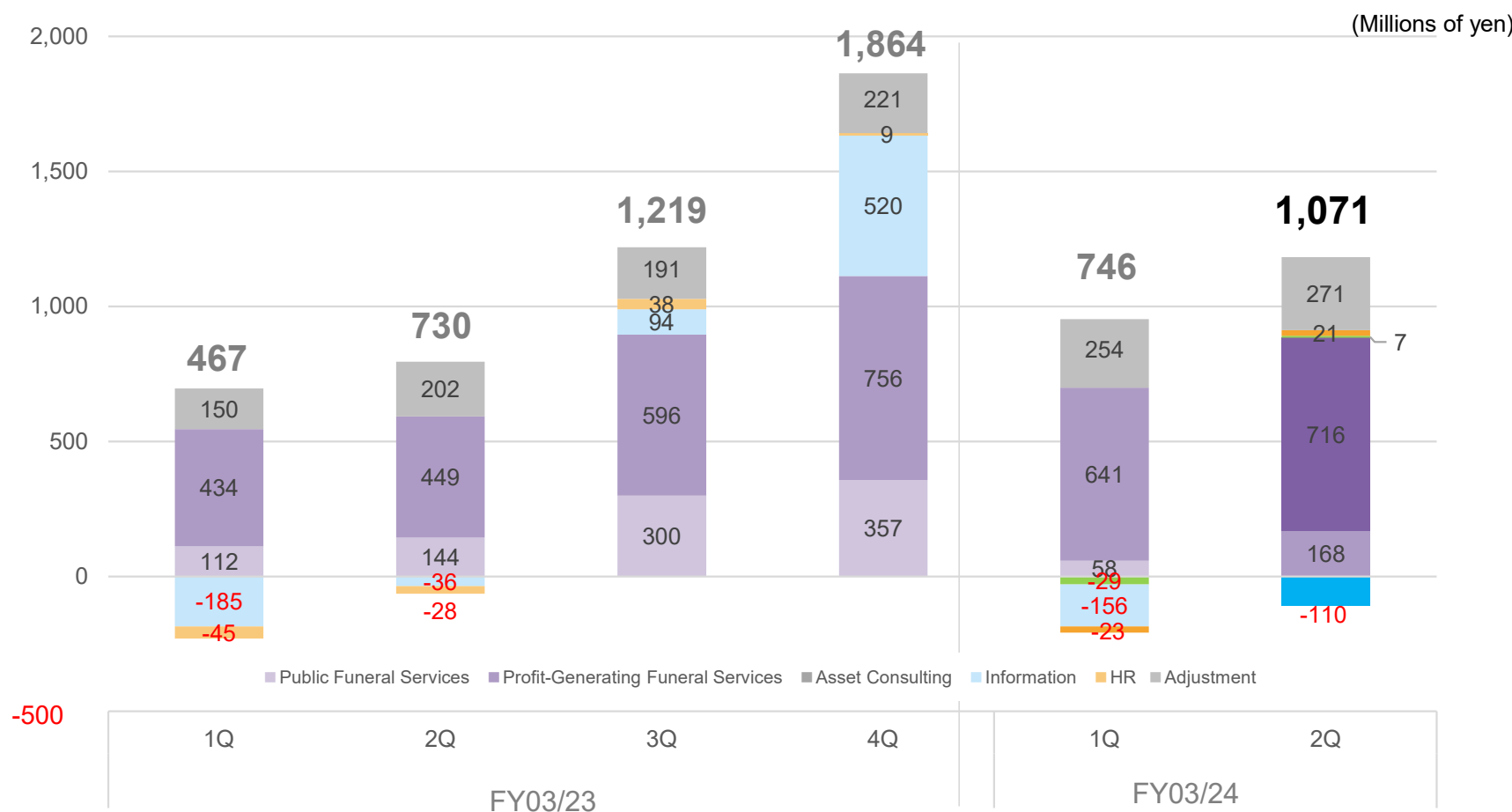
*From this fiscal year, some development personnel engaged in implementing company-wide interdepartmental DX will be counted in "Information" instead of "Other."

Quarterly Trend

A1-05 (Operating Profit by Segment)

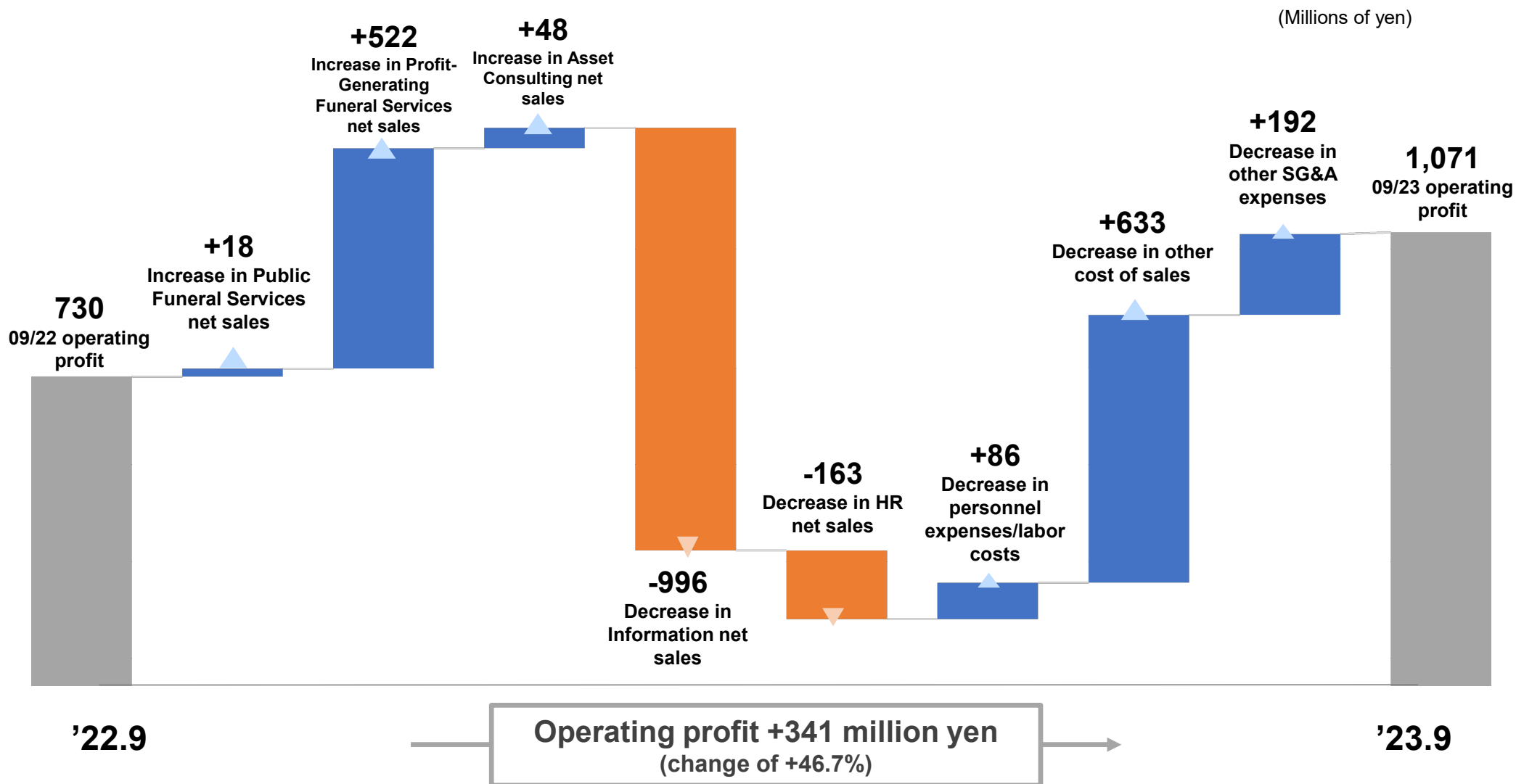
The method for booking management guidance fees for Group companies has been changed effective from the first quarter of the current fiscal year. These fees, which were included in corporate expenses as an adjustment, are now booked as operating expenses for each Group company of the reporting segment. Materials for the previous fiscal year were prepared according to this change.

- Operating profit increased 46.7% year on year due to solid performance of the funeral business, contribution from the Profit-Generating Funeral Services Segment with new funeral halls in operation, and continued cost optimization of Information and HR segments.



A1-06 Q2 FY03/24 Analysis of Change in Operating Profit (Major Items)

- **Year on year, Information and HR segment income decreased, but Profit-Generating Funeral Services income increased. Overall income increased as a result of cost reductions in both Information and HR segments.**



A1-07 Consolidated Balance Sheet

(Millions of yen)

	March 2023	Sep 2023	Difference as of quarter end
Current assets	27,998	27,127	-871
Cash and deposits	18,699	13,133	-5,566
Notes and accounts receivable–trade	5,810	3,458	-2,352
Non-current assets	43,134	43,937	803
Property, plant and equipment	35,807	36,684	877
Intangible assets	886	783	-103
Investments and other assets	6,440	6,469	29
Total assets	71,134	71,064	-70
Current liabilities	12,443	13,152	709
Short-term debt	1,400	1,400	0
Income taxes payable	325	551	226
Non-current liabilities	17,256	18,459	1,203
Total liabilities	29,699	31,611	1,912
Shareholders' equity	41,060	38,774	-2,286
Capital	100	159	59
Retained earnings	30,561	31,636	1,075
Share acquisition rights	11	66	55
Total net assets	41,434	39,452	-1,982
Total liabilities and net assets	71,134	71,064	-70

Public Funeral Services Business

A1-08 Income & Expenditures | Q2 FY03/24

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

Increase in transparency



Increase in business stability

■ The Company's 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 payments

||

(Reserves for losses in the Public Funeral Services Business)

■ Business Income & Expenditure for FY03/24 | Cumulative total from April 2023 to Sep 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	The balance of payments is appropriated as profit.	(vii) Public Funeral Services business reserves for losses
(ii) Segment sales	(iii) Segment expenses	(ii - iii) =			(i - iv - v) =		
2,513	2,287	226	69	375	- 218		0

(Millions of yen)

(*Estimate based on information as of August 2023)

A2-01 Medium-Term Business Plan 3.0 Performance Targets

Medium-Term Business Plan 3.0 (announced May 12, 2023)

(Millions of yen)

	FY03/22 Results	FY03/23 Results	Medium-Term Business Plan 3.0			
			FY03/24 Forecast		FY03/25 Plan	FY03/26 Plan
			May 12	Nov 10		
Net sales	35,361	36,668	40,000	39,841	42,100	43,800
Operating profit	3,729	4,280	6,360	6,940	7,970	8,710
Ordinary profit	3,610	4,185	6,110	6,893	7,750	8,490
Profit before income taxes	3,627	4,071	6,110	6,883	7,750	8,490
Income taxes	17	29	1,610	1,983	2,250	2,490
Profit attributable to owners of parent	3,643	4,042	4,500	4,900	5,500	6,000

Medium-Term Business Plan 3.0 Performance Targets

A2-02 by Business Segment

(Millions of yen)

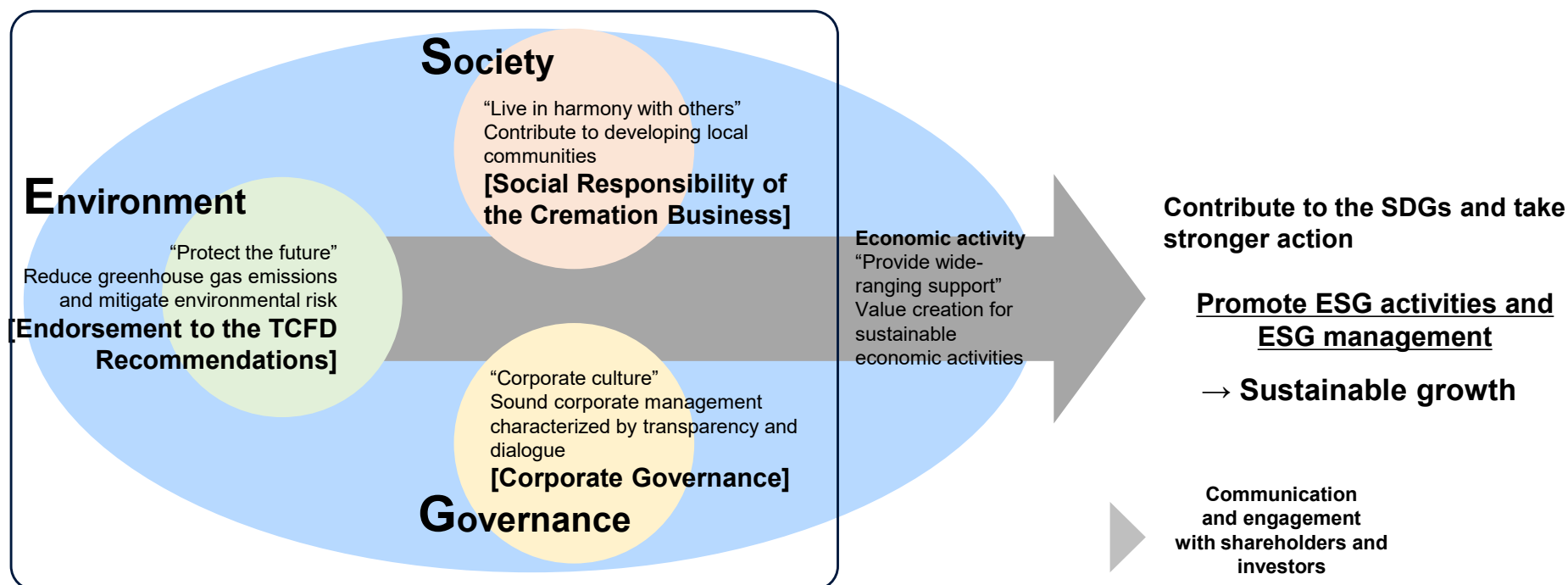
Medium-Term Business Plan 3.0 (announced May 12, 2023)

		FY03/23 Results	Medium-Term Business Plan 3.0			
			FY03/24 Forecast		FY03/25 PLAN	FY03/26 PLAN
			May 12	Nov 10		
Public Funeral Services	Net sales	5,561	6,033	5,808	6,215	6,400
	Operating profit	1,015	1,018	1,130	1,354	1,378
Profit- Generating Funeral Services	Net sales	6,382	8,639	8,667	9,785	10,100
	Operating profit	2,139	3,351	3,382	4,374	4,501
Asset Consulting	Net sales	0	368	537	700	1,400
	Operating profit	0	286	311	500	1,000
Information	Net sales	18,048	18,068	18,282	18,411	18,749
	Operating profit	392	609	900	684	694
HR	Net sales	6,677	6,892	6,544	6,989	7,151
	Operating profit	-27	237	227	244	247
Adjustments		761	859	991	814	890
Total	Net sales	36,668	40,000	39,841	42,100	43,800
	Operating profit	4,280	6,360	6,940	7,970	8,710

A3-01 ESG Activities Report

The purpose of the Kosaido Holdings ESG Activity Report is to provide shareholders, investors, business partners, and a wide range of other stakeholders with an understanding of the Company's approach and concrete action to further sustainability. The Kosaido Group SDGs Declaration defines four materialities (key issues) that are linked to both ESG activities and business management.

The word “Kosai” in our company name means “contributing to society at large.” Since our founding, we have diversified into the Public Funeral Services Business, Profit-Generating Funeral Services Segment, Asset Consulting, Information, and HR according to this common philosophy, thus providing valuable services that people and society appreciate. This report presents concrete action in our ESG activities with an awareness of our contribution to the SDGs, along with action to carry out our corporate philosophy.



ESG Activity Report [Society]

A3-02 - Social Responsibility of the Cremation Business

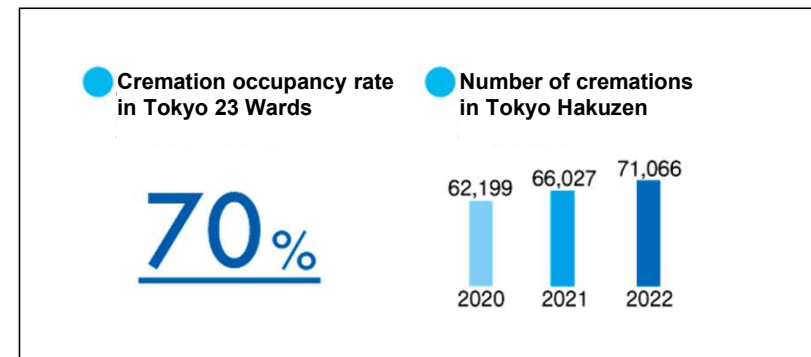
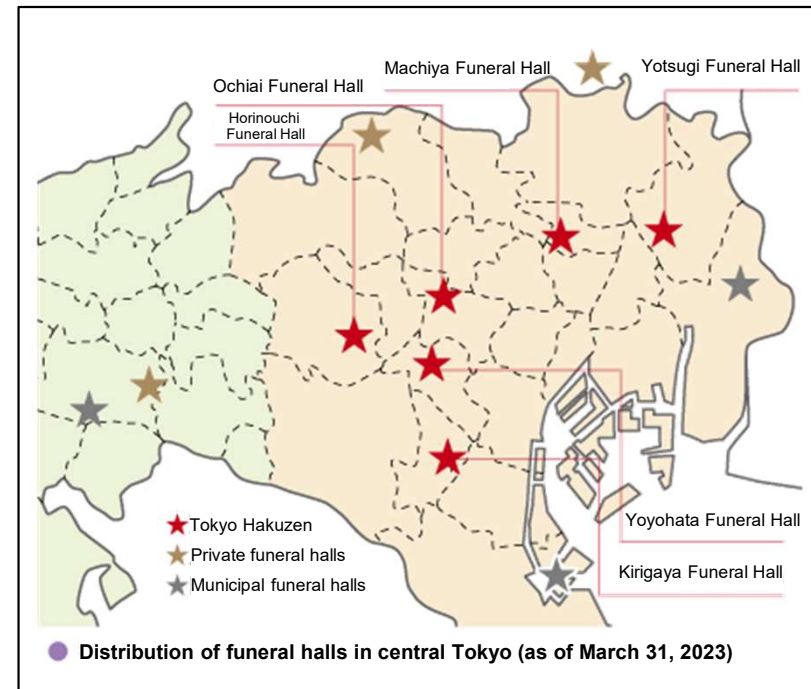
Basic Concept

The Company conducts our business based on the spirit of “Kosai,” which means “contributing to society at large.” Especially in Tokyo Hakuzen's cremation business, we contribute to the local community at large by carrying on this spirit and putting it into practice.

Originally, crematorium operations in Japan were regulated by the Act Concerning Graveyard, Burial, etc. and managing entities were generally local public organizations. Even if operations were more difficult, the operator had to be a public interest corporation or a religious corporation. But because Tokyo Hakuzen has been doing business in Tokyo since before this law came into force, **Tokyo Hakuzen, a private company, is operating six crematoriums.** Tokyo Hakuzen's crematoriums have a long history. They were built between the Edo Period (1603-1867) to the Meiji Era (1868-1912). Today, these facilities stand at convenient locations in Tokyo.

64* furnaces are operating at Tokyo Hakuzen funeral homes, **handling approximately 70,000 cremations a year.*** This accounts for about 70% of deaths in Tokyo's 23 wards.* Therefore, these locations receive many visitors, around 700,000. (*As of July 2023)

For more than 100 years since our establishment, we have been an indispensable business upholding the social infrastructure in the metropolis of Tokyo and fulfilling our social responsibility, but without public assistance, because we are a private company. In addition to contributing to the local community, our cremation business supports its development.



ESG Activity Report [Society]

A3-03 - Social Responsibility of the Cremation Business

Social Responsibility of the Cremation Business in a High-Death Society

Both local communities and Japanese society as a whole are facing a high number of deaths, and that figure increases by the year. As shown in these materials, nationwide deaths will peak by around 2040, and the number in Tokyo will continue increasing until 2065.



*See next page for death statistics and trends.

In a society already facing a high number of deaths, those of us in the cremation business must take prompt action. However, public facilities operated by local governments cannot cope and there are already cremation waiting lists. In the future, the facilities may become more incapable of holding the funeral services requested by bereaved families.

In response, Tokyo Hakuzen is working to accurately understand social issues and problems from our unique business perspective as a private company, and we are striving for sustainable operations that do not rely on public funds. Tokyo Hakuzen, with a history spanning 100 years, takes the accelerating trend of a high number of deaths in Tokyo's large population seriously. We believe that it is our social responsibility to make efforts to build a society where we can always perform cremations and funeral processions at any time.

We also clearly recognize that without Tokyo Hakuzen, funeral processions in Tokyo would not be possible. Carrying on our business for the next 100 years and in perpetuity beyond is also connected to our company's great significance for society. We aspire to be a company that society always recognizes for its contributions, while establishing bonds of trust with society and members of the local community, and maintaining an awareness of the requirements for appropriate behavior according to our corporate responsibilities.

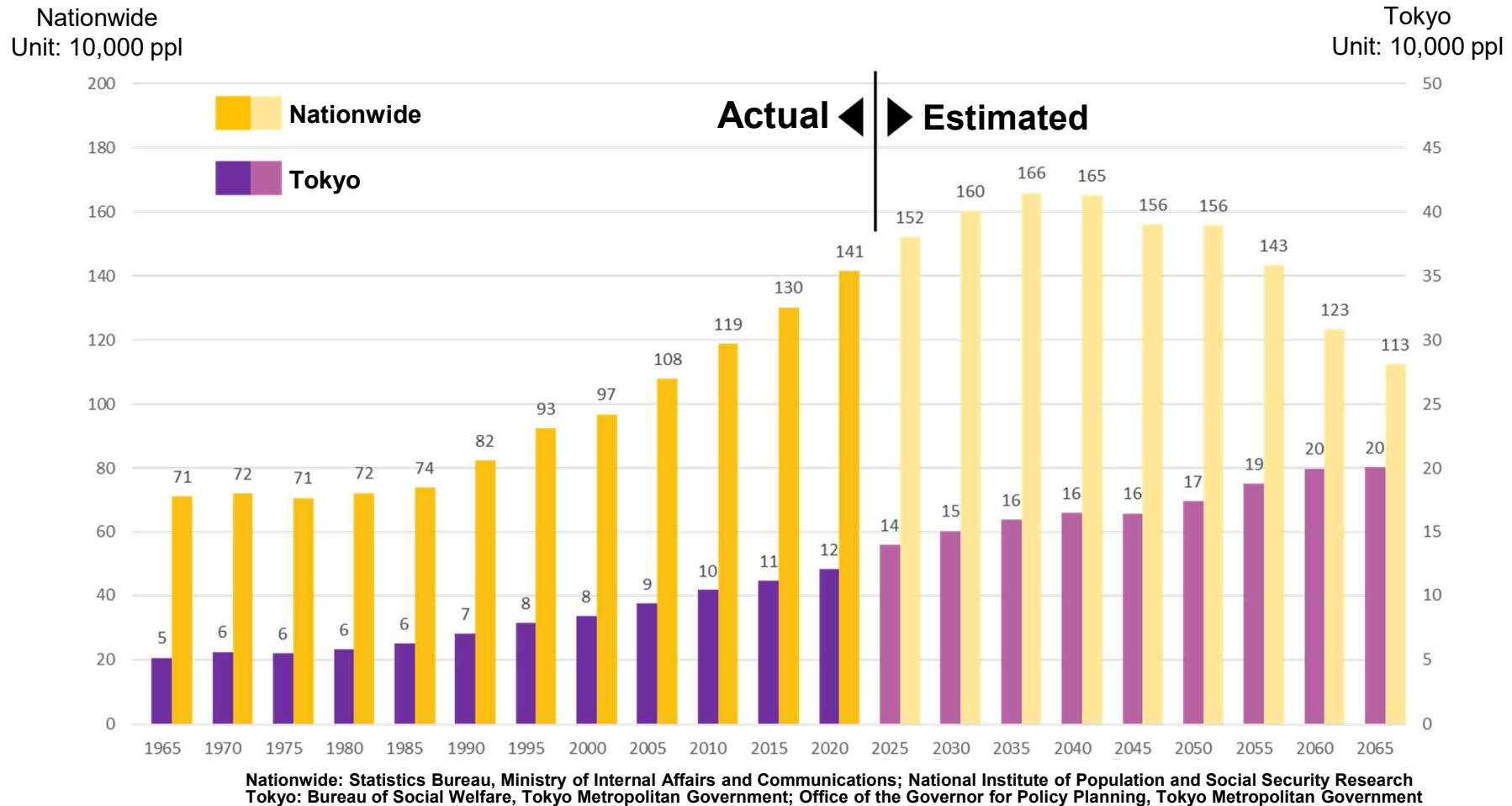


ESG Activity Report [Society]

A3-04 - Social Responsibility of the Cremation Business

*Excerpt/reprint from this document: Q1 FY03/24 Highlights)

State of the Population | Estimated Deaths



**Nationwide deaths will peak in around 2040, but will continue rising in Tokyo until at least 2065.
(*There were 1.58 million deaths nationwide in 2022.)**

ESG Activity Report [Society]

A3-05 - Social Responsibility of the Cremation Business

Tokyo Hakuzen's Actions

■ Cremation technology for smooth funeral services

While many crematoriums use furnaces with carts, Tokyo Hakuzen uses grates that enable quick cremations so we can handle the increasing number of services. While other crematoriums normally handle two to three services per day, ours perform seven to nine. This eliminates waiting times before funeral services and reduces the psychological burden for the bereaved. To cope with a society with high number of deaths, we are focused on improving our operations as well as our technology.



Outside the cremation furnaces
at Yotsugi Funeral Home

■ Development of new, environmentally friendly cremation furnace system (Patented)

*Environmentally friendly

To help protect the environment, we are furthering the development of new cremation furnace systems that suppress dioxins while reducing CO2 emissions. We have developed and patented Japan's first environmentally friendly cremation furnace system that generates electricity from the cremation furnace's residual heat and uses a power recycling system. This new cremation system significantly suppresses exhaust gas emissions compared to conventional cremation furnace systems, and has achieved reductions in CO2, dioxins, and other toxic substances.

Stimulating the local economy through mutual understanding from exchanges with the community *CSR activities

Each of our six funeral homes in Tokyo hold Community Appreciation Gatherings to thank neighboring communities for their understanding and support. We endeavor to provide a setting where people of all ages can have an enjoyable and meaningful time through various events such as facility tours, morning markets, sales of products that support the employment of people with disabilities, *rakugo* (traditional Japanese comic storytelling) performances, mini concerts, art exhibitions, health seminars, and more.



The Kirigaya Funeral Hall held a Community Appreciation Gathering on July 9, 2023 for the neighborhood.

The event was a great success, with a dance performance by local children, a show by top-ranked *rakugo* storyteller Hanahei Hayashiya, an earthquake experience, and a Mercari class.

A3-06 ESG Activity Report [Environment]

Disclosure Based on the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations

In addition to endorsing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), in 2022, in response to increasing greenhouse gas emissions and extreme weather conditions caused by global warming, which have become important issues for the international community, the Group announced our SDGs Declaration to promote sustainability management. We have established a materiality on the environment and will work with our partners to further reduce risks to the environment. In addition, we have begun to disclose information in accordance with the TCFD and we will continue to implement the PDCA cycle to strengthen our management strategies related to climate change based on feedback from our stakeholders.

GHG Emissions Reduction Target

For GHG emissions from business activities at our company's sites (Scope 1 and 2), we are taking action to reduce with a medium-term target of 2030. For Scope 3, we are surveying the state of GHG emissions control by suppliers and customers.

Item	Scope 1+2 reduction targets	Scope 3 reduction targets
2050 target	Carbon neutrality	Carbon neutrality
2030 target	Reduce CO ₂ emissions by 34%	To be formulated based on the status of suppliers and purchases
Emissions factor	Ministry of the Environment "Measurement Methods and Emissions Factors under the Measurement, Reporting, and Publication System"	
Reference year	2020	

We disclose information according to TCFD recommendations at our Japanese website (IR Site/Environmental Policy).

You can check the following items according to disclosure rules:
 "Governance," "Strategy," "Risk Analysis,"
 "Indicators and Targets," "Reduction Targets"

*The information will be updated in December 2023.



A3-07 ESG Activity Report [Governance]

Basic Concept

Aiming to maximize shareholder value, sustainably increase enterprise value, and earn society's trust, we not only boost profitability, but also emphasize shareholder rights, implement efficient, fair, and transparent management practices, and ensure compliance. Furthermore, we enhance corporate governance by fulfilling the social responsibilities required of companies in terms of the environment, society, and governance, and by addressing social issues for the sustainable growth of the company and society.

Overview of Corporate Governance Structure

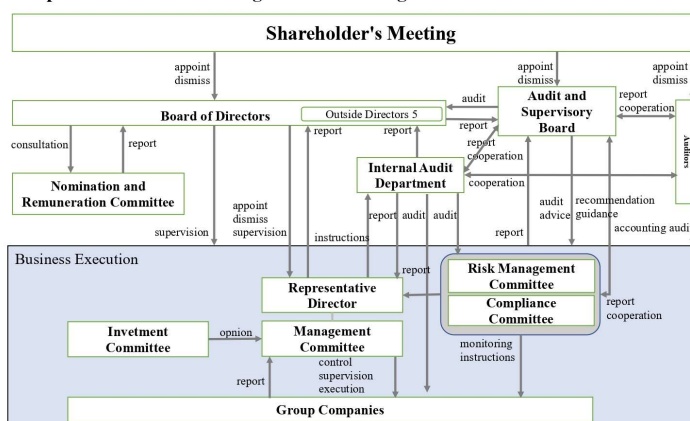
■ Board of Directors

As a company with a Board of Corporate Auditors, we endeavor to enhance corporate governance and improve the fairness and transparency of management based on our basic concept by building a management organization enabling proper supervision and monitoring while allowing directors to make appropriate decisions and promptly carry out business operations. In addition, we have established a voluntary nomination and compensation committee, whose primary members are independent outside directors and independent outside auditors, to deliberate and report to the Board of Directors on the directors' compensation, policy for determining their compensation, and proposed candidates for director positions. The Board of Directors, comprising two executive directors, one non-executive director, five outside directors, and corporate auditors, generally hold a regular monthly Board of Directors meeting, along with extraordinary meetings as necessary, to determine important business strategies, including management targets and strategies, as well as matters required by law, and to supervise business execution.

■ Board of Corporate Auditors

One full-time auditor and two outside auditors are appointed to ensure objectivity and neutrality in management oversight as they audit the state of governance and operations. In addition, we have appointed two outside auditors as independent directors, with the understanding that the roles of outside directors and outside auditors are, as an independent body entrusted by shareholders, to maintain a neutral and impartial position and ensure management's neutrality and objectivity.

Corporate Governance Organizational Diagram



For more information on corporate governance, please visit the IR News section of our website.

A4-01 Company Overview

**Company
name**

KOSAIDO Holdings Co., Ltd.

**Establish-
ment**

January 1949

Net sales

36,668
million yen
(FY03/23)

Total assets

71,064
million yen
(as of Sep 30, 2023)

Net assets

39,452
million yen
(as of Sep 30, 2023)

**Represent-
ative**

Hiroshi Kurosawa, President & CEO

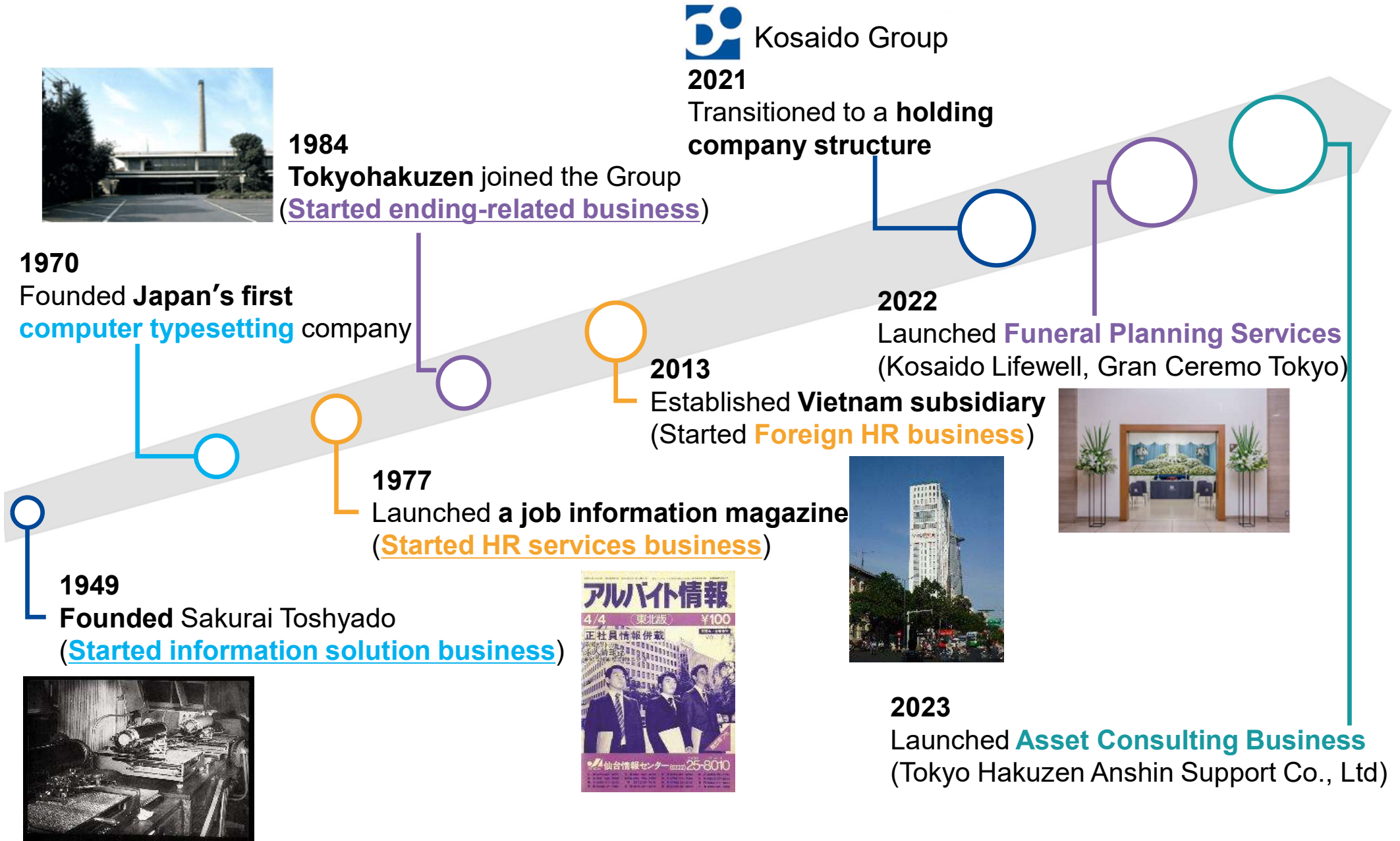
**Number of
employees**

1,077 (consolidated | as of Sep 30, 2023)

**Market
information**

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

A4-02 History



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.

A4-04 KOSAIDO Group

Further enrich
100-year lives.






KOSAIDO Holdings

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



[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



A4-05 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.



A4-06 Contact

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.

In addition, Facilities Tour for Institutional Investors and Analysts are held accordingly (funeral home tours operated by Tokyo Hakuzen Co., Ltd.).

If you would like to join, please contact us via the URL below.

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



FY03/24

Q2 Financial Results Presentation

Securities code: 7868

November 10, 2023

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1

Q2 FY03/24 Highlights












1-01 Q2 FY03/24 Consolidated Financial Results

- As in Q1, income in the Information Segment decreased due to changes in COVID-19-related special demand from the previous fiscal year and large BPO projects that were shifted to Q4. However, profits were booked by curbing outsourcing costs and reducing fixed costs.
- The Profit-Generating Funeral Services Segment grew sales from funeral hall usage while the funeral business contributed to an increase in consolidated profit.
- The 154M that was scheduled to be sold from Asset Consulting is recognized as non-operating income.

(Millions of yen)								*Reference	
	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast		Q2 FY03/24	YoY change
			Change	Rate of Change (%)		Change	Rate of Change (%)		Rate of Change (%)
Net sales	15,730	16,488	-758	-4.6	16,421	-691	-4.2	8,086	-6.6
Operating profit	1,817	1,197	620	51.8	1,625	192	11.8	1,071	46.7
Ordinary profit	1,842	1,202	640	53.1	1,533	309	20.2	1,024	38.4
Profit attributable to owners of parent	1,460	929	531	57.2	1,167	293	25.1	814	42.1

1-02 Q2 FY03/24 Financial Results Summary by Business Segment

(Millions of yen)

	Net sales		YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast		Operating profit		YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast	
	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	Change	Rate of Change (%)		Change	Rate of Change (%)	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	Difference	Rate of Change (%)		Change	Rate of Change (%)
Public Funeral Services	 2,513	2,435	78	3.2	2,593	-80	-3.1	 226	256	-30	-11.7	134	92	68.7
Profit- Generating Funeral Services	 3,796	2,734	1,062	38.8	3,750	46	1.2	 1,357	883	474	53.7	1,261	96	7.6
Asset Consulting	48	0	48	—	190	-142	-74.7	-22	0	-22	—	114	-136	—
Information	 6,422	8,096	-1,674	-20.7	6,740	-318	-4.7	 -266	-221	-45	—	-294	28	—
HR	 2,949	3,221	-272	-8.4	3,147	-198	-6.3	 -2	-73	71	—	6	-8	—
Adjustments , etc.			0	—		0	—	 525	352	173	49.1	403	122	30.3
Total	 15,730	16,488	-758	-4.6	16,421	-691	-4.2	 1,817	1,197	620	51.8	1,624	193	11.9

  ... YoY change

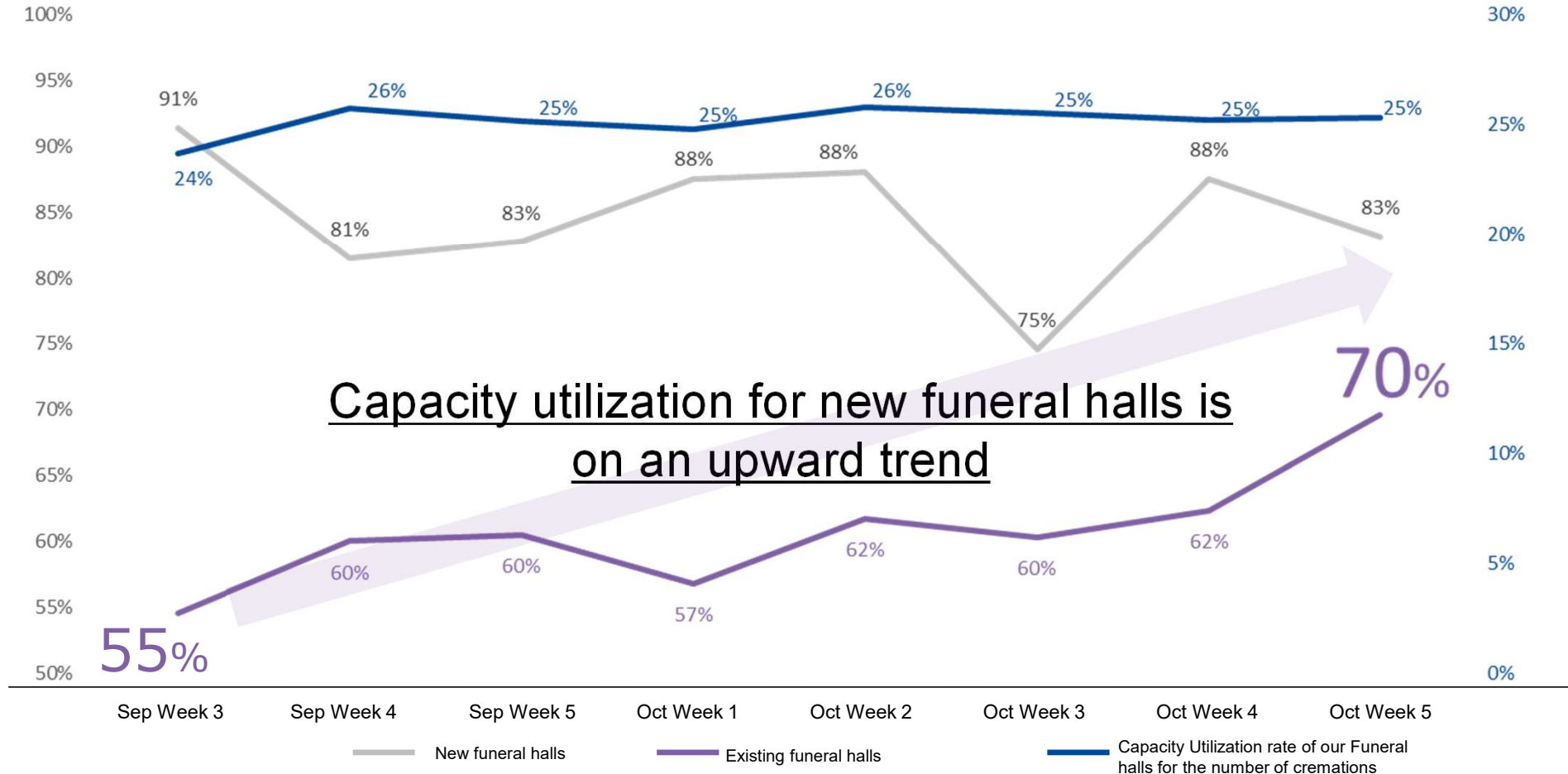
- Information and HR income declined due to the impact of the previous fiscal year's COVID-19-related special demand, but we ensured profits through cost reductions.
- Profit-Generating Funeral Services covered the overall revenue due to increased sales from opening new funeral halls and growth in the performance of funeral services company.
- Asset Consulting | 154M in non-operating income booked. Approx. 100M yen in sales to be booked late in Q3 or afterward.



1-03 New Funeral Hall Capacity Utilization

Capacity Utilization rate of existing and new Funeral halls

Capacity Utilization rate of our Funeral halls



- All new funeral halls became operational from September.
- The new funeral hall capacity utilization has exceeded expectations from 55% at the start.
- Continuous publicity and sales to funeral services companies have resulted in steadily increasing capacity utilization for new funeral halls.

1-04 Status of New Businesses

Funeral Business

* ... 2 companies: Kosaido Lifewell, Gran Ceremo Tokyo

- FY03/24 Performance (2 companies* combined)

(Millions of yen)

	Q1					Q2					Q2 (Cumulative)				
	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year
Net sales	329	343	-14	44	285	383	360	23	209	174	712	703	9	254	458
Operating profit	45	20	25	-59	104	35	31	4	-39	74	80	52	28	-98	178

Primary cause

(Difference from plan) - Sales are on an upward trend due to increased attendees. Advertising operations are optimized to further increase orders in 2Q

(Difference from the prior year) - There were upfront costs because the previous fiscal year was the first year for the newly launched funeral business.

Asset Consulting Business

- Sales of a project (100M scale) scheduled to be booked in 2Q were changed to sales in 4Q.
- Small-scale real estate-related projects are also progressing and gradually adding up the sales.

Furnaces

- Started in-house maintenance and crematorium design. It is progressing smoothly.

A blue background with organic, wavy shapes. A large white number '2' is centered within a lighter blue circular area.

2

Consolidated Financial Forecast for FY03/24

Revisions to Consolidated Financial Forecast for FY03/24

Q1

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	7,644	7,644	-	-	7,832	-188	-2.4
Operating profit	746	746	-	-	467	279	59.7
Ordinary profit	818	818	-	-	463	355	76.6
Quarterly profit	646	646	-	-	356	290	81.3

Q2

	Actual	Revised forecast (Aug 9)	Amount revised		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	8,086	8,777	-691	-7.9	8,657	-571	-6.6
Operating profit	1,071	879	192	21.8	730	341	46.7
Ordinary profit	1,024	715	309	43.2	740	275	38.4
Quarterly profit	814	521	293	56.2	573	241	42.1

H1 (cumulative)

(Millions of yen)

	Actual	Revised forecast (Aug 9)	Amount revised		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	15,730	16,421	-691	-4.2	16,488	-758	-4.6
Operating profit	1,817	1,625	192	11.8	1,197	620	51.8
Ordinary profit	1,842	1,533	309	20.2	1,202	640	53.1
Quarterly profit	1,460	1,167	293	25.1	929	531	57.2

Q3

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	10,589	10,488	101	1.0	9,711	878	9.0
Operating profit	1,766	1,721	45	2.6	1,219	547	44.9
Ordinary profit	1,717	1,672	45	2.7	1,172	545	46.5
Quarterly profit	1,418	1,220	198	16.2	973	445	45.7

Q4

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	13,521	13,311	210	1.6	10,469	3,052	29.2
Operating profit	3,357	3,212	145	4.5	1,864	1,493	80.1
Ordinary profit	3,334	3,189	145	4.5	1,810	1,524	84.2
Quarterly profit	2,022	2,333	-311	-13.3	2,139	-117	-5.5

Full year (cumulative)

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	39,841	40,221	-380	-0.9	36,668	3,173	8.7
Operating profit	6,940	6,558	382	5.8	4,280	2,660	62.1
Ordinary profit	6,893	6,394	499	7.8	4,185	2,708	64.7
Quarterly profit	4,900	4,720	180	3.8	4,042	858	21.2

FY03/24 current net profit forecast changed due to factors including +499M ordinary profit and -303M decrease in profit from higher tax expenses

1Q

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	7,644	7,644	0	0.0	7,832	-188	-2.4
Public Funeral Services Segment	1,207	1,207	0	0.0	1,148	59	5.1
Profit-Generating Funeral Services Segment	1,796	1,796	0	0.0	1,255	541	43.1
Asset Consulting Segment	0	0	0	-	0	0	-
Information Segment	3,160	3,160	0	0.0	3,838	-678	-17.7
HR Segment	1,480	1,480	0	0.0	1,589	-109	-6.9
Operating profit	746	746	0	0.0	467	279	59.7
Public Funeral Services Segment	58	58	0	0.0	112	-54	-48.2
Profit-Generating Funeral Services Segment	641	641	0	0.0	434	207	47.7
Asset Consulting Segment	-29	-29	0	-	0	-29	-
Information Segment	-156	-156	0	-	-185	29	-
HR Segment	-23	-23	0	-	-45	22	-
Adjustments	254	254	0	0.0	150	104	69.3

3Q

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	10,589	10,488	101	1.0	9,711	878	9.0
Public Funeral Services Segment	1,593	1,593	0	0.0	1,472	121	8.2
Profit-Generating Funeral Services Segment	2,302	2,302	0	0.0	1,756	546	31.1
Asset Consulting Segment	113	12	101	841.7	0	113	-
Information Segment	4,756	4,756	0	0.0	4,719	37	0.8
HR Segment	1,825	1,824	1	0.1	1,764	61	3.5
Operating profit	1,766	1,721	45	2.6	1,219	547	44.9
Public Funeral Services Segment	394	394	0	0.0	300	94	31.3
Profit-Generating Funeral Services Segment	900	900	0	0.0	599	301	50.3
Asset Consulting Segment	49	4	45	1,125.0	0	49	-
Information Segment	108	108	0	0.0	94	14	14.9
HR Segment	118	118	0	0.0	38	80	210.5
Adjustments	197	197	0	0.0	189	8	4.2

2Q

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	8,086	8,777	-691	-7.9	8,656	-570	-6.6
Public Funeral Services Segment	1,306	1,386	-80	-5.8	1,288	18	1.4
Profit-Generating Funeral Services Segment	2,000	1,954	46	2.4	1,478	522	35.3
Asset Consulting Segment	48	190	-142	-74.7	0	48	-
Information Segment	3,262	3,580	-318	-8.9	4,258	-996	-23.4
HR Segment	1,469	1,667	-198	-11.9	1,632	-163	-10.0
Operating profit	1,071	879	192	21.8	729	342	46.9
Public Funeral Services Segment	168	76	92	121.1	144	24	16.7
Profit-Generating Funeral Services Segment	716	620	96	15.5	449	267	59.5
Asset Consulting Segment	7	143	-136	-95.1	0	7	-
Information Segment	-110	-138	28	-	-37	-73	-
HR Segment	21	29	-8	-27.6	-29	50	-
Adjustments	271	149	122	81.9	202	69	34.2

4Q

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	13,521	13,311	100	0.8	10,469	3,052	28.1
Public Funeral Services Segment	1,702	1,702	0	0.0	1,651	51	3.1
Profit-Generating Funeral Services Segment	2,569	2,569	0	0.0	1,894	675	35.6
Asset Consulting Segment	376	166	210	126.5	0	376	-
Information Segment	7,104	7,104	0	0.0	5,232	1,872	35.8
HR Segment	1,770	1,770	0	0.0	1,692	78	4.6
Operating profit	3,357	3,212	145	4.5	1,864	1,493	80.1
Public Funeral Services Segment	510	510	0	0.0	357	153	42.9
Profit-Generating Funeral Services Segment	1,125	1,125	0	0.0	752	373	49.6
Asset Consulting Segment	284	139	145	104.3	0	284	-
Information Segment	1,058	1,058	0	0.0	521	537	103.1
HR Segment	111	111	0	0.0	9	102	1,133.3
Adjustments	269	269	0	0.0	223	46	20.6

H1 (cumulative)

(Millions of yen)

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	15,730	16,421	-691	-4.2	16,488	-758	-4.6
Public Funeral Services Segment	2,513	2,593	-80	-3.1	2,435	78	3.2
Profit-Generating Funeral Services Segment	3,796	3,750	46	1.2	2,734	1,062	38.8
Asset Consulting Segment	48	190	-142	-74.7	0	48	-
Information Segment	6,422	6,740	-318	-4.7	8,096	-1,674	-20.7
HR Segment	2,949	3,147	-198	-6.3	3,221	-272	-8.4
Operating profit	1,817	1,625	192	11.8	1,197	620	51.8
Public Funeral Services Segment	226	134	92	68.7	256	-30	-11.7
Profit-Generating Funeral Services Segment	1,357	1,261	96	7.6	884	473	53.5
Asset Consulting Segment	-22	114	-136	-	0	-22	-
Information Segment	-266	-294	28	-	-221	-45	-
HR Segment	-2	6	-8	-	-73	71	-
Adjustments	525	403	122	30.3	352	173	49.1

Full year (cumulative)

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	39,841	40,221	-380	-0.9	36,668	3,063	8.4
Public Funeral Services Segment	5,808	5,888	-80	-1.4	5,559	249	4.5
Profit-Generating Funeral Services Segment	8,667	8,621	46	0.5	6,383	2,284	35.8
Asset Consulting Segment	537	368	169	45.9	0	537	-
Information Segment	18,282	18,600	-318	-1.7	18,047	235	1.3
HR Segment	6,544	6,741	-197	-2.9	6,677	-133	-2.0
Operating profit	6,940	6,558	382	5.8	4,280	2,660	62.1
Public Funeral Services Segment	1,130	1,038	92	8.9	913	217	23.8
Profit-Generating Funeral Services Segment	3,382	3,286	96	2.9	2,235	1,147	51.3
Asset Consulting Segment	311	257	54	21.0	0	311	-
Information Segment	900	872	28	3.2	393	507	129.0
HR Segment	227	235	-8	-3.4	-26	253	-
Adjustments	991	869	122	14.0	764	227	29.7



3

FY03/24 Shareholder Return

3-01 Shareholder Return

Approach to shareholder return and internal reserves

Dividend and internal reserves

Dividend

... Dividends implemented as a stable return policy

⇒ Current dividend payout ratio ~~30%~~

32.5%

[As of November 10, 2023]

Further increase in the dividend payout ratio will be considered in the future

Internal reserves

... Seeking scale for growth investments reserves
(Expansion, furnace manufacturing, etc.)

Stock buyback

Plan to flexibly execute based on cash balances and stock price trends

3-02 Stock Split

Stock split (announced Nov 10, 2023)

At a meeting of the Company's Board of Directors held on November 10, 2023, the following resolution was adopted.

Purpose of the stock split:

In line with the new NISA system that will be introduced from January next year, the Company decided to carry out the stock split after comprehensively considering the level of the Company's stock price, how the Company's stock is circulating, changes in the composition of shareholders, and other factors.

By reducing the per-unit investment amount in the Company's shares, the Company aims to create an environment in which investors can invest more easily, improve the liquidity of the Company's shares, and further expand the investor base.

Method of split:

With November 30, 2023 as the record date, the shares of common stock held by shareholders listed or recorded in the shareholders' register as of the end of that date will be split at a ratio of five shares for each share held.

Split dates:

- Date of standard public notice: Wednesday, November 15, 2023
- Record date: Thursday, November 30, 2023
- Effective date: Friday, December 1, 2023

3-03 Revision to Dividend Forecast

Dividend Forecast for FY03/24

- ✓ In addition to reflecting revisions in the full-year consolidated financial forecast, the payout ratio will change from 30% to 32.5%

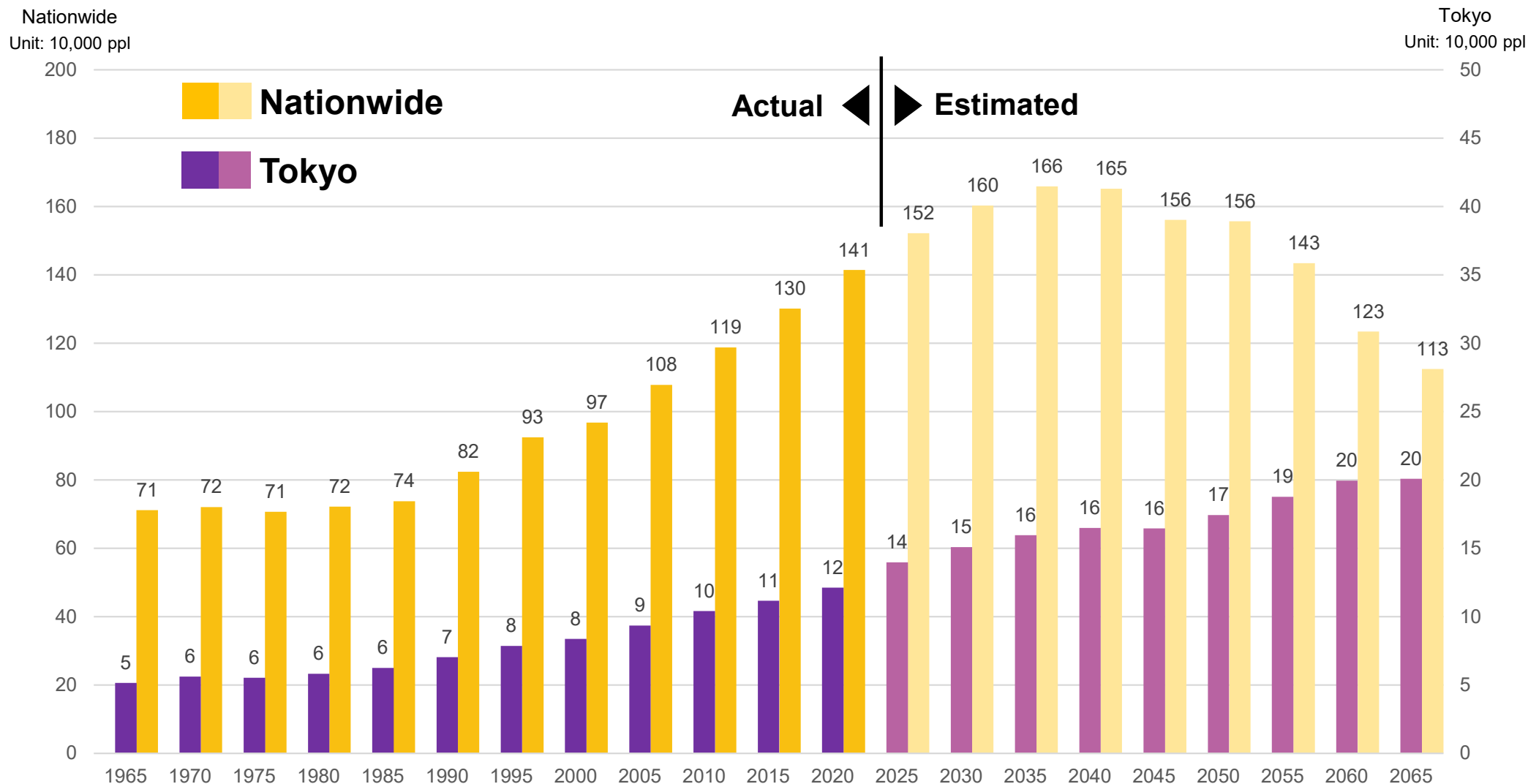
Record date	Dividend per share		
	End of Q2	End of FY	Total
FY03/23 results	7.75 yen	13.50 yen	21.25 yen
FY03/24 initial forecast (May 12, 2023)	23.65 yen	23.65 yen	47.30 yen
FY03/24 previous forecast (Aug 9, 2023)	26.30 yen	26.30 yen	52.60 yen
FY03/24 revised forecast (Conversion before stock split)	29.47 yen	5.89 yen* (29.47 yen)	— 58.94 yen

* ... Dividend per share after stock split effective December 1, 2023

4

Long-Term Outlook

4-01 State of the Population | Estimated Deaths



Nationwide: Statistics Bureau, Ministry of Internal Affairs and Communications; National Institute of Population and Social Security Research
Tokyo: Bureau of Social Welfare, Tokyo Metropolitan Government; Office of the Governor for Policy Planning, Tokyo Metropolitan Government

**Nationwide deaths will peak in around 2040, but will continue rising in Tokyo until at least 2065.
(*There were 1.58 million deaths nationwide in 2022.)**

4-02 Room for Expansion at Tokyo Hakuzen | Social Responsibility

As a company that provides cremation services in the public interest, we will fulfill our social responsibility in response to the increase in deaths.

Predicted number of cremation services

FY2022 **70,000**
(Deaths in Tokyo: 120,000)

FY2060 **130,000***
(Deaths in Tokyo | Estimate: 200,000)

*Company estimates based on statistical data from the Office of the Governor for Policy Planning, Tokyo Metropolitan Government

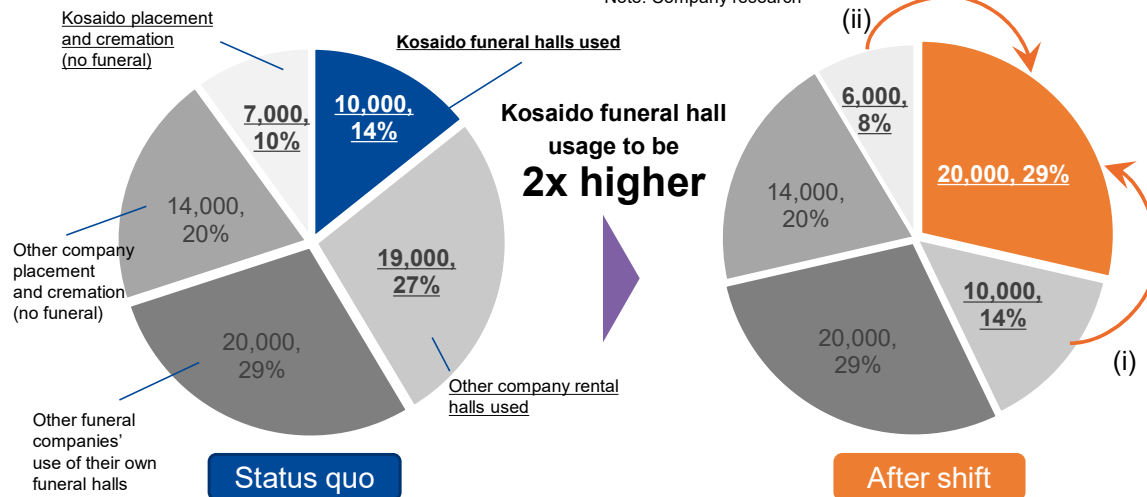
Our response

1. Operational capabilities developed by Tokyo Hakuzen

Expand service hours and cremations we handle

Breakdown of Funeral Hall Used for 70,000 Cremations*

Note: Company research



2. Utilize room for expansion at Tokyo Hakuzen

Additional furnaces (expansion)

Add yet more funeral halls

Current facilities			
Funeral homes	Number of funeral homes		6 locations (23 wards)
	Total floor area		45,132 m ²
	Furnaces	Total furnaces	64
		Area	1,568 m ² (including back of furnaces)
	Funeral halls	Total number of funeral halls	35 halls
		Area	3,889 m ² (including 1,790 m ² for waiting rooms)
	Additional funeral halls	Facilities added	36 halls (end of Sept 2023)
		Additional floor area	2,168 m ²
		Remarks	Floorspace added in existing funeral homes
	Room for expansion [7 locations (within the existing sites in the 23 wards)]		
Total floor area		10,460 m ²	
Funeral hall area rentable ratio		6,000m ² 57.4%	

4-03 Room for Growth through Expansion | Profit Estimates

Estimated impact on performance by utilizing room for expansion

- Facility-related data

Current facilities				
Funeral homes	Number of funeral homes		6 locations (23 wards)	
	Total floor area		45,132 m ²	
	Furnaces	Total furnaces	64	
		Area	1,568 m ² (including back of furnaces)	
	Funeral halls	Total number of funeral halls	35 halls	
		Area	3,889 m ² (including 1,790 m ² for waiting rooms)	
	Additional funeral halls	Facilities added	36 halls (end of Sept 2023)	
		Additional floor area	2,168 m ²	
		Remarks	Floorspace added in existing funeral homes	
Room for expansion [7 locations (within the existing sites in the 23 wards)]				
Total floor area			10,460 m ²	
Funeral hall area rentable ratio			6,000m ² 57.4%	

Funeral halls

Revenue per tsubo | 2,232,000 yen/year

Tsubo

Assumed annual revenue

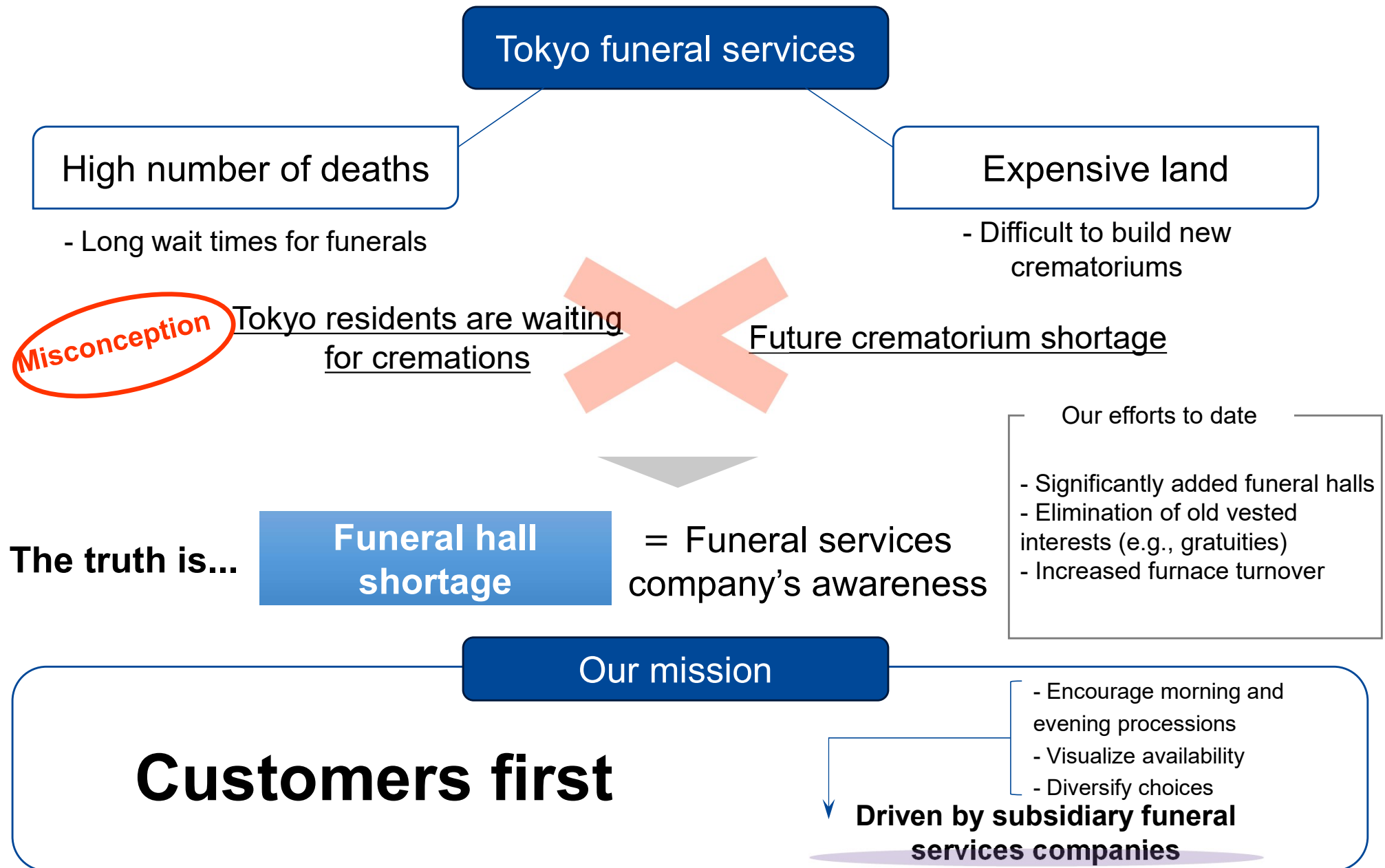
1,815 tsubo
(6,000 m²)

4,051 million yen

Expansion | Schedule to determine start date

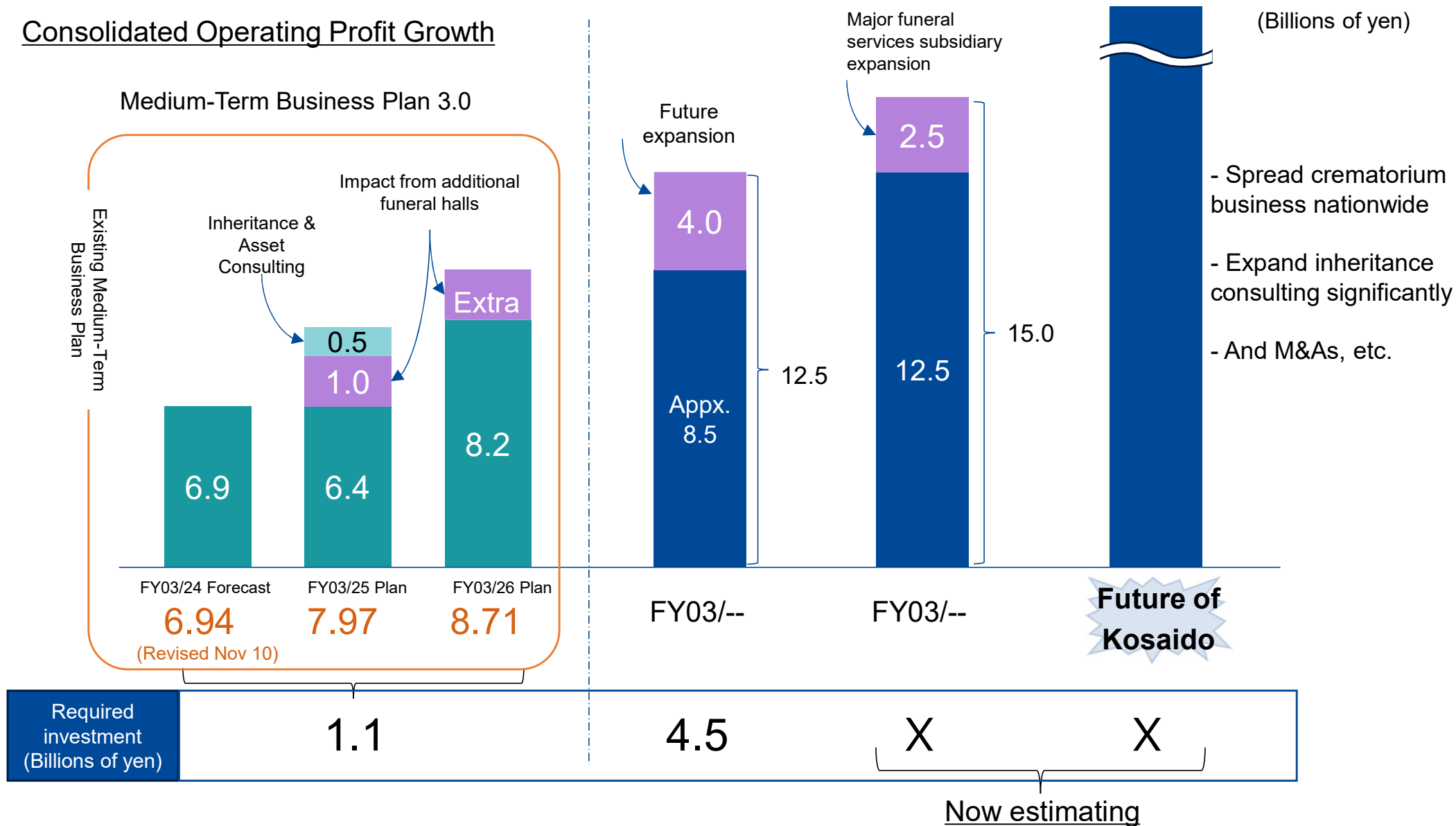
We would like to decide the date by April 2024.

4-04 The Tokyo End-of-Life Market



4-05 Business Growth Beyond Medium-Term Business Plan 3.0

Consolidated Operating Profit Growth





A

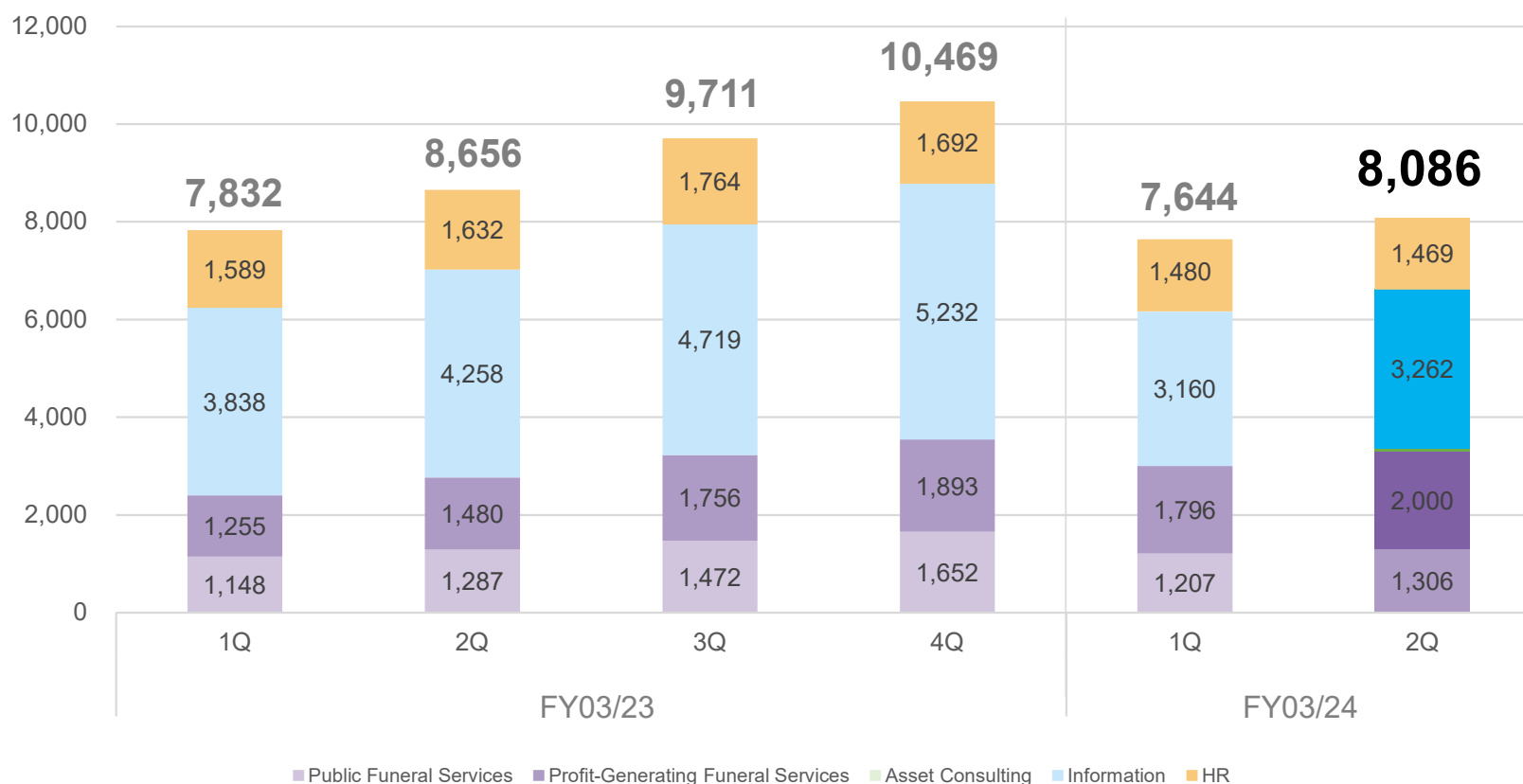
Appendix

- 1. Details of FY03/24 Performance**
- 2. Medium-Term Business Plan**
Performance Targets
- 3. ESG Activities Report**
- 4. Company Introduction**

A1-01 Quarterly Trend (Net Sales)

- Q2 sales increased in the Funeral Services segments due to the operation of new funeral halls at Tokyo Hakuzen and increased orders from two funeral service companies. In the Information and HR segments, overall sales decreased 6.6% year on year due to a difficult business environment compared to the previous year.

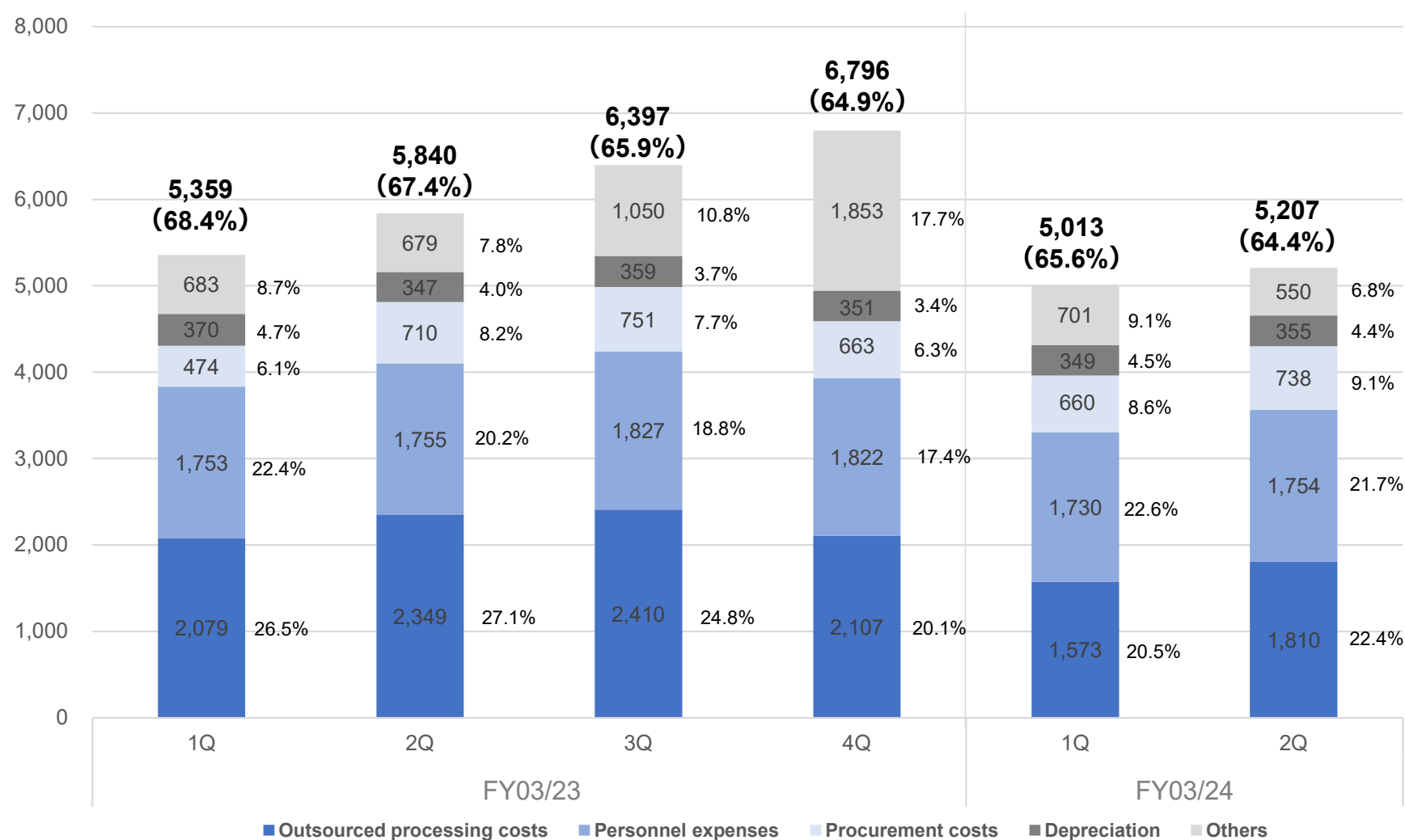
(Millions of yen)



A1-02 Quarterly Trend (Cost of Sales)

- Q2 cost of sales decreased year on year (-633 million yen, -3.0 pt cost of sales ratio)
- Continued control of subcontract expenses and reduction of fixed costs in the Information Segment contributed to cost cuts.

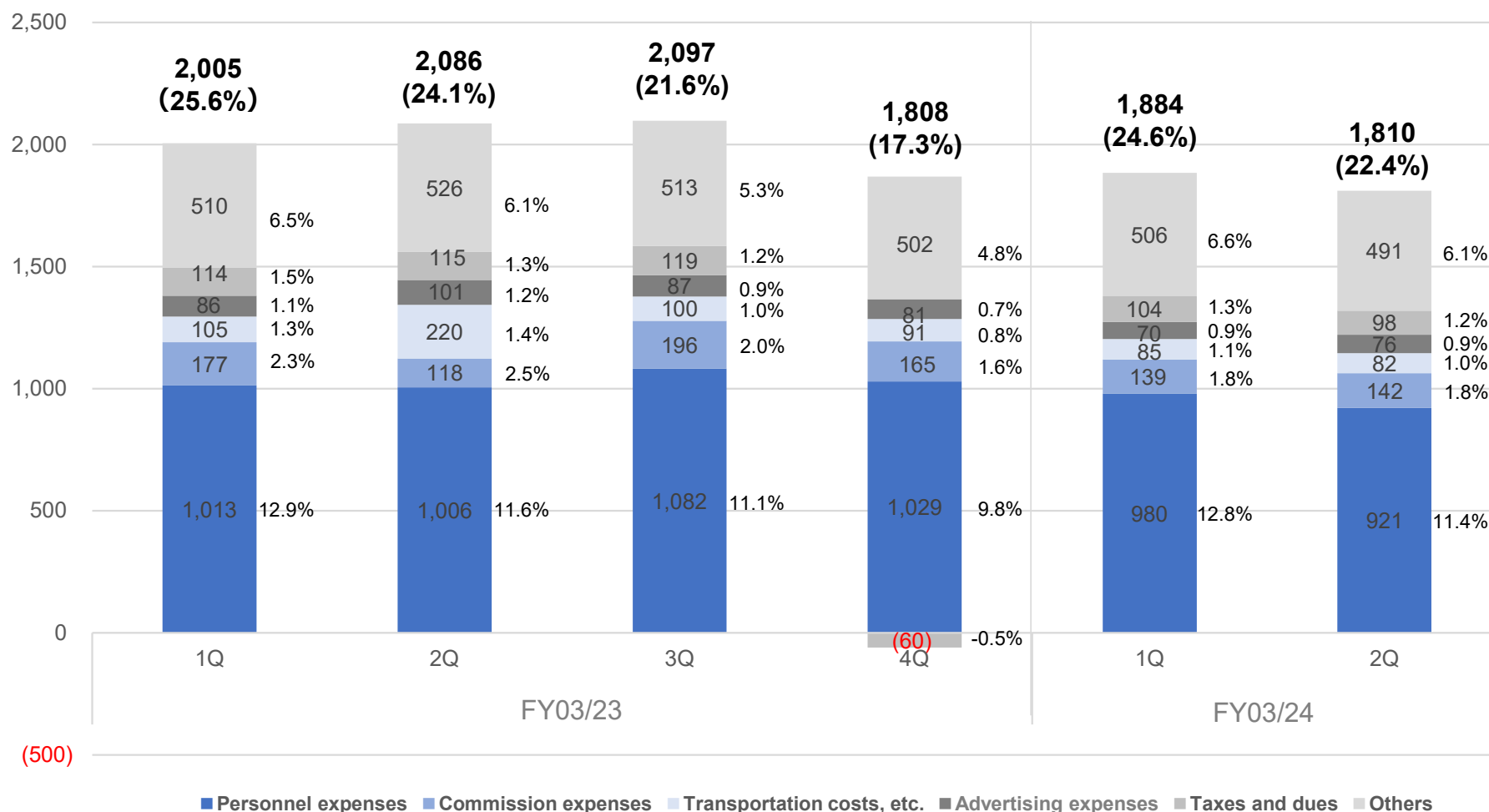
(Millions of yen / %: Cost of sales ratio)



A1-03 Quarterly Trend (SG&A Expenses)

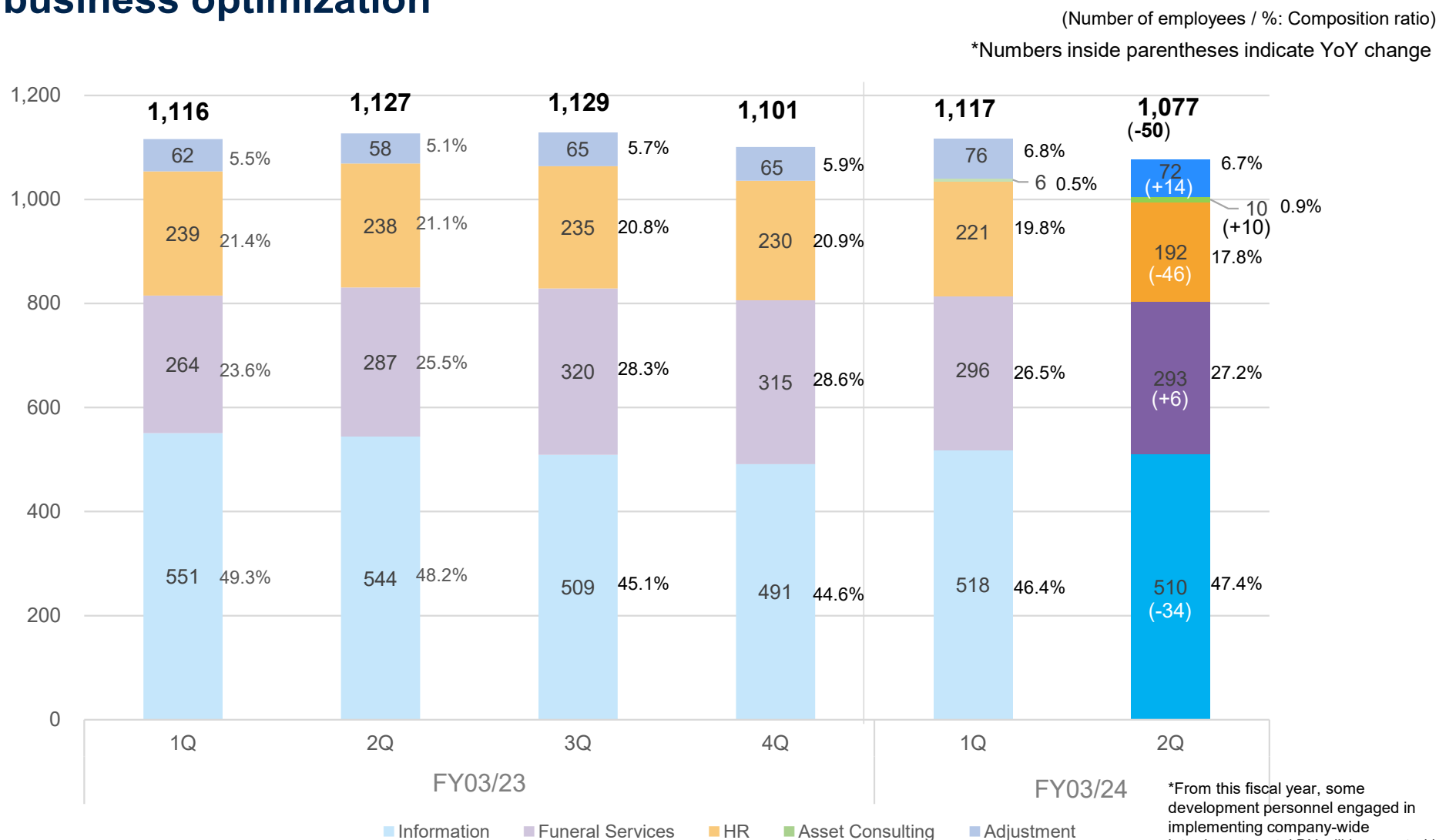
- Q2 SG&A expenses decreased year on year (-276 million yen, -1.7 pt SG&A expenses ratio)
- Continued reduction of fixed costs by implementing cost optimization at operating company.

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



A1-04 Quarterly Trend (Number of Employees)

- Review personnel in Information and HR segments and promote business optimization



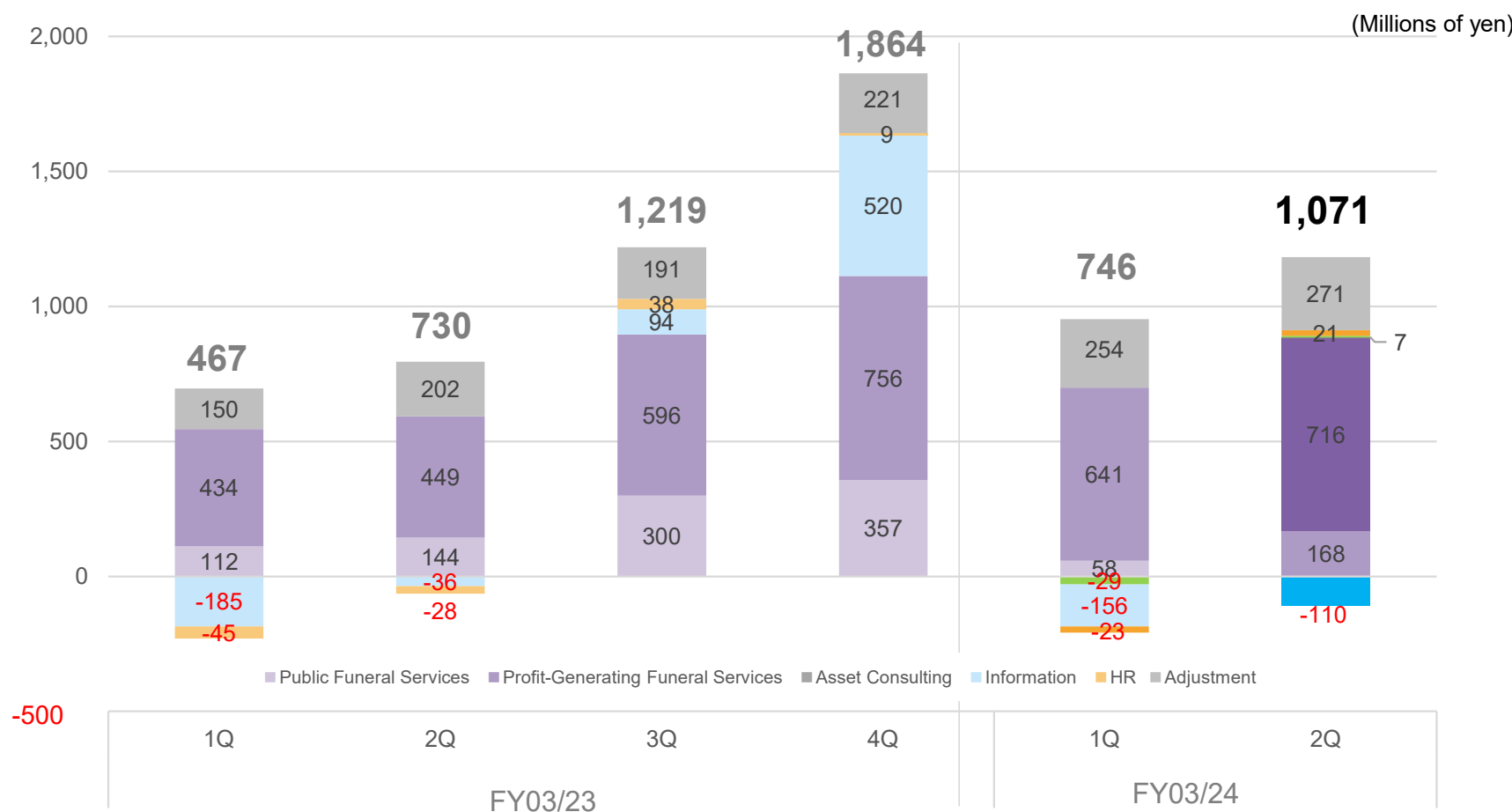
*From this fiscal year, some development personnel engaged in implementing company-wide interdepartmental DX will be counted in "Information" instead of "Other."

Quarterly Trend

A1-05 (Operating Profit by Segment)

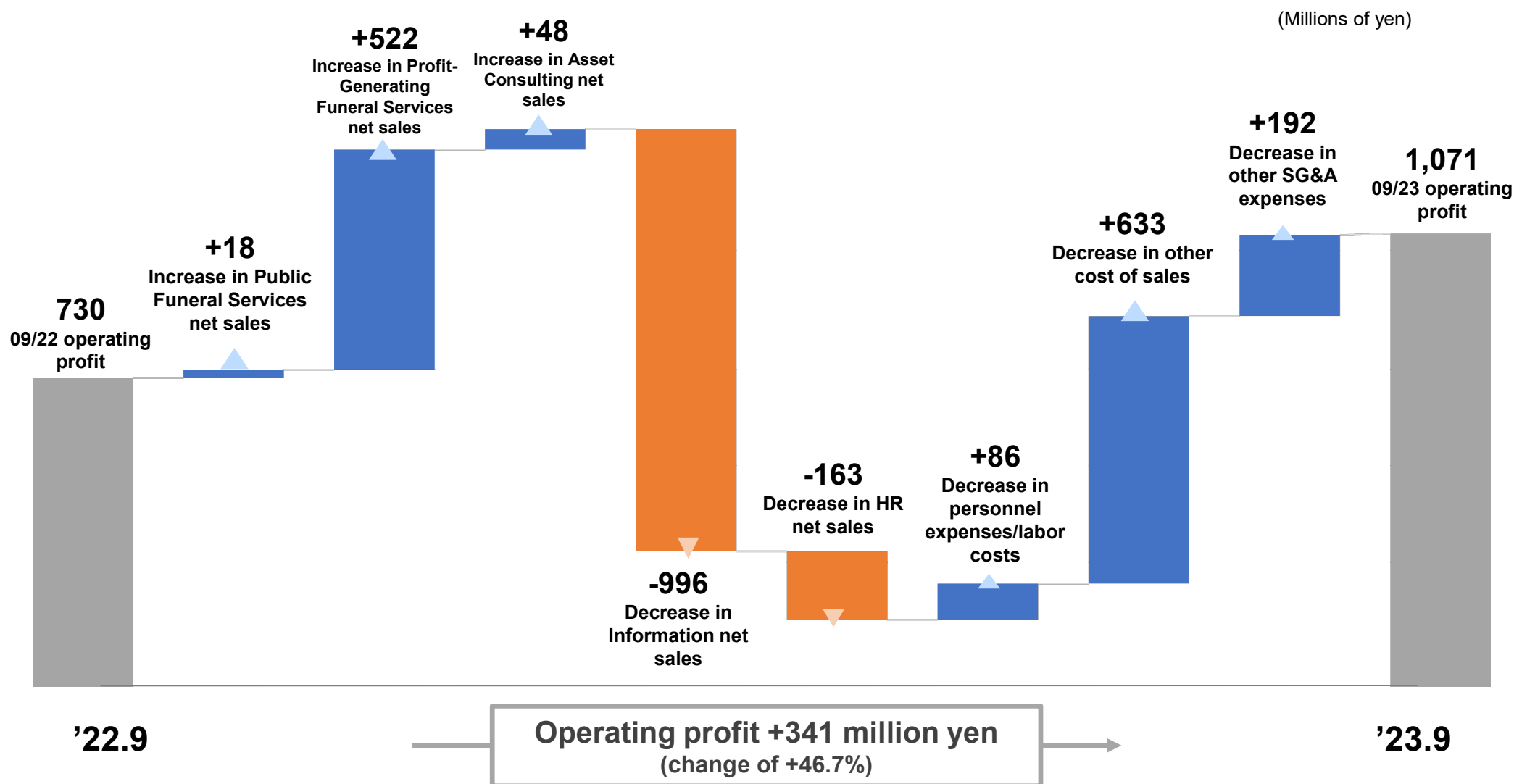
The method for booking management guidance fees for Group companies has been changed effective from the first quarter of the current fiscal year. These fees, which were included in corporate expenses as an adjustment, are now booked as operating expenses for each Group company of the reporting segment. Materials for the previous fiscal year were prepared according to this change.

- Operating profit increased 46.7% year on year due to solid performance of the funeral business, contribution from the Profit-Generating Funeral Services Segment with new funeral halls in operation, and continued cost optimization of Information and HR segments.



A1-06 Q2 FY03/24 Analysis of Change in Operating Profit (Major Items)

- Year on year, Information and HR segment income decreased, but Profit-Generating Funeral Services income increased. Overall income increased as a result of cost reductions in both Information and HR segments.



A1-07 Consolidated Balance Sheet

(Millions of yen)

	March 2023	Sep 2023	Difference as of quarter end
Current assets	27,998	27,127	-871
Cash and deposits	18,699	13,133	-5,566
Notes and accounts receivable–trade	5,810	3,458	-2,352
Non-current assets	43,134	43,937	803
Property, plant and equipment	35,807	36,684	877
Intangible assets	886	783	-103
Investments and other assets	6,440	6,469	29
Total assets	71,134	71,064	-70
Current liabilities	12,443	13,152	709
Short-term debt	1,400	1,400	0
Income taxes payable	325	551	226
Non-current liabilities	17,256	18,459	1,203
Total liabilities	29,699	31,611	1,912
Shareholders' equity	41,060	38,774	-2,286
Capital	100	159	59
Retained earnings	30,561	31,636	1,075
Share acquisition rights	11	66	55
Total net assets	41,434	39,452	-1,982
Total liabilities and net assets	71,134	71,064	-70



Public Funeral Services Business

A1-08 Income & Expenditures | Q2 FY03/24

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

Increase in transparency



Increase in business stability

■ The Company's 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 payments
||

(Reserves for losses in the Public Funeral Services Business)

■ Business Income & Expenditure for FY03/24 | Cumulative total from April 2023 to Sep 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	The balance of payments is appropriated as profit.	(vii) Public Funeral Services business reserves for losses
(ii) Segment sales	(iii) Segment expenses	(ii - iii) =			(i - iv - v) =		
2,513	2,287	226	69	375	- 218		0

(Millions of yen)

(*Estimate based on information as of August 2023)

A2-01 Medium-Term Business Plan 3.0 Performance Targets

Medium-Term Business Plan 3.0 (announced May 12, 2023)

(Millions of yen)

	FY03/22 Results	FY03/23 Results	Medium-Term Business Plan 3.0			
			FY03/24 Forecast		FY03/25 Plan	FY03/26 Plan
			May 12	Nov 10		
Net sales	35,361	36,668	40,000	39,841	42,100	43,800
Operating profit	3,729	4,280	6,360	6,940	7,970	8,710
Ordinary profit	3,610	4,185	6,110	6,893	7,750	8,490
Profit before income taxes	3,627	4,071	6,110	6,883	7,750	8,490
Income taxes	17	29	1,610	1,983	2,250	2,490
Profit attributable to owners of parent	3,643	4,042	4,500	4,900	5,500	6,000

Medium-Term Business Plan 3.0 Performance Targets

A2-02 by Business Segment

(Millions of yen)

Medium-Term Business Plan 3.0 (announced May 12, 2023)

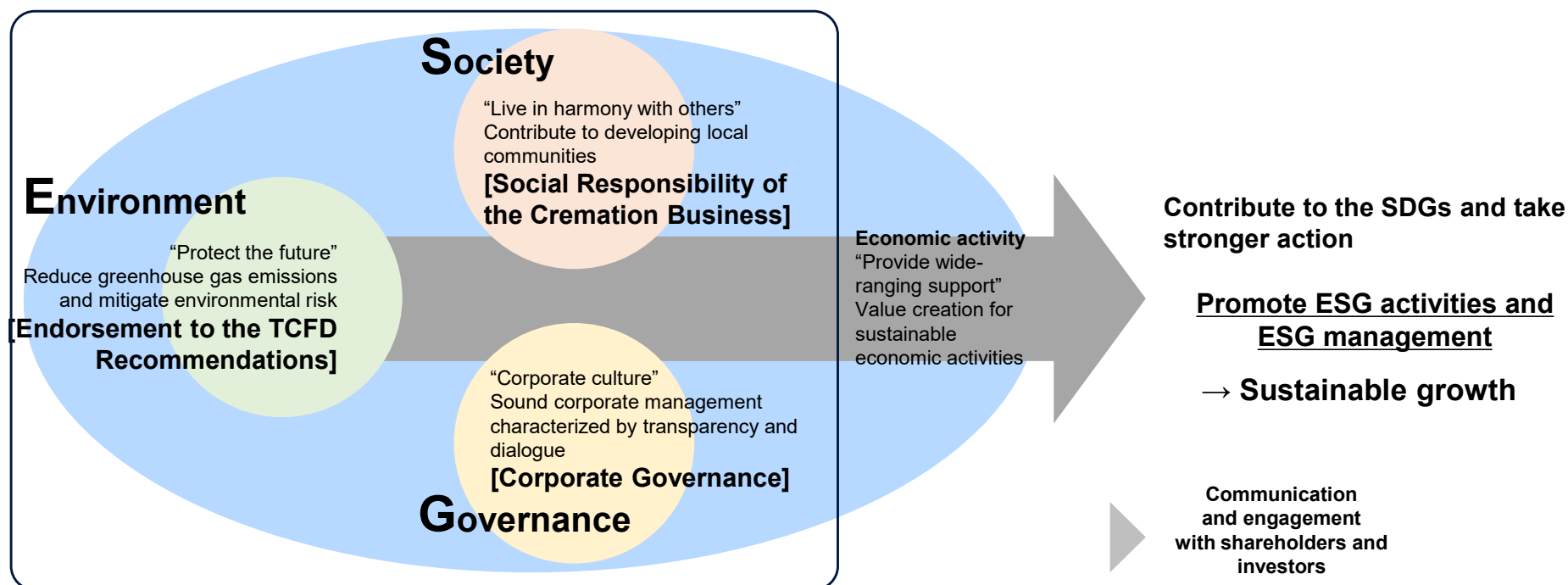
		FY03/23 Results	Medium-Term Business Plan 3.0			
			FY03/24 Forecast		FY03/25 PLAN	FY03/26 PLAN
			May 12	Nov 10		
Public Funeral Services	Net sales	5,561	6,033	5,808	6,215	6,400
	Operating profit	1,015	1,018	1,130	1,354	1,378
Profit- Generating Funeral Services	Net sales	6,382	8,639	8,667	9,785	10,100
	Operating profit	2,139	3,351	3,382	4,374	4,501
Asset Consulting	Net sales	0	368	537	700	1,400
	Operating profit	0	286	311	500	1,000
Information	Net sales	18,048	18,068	18,282	18,411	18,749
	Operating profit	392	609	900	684	694
HR	Net sales	6,677	6,892	6,544	6,989	7,151
	Operating profit	-27	237	227	244	247
Adjustments		761	859	991	814	890
Total	Net sales	36,668	40,000	39,841	42,100	43,800
	Operating profit	4,280	6,360	6,940	7,970	8,710



A3-01 ESG Activities Report

The purpose of the Kosaido Holdings ESG Activity Report is to provide shareholders, investors, business partners, and a wide range of other stakeholders with an understanding of the Company's approach and concrete action to further sustainability. The Kosaido Group SDGs Declaration defines four materialities (key issues) that are linked to both ESG activities and business management.

The word “Kosai” in our company name means “contributing to society at large.” Since our founding, we have diversified into the Public Funeral Services Business, Profit-Generating Funeral Services Segment, Asset Consulting, Information, and HR according to this common philosophy, thus providing valuable services that people and society appreciate. This report presents concrete action in our ESG activities with an awareness of our contribution to the SDGs, along with action to carry out our corporate philosophy.



ESG Activity Report [Society]

A3-02 - Social Responsibility of the Cremation Business

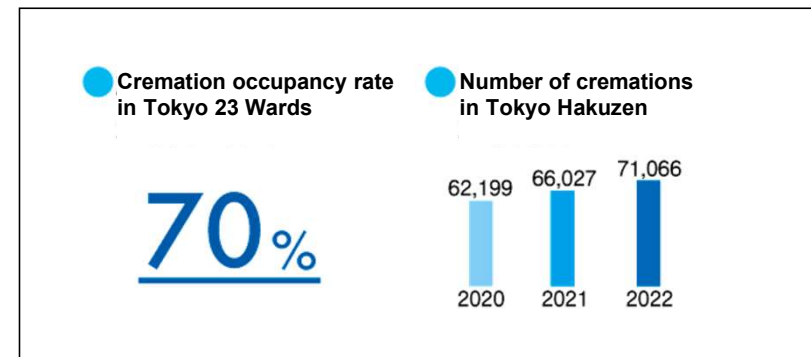
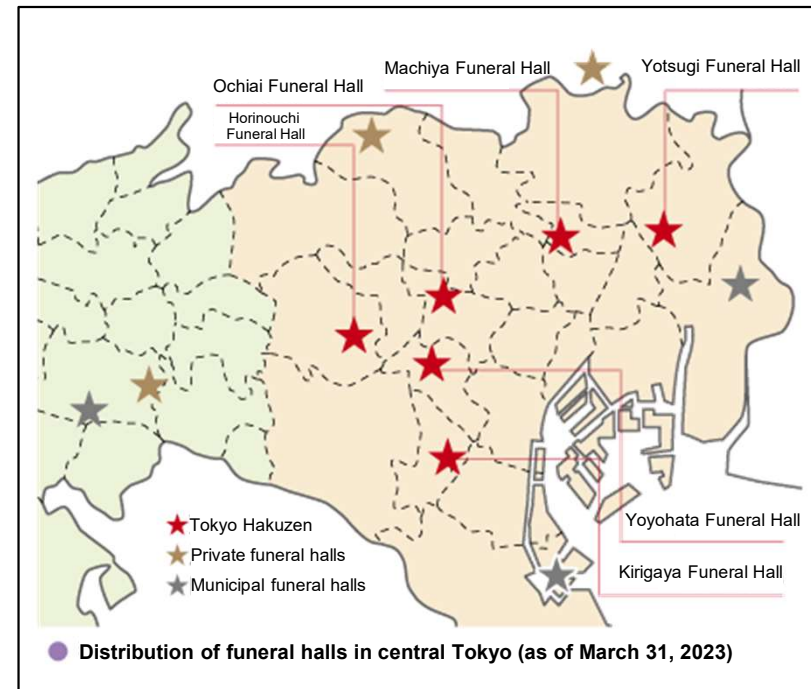
Basic Concept

The Company conducts our business based on the spirit of “Kosai,” which means “contributing to society at large.” Especially in Tokyo Hakuzen's cremation business, we contribute to the local community at large by carrying on this spirit and putting it into practice.

Originally, crematorium operations in Japan were regulated by the Act Concerning Graveyard, Burial, etc. and managing entities were generally local public organizations. Even if operations were more difficult, the operator had to be a public interest corporation or a religious corporation. But because Tokyo Hakuzen has been doing business in Tokyo since before this law came into force, **Tokyo Hakuzen, a private company, is operating six crematoriums.** Tokyo Hakuzen's crematoriums have a long history. They were built between the Edo Period (1603-1867) to the Meiji Era (1868-1912). Today, these facilities stand at convenient locations in Tokyo.

64* furnaces are operating at Tokyo Hakuzen funeral homes, handling approximately 70,000 cremations a year.* This accounts for about 70% of deaths in Tokyo's 23 wards.* Therefore, these locations receive many visitors, around 700,000. (*As of July 2023)

For more than 100 years since our establishment, we have been an indispensable business upholding the social infrastructure in the metropolis of Tokyo and fulfilling our social responsibility, but without public assistance, because we are a private company. In addition to contributing to the local community, our cremation business supports its development.



ESG Activity Report [Society]

A3-03 - Social Responsibility of the Cremation Business

Social Responsibility of the Cremation Business in a High-Death Society

Both local communities and Japanese society as a whole are facing a high number of deaths, and that figure increases by the year. As shown in these materials, nationwide deaths will peak by around 2040, and the number in Tokyo will continue increasing until 2065.



(From this document: Q1 FY03/24 Highlights)

*See next page for death statistics and trends.

In a society already facing a high number of deaths, those of us in the cremation business must take prompt action. However, public facilities operated by local governments cannot cope and there are already cremation waiting lists. In the future, the facilities may become more incapable of holding the funeral services requested by bereaved families.

In response, Tokyo Hakuzen is working to accurately understand social issues and problems from our unique business perspective as a private company, and we are striving for sustainable operations that do not rely on public funds. Tokyo Hakuzen, with a history spanning 100 years, takes the accelerating trend of a high number of deaths in Tokyo's large population seriously. We believe that it is our social responsibility to make efforts to build a society where we can always perform cremations and funeral processions at any time.

We also clearly recognize that without Tokyo Hakuzen, funeral processions in Tokyo would not be possible. Carrying on our business for the next 100 years and in perpetuity beyond is also connected to our company's great significance for society. We aspire to be a company that society always recognizes for its contributions, while establishing bonds of trust with society and members of the local community, and maintaining an awareness of the requirements for appropriate behavior according to our corporate responsibilities.



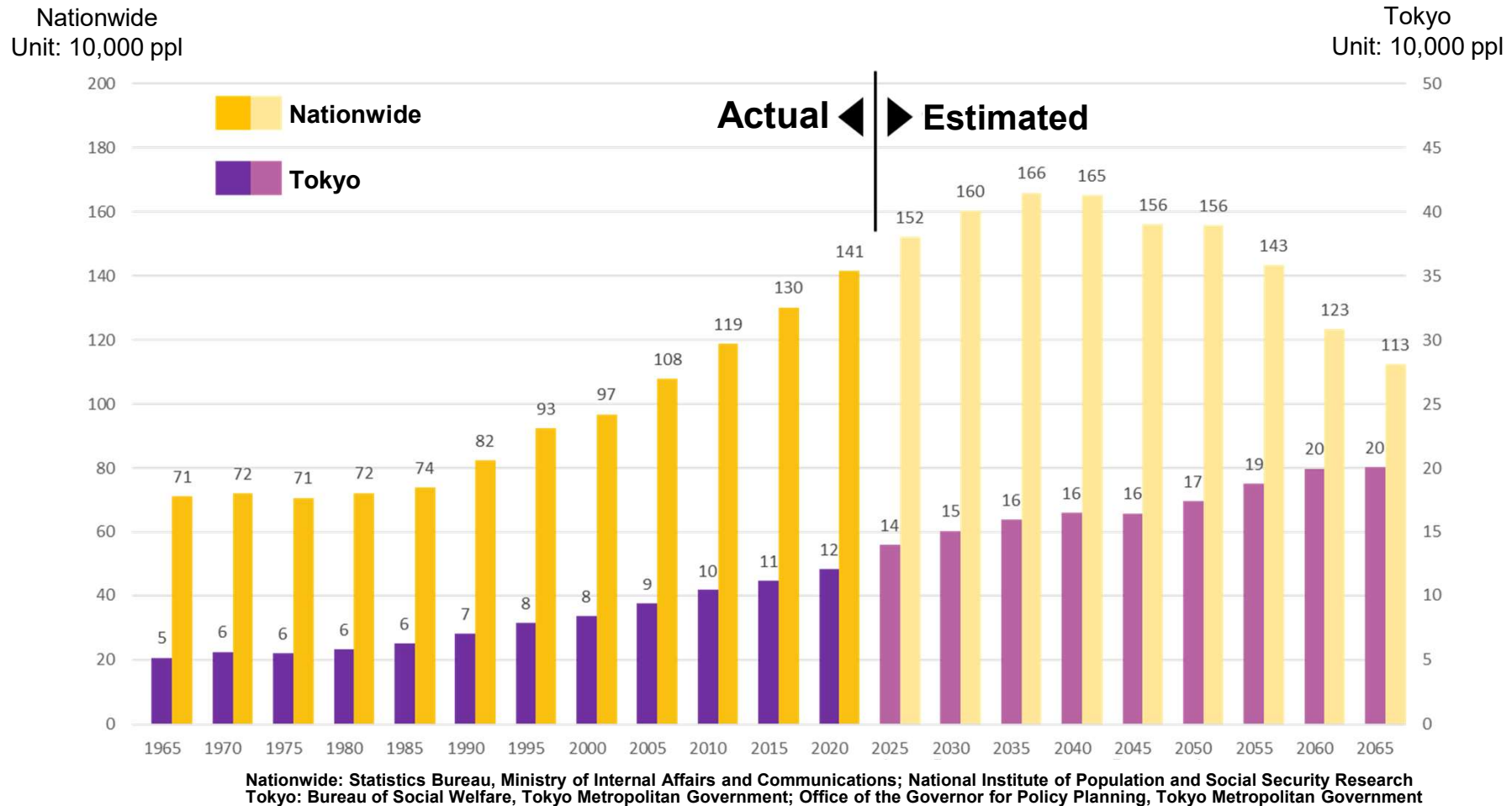
広済堂グループ
東京博善

ESG Activity Report [Society]

A3-04 - Social Responsibility of the Cremation Business

*Excerpt/reprint from this document: Q1 FY03/24 Highlights)

State of the Population | Estimated Deaths



**Nationwide deaths will peak in around 2040, but will continue rising in Tokyo until at least 2065.
(*There were 1.58 million deaths nationwide in 2022.)**

ESG Activity Report [Society]

A3-05 - Social Responsibility of the Cremation Business

Tokyo Hakuzen's Actions

■ Cremation technology for smooth funeral services

While many crematoriums use furnaces with carts, Tokyo Hakuzen uses grates that enable quick cremations so we can handle the increasing number of services. While other crematoriums normally handle two to three services per day, ours perform seven to nine. This eliminates waiting times before funeral services and reduces the psychological burden for the bereaved. To cope with a society with high number of deaths, we are focused on improving our operations as well as our technology.



Outside the cremation furnaces
at Yotsugi Funeral Home

■ Development of new, environmentally friendly cremation furnace system (Patented)

*Environmentally friendly

To help protect the environment, we are furthering the development of new cremation furnace systems that suppress dioxins while reducing CO2 emissions. We have developed and patented Japan's first environmentally friendly cremation furnace system that generates electricity from the cremation furnace's residual heat and uses a power recycling system. This new cremation system significantly suppresses exhaust gas emissions compared to conventional cremation furnace systems, and has achieved reductions in CO2, dioxins, and other toxic substances.

Stimulating the local economy through mutual understanding from exchanges with the community *CSR activities

Each of our six funeral homes in Tokyo hold Community Appreciation Gatherings to thank neighboring communities for their understanding and support. We endeavor to provide a setting where people of all ages can have an enjoyable and meaningful time through various events such as facility tours, morning markets, sales of products that support the employment of people with disabilities, *rakugo* (traditional Japanese comic storytelling) performances, mini concerts, art exhibitions, health seminars, and more.



The Kirigaya Funeral Hall held a Community Appreciation Gathering on July 9, 2023 for the neighborhood.

The event was a great success, with a dance performance by local children, a show by top-ranked *rakugo* storyteller Hanahei Hayashiya, an earthquake experience, and a Mercari class.

A3-06 ESG Activity Report [Environment]

Disclosure Based on the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations

In addition to endorsing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), in 2022, in response to increasing greenhouse gas emissions and extreme weather conditions caused by global warming, which have become important issues for the international community, the Group announced our SDGs Declaration to promote sustainability management. We have established a materiality on the environment and will work with our partners to further reduce risks to the environment. In addition, we have begun to disclose information in accordance with the TCFD and we will continue to implement the PDCA cycle to strengthen our management strategies related to climate change based on feedback from our stakeholders.

GHG Emissions Reduction Target

For GHG emissions from business activities at our company's sites (Scope 1 and 2), we are taking action to reduce with a medium-term target of 2030. For Scope 3, we are surveying the state of GHG emissions control by suppliers and customers.

Item	Scope 1+2 reduction targets	Scope 3 reduction targets
2050 target	Carbon neutrality	Carbon neutrality
2030 target	Reduce CO ₂ emissions by 34%	To be formulated based on the status of suppliers and purchases
Emissions factor	Ministry of the Environment "Measurement Methods and Emissions Factors under the Measurement, Reporting, and Publication System"	
Reference year	2020	

We disclose information according to TCFD recommendations at our Japanese website (IR Site/Environmental Policy).

You can check the following items according to disclosure rules:
 "Governance," "Strategy," "Risk Analysis,"
 "Indicators and Targets," "Reduction Targets"

*The information will be updated in December 2023.



A3-07 ESG Activity Report [Governance]

Basic Concept

Aiming to maximize shareholder value, sustainably increase enterprise value, and earn society's trust, we not only boost profitability, but also emphasize shareholder rights, implement efficient, fair, and transparent management practices, and ensure compliance. Furthermore, we enhance corporate governance by fulfilling the social responsibilities required of companies in terms of the environment, society, and governance, and by addressing social issues for the sustainable growth of the company and society.

Overview of Corporate Governance Structure

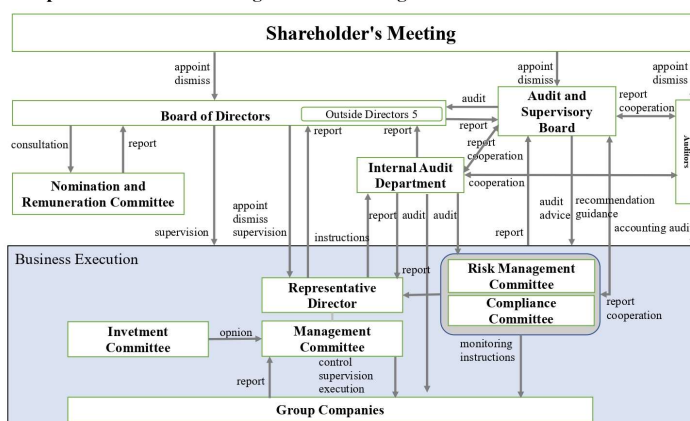
■ Board of Directors

As a company with a Board of Corporate Auditors, we endeavor to enhance corporate governance and improve the fairness and transparency of management based on our basic concept by building a management organization enabling proper supervision and monitoring while allowing directors to make appropriate decisions and promptly carry out business operations. In addition, we have established a voluntary nomination and compensation committee, whose primary members are independent outside directors and independent outside auditors, to deliberate and report to the Board of Directors on the directors' compensation, policy for determining their compensation, and proposed candidates for director positions. The Board of Directors, comprising two executive directors, one non-executive director, five outside directors, and corporate auditors, generally hold a regular monthly Board of Directors meeting, along with extraordinary meetings as necessary, to determine important business strategies, including management targets and strategies, as well as matters required by law, and to supervise business execution.

■ Board of Corporate Auditors

One full-time auditor and two outside auditors are appointed to ensure objectivity and neutrality in management oversight as they audit the state of governance and operations. In addition, we have appointed two outside auditors as independent directors, with the understanding that the roles of outside directors and outside auditors are, as an independent body entrusted by shareholders, to maintain a neutral and impartial position and ensure management's neutrality and objectivity.

Corporate Governance Organizational Diagram



For more information on corporate governance, please visit the IR News section of our website.

A4-01 Company Overview

**Company
name**

KOSAIDO Holdings Co., Ltd.

**Establish-
ment**

January 1949

Net sales

36,668
million yen
(FY03/23)

Total assets

71,064
million yen
(as of Sep 30, 2023)

Net assets

39,452
million yen
(as of Sep 30, 2023)

**Represent-
ative**

Hiroshi Kurosawa, President & CEO

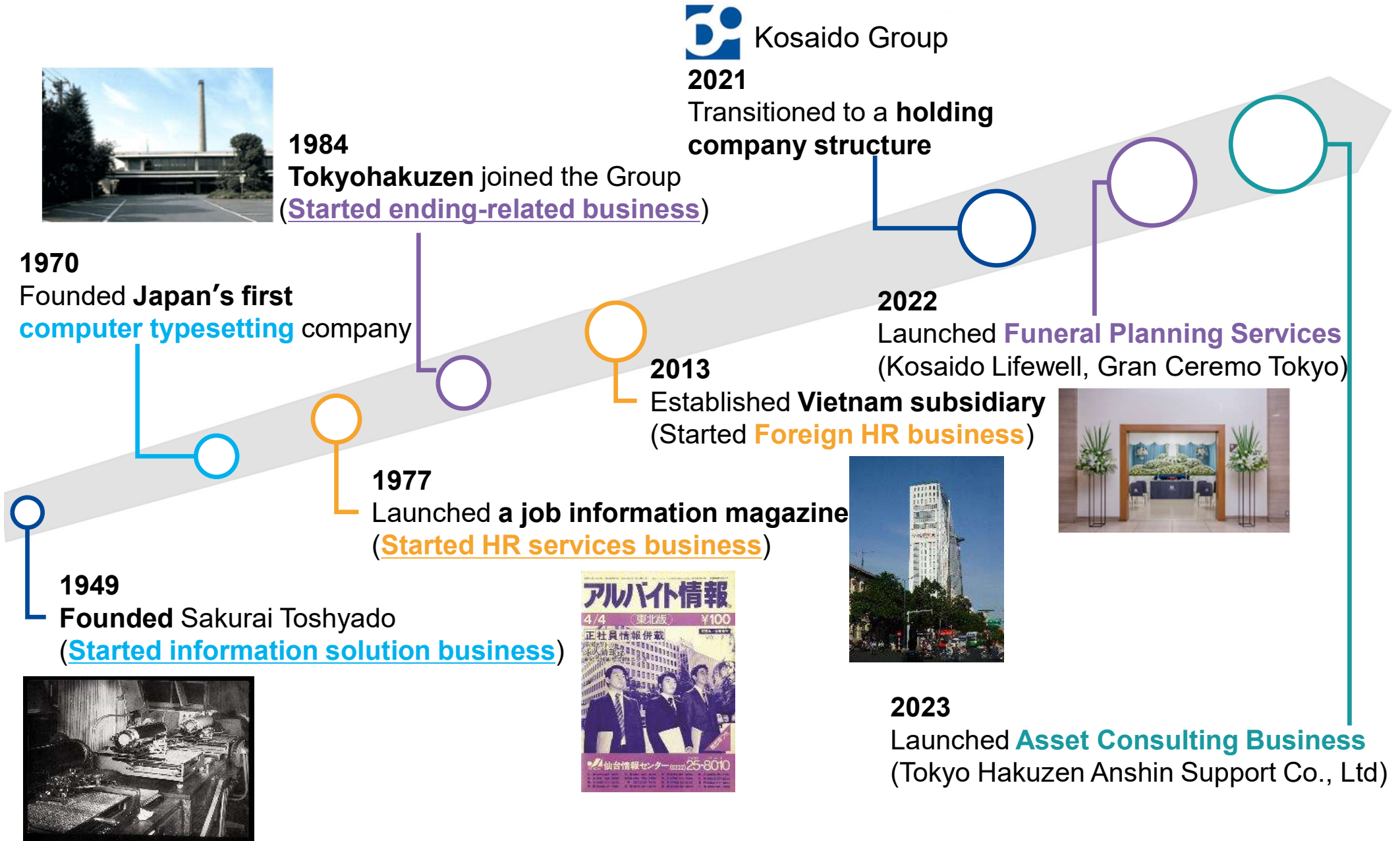
**Number of
employees**

1,077 (consolidated | as of Sep 30, 2023)

**Market
information**

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

A4-02 History



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.

A4-04 KOSAIDO Group

Further enrich
100-year lives.






KOSAIDO Holdings

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



[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



A4-05 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.



A4-06 Contact

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.

In addition, Facilities Tour for Institutional Investors and Analysts are held accordingly (funeral home tours operated by Tokyo Hakuzen Co., Ltd.).

If you would like to join, please contact us via the URL below.

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



FY03/24

Q2 Financial Results Presentation

Securities code: 7868

November 10, 2023

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1

Q2 FY03/24 Highlights












1-01 Q2 FY03/24 Consolidated Financial Results

- As in Q1, income in the Information Segment decreased due to changes in COVID-19-related special demand from the previous fiscal year and large BPO projects that were shifted to Q4. However, profits were booked by curbing outsourcing costs and reducing fixed costs.
- The Profit-Generating Funeral Services Segment grew sales from funeral hall usage while the funeral business contributed to an increase in consolidated profit.
- The 154M that was scheduled to be sold from Asset Consulting is recognized as non-operating income.

(Millions of yen)								*Reference	
	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast		Q2 FY03/24	YoY change
			Change	Rate of Change (%)		Change	Rate of Change (%)		Rate of Change (%)
Net sales	15,730	16,488	-758	-4.6	16,421	-691	-4.2	8,086	-6.6
Operating profit	1,817	1,197	620	51.8	1,625	192	11.8	1,071	46.7
Ordinary profit	1,842	1,202	640	53.1	1,533	309	20.2	1,024	38.4
Profit attributable to owners of parent	1,460	929	531	57.2	1,167	293	25.1	814	42.1

1-02 Q2 FY03/24 Financial Results Summary by Business Segment

(Millions of yen)

	Net sales		YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast		Operating profit		YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast	
	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	Change	Rate of Change (%)		Change	Rate of Change (%)	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	Difference	Rate of Change (%)		Change	Rate of Change (%)
Public Funeral Services	 2,513	2,435	78	3.2	2,593	-80	-3.1	 226	256	-30	-11.7	134	92	68.7
Profit- Generating Funeral Services	 3,796	2,734	1,062	38.8	3,750	46	1.2	 1,357	883	474	53.7	1,261	96	7.6
Asset Consulting	48	0	48	—	190	-142	-74.7	-22	0	-22	—	114	-136	—
Information	 6,422	8,096	-1,674	-20.7	6,740	-318	-4.7	 -266	-221	-45	—	-294	28	—
HR	 2,949	3,221	-272	-8.4	3,147	-198	-6.3	 -2	-73	71	—	6	-8	—
Adjustments , etc.			0	—		0	—	 525	352	173	49.1	403	122	30.3
Total	 15,730	16,488	-758	-4.6	16,421	-691	-4.2	 1,817	1,197	620	51.8	1,624	193	11.9

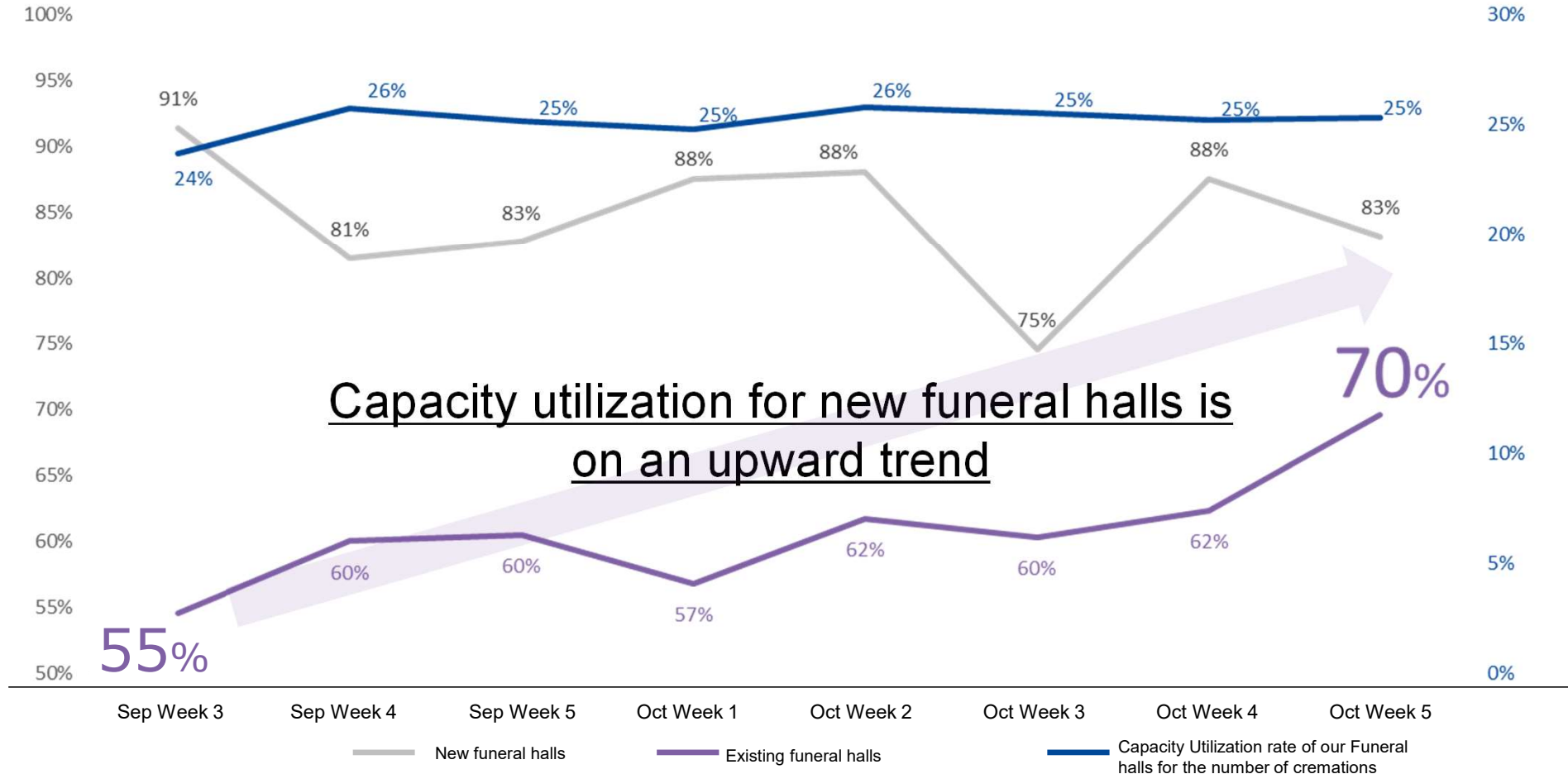
  ... YoY change

- Information and HR income declined due to the impact of the previous fiscal year's COVID-19-related special demand, but we ensured profits through cost reductions.
- Profit-Generating Funeral Services covered the overall revenue due to increased sales from opening new funeral halls and growth in the performance of funeral services company.
- Asset Consulting | 154M in non-operating income booked. Approx. 100M yen in sales to be booked late in Q3 or afterward.

1-03 New Funeral Hall Capacity Utilization

Capacity Utilization rate of existing and new Funeral halls

Capacity Utilization rate of our Funeral halls



- All new funeral halls became operational from September.
- The new funeral hall capacity utilization has exceeded expectations from 55% at the start.
- Continuous publicity and sales to funeral services companies have resulted in steadily increasing capacity utilization for new funeral halls.

1-04 Status of New Businesses

Funeral Business

* ... 2 companies: Kosaido Lifewell, Gran Ceremo Tokyo

- FY03/24 Performance (2 companies* combined)

(Millions of yen)

	Q1					Q2					Q2 (Cumulative)				
	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year
Net sales	329	343	-14	44	285	383	360	23	209	174	712	703	9	254	458
Operating profit	45	20	25	-59	104	35	31	4	-39	74	80	52	28	-98	178

Primary cause

(Difference from plan) - Sales are on an upward trend due to increased attendees. Advertising operations are optimized to further increase orders in 2Q

(Difference from the prior year) - There were upfront costs because the previous fiscal year was the first year for the newly launched funeral business.

Asset Consulting Business

- Sales of a project (100M scale) scheduled to be booked in 2Q were changed to sales in 4Q.
- Small-scale real estate-related projects are also progressing and gradually adding up the sales.

Furnaces

- Started in-house maintenance and crematorium design. It is progressing smoothly.

A blue background with organic, wavy shapes. A large white number '2' is centered within a lighter blue circular area.

2

Consolidated Financial Forecast for FY03/24

Q1

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	7,644	7,644	-	-	7,832	-188	-2.4
Operating profit	746	746	-	-	467	279	59.7
Ordinary profit	818	818	-	-	463	355	76.6
Quarterly profit	646	646	-	-	356	290	81.3

Q2

	Actual	Revised forecast (Aug 9)	Amount revised		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	8,086	8,777	-691	-7.9	8,657	-571	-6.6
Operating profit	1,071	879	192	21.8	730	341	46.7
Ordinary profit	1,024	715	309	43.2	740	275	38.4
Quarterly profit	814	521	293	56.2	573	241	42.1

H1 (cumulative)

(Millions of yen)

	Actual	Revised forecast (Aug 9)	Amount revised		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	15,730	16,421	-691	-4.2	16,488	-758	-4.6
Operating profit	1,817	1,625	192	11.8	1,197	620	51.8
Ordinary profit	1,842	1,533	309	20.2	1,202	640	53.1
Quarterly profit	1,460	1,167	293	25.1	929	531	57.2

Q3

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	10,589	10,488	101	1.0	9,711	878	9.0
Operating profit	1,766	1,721	45	2.6	1,219	547	44.9
Ordinary profit	1,717	1,672	45	2.7	1,172	545	46.5
Quarterly profit	1,418	1,220	198	16.2	973	445	45.7

Q4

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	13,521	13,311	210	1.6	10,469	3,052	29.2
Operating profit	3,357	3,212	145	4.5	1,864	1,493	80.1
Ordinary profit	3,334	3,189	145	4.5	1,810	1,524	84.2
Quarterly profit	2,022	2,333	-311	-13.3	2,139	-117	-5.5

Full year (cumulative)

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	39,841	40,221	-380	-0.9	36,668	3,173	8.7
Operating profit	6,940	6,558	382	5.8	4,280	2,660	62.1
Ordinary profit	6,893	6,394	499	7.8	4,185	2,708	64.7
Quarterly profit	4,900	4,720	180	3.8	4,042	858	21.2

FY03/24 current net profit forecast changed due to factors including +499M ordinary profit and -303M decrease in profit from higher tax expenses

1Q

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	7,644	7,644	0	0.0	7,832	-188	-2.4
Public Funeral Services Segment	1,207	1,207	0	0.0	1,148	59	5.1
Profit-Generating Funeral Services Segment	1,796	1,796	0	0.0	1,255	541	43.1
Asset Consulting Segment	0	0	0	-	0	0	-
Information Segment	3,160	3,160	0	0.0	3,838	-678	-17.7
HR Segment	1,480	1,480	0	0.0	1,589	-109	-6.9
Operating profit	746	746	0	0.0	467	279	59.7
Public Funeral Services Segment	58	58	0	0.0	112	-54	-48.2
Profit-Generating Funeral Services Segment	641	641	0	0.0	434	207	47.7
Asset Consulting Segment	-29	-29	0	-	0	-29	-
Information Segment	-156	-156	0	-	-185	29	-
HR Segment	-23	-23	0	-	-45	22	-
Adjustments	254	254	0	0.0	150	104	69.3

3Q

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	10,589	10,488	101	1.0	9,711	878	9.0
Public Funeral Services Segment	1,593	1,593	0	0.0	1,472	121	8.2
Profit-Generating Funeral Services Segment	2,302	2,302	0	0.0	1,756	546	31.1
Asset Consulting Segment	113	12	101	841.7	0	113	-
Information Segment	4,756	4,756	0	0.0	4,719	37	0.8
HR Segment	1,825	1,824	1	0.1	1,764	61	3.5
Operating profit	1,766	1,721	45	2.6	1,219	547	44.9
Public Funeral Services Segment	394	394	0	0.0	300	94	31.3
Profit-Generating Funeral Services Segment	900	900	0	0.0	599	301	50.3
Asset Consulting Segment	49	4	45	1,125.0	0	49	-
Information Segment	108	108	0	0.0	94	14	14.9
HR Segment	118	118	0	0.0	38	80	210.5
Adjustments	197	197	0	0.0	189	8	4.2

2Q

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	8,086	8,777	-691	-7.9	8,656	-570	-6.6
Public Funeral Services Segment	1,306	1,386	-80	-5.8	1,288	18	1.4
Profit-Generating Funeral Services Segment	2,000	1,954	46	2.4	1,478	522	35.3
Asset Consulting Segment	48	190	-142	-74.7	0	48	-
Information Segment	3,262	3,580	-318	-8.9	4,258	-996	-23.4
HR Segment	1,469	1,667	-198	-11.9	1,632	-163	-10.0
Operating profit	1,071	879	192	21.8	729	342	46.9
Public Funeral Services Segment	168	76	92	121.1	144	24	16.7
Profit-Generating Funeral Services Segment	716	620	96	15.5	449	267	59.5
Asset Consulting Segment	7	143	-136	-95.1	0	7	-
Information Segment	-110	-138	28	-	-37	-73	-
HR Segment	21	29	-8	-27.6	-29	50	-
Adjustments	271	149	122	81.9	202	69	34.2

4Q

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	13,521	13,311	100	0.8	10,469	3,052	28.1
Public Funeral Services Segment	1,702	1,702	0	0.0	1,651	51	3.1
Profit-Generating Funeral Services Segment	2,569	2,569	0	0.0	1,894	675	35.6
Asset Consulting Segment	376	166	210	126.5	0	376	-
Information Segment	7,104	7,104	0	0.0	5,232	1,872	35.8
HR Segment	1,770	1,770	0	0.0	1,692	78	4.6
Operating profit	3,357	3,212	145	4.5	1,864	1,493	80.1
Public Funeral Services Segment	510	510	0	0.0	357	153	42.9
Profit-Generating Funeral Services Segment	1,125	1,125	0	0.0	752	373	49.6
Asset Consulting Segment	284	139	145	104.3	0	284	-
Information Segment	1,058	1,058	0	0.0	521	537	103.1
HR Segment	111	111	0	0.0	9	102	1,133.3
Adjustments	269	269	0	0.0	223	46	20.6

H1 (cumulative)

(Millions of yen)

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	15,730	16,421	-691	-4.2	16,488	-758	-4.6
Public Funeral Services Segment	2,513	2,593	-80	-3.1	2,435	78	3.2
Profit-Generating Funeral Services Segment	3,796	3,750	46	1.2	2,734	1,062	38.8
Asset Consulting Segment	48	190	-142	-74.7	0	48	-
Information Segment	6,422	6,740	-318	-4.7	8,096	-1,674	-20.7
HR Segment	2,949	3,147	-198	-6.3	3,221	-272	-8.4
Operating profit	1,817	1,625	192	11.8	1,197	620	51.8
Public Funeral Services Segment	226	134	92	68.7	256	-30	-11.7
Profit-Generating Funeral Services Segment	1,357	1,261	96	7.6	884	473	53.5
Asset Consulting Segment	-22	114	-136	-	0	-22	-
Information Segment	-266	-294	28	-	-221	-45	-
HR Segment	-2	6	-8	-	-73	71	-
Adjustments	525	403	122	30.3	352	173	49.1

Full year (cumulative)

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	39,841	40,221	-380	-0.9	36,668	3,063	8.4
Public Funeral Services Segment	5,808	5,888	-80	-1.4	5,559	249	4.5
Profit-Generating Funeral Services Segment	8,667	8,621	46	0.5	6,383	2,284	35.8
Asset Consulting Segment	537	368	169	45.9	0	537	-
Information Segment	18,282	18,600	-318	-1.7	18,047	235	1.3
HR Segment	6,544	6,741	-197	-2.9	6,677	-133	-2.0
Operating profit	6,940	6,558	382	5.8	4,280	2,660	62.1
Public Funeral Services Segment	1,130	1,038	92	8.9	913	217	23.8
Profit-Generating Funeral Services Segment	3,382	3,286	96	2.9	2,235	1,147	51.3
Asset Consulting Segment	311	257	54	21.0	0	311	-
Information Segment	900	872	28	3.2	393	507	129.0
HR Segment	227	235	-8	-3.4	-26	253	-
Adjustments	991	869	122	14.0	764	227	29.7



3

FY03/24 Shareholder Return

3-01 Shareholder Return

Approach to shareholder return and internal reserves

Dividend and internal reserves

Dividend

... Dividends implemented as a stable return policy

⇒ Current dividend payout ratio ~~30%~~

32.5%

[As of November 10, 2023]

Further increase in the dividend payout ratio will be considered in the future

Internal reserves

... Seeking scale for growth investments reserves
(Expansion, furnace manufacturing, etc.)

Stock buyback

Plan to flexibly execute based on cash balances and stock price trends

3-02 Stock Split

Stock split (announced Nov 10, 2023)

At a meeting of the Company's Board of Directors held on November 10, 2023, the following resolution was adopted.

Purpose of the stock split:

In line with the new NISA system that will be introduced from January next year, the Company decided to carry out the stock split after comprehensively considering the level of the Company's stock price, how the Company's stock is circulating, changes in the composition of shareholders, and other factors.

By reducing the per-unit investment amount in the Company's shares, the Company aims to create an environment in which investors can invest more easily, improve the liquidity of the Company's shares, and further expand the investor base.

Method of split:

With November 30, 2023 as the record date, the shares of common stock held by shareholders listed or recorded in the shareholders' register as of the end of that date will be split at a ratio of five shares for each share held.

Split dates:

- Date of standard public notice: Wednesday, November 15, 2023
- Record date: Thursday, November 30, 2023
- Effective date: Friday, December 1, 2023

3-03 Revision to Dividend Forecast

Dividend Forecast for FY03/24

- ✓ In addition to reflecting revisions in the full-year consolidated financial forecast, the payout ratio will change from 30% to 32.5%

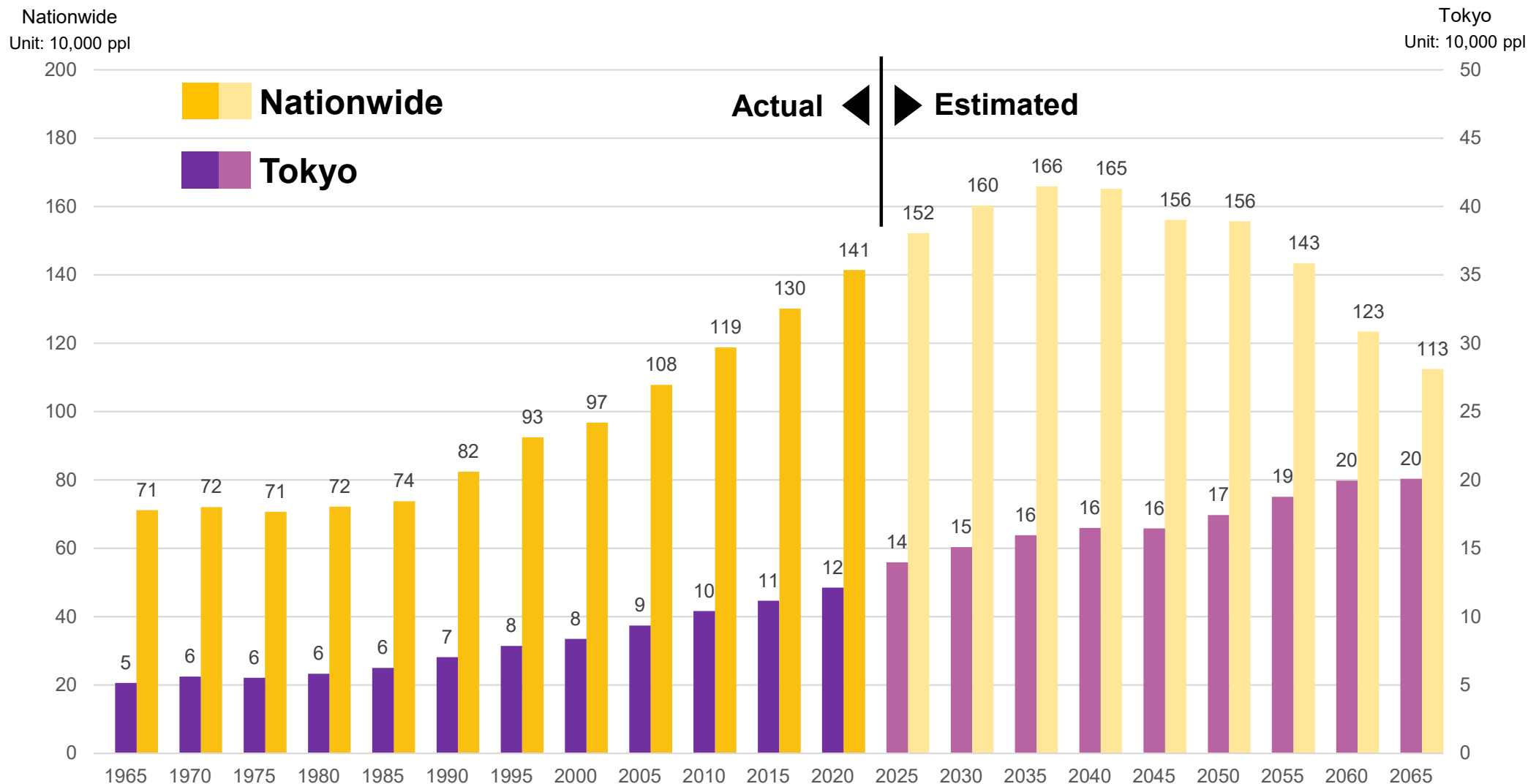
Record date	Dividend per share		
	End of Q2	End of FY	Total
FY03/23 results	7.75 yen	13.50 yen	21.25 yen
FY03/24 initial forecast (May 12, 2023)	23.65 yen	23.65 yen	47.30 yen
FY03/24 previous forecast (Aug 9, 2023)	26.30 yen	26.30 yen	52.60 yen
FY03/24 revised forecast (Conversion before stock split)	29.47 yen	5.89 yen* (29.47 yen)	— 58.94 yen

* ... Dividend per share after stock split effective December 1, 2023

4

Long-Term Outlook

4-01 State of the Population | Estimated Deaths



Nationwide: Statistics Bureau, Ministry of Internal Affairs and Communications; National Institute of Population and Social Security Research
Tokyo: Bureau of Social Welfare, Tokyo Metropolitan Government; Office of the Governor for Policy Planning, Tokyo Metropolitan Government

**Nationwide deaths will peak in around 2040, but will continue rising in Tokyo until at least 2065.
(*There were 1.58 million deaths nationwide in 2022.)**

4-02 Room for Expansion at Tokyo Hakuzen | Social Responsibility

As a company that provides cremation services in the public interest, we will fulfill our social responsibility in response to the increase in deaths.

Predicted number of cremation services

FY2022 **70,000**
(Deaths in Tokyo: 120,000)

FY2060 **130,000***
(Deaths in Tokyo | Estimate: 200,000)

*Company estimates based on statistical data from the Office of the Governor for Policy Planning, Tokyo Metropolitan Government

Our response

1. Operational capabilities developed by Tokyo Hakuzen

Expand service hours and cremations we handle

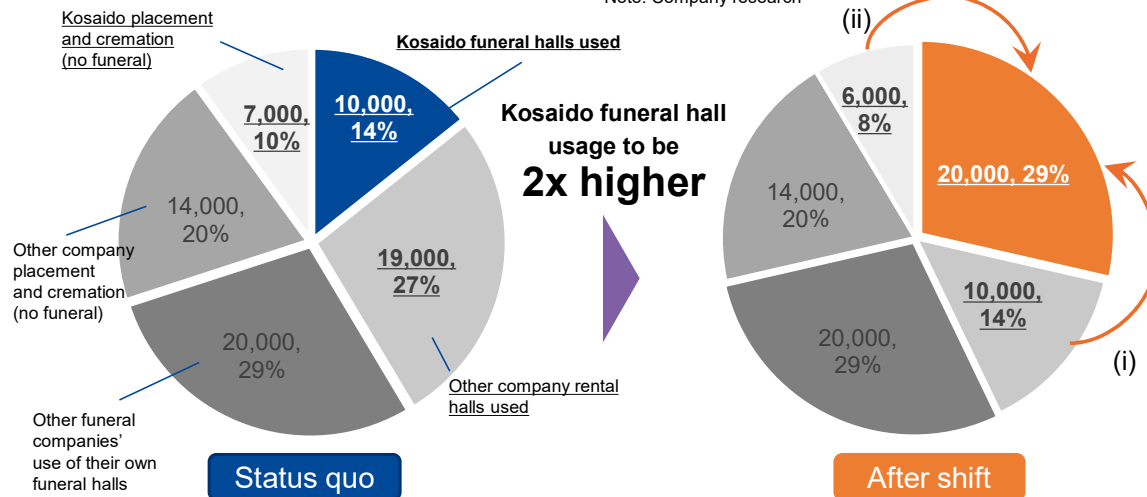
2. Utilize room for expansion at Tokyo Hakuzen

Additional furnaces (expansion)

Add yet more funeral halls

Breakdown of Funeral Hall Used for 70,000 Cremations*

Note: Company research



Current facilities

Funeral homes	Number of funeral homes	6 locations (23 wards)
	Total floor area	45,132 m ²
	Furnaces	
	Total furnaces	64
	Area	1,568 m ² (including back of furnaces)
	Funeral halls	
Additional funeral halls	Total number of funeral halls	35 halls
	Area	3,889 m ² (including 1,790 m ² for waiting rooms)
	Facilities added	36 halls (end of Sept 2023)
	Additional floor area	2,168 m ²
Remarks		Floorspace added in existing funeral homes

Room for expansion [7 locations (within the existing sites in the 23 wards)]

Total floor area	10,460 m ²
Funeral hall area rentable ratio	6,000m ² 57.4%

4-03 Room for Growth through Expansion | Profit Estimates

Estimated impact on performance by utilizing room for expansion

- Facility-related data

Current facilities			
Funeral homes	Number of funeral homes		6 locations (23 wards)
	Total floor area		45,132 m ²
	Furnaces	Total furnaces	64
		Area	1,568 m ² (including back of furnaces)
	Funeral halls	Total number of funeral halls	35 halls
		Area	3,889 m ² (including 1,790 m ² for waiting rooms)
	Additional funeral halls	Facilities added	36 halls (end of Sept 2023)
		Additional floor area	2,168 m ²
		Remarks	Floorspace added in existing funeral homes
Room for expansion [7 locations (within the existing sites in the 23 wards)]			
Total floor area		10,460 m ²	
Funeral hall area rentable ratio		6,000m ² 57.4%	

Funeral halls

Revenue per tsubo | 2,232,000 yen/year

Tsubo

Assumed annual revenue

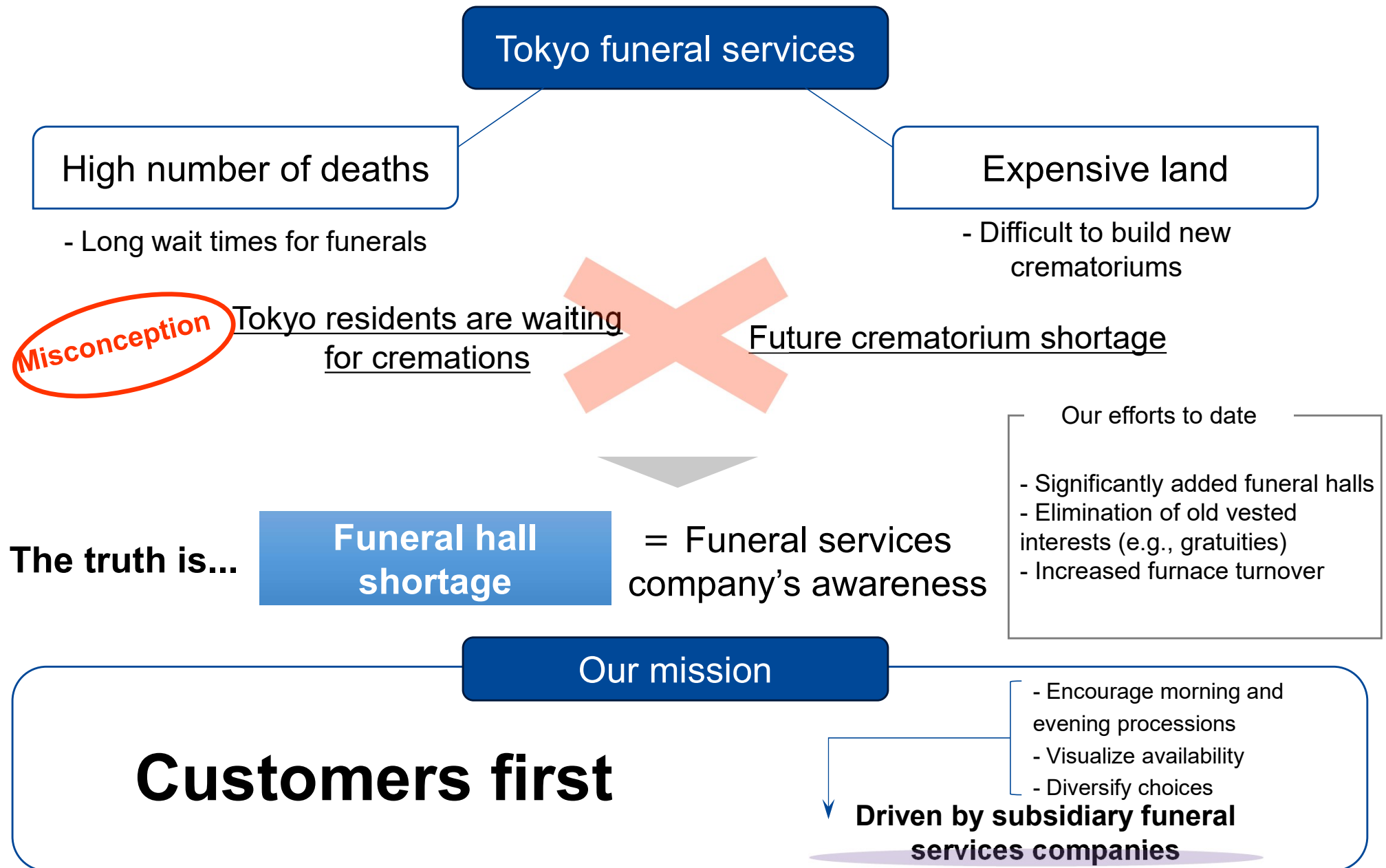
1,815 tsubo
(6,000 m²)

4,051 million yen

Expansion | Schedule to determine start date

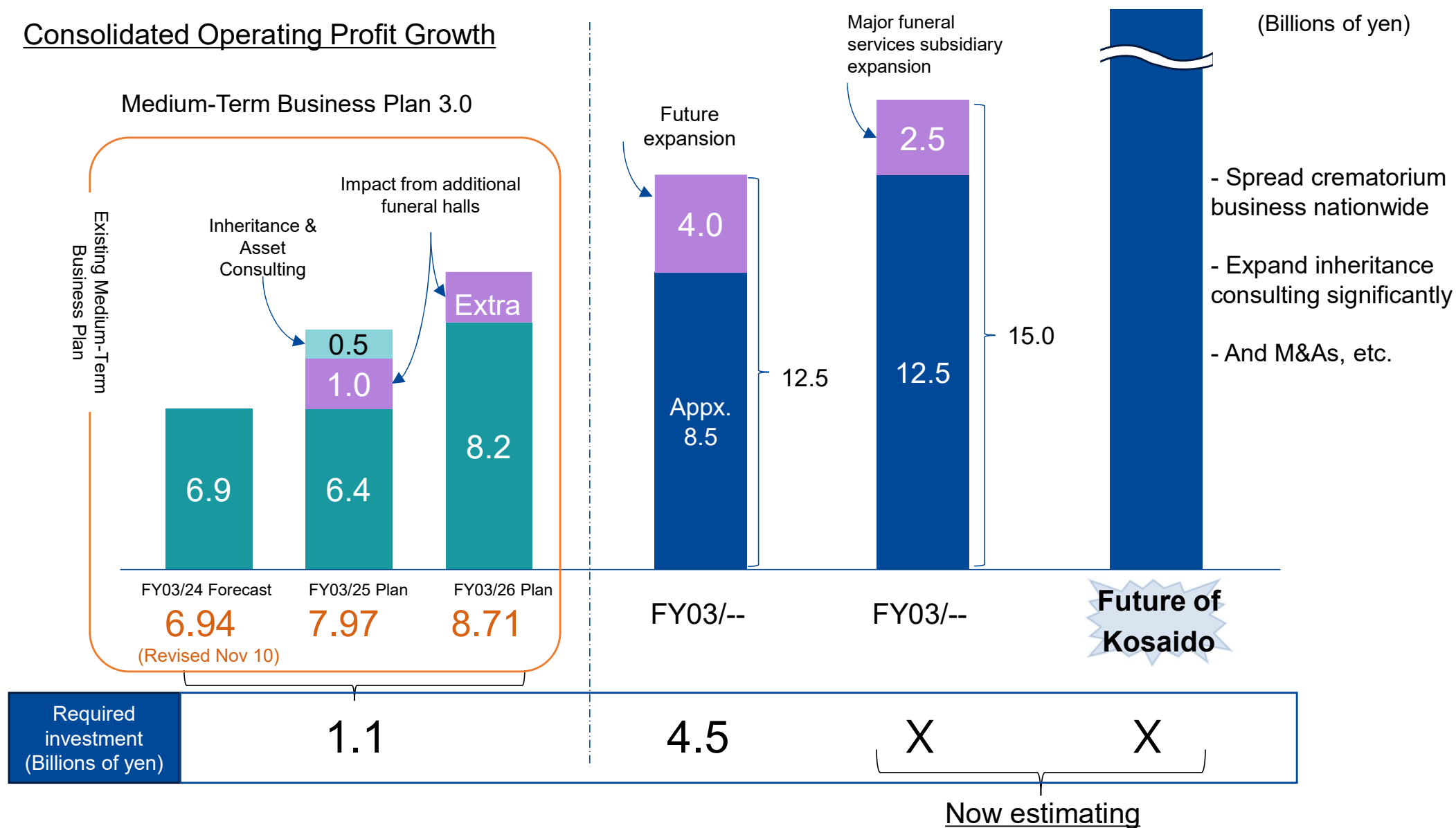
We would like to decide the date by April 2024.

4-04 The Tokyo End-of-Life Market



4-05 Business Growth Beyond Medium-Term Business Plan 3.0

Consolidated Operating Profit Growth



Improve planning accuracy and proceed to next
Medium-Term Business Plan



A

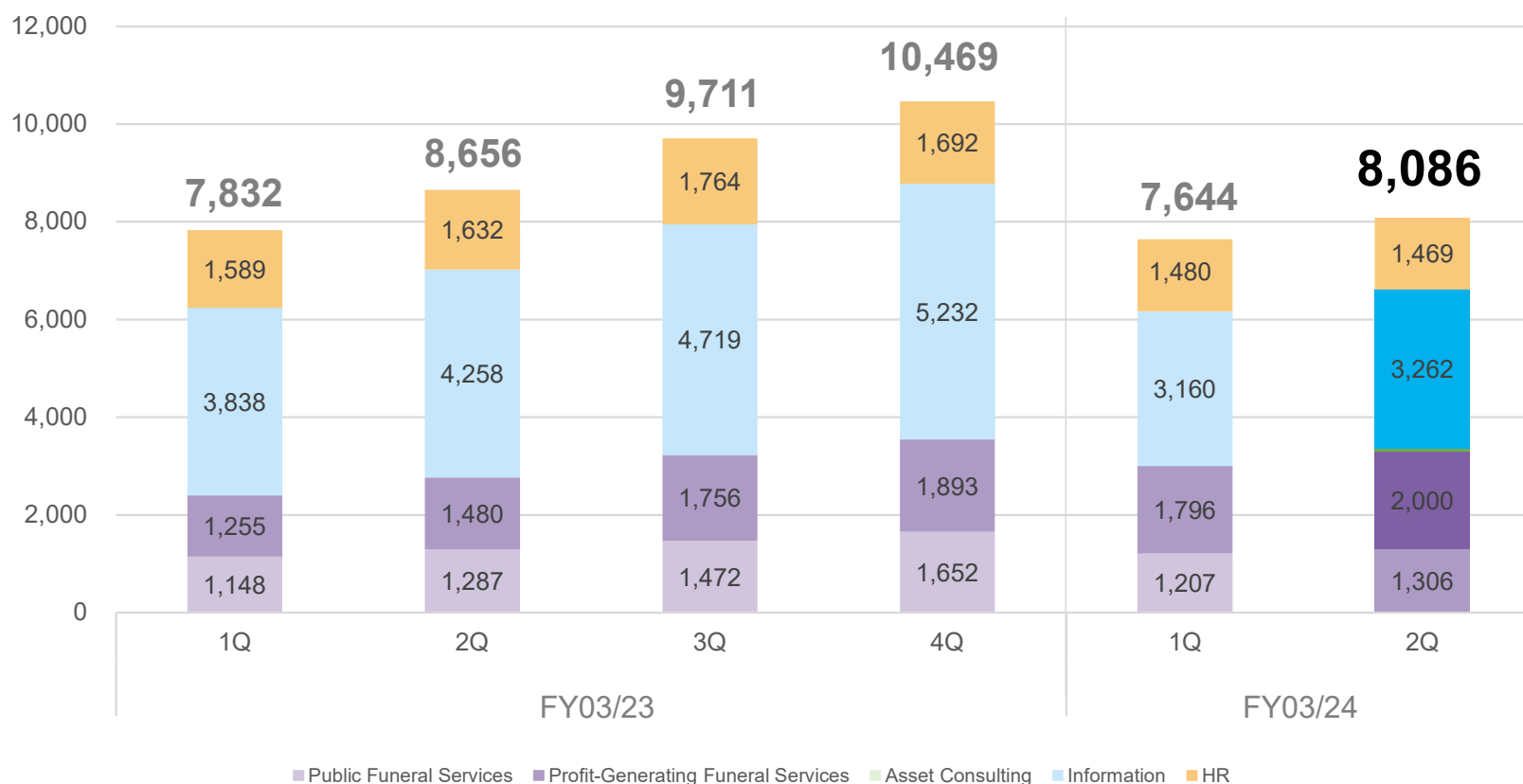
Appendix

- 1. Details of FY03/24 Performance**
- 2. Medium-Term Business Plan**
Performance Targets
- 3. ESG Activities Report**
- 4. Company Introduction**

A1-01 Quarterly Trend (Net Sales)

- Q2 sales increased in the Funeral Services segments due to the operation of new funeral halls at Tokyo Hakuzen and increased orders from two funeral service companies. In the Information and HR segments, overall sales decreased 6.6% year on year due to a difficult business environment compared to the previous year.

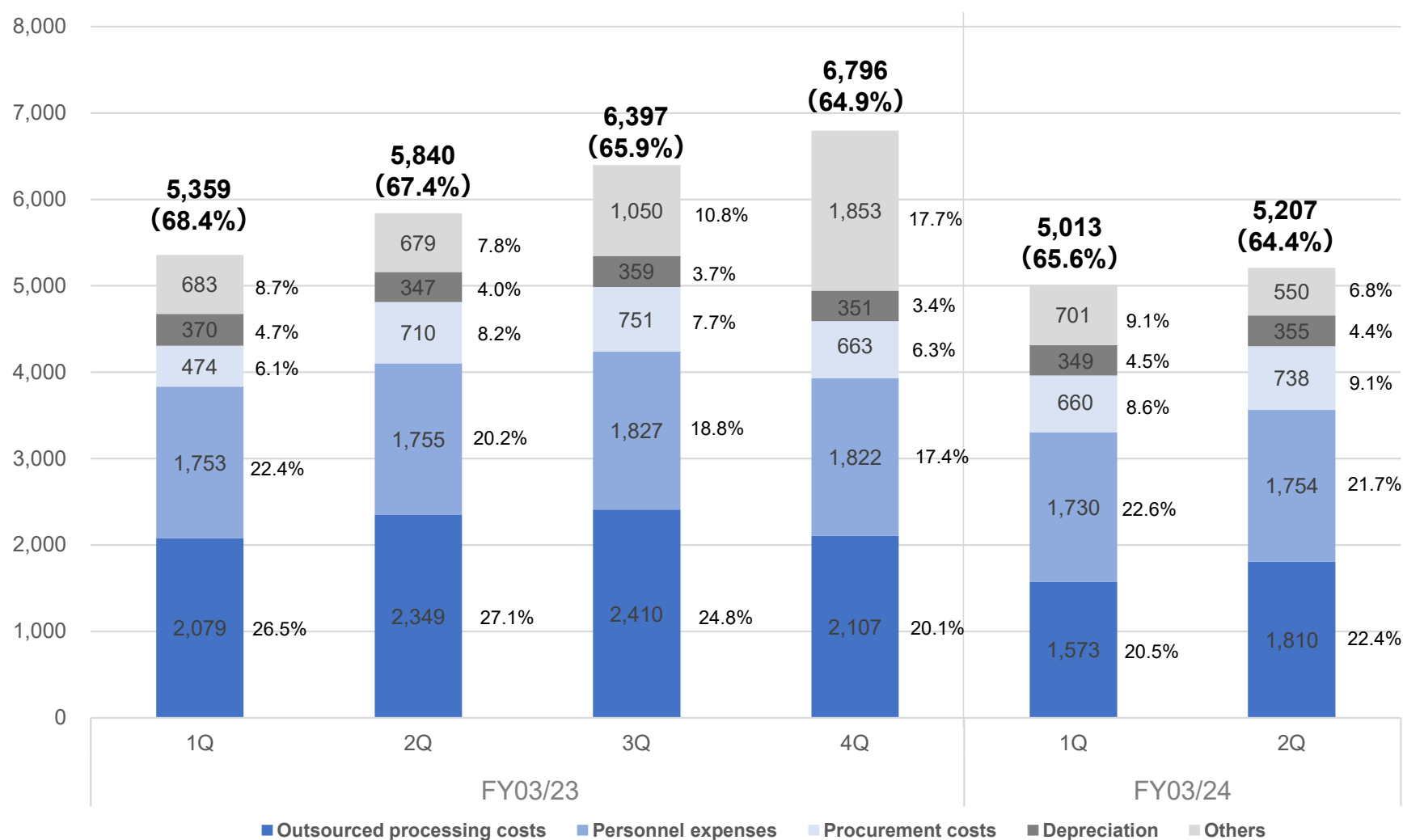
(Millions of yen)



A1-02 Quarterly Trend (Cost of Sales)

- Q2 cost of sales decreased year on year (-633 million yen, -3.0 pt cost of sales ratio)
- Continued control of subcontract expenses and reduction of fixed costs in the Information Segment contributed to cost cuts.

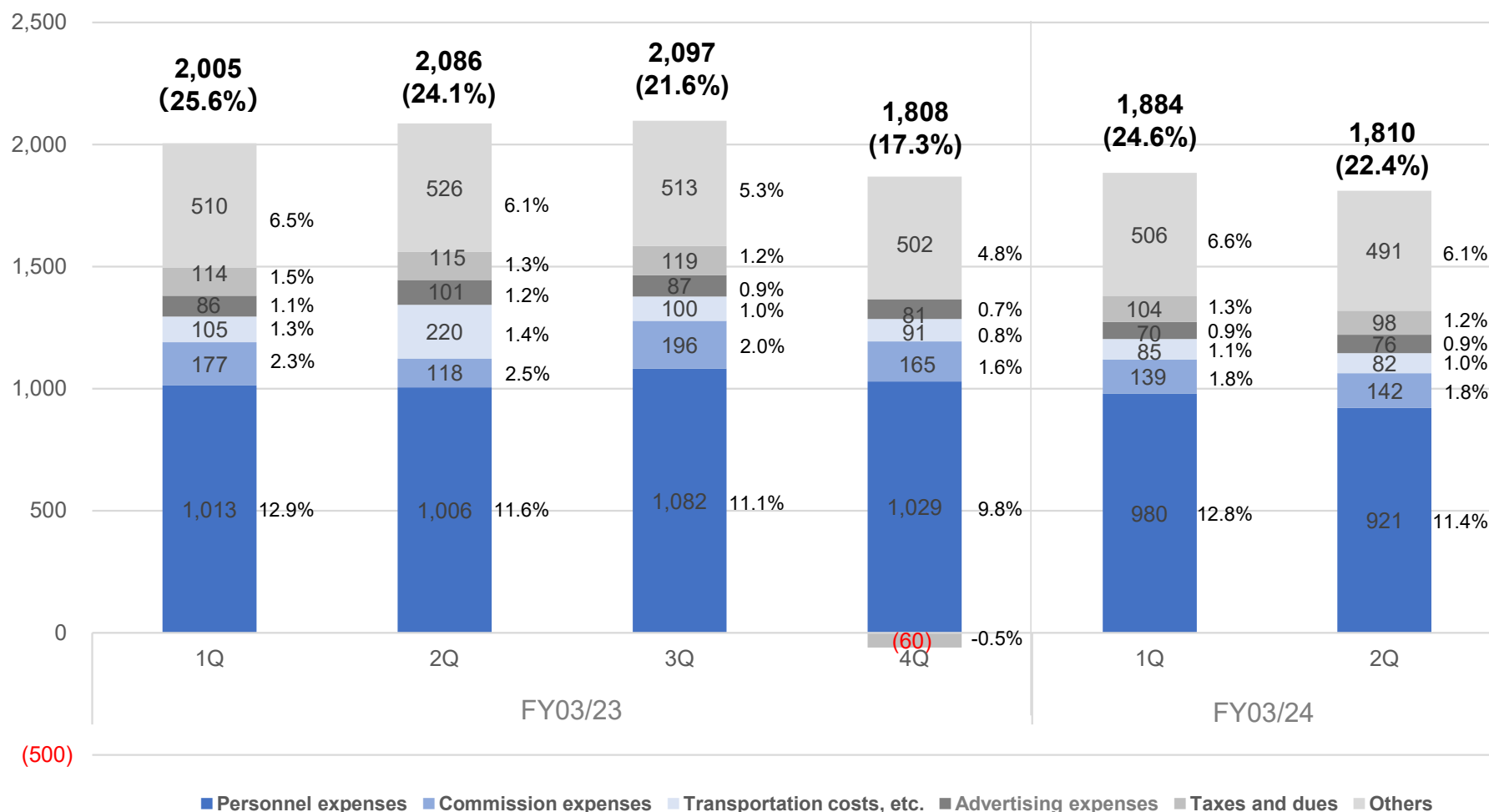
(Millions of yen / %: Cost of sales ratio)



A1-03 Quarterly Trend (SG&A Expenses)

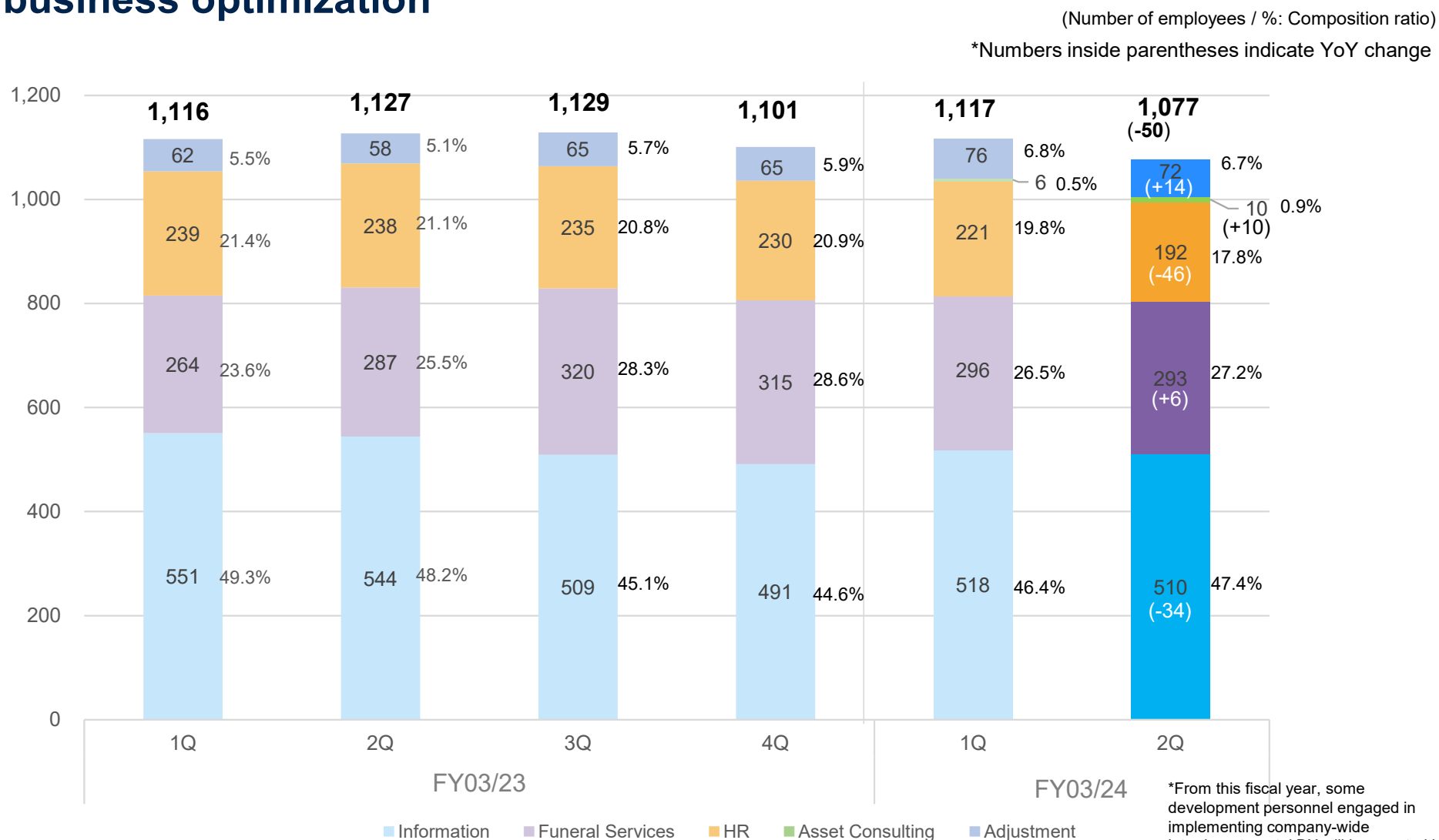
- Q2 SG&A expenses decreased year on year (-276 million yen, -1.7 pt SG&A expenses ratio)
- Continued reduction of fixed costs by implementing cost optimization at operating company.

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



A1-04 Quarterly Trend (Number of Employees)

- Review personnel in Information and HR segments and promote business optimization



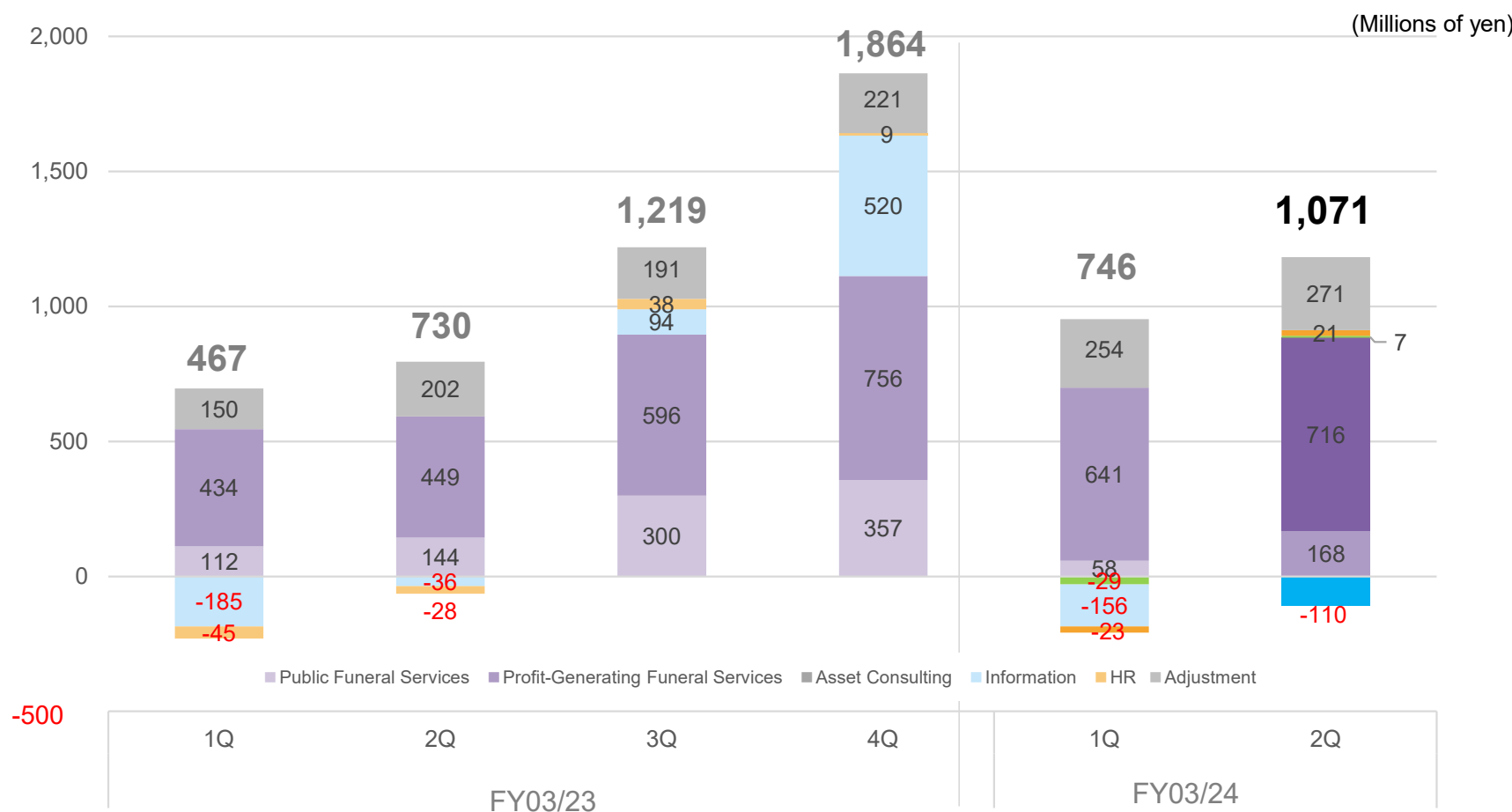
*From this fiscal year, some development personnel engaged in implementing company-wide interdepartmental DX will be counted in "Information" instead of "Other."

Quarterly Trend

A1-05 (Operating Profit by Segment)

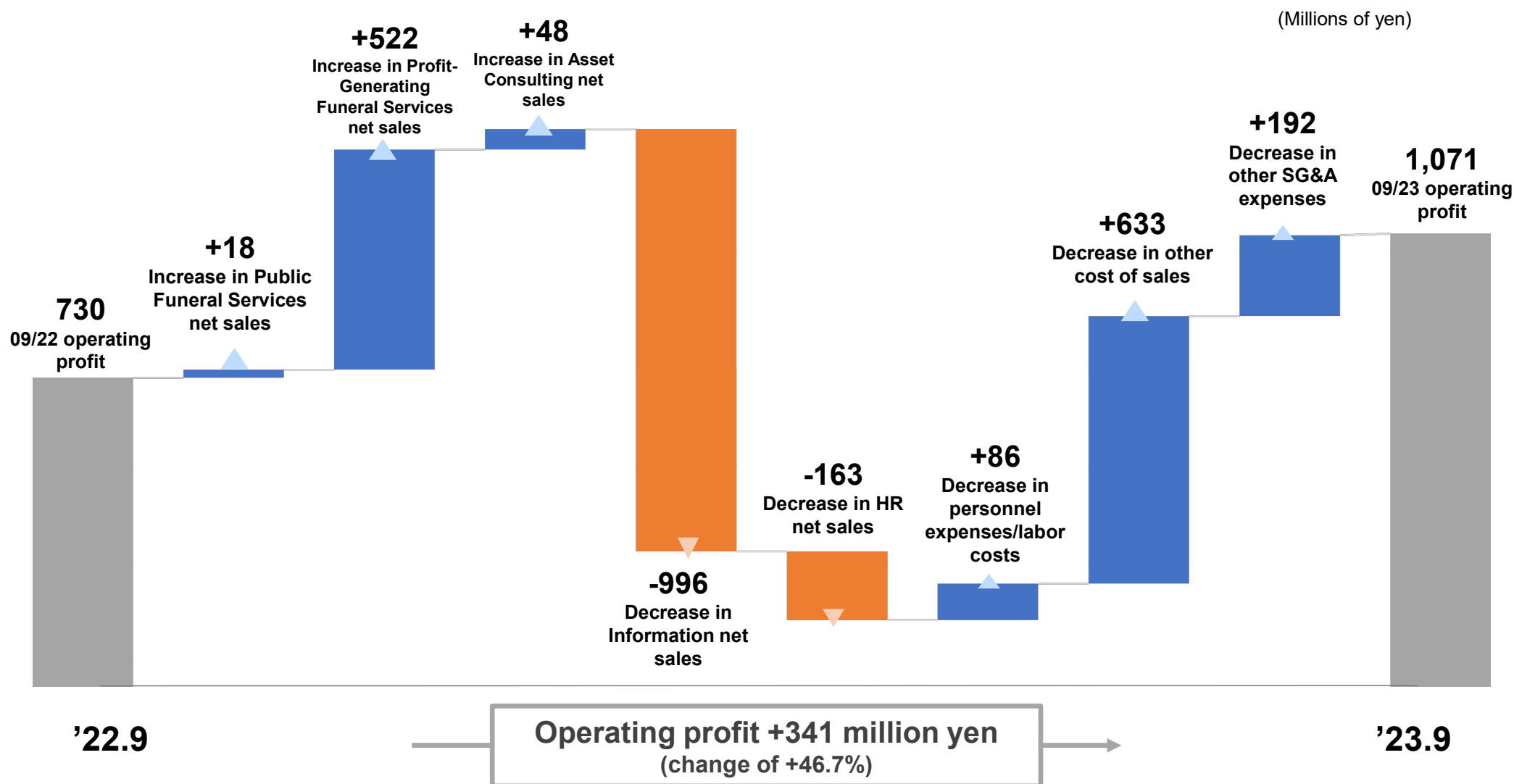
The method for booking management guidance fees for Group companies has been changed effective from the first quarter of the current fiscal year. These fees, which were included in corporate expenses as an adjustment, are now booked as operating expenses for each Group company of the reporting segment. Materials for the previous fiscal year were prepared according to this change.

- Operating profit increased 46.7% year on year due to solid performance of the funeral business, contribution from the Profit-Generating Funeral Services Segment with new funeral halls in operation, and continued cost optimization of Information and HR segments.



A1-06 Q2 FY03/24 Analysis of Change in Operating Profit (Major Items)

- Year on year, Information and HR segment income decreased, but Profit-Generating Funeral Services income increased. Overall income increased as a result of cost reductions in both Information and HR segments.



A1-07 Consolidated Balance Sheet

(Millions of yen)

	March 2023	Sep 2023	Difference as of quarter end
Current assets	27,998	27,127	-871
Cash and deposits	18,699	13,133	-5,566
Notes and accounts receivable–trade	5,810	3,458	-2,352
Non-current assets	43,134	43,937	803
Property, plant and equipment	35,807	36,684	877
Intangible assets	886	783	-103
Investments and other assets	6,440	6,469	29
Total assets	71,134	71,064	-70
Current liabilities	12,443	13,152	709
Short-term debt	1,400	1,400	0
Income taxes payable	325	551	226
Non-current liabilities	17,256	18,459	1,203
Total liabilities	29,699	31,611	1,912
Shareholders' equity	41,060	38,774	-2,286
Capital	100	159	59
Retained earnings	30,561	31,636	1,075
Share acquisition rights	11	66	55
Total net assets	41,434	39,452	-1,982
Total liabilities and net assets	71,134	71,064	-70



Public Funeral Services Business

A1-08 Income & Expenditures | Q2 FY03/24

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

Increase in transparency



Increase in business stability

■ The Company's 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 payments

||

(Reserves for losses in the Public Funeral Services Business)

■ Business Income & Expenditure for FY03/24 | Cumulative total from April 2023 to Sep 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	The balance of payments is appropriated as profit.	(vii) Public Funeral Services business reserves for losses
(ii) Segment sales	(iii) Segment expenses	(ii - iii) =			(i - iv - v) =		
2,513	2,287	226	69	375	- 218		0

(Millions of yen)

(*Estimate based on information as of August 2023)

A2-01 Medium-Term Business Plan 3.0 Performance Targets

Medium-Term Business Plan 3.0 (announced May 12, 2023)

(Millions of yen)

	FY03/22 Results	FY03/23 Results	Medium-Term Business Plan 3.0			
			FY03/24 Forecast		FY03/25 Plan	FY03/26 Plan
			May 12	Nov 10		
Net sales	35,361	36,668	40,000	39,841	42,100	43,800
Operating profit	3,729	4,280	6,360	6,940	7,970	8,710
Ordinary profit	3,610	4,185	6,110	6,893	7,750	8,490
Profit before income taxes	3,627	4,071	6,110	6,883	7,750	8,490
Income taxes	17	29	1,610	1,983	2,250	2,490
Profit attributable to owners of parent	3,643	4,042	4,500	4,900	5,500	6,000

Medium-Term Business Plan 3.0 Performance Targets

A2-02 by Business Segment

(Millions of yen)

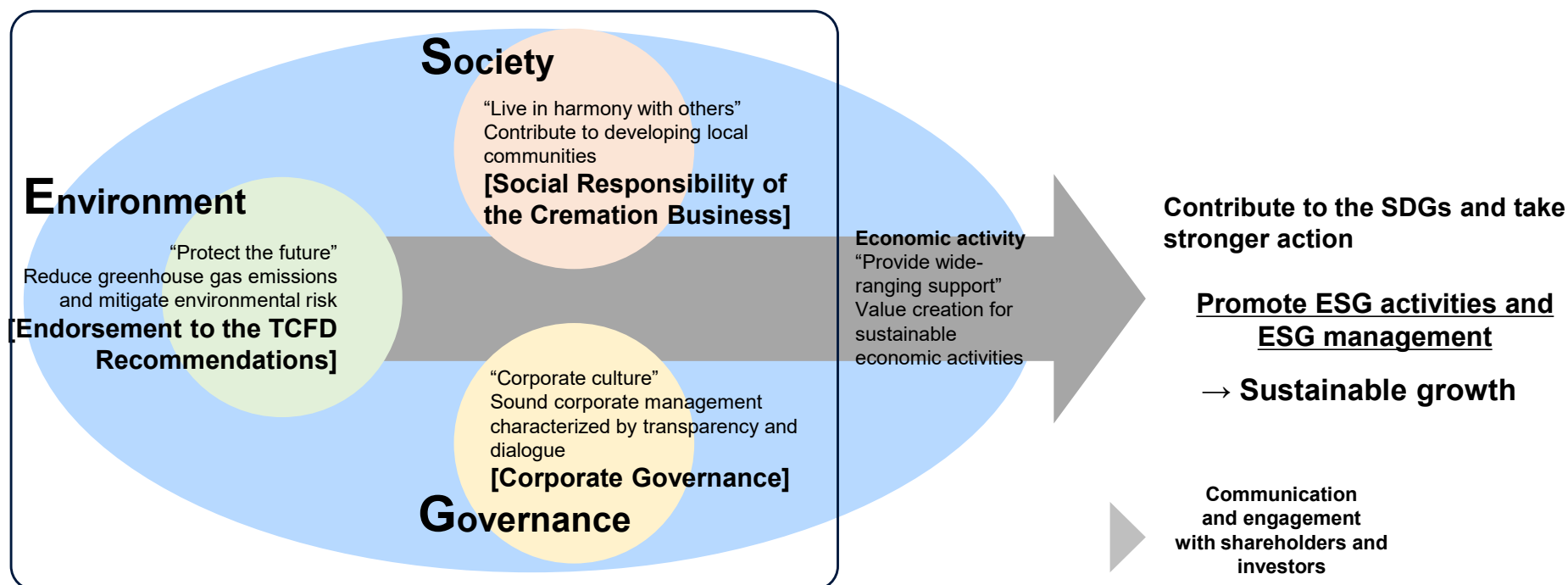
Medium-Term Business Plan 3.0 (announced May 12, 2023)

		FY03/23 Results	Medium-Term Business Plan 3.0			
			FY03/24 Forecast		FY03/25 PLAN	FY03/26 PLAN
			May 12	Nov 10		
Public Funeral Services	Net sales	5,561	6,033	5,808	6,215	6,400
	Operating profit	1,015	1,018	1,130	1,354	1,378
Profit- Generating Funeral Services	Net sales	6,382	8,639	8,667	9,785	10,100
	Operating profit	2,139	3,351	3,382	4,374	4,501
Asset Consulting	Net sales	0	368	537	700	1,400
	Operating profit	0	286	311	500	1,000
Information	Net sales	18,048	18,068	18,282	18,411	18,749
	Operating profit	392	609	900	684	694
HR	Net sales	6,677	6,892	6,544	6,989	7,151
	Operating profit	-27	237	227	244	247
Adjustments		761	859	991	814	890
Total	Net sales	36,668	40,000	39,841	42,100	43,800
	Operating profit	4,280	6,360	6,940	7,970	8,710

A3-01 ESG Activities Report

The purpose of the Kosaido Holdings ESG Activity Report is to provide shareholders, investors, business partners, and a wide range of other stakeholders with an understanding of the Company's approach and concrete action to further sustainability. The Kosaido Group SDGs Declaration defines four materialities (key issues) that are linked to both ESG activities and business management.

The word “Kosai” in our company name means “contributing to society at large.” Since our founding, we have diversified into the Public Funeral Services Business, Profit-Generating Funeral Services Segment, Asset Consulting, Information, and HR according to this common philosophy, thus providing valuable services that people and society appreciate. This report presents concrete action in our ESG activities with an awareness of our contribution to the SDGs, along with action to carry out our corporate philosophy.



ESG Activity Report [Society]

A3-02 - Social Responsibility of the Cremation Business

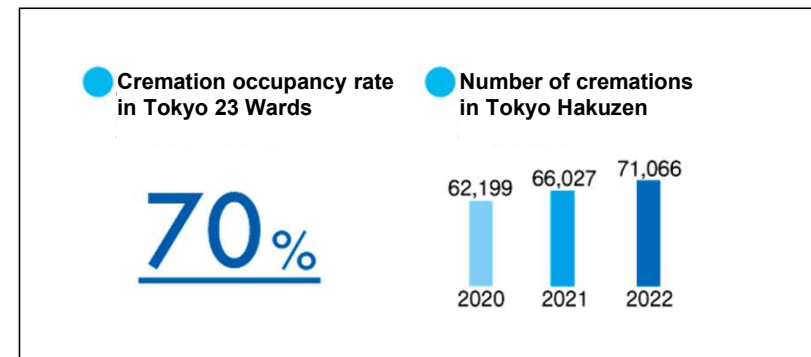
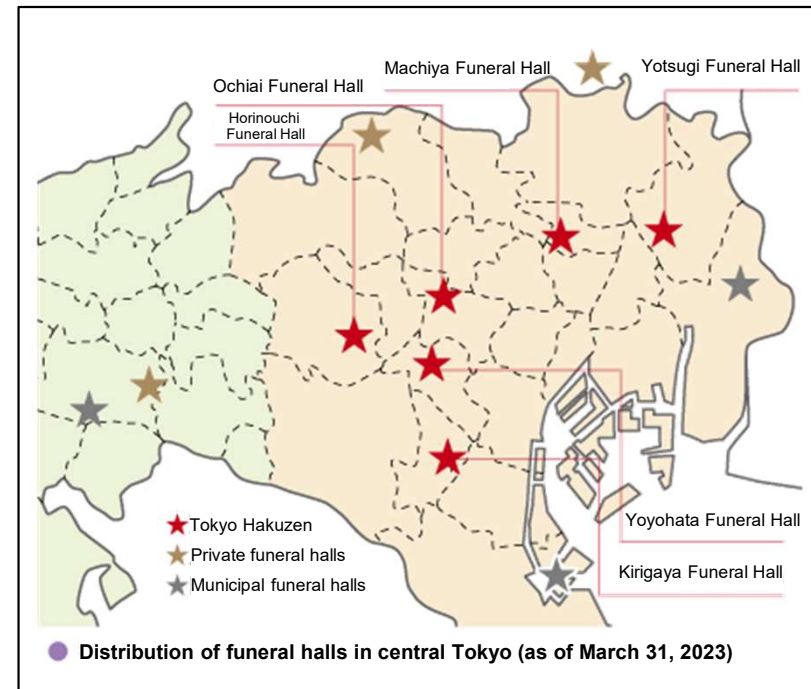
Basic Concept

The Company conducts our business based on the spirit of “Kosai,” which means “contributing to society at large.” Especially in Tokyo Hakuzen's cremation business, we contribute to the local community at large by carrying on this spirit and putting it into practice.

Originally, crematorium operations in Japan were regulated by the Act Concerning Graveyard, Burial, etc. and managing entities were generally local public organizations. Even if operations were more difficult, the operator had to be a public interest corporation or a religious corporation. But because Tokyo Hakuzen has been doing business in Tokyo since before this law came into force, **Tokyo Hakuzen, a private company, is operating six crematoriums.** Tokyo Hakuzen's crematoriums have a long history. They were built between the Edo Period (1603-1867) to the Meiji Era (1868-1912). Today, these facilities stand at convenient locations in Tokyo.

64* furnaces are operating at Tokyo Hakuzen funeral homes, handling approximately 70,000 cremations a year.* This accounts for about 70% of deaths in Tokyo's 23 wards.* Therefore, these locations receive many visitors, around 700,000. (*As of July 2023)

For more than 100 years since our establishment, we have been an indispensable business upholding the social infrastructure in the metropolis of Tokyo and fulfilling our social responsibility, but without public assistance, because we are a private company. In addition to contributing to the local community, our cremation business supports its development.



ESG Activity Report [Society]

A3-03 - Social Responsibility of the Cremation Business

Social Responsibility of the Cremation Business in a High-Death Society

Both local communities and Japanese society as a whole are facing a high number of deaths, and that figure increases by the year. As shown in these materials, nationwide deaths will peak by around 2040, and the number in Tokyo will continue increasing until 2065.



(From this document: Q1 FY03/24 Highlights)

*See next page for death statistics and trends.

In a society already facing a high number of deaths, those of us in the cremation business must take prompt action. However, public facilities operated by local governments cannot cope and there are already cremation waiting lists. In the future, the facilities may become more incapable of holding the funeral services requested by bereaved families.

In response, Tokyo Hakuzen is working to accurately understand social issues and problems from our unique business perspective as a private company, and we are striving for sustainable operations that do not rely on public funds. Tokyo Hakuzen, with a history spanning 100 years, takes the accelerating trend of a high number of deaths in Tokyo's large population seriously. We believe that it is our social responsibility to make efforts to build a society where we can always perform cremations and funeral processions at any time.

We also clearly recognize that without Tokyo Hakuzen, funeral processions in Tokyo would not be possible. Carrying on our business for the next 100 years and in perpetuity beyond is also connected to our company's great significance for society. We aspire to be a company that society always recognizes for its contributions, while establishing bonds of trust with society and members of the local community, and maintaining an awareness of the requirements for appropriate behavior according to our corporate responsibilities.



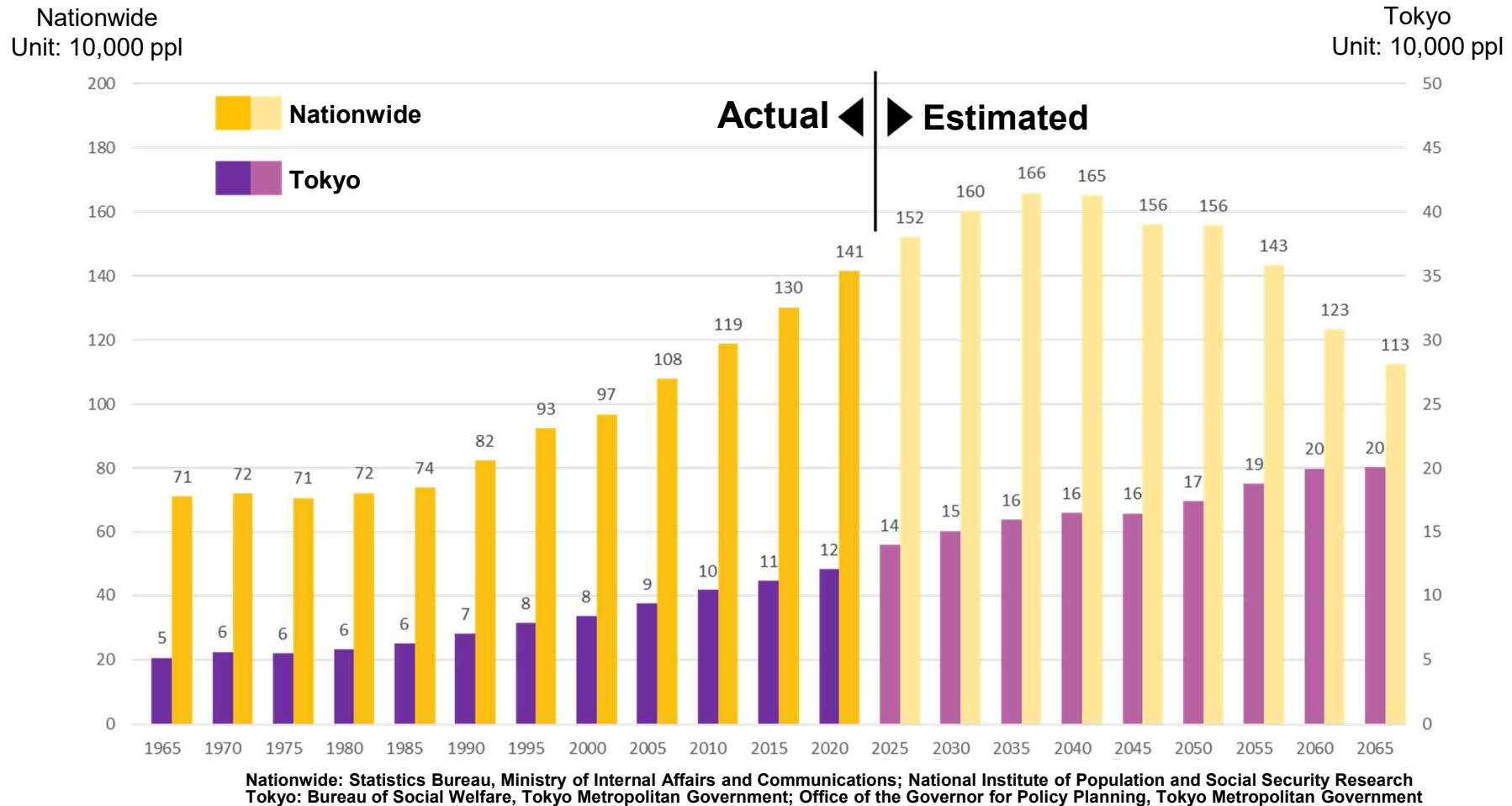
広済堂グループ
東京博善

ESG Activity Report [Society]

A3-04 - Social Responsibility of the Cremation Business

*Excerpt/reprint from this document: Q1 FY03/24 Highlights)

State of the Population | Estimated Deaths



**Nationwide deaths will peak in around 2040, but will continue rising in Tokyo until at least 2065.
(*There were 1.58 million deaths nationwide in 2022.)**

ESG Activity Report [Society]

A3-05 - Social Responsibility of the Cremation Business

Tokyo Hakuzen's Actions

■ Cremation technology for smooth funeral services

While many crematoriums use furnaces with carts, Tokyo Hakuzen uses grates that enable quick cremations so we can handle the increasing number of services. While other crematoriums normally handle two to three services per day, ours perform seven to nine. This eliminates waiting times before funeral services and reduces the psychological burden for the bereaved. To cope with a society with high number of deaths, we are focused on improving our operations as well as our technology.



Outside the cremation furnaces at Yotsugi Funeral Home

■ Development of new, environmentally friendly cremation furnace system (Patented)

*Environmentally friendly

To help protect the environment, we are furthering the development of new cremation furnace systems that suppress dioxins while reducing CO2 emissions. We have developed and patented Japan's first environmentally friendly cremation furnace system that generates electricity from the cremation furnace's residual heat and uses a power recycling system. This new cremation system significantly suppresses exhaust gas emissions compared to conventional cremation furnace systems, and has achieved reductions in CO2, dioxins, and other toxic substances.

Stimulating the local economy through mutual understanding from exchanges with the community *CSR activities

Each of our six funeral homes in Tokyo hold Community Appreciation Gatherings to thank neighboring communities for their understanding and support. We endeavor to provide a setting where people of all ages can have an enjoyable and meaningful time through various events such as facility tours, morning markets, sales of products that support the employment of people with disabilities, *rakugo* (traditional Japanese comic storytelling) performances, mini concerts, art exhibitions, health seminars, and more.



The Kirigaya Funeral Hall held a Community Appreciation Gathering on July 9, 2023 for the neighborhood.

The event was a great success, with a dance performance by local children, a show by top-ranked *rakugo* storyteller Hanahei Hayashiya, an earthquake experience, and a Mercari class.

A3-06 ESG Activity Report [Environment]

Disclosure Based on the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations

In addition to endorsing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), in 2022, in response to increasing greenhouse gas emissions and extreme weather conditions caused by global warming, which have become important issues for the international community, the Group announced our SDGs Declaration to promote sustainability management. We have established a materiality on the environment and will work with our partners to further reduce risks to the environment. In addition, we have begun to disclose information in accordance with the TCFD and we will continue to implement the PDCA cycle to strengthen our management strategies related to climate change based on feedback from our stakeholders.

GHG Emissions Reduction Target

For GHG emissions from business activities at our company's sites (Scope 1 and 2), we are taking action to reduce with a medium-term target of 2030. For Scope 3, we are surveying the state of GHG emissions control by suppliers and customers.

Item	Scope 1+2 reduction targets	Scope 3 reduction targets
2050 target	Carbon neutrality	Carbon neutrality
2030 target	Reduce CO ₂ emissions by 34%	To be formulated based on the status of suppliers and purchases
Emissions factor	Ministry of the Environment "Measurement Methods and Emissions Factors under the Measurement, Reporting, and Publication System"	
Reference year	2020	

We disclose information according to TCFD recommendations at our Japanese website (IR Site/Environmental Policy).

You can check the following items according to disclosure rules:
 "Governance," "Strategy," "Risk Analysis,"
 "Indicators and Targets," "Reduction Targets"

*The information will be updated in December 2023.



A3-07 ESG Activity Report [Governance]

Basic Concept

Aiming to maximize shareholder value, sustainably increase enterprise value, and earn society's trust, we not only boost profitability, but also emphasize shareholder rights, implement efficient, fair, and transparent management practices, and ensure compliance. Furthermore, we enhance corporate governance by fulfilling the social responsibilities required of companies in terms of the environment, society, and governance, and by addressing social issues for the sustainable growth of the company and society.

Overview of Corporate Governance Structure

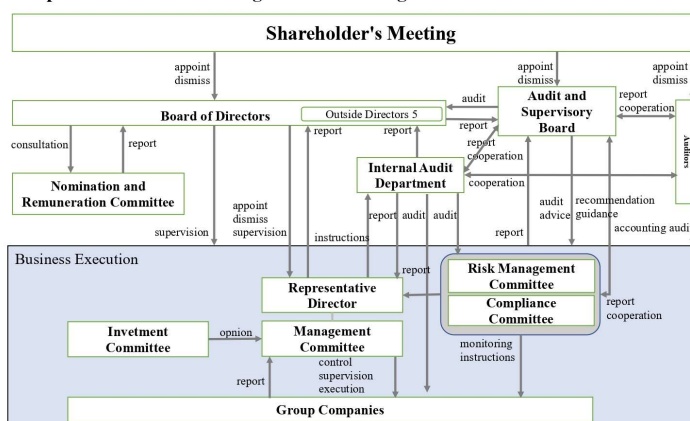
■ Board of Directors

As a company with a Board of Corporate Auditors, we endeavor to enhance corporate governance and improve the fairness and transparency of management based on our basic concept by building a management organization enabling proper supervision and monitoring while allowing directors to make appropriate decisions and promptly carry out business operations. In addition, we have established a voluntary nomination and compensation committee, whose primary members are independent outside directors and independent outside auditors, to deliberate and report to the Board of Directors on the directors' compensation, policy for determining their compensation, and proposed candidates for director positions. The Board of Directors, comprising two executive directors, one non-executive director, five outside directors, and corporate auditors, generally hold a regular monthly Board of Directors meeting, along with extraordinary meetings as necessary, to determine important business strategies, including management targets and strategies, as well as matters required by law, and to supervise business execution.

■ Board of Corporate Auditors

One full-time auditor and two outside auditors are appointed to ensure objectivity and neutrality in management oversight as they audit the state of governance and operations. In addition, we have appointed two outside auditors as independent directors, with the understanding that the roles of outside directors and outside auditors are, as an independent body entrusted by shareholders, to maintain a neutral and impartial position and ensure management's neutrality and objectivity.

Corporate Governance Organizational Diagram



For more information on corporate governance, please visit the IR News section of our website.

A4-01 Company Overview

**Company
name**

KOSAIDO Holdings Co., Ltd.

**Establish-
ment**

January 1949

Net sales

36,668
million yen
(FY03/23)

Total assets

71,064
million yen
(as of Sep 30, 2023)

Net assets

39,452
million yen
(as of Sep 30, 2023)

**Represent-
ative**

Hiroshi Kurosawa, President & CEO

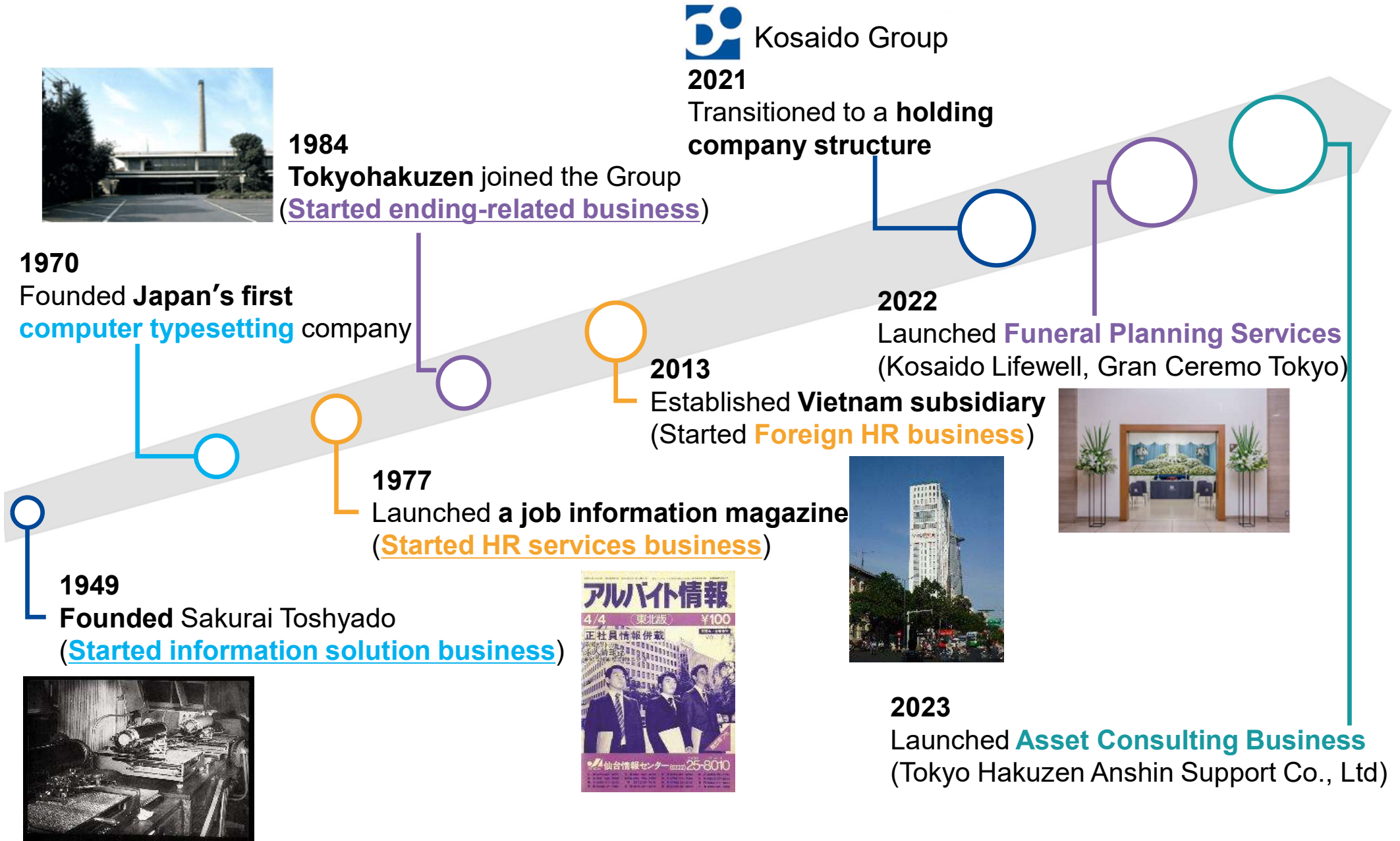
**Number of
employees**

1,077 (consolidated | as of Sep 30, 2023)

**Market
information**

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

A4-02 History



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.

A4-04 KOSAIDO Group

Further enrich
100-year lives.






KOSAIDO Holdings

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



[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



A4-05 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.



A4-06 Contact

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.

In addition, Facilities Tour for Institutional Investors and Analysts are held accordingly (funeral home tours operated by Tokyo Hakuzen Co., Ltd.).

If you would like to join, please contact us via the URL below.

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



FY03/24

Q2 Financial Results Presentation

Securities code: 7868

November 10, 2023

0 Contents

1 Q2 FY03/24 Highlights P.2

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- Q2 FY03/24 Financial Results Summary by Business Segment
- New Funeral Hall Capacity Utilization
- Status of New Businesses

2 Consolidated Financial Forecast for FY03/24 P.7

- Revisions to Consolidated Financial Forecast for FY03/24
- Consolidated Financial Forecast by Business Segment

3 FY03/24 Shareholder Return P.10

- Shareholder Return
- Stock Split
- Revisions to FY03/24 Dividend Forecast

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- State of the Population | Estimated Deaths
- Tokyo Hakuzen's Room for Expansion and Estimated Impact on Profit
- The Tokyo End-of-Life Market
- Business Growth Beyond Medium-Term Business Plan 3.0

A Reference Materials P.20

A blue background with organic, wavy shapes. A large white number '1' is centered within a lighter blue circular area.

1

Q2 FY03/24 Highlights












1-01 Q2 FY03/24 Consolidated Financial Results

- As in Q1, income in the Information Segment decreased due to changes in COVID-19-related special demand from the previous fiscal year and large BPO projects that were shifted to Q4. However, profits were booked by curbing outsourcing costs and reducing fixed costs.
- The Profit-Generating Funeral Services Segment grew sales from funeral hall usage while the funeral business contributed to an increase in consolidated profit.
- The 154M that was scheduled to be sold from Asset Consulting is recognized as non-operating income.

(Millions of yen)								*Reference
	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast		Q2 FY03/24 YoY change
			Change	Rate of Change (%)		Change	Rate of Change (%)	
Net sales	15,730	16,488	-758	-4.6	16,421	-691	-4.2	8,086 -6.6
Operating profit	1,817	1,197	620	51.8	1,625	192	11.8	1,071 46.7
Ordinary profit	1,842	1,202	640	53.1	1,533	309	20.2	1,024 38.4
Profit attributable to owners of parent	1,460	929	531	57.2	1,167	293	25.1	814 42.1

1-02 Q2 FY03/24 Financial Results Summary by Business Segment

(Millions of yen)

	Net sales		YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast		Operating profit		YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast	
	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	Change	Rate of Change (%)		Change	Rate of Change (%)	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	Difference	Rate of Change (%)		Change	Rate of Change (%)
Public Funeral Services	 2,513	2,435	78	3.2	2,593	-80	-3.1	 226	256	-30	-11.7	134	92	68.7
Profit- Generating Funeral Services	 3,796	2,734	1,062	38.8	3,750	46	1.2	 1,357	883	474	53.7	1,261	96	7.6
Asset Consulting	48	0	48	—	190	-142	-74.7	-22	0	-22	—	114	-136	—
Information	 6,422	8,096	-1,674	-20.7	6,740	-318	-4.7	 -266	-221	-45	—	-294	28	—
HR	 2,949	3,221	-272	-8.4	3,147	-198	-6.3	 -2	-73	71	—	6	-8	—
Adjustments , etc.			0	—		0	—	 525	352	173	49.1	403	122	30.3
Total	 15,730	16,488	-758	-4.6	16,421	-691	-4.2	 1,817	1,197	620	51.8	1,624	193	11.9

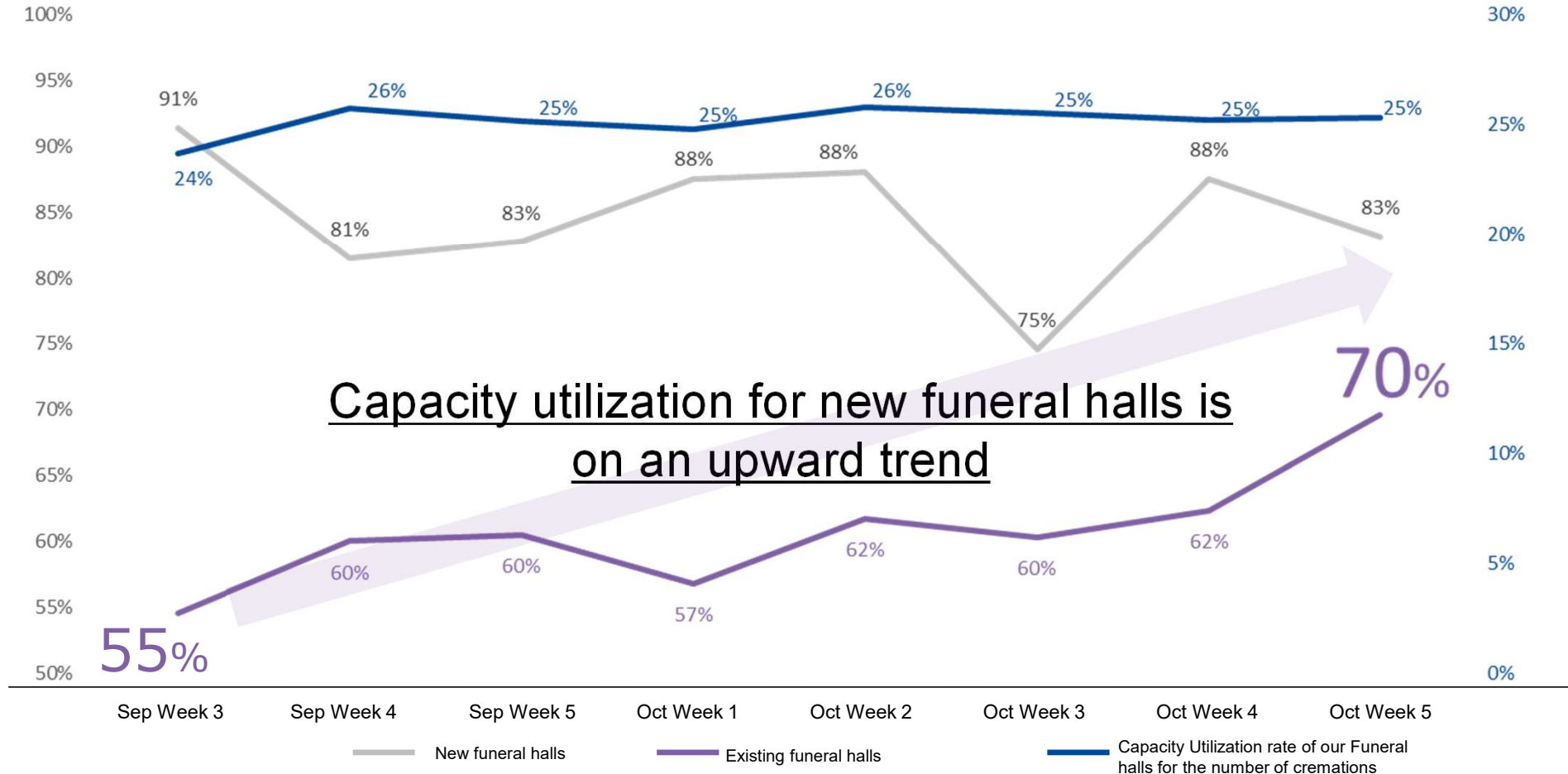
  ... YoY change

- Information and HR income declined due to the impact of the previous fiscal year's COVID-19-related special demand, but we ensured profits through cost reductions.
- Profit-Generating Funeral Services covered the overall revenue due to increased sales from opening new funeral halls and growth in the performance of funeral services company.
- Asset Consulting | 154M in non-operating income booked. Approx. 100M yen in sales to be booked late in Q3 or afterward.

1-03 New Funeral Hall Capacity Utilization

Capacity Utilization rate of existing and new Funeral halls

Capacity Utilization rate of our Funeral halls



- All new funeral halls became operational from September.
- The new funeral hall capacity utilization has exceeded expectations from 55% at the start.
- Continuous publicity and sales to funeral services companies have resulted in steadily increasing capacity utilization for new funeral halls.

1-04 Status of New Businesses

Funeral Business

* ... 2 companies: Kosaido Lifewell, Gran Ceremo Tokyo

- FY03/24 Performance (2 companies* combined)

(Millions of yen)

	Q1					Q2					Q2 (Cumulative)				
	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year
Net sales	329	343	-14	44	285	383	360	23	209	174	712	703	9	254	458
Operating profit	45	20	25	-59	104	35	31	4	-39	74	80	52	28	-98	178

Primary cause

(Difference from plan) - Sales are on an upward trend due to increased attendees. Advertising operations are optimized to further increase orders in 2Q

(Difference from the prior year) - There were upfront costs because the previous fiscal year was the first year for the newly launched funeral business.

Asset Consulting Business

- Sales of a project (100M scale) scheduled to be booked in 2Q were changed to sales in 4Q.
- Small-scale real estate-related projects are also progressing and gradually adding up the sales.

Furnaces

- Started in-house maintenance and crematorium design. It is progressing smoothly.

A blue background with organic, wavy shapes. A large white number '2' is centered within a lighter blue circular area.

2

Consolidated Financial Forecast for FY03/24

Revisions to Consolidated Financial Forecast for FY03/24

Q1

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	7,644	7,644	-	-	7,832	-188	-2.4
Operating profit	746	746	-	-	467	279	59.7
Ordinary profit	818	818	-	-	463	355	76.6
Quarterly profit	646	646	-	-	356	290	81.3

Q2

	Actual	Revised forecast (Aug 9)	Amount revised		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	8,086	8,777	-691	-7.9	8,657	-571	-6.6
Operating profit	1,071	879	192	21.8	730	341	46.7
Ordinary profit	1,024	715	309	43.2	740	275	38.4
Quarterly profit	814	521	293	56.2	573	241	42.1

H1 (cumulative)

(Millions of yen)

	Actual	Revised forecast (Aug 9)	Amount revised		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	15,730	16,421	-691	-4.2	16,488	-758	-4.6
Operating profit	1,817	1,625	192	11.8	1,197	620	51.8
Ordinary profit	1,842	1,533	309	20.2	1,202	640	53.1
Quarterly profit	1,460	1,167	293	25.1	929	531	57.2

Q3

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	10,589	10,488	101	1.0	9,711	878	9.0
Operating profit	1,766	1,721	45	2.6	1,219	547	44.9
Ordinary profit	1,717	1,672	45	2.7	1,172	545	46.5
Quarterly profit	1,418	1,220	198	16.2	973	445	45.7

Q4

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	13,521	13,311	210	1.6	10,469	3,052	29.2
Operating profit	3,357	3,212	145	4.5	1,864	1,493	80.1
Ordinary profit	3,334	3,189	145	4.5	1,810	1,524	84.2
Quarterly profit	2,022	2,333	-311	-13.3	2,139	-117	-5.5

Full year (cumulative)

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	39,841	40,221	-380	-0.9	36,668	3,173	8.7
Operating profit	6,940	6,558	382	5.8	4,280	2,660	62.1
Ordinary profit	6,893	6,394	499	7.8	4,185	2,708	64.7
Quarterly profit	4,900	4,720	180	3.8	4,042	858	21.2

FY03/24 current net profit forecast changed due to factors including +499M ordinary profit and -303M decrease in profit from higher tax expenses

1Q

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	7,644	7,644	0	0.0	7,832	-188	-2.4
Public Funeral Services Segment	1,207	1,207	0	0.0	1,148	59	5.1
Profit-Generating Funeral Services Segment	1,796	1,796	0	0.0	1,255	541	43.1
Asset Consulting Segment	0	0	0	-	0	0	-
Information Segment	3,160	3,160	0	0.0	3,838	-678	-17.7
HR Segment	1,480	1,480	0	0.0	1,589	-109	-6.9
Operating profit	746	746	0	0.0	467	279	59.7
Public Funeral Services Segment	58	58	0	0.0	112	-54	-48.2
Profit-Generating Funeral Services Segment	641	641	0	0.0	434	207	47.7
Asset Consulting Segment	-29	-29	0	-	0	-29	-
Information Segment	-156	-156	0	-	-185	29	-
HR Segment	-23	-23	0	-	-45	22	-
Adjustments	254	254	0	0.0	150	104	69.3

3Q

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	10,589	10,488	101	1.0	9,711	878	9.0
Public Funeral Services Segment	1,593	1,593	0	0.0	1,472	121	8.2
Profit-Generating Funeral Services Segment	2,302	2,302	0	0.0	1,756	546	31.1
Asset Consulting Segment	113	12	101	841.7	0	113	-
Information Segment	4,756	4,756	0	0.0	4,719	37	0.8
HR Segment	1,825	1,824	1	0.1	1,764	61	3.5
Operating profit	1,766	1,721	45	2.6	1,219	547	44.9
Public Funeral Services Segment	394	394	0	0.0	300	94	31.3
Profit-Generating Funeral Services Segment	900	900	0	0.0	599	301	50.3
Asset Consulting Segment	49	4	45	1,125.0	0	49	-
Information Segment	108	108	0	0.0	94	14	14.9
HR Segment	118	118	0	0.0	38	80	210.5
Adjustments	197	197	0	0.0	189	8	4.2

2Q

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	8,086	8,777	-691	-7.9	8,656	-570	-6.6
Public Funeral Services Segment	1,306	1,386	-80	-5.8	1,288	18	1.4
Profit-Generating Funeral Services Segment	2,000	1,954	46	2.4	1,478	522	35.3
Asset Consulting Segment	48	190	-142	-74.7	0	48	-
Information Segment	3,262	3,580	-318	-8.9	4,258	-996	-23.4
HR Segment	1,469	1,667	-198	-11.9	1,632	-163	-10.0
Operating profit	1,071	879	192	21.8	729	342	46.9
Public Funeral Services Segment	168	76	92	121.1	144	24	16.7
Profit-Generating Funeral Services Segment	716	620	96	15.5	449	267	59.5
Asset Consulting Segment	7	143	-136	-95.1	0	7	-
Information Segment	-110	-138	28	-	-37	-73	-
HR Segment	21	29	-8	-27.6	-29	50	-
Adjustments	271	149	122	81.9	202	69	34.2

4Q

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	13,521	13,311	100	0.8	10,469	3,052	28.1
Public Funeral Services Segment	1,702	1,702	0	0.0	1,651	51	3.1
Profit-Generating Funeral Services Segment	2,569	2,569	0	0.0	1,894	675	35.6
Asset Consulting Segment	376	166	210	126.5	0	376	-
Information Segment	7,104	7,104	0	0.0	5,232	1,872	35.8
HR Segment	1,770	1,770	0	0.0	1,692	78	4.6
Operating profit	3,357	3,212	145	4.5	1,864	1,493	80.1
Public Funeral Services Segment	510	510	0	0.0	357	153	42.9
Profit-Generating Funeral Services Segment	1,125	1,125	0	0.0	752	373	49.6
Asset Consulting Segment	284	139	145	104.3	0	284	-
Information Segment	1,058	1,058	0	0.0	521	537	103.1
HR Segment	111	111	0	0.0	9	102	1,133.3
Adjustments	269	269	0	0.0	223	46	20.6

H1 (cumulative)

(Millions of yen)

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	15,730	16,421	-691	-4.2	16,488	-758	-4.6
Public Funeral Services Segment	2,513	2,593	-80	-3.1	2,435	78	3.2
Profit-Generating Funeral Services Segment	3,796	3,750	46	1.2	2,734	1,062	38.8
Asset Consulting Segment	48	190	-142	-74.7	0	48	-
Information Segment	6,422	6,740	-318	-4.7	8,096	-1,674	-20.7
HR Segment	2,949	3,147	-198	-6.3	3,221	-272	-8.4
Operating profit	1,817	1,625	192	11.8	1,197	620	51.8
Public Funeral Services Segment	226	134	92	68.7	256	-30	-11.7
Profit-Generating Funeral Services Segment	1,357	1,261	96	7.6	884	473	53.5
Asset Consulting Segment	-22	114	-136	-	0	-22	-
Information Segment	-266	-294	28	-	-221	-45	-
HR Segment	-2	6	-8	-	-73	71	-
Adjustments	525	403	122	30.3	352	173	49.1

Full year (cumulative)

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	39,841	40,221	-380	-0.9	36,668	3,063	8.4
Public Funeral Services Segment	5,808	5,888	-80	-1.4	5,559	249	4.5
Profit-Generating Funeral Services Segment	8,667	8,621	46	0.5	6,383	2,284	35.8
Asset Consulting Segment	537	368	169	45.9	0	537	-
Information Segment	18,282	18,600	-318	-1.7	18,047	235	1.3
HR Segment	6,544	6,741	-197	-2.9	6,677	-133	-2.0
Operating profit	6,940	6,558	382	5.8	4,280	2,660	62.1
Public Funeral Services Segment	1,130	1,038	92	8.9	913	217	23.8
Profit-Generating Funeral Services Segment	3,382	3,286	96	2.9	2,235	1,147	51.3
Asset Consulting Segment	311	257	54	21.0	0	311	-
Information Segment	900	872	28	3.2	393	507	129.0
HR Segment	227	235	-8	-3.4	-26	253	-
Adjustments	991	869	122	14.0	764	227	29.7



3

FY03/24 Shareholder Return

3-01 Shareholder Return

Approach to shareholder return and internal reserves

Dividend and internal reserves

Dividend

... Dividends implemented as a stable return policy

⇒ Current dividend payout ratio ~~30%~~

32.5%

[As of November 10, 2023]

Further increase in the dividend payout ratio will be considered in the future

Internal reserves

... Seeking scale for growth investments reserves
(Expansion, furnace manufacturing, etc.)

Stock buyback

Plan to flexibly execute based on cash balances and stock price trends

3-02 Stock Split

Stock split (announced Nov 10, 2023)

At a meeting of the Company's Board of Directors held on November 10, 2023, the following resolution was adopted.

Purpose of the stock split:

In line with the new NISA system that will be introduced from January next year, the Company decided to carry out the stock split after comprehensively considering the level of the Company's stock price, how the Company's stock is circulating, changes in the composition of shareholders, and other factors.

By reducing the per-unit investment amount in the Company's shares, the Company aims to create an environment in which investors can invest more easily, improve the liquidity of the Company's shares, and further expand the investor base.

Method of split:

With November 30, 2023 as the record date, the shares of common stock held by shareholders listed or recorded in the shareholders' register as of the end of that date will be split at a ratio of five shares for each share held.

Split dates:

- Date of standard public notice: Wednesday, November 15, 2023
- Record date: Thursday, November 30, 2023
- Effective date: Friday, December 1, 2023

3-03 Revision to Dividend Forecast

Dividend Forecast for FY03/24

- ✓ In addition to reflecting revisions in the full-year consolidated financial forecast, the payout ratio will change from 30% to 32.5%

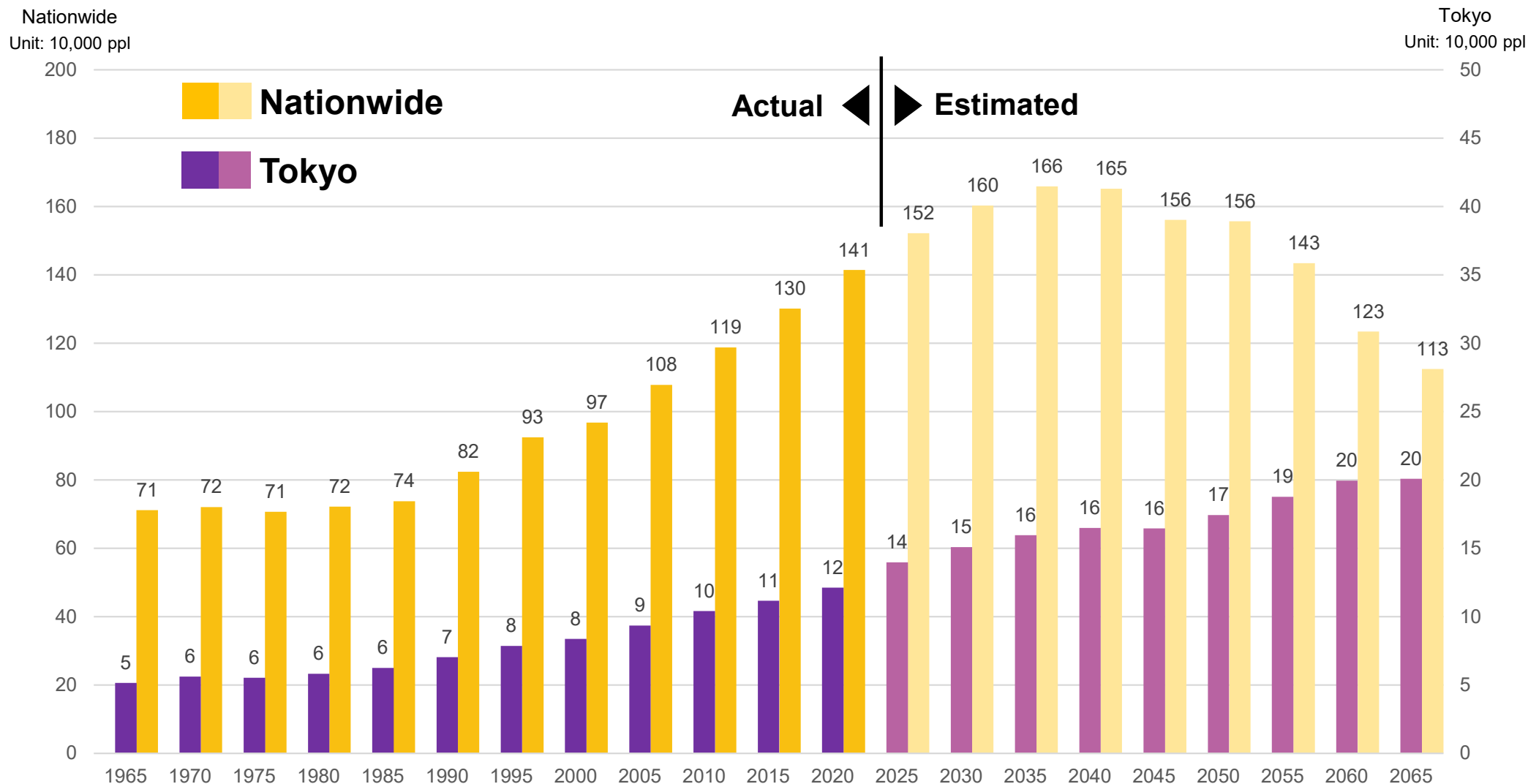
Record date	Dividend per share		
	End of Q2	End of FY	Total
FY03/23 results	7.75 yen	13.50 yen	21.25 yen
FY03/24 initial forecast (May 12, 2023)	23.65 yen	23.65 yen	47.30 yen
FY03/24 previous forecast (Aug 9, 2023)	26.30 yen	26.30 yen	52.60 yen
FY03/24 revised forecast (Conversion before stock split)	29.47 yen	5.89 yen* (29.47 yen)	— 58.94 yen

* ... Dividend per share after stock split effective December 1, 2023

4

Long-Term Outlook

4-01 State of the Population | Estimated Deaths



Nationwide: Statistics Bureau, Ministry of Internal Affairs and Communications; National Institute of Population and Social Security Research
Tokyo: Bureau of Social Welfare, Tokyo Metropolitan Government; Office of the Governor for Policy Planning, Tokyo Metropolitan Government

**Nationwide deaths will peak in around 2040, but will continue rising in Tokyo until at least 2065.
(*There were 1.58 million deaths nationwide in 2022.)**

4-02 Room for Expansion at Tokyo Hakuzen | Social Responsibility

As a company that provides cremation services in the public interest, we will fulfill our social responsibility in response to the increase in deaths.

Predicted number of cremation services

FY2022 **70,000**
(Deaths in Tokyo: 120,000)

FY2060 **130,000***
(Deaths in Tokyo | Estimate: 200,000)

*Company estimates based on statistical data from the Office of the Governor for Policy Planning, Tokyo Metropolitan Government

Our response

1. Operational capabilities developed by Tokyo Hakuzen

Expand service hours and cremations we handle

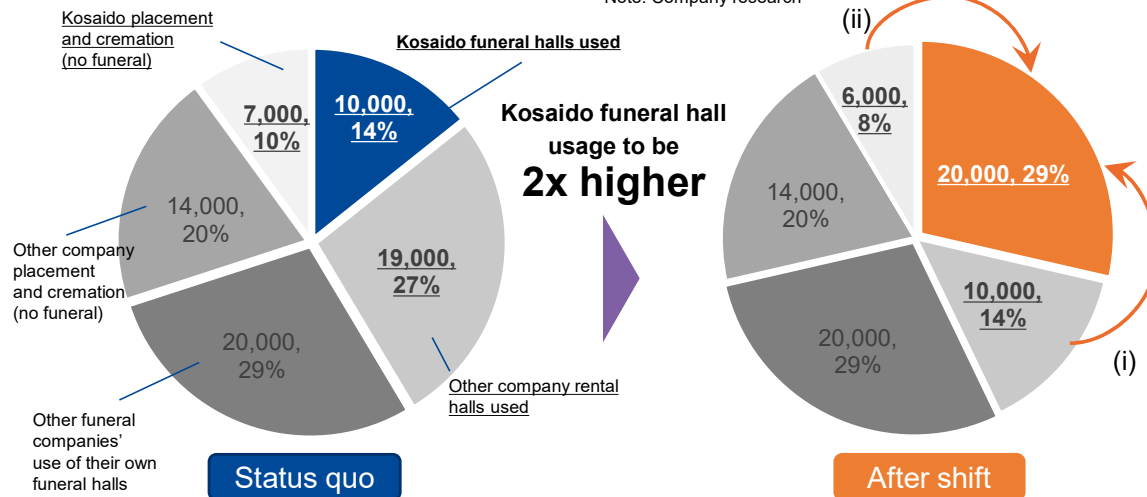
2. Utilize room for expansion at Tokyo Hakuzen

Additional furnaces (expansion)

Add yet more funeral halls

Breakdown of Funeral Hall Used for 70,000 Cremations*

Note: Company research



Current facilities

Funeral homes	Number of funeral homes	6 locations (23 wards)
	Total floor area	45,132 m ²
	Furnaces	
	Total furnaces	64
	Area	1,568 m ² (including back of furnaces)
	Funeral halls	
Additional funeral halls	Total number of funeral halls	35 halls
	Area	3,889 m ² (including 1,790 m ² for waiting rooms)
	Facilities added	36 halls (end of Sept 2023)
	Additional floor area	2,168 m ²
Remarks	Floorspace added in existing funeral homes	

Room for expansion [7 locations (within the existing sites in the 23 wards)]

Total floor area	10,460 m ²
Funeral hall area rentable ratio	6,000m ² 57.4%

4-03 Room for Growth through Expansion | Profit Estimates

Estimated impact on performance by utilizing room for expansion

- Facility-related data

Current facilities				
Funeral homes	Number of funeral homes		6 locations (23 wards)	
	Total floor area		45,132 m ²	
	Furnaces	Total furnaces	64	
		Area	1,568 m ² (including back of furnaces)	
	Funeral halls	Total number of funeral halls	35 halls	
		Area	3,889 m ² (including 1,790 m ² for waiting rooms)	
	Additional funeral halls	Facilities added	36 halls (end of Sept 2023)	
		Additional floor area	2,168 m ²	
		Remarks	Floorspace added in existing funeral homes	
Room for expansion [7 locations (within the existing sites in the 23 wards)]				
Total floor area			10,460 m ²	
Funeral hall area rentable ratio			6,000m ² 57.4%	

Funeral halls

Revenue per tsubo | 2,232,000 yen/year

Tsubo

Assumed annual revenue

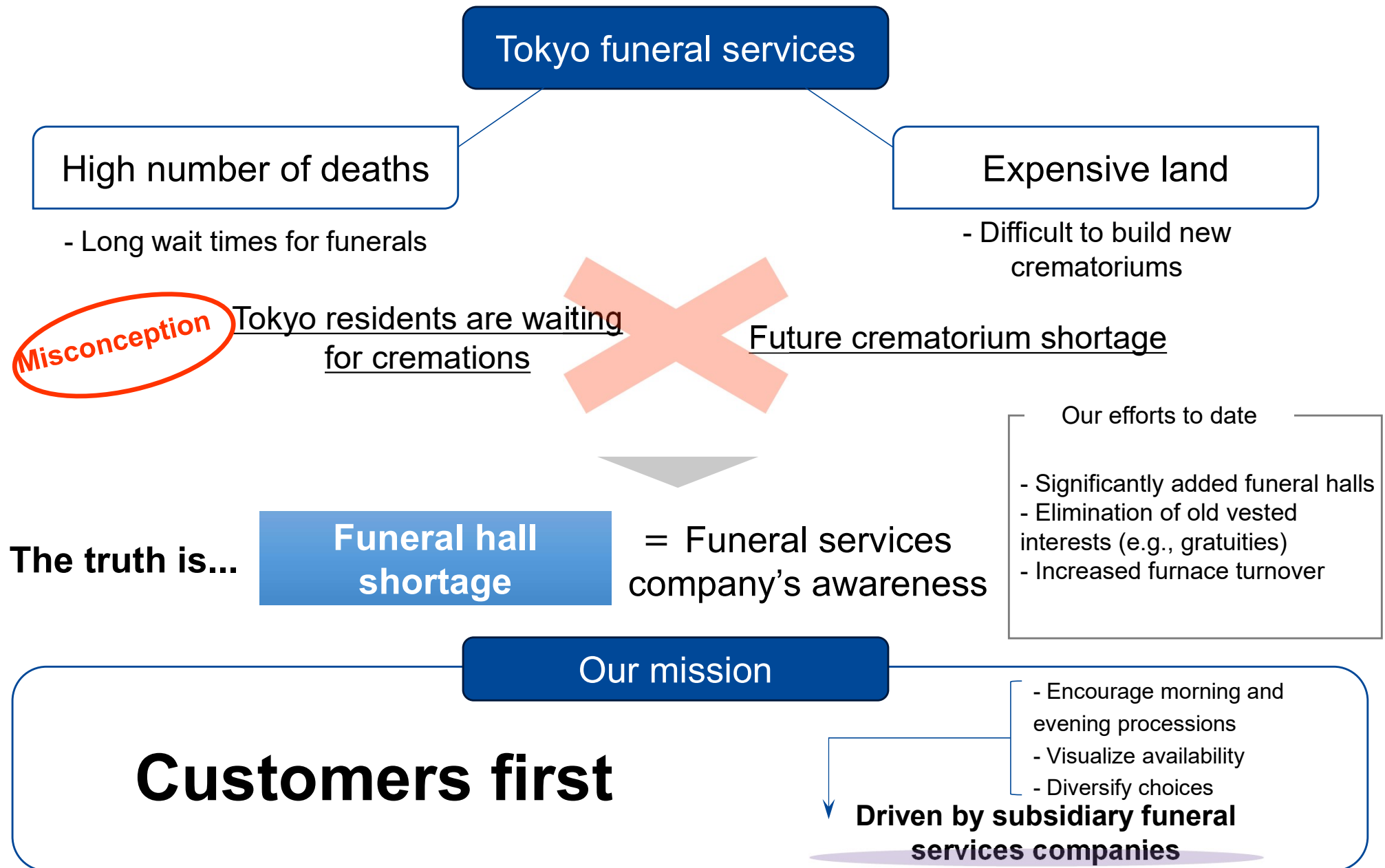
1,815 tsubo
(6,000 m²)

4,051 million yen

Expansion | Schedule to determine start date

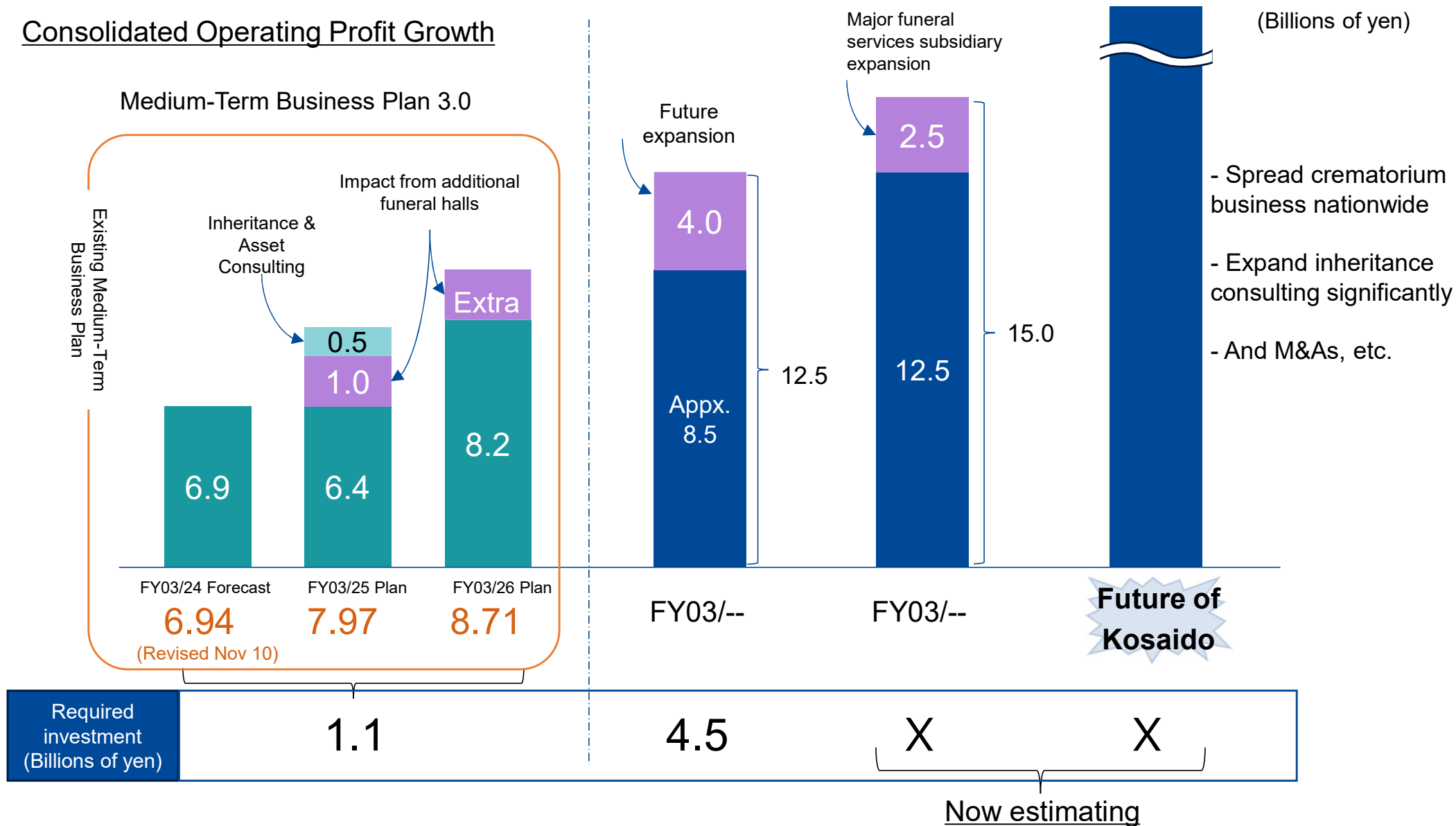
We would like to decide the date by April 2024.

4-04 The Tokyo End-of-Life Market



4-05 Business Growth Beyond Medium-Term Business Plan 3.0

Consolidated Operating Profit Growth



Improve planning accuracy and proceed to next Medium-Term Business Plan



A

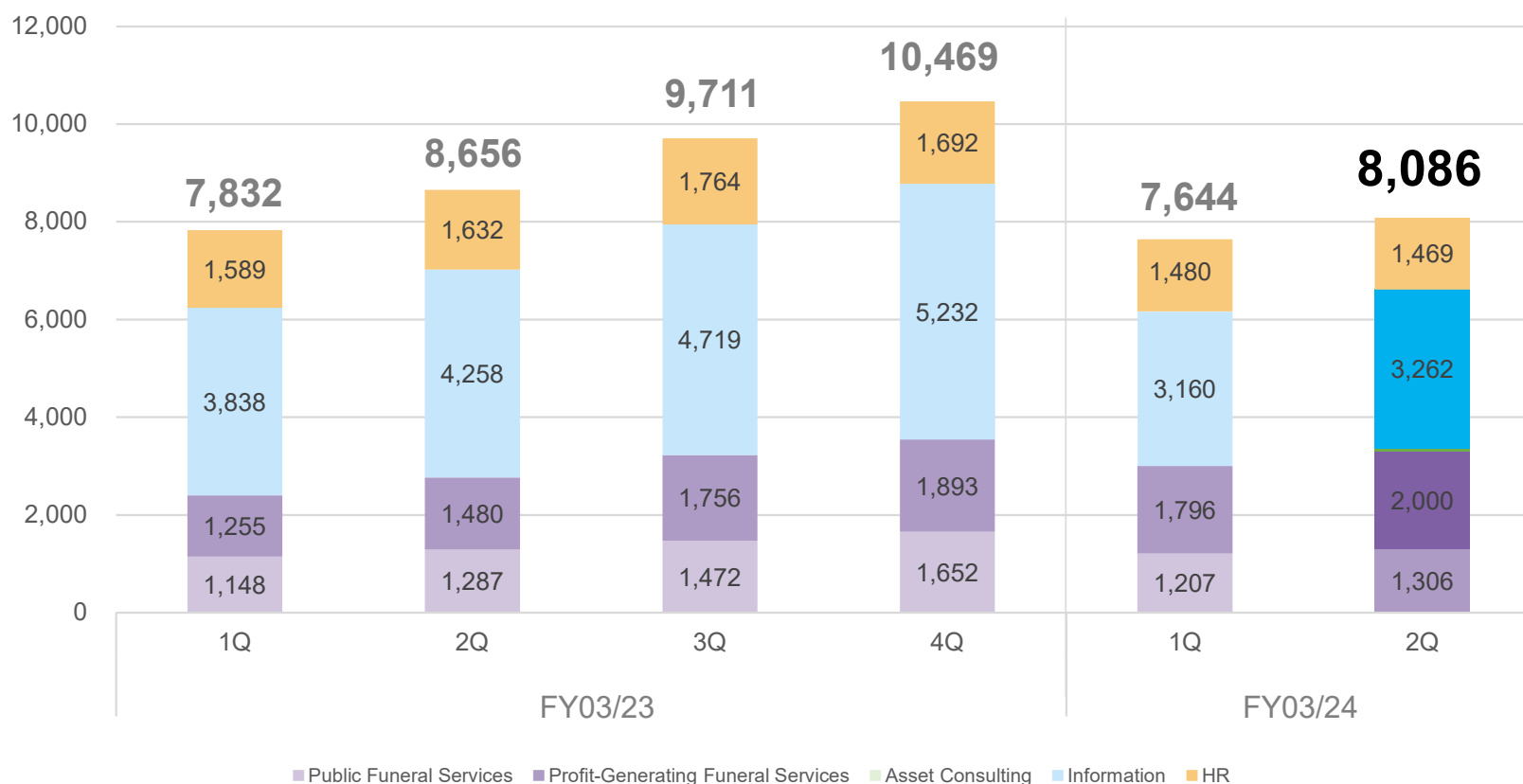
Appendix

- 1. Details of FY03/24 Performance**
- 2. Medium-Term Business Plan**
Performance Targets
- 3. ESG Activities Report**
- 4. Company Introduction**

A1-01 Quarterly Trend (Net Sales)

- Q2 sales increased in the Funeral Services segments due to the operation of new funeral halls at Tokyo Hakuzen and increased orders from two funeral service companies. In the Information and HR segments, overall sales decreased 6.6% year on year due to a difficult business environment compared to the previous year.

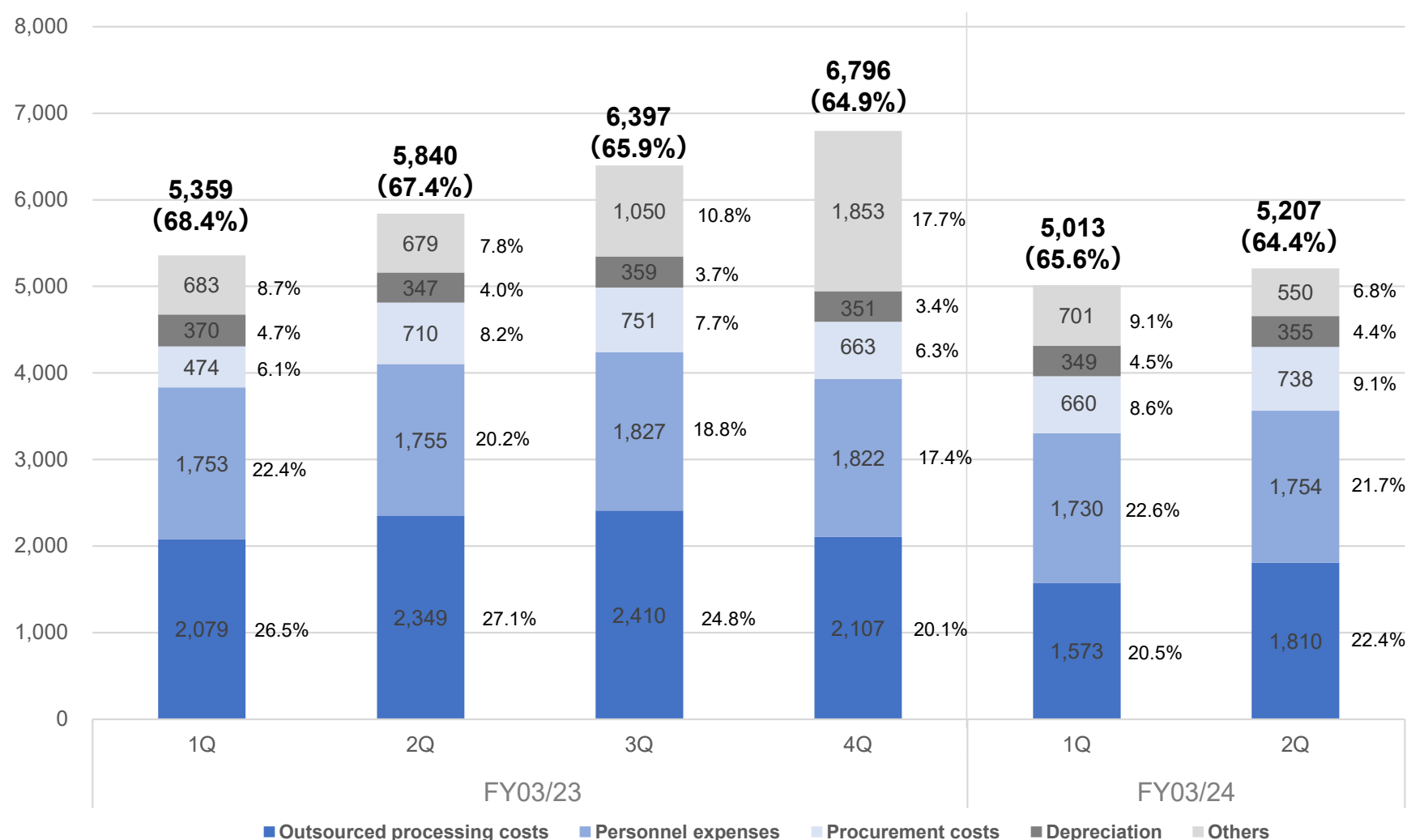
(Millions of yen)



A1-02 Quarterly Trend (Cost of Sales)

- Q2 cost of sales decreased year on year (-633 million yen, -3.0 pt cost of sales ratio)
- Continued control of subcontract expenses and reduction of fixed costs in the Information Segment contributed to cost cuts.

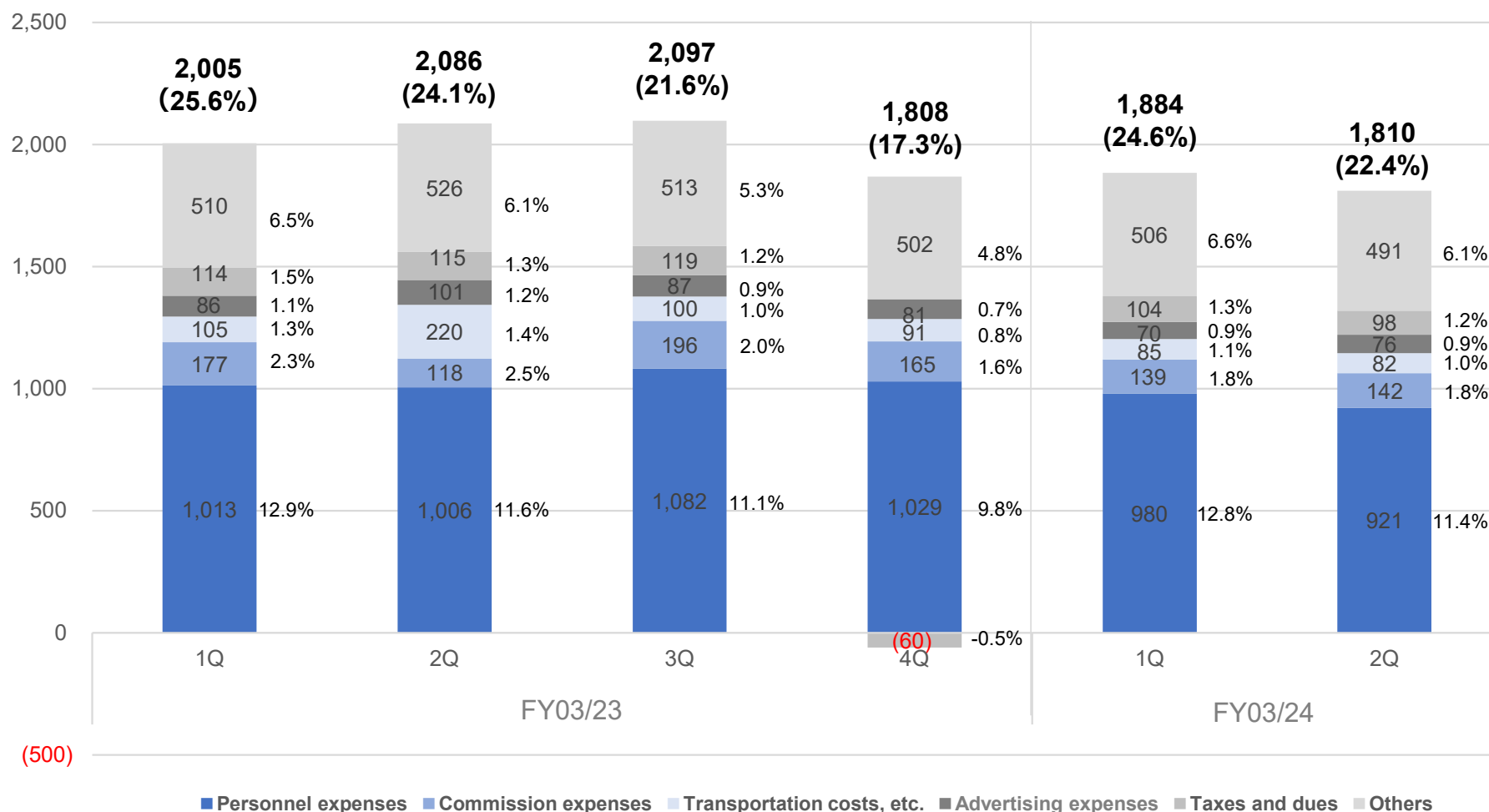
(Millions of yen / %: Cost of sales ratio)



A1-03 Quarterly Trend (SG&A Expenses)

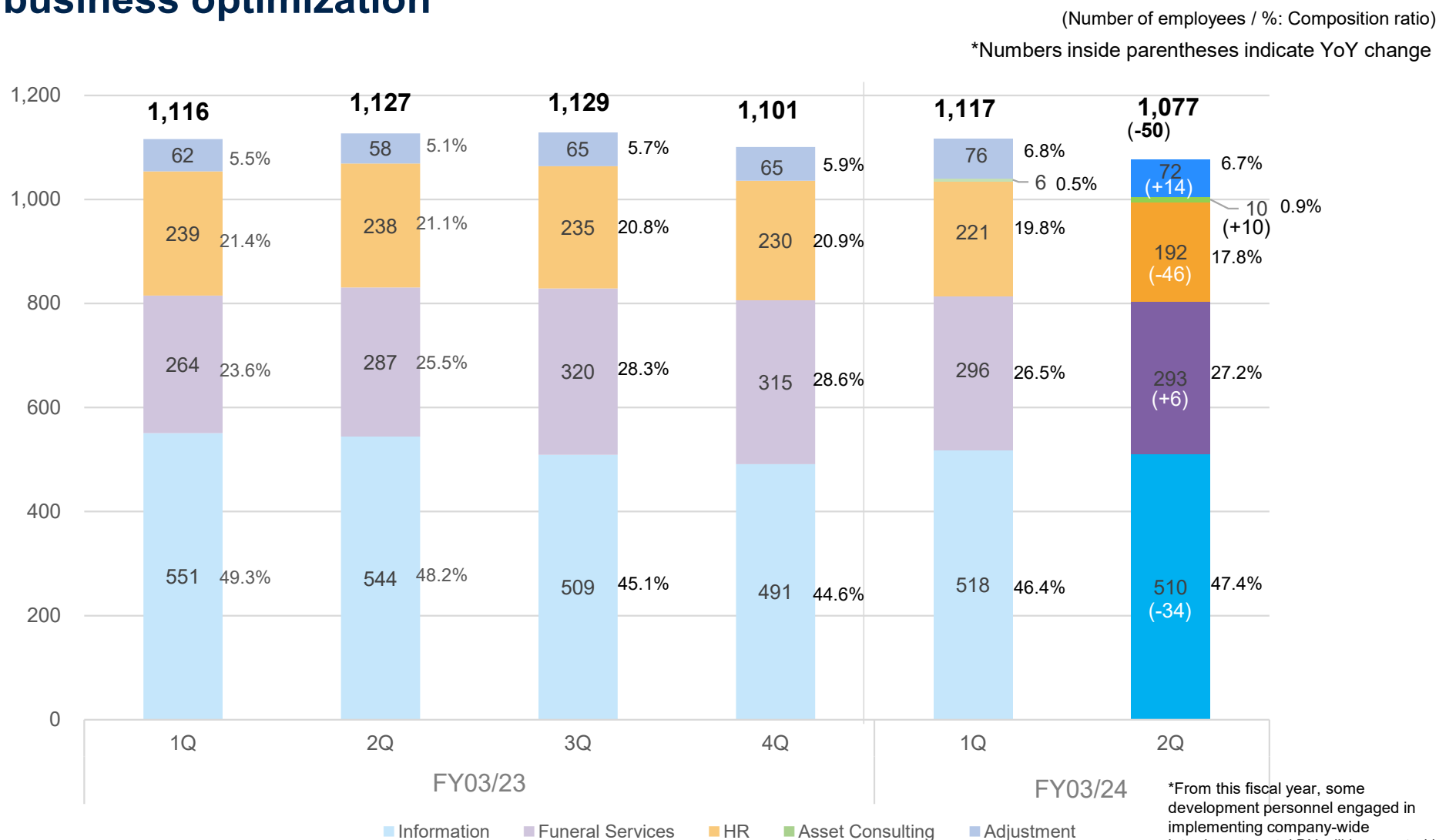
- Q2 SG&A expenses decreased year on year (-276 million yen, -1.7 pt SG&A expenses ratio)
- Continued reduction of fixed costs by implementing cost optimization at operating company.

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



A1-04 Quarterly Trend (Number of Employees)

- Review personnel in Information and HR segments and promote business optimization



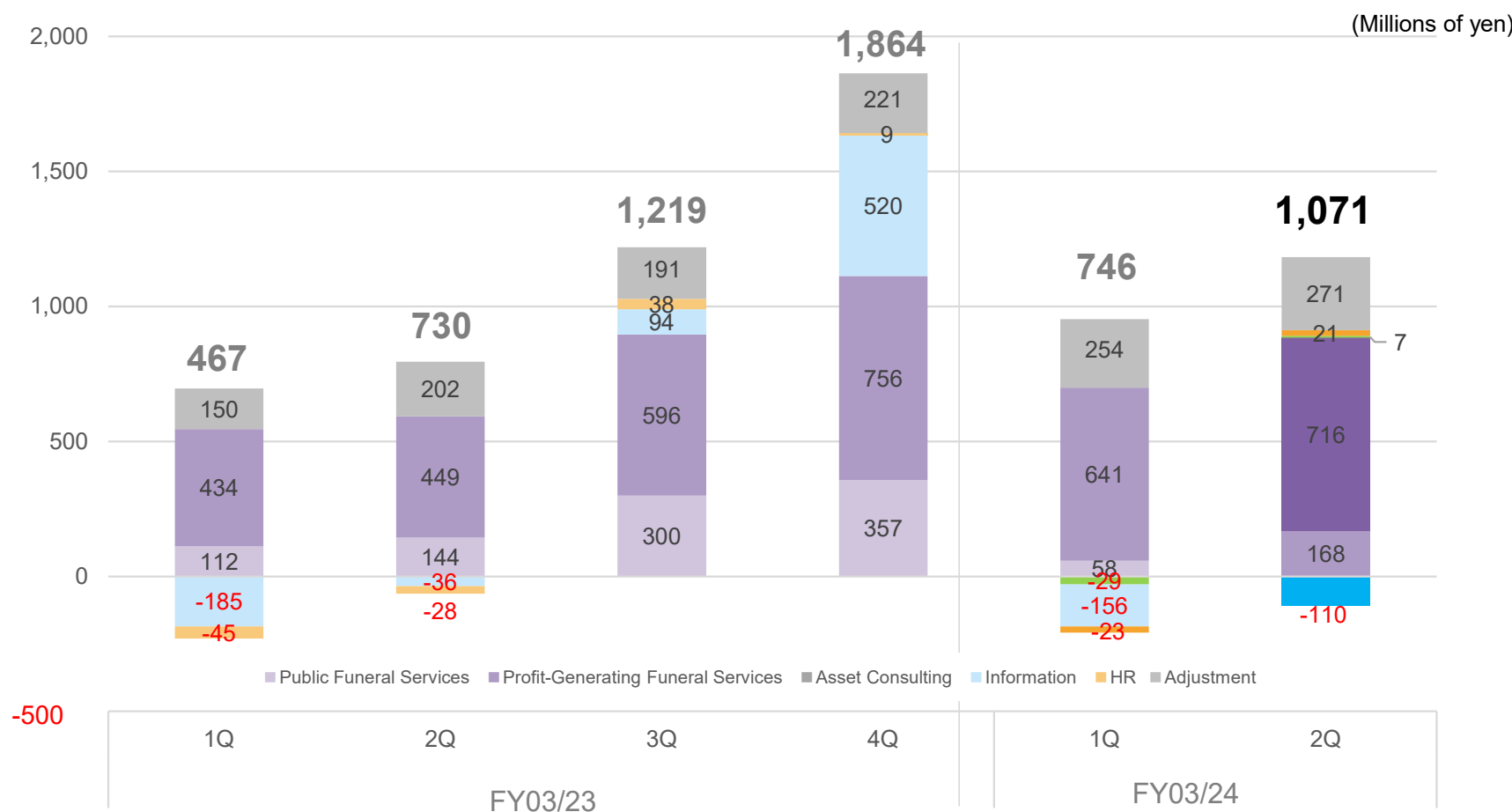
*From this fiscal year, some development personnel engaged in implementing company-wide interdepartmental DX will be counted in "Information" instead of "Other."

Quarterly Trend

A1-05 (Operating Profit by Segment)

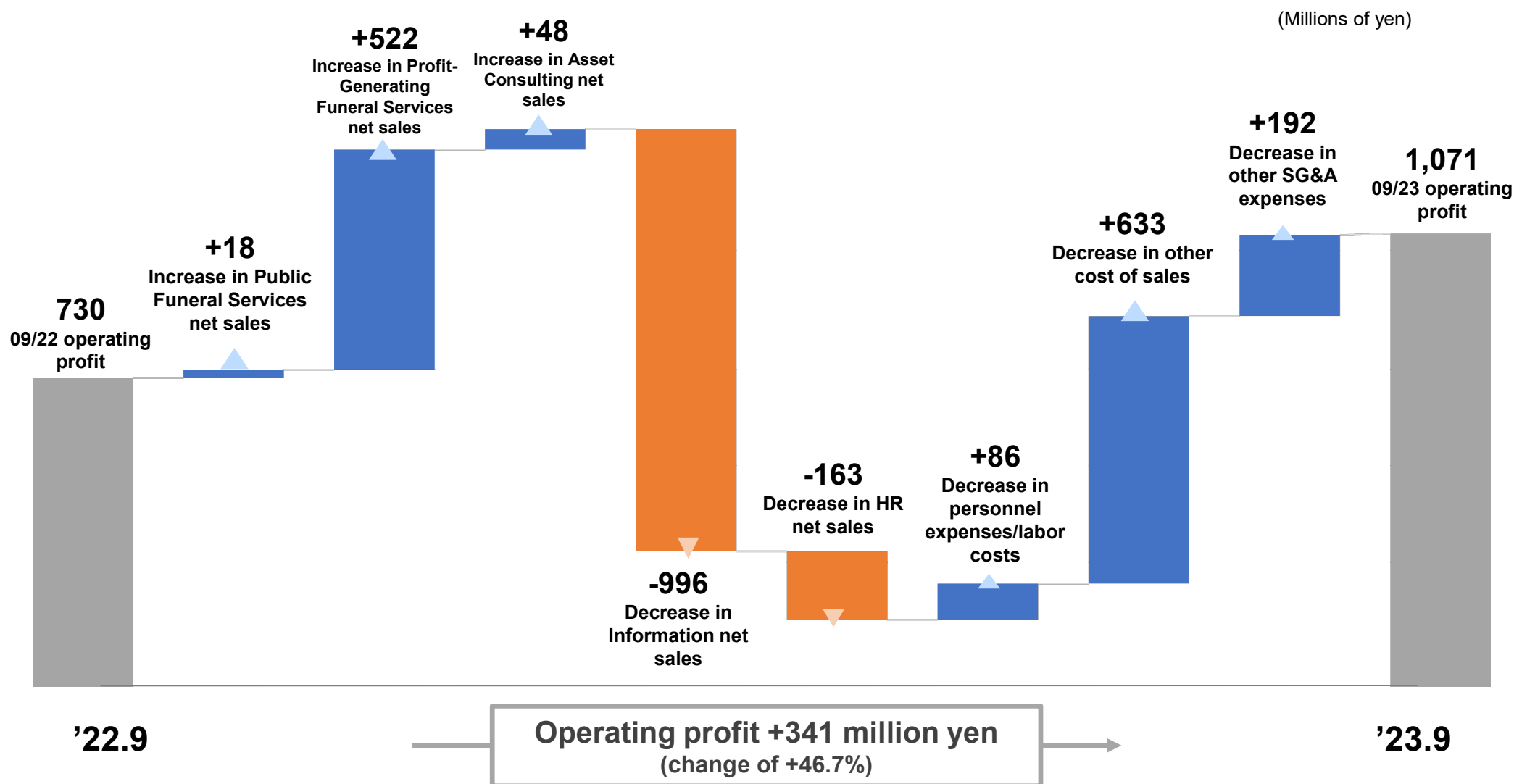
The method for booking management guidance fees for Group companies has been changed effective from the first quarter of the current fiscal year. These fees, which were included in corporate expenses as an adjustment, are now booked as operating expenses for each Group company of the reporting segment. Materials for the previous fiscal year were prepared according to this change.

- Operating profit increased 46.7% year on year due to solid performance of the funeral business, contribution from the Profit-Generating Funeral Services Segment with new funeral halls in operation, and continued cost optimization of Information and HR segments.



A1-06 Q2 FY03/24 Analysis of Change in Operating Profit (Major Items)

- Year on year, Information and HR segment income decreased, but Profit-Generating Funeral Services income increased. Overall income increased as a result of cost reductions in both Information and HR segments.



A1-07 Consolidated Balance Sheet

(Millions of yen)

	March 2023	Sep 2023	Difference as of quarter end
Current assets	27,998	27,127	-871
Cash and deposits	18,699	13,133	-5,566
Notes and accounts receivable–trade	5,810	3,458	-2,352
Non-current assets	43,134	43,937	803
Property, plant and equipment	35,807	36,684	877
Intangible assets	886	783	-103
Investments and other assets	6,440	6,469	29
Total assets	71,134	71,064	-70
Current liabilities	12,443	13,152	709
Short-term debt	1,400	1,400	0
Income taxes payable	325	551	226
Non-current liabilities	17,256	18,459	1,203
Total liabilities	29,699	31,611	1,912
Shareholders' equity	41,060	38,774	-2,286
Capital	100	159	59
Retained earnings	30,561	31,636	1,075
Share acquisition rights	11	66	55
Total net assets	41,434	39,452	-1,982
Total liabilities and net assets	71,134	71,064	-70

Public Funeral Services Business

A1-08 Income & Expenditures | Q2 FY03/24

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

Increase in transparency



Increase in business stability

■ The Company's 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 payments

||

(Reserves for losses in the Public Funeral Services Business)

■ Business Income & Expenditure for FY03/24 | Cumulative total from April 2023 to Sep 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	The balance of payments is appropriated as profit.	(vii) Public Funeral Services business reserves for losses
(ii) Segment sales	(iii) Segment expenses	(ii - iii) =			(i - iv - v) =		
2,513	2,287	226	69	375	- 218		0

(Millions of yen)

(*Estimate based on information as of August 2023)

A2-01 Medium-Term Business Plan 3.0 Performance Targets

Medium-Term Business Plan 3.0 (announced May 12, 2023)

(Millions of yen)

	FY03/22 Results	FY03/23 Results	Medium-Term Business Plan 3.0			
			FY03/24 Forecast		FY03/25 Plan	FY03/26 Plan
			May 12	Nov 10		
Net sales	35,361	36,668	40,000	39,841	42,100	43,800
Operating profit	3,729	4,280	6,360	6,940	7,970	8,710
Ordinary profit	3,610	4,185	6,110	6,893	7,750	8,490
Profit before income taxes	3,627	4,071	6,110	6,883	7,750	8,490
Income taxes	17	29	1,610	1,983	2,250	2,490
Profit attributable to owners of parent	3,643	4,042	4,500	4,900	5,500	6,000

Medium-Term Business Plan 3.0 Performance Targets

A2-02 by Business Segment

(Millions of yen)

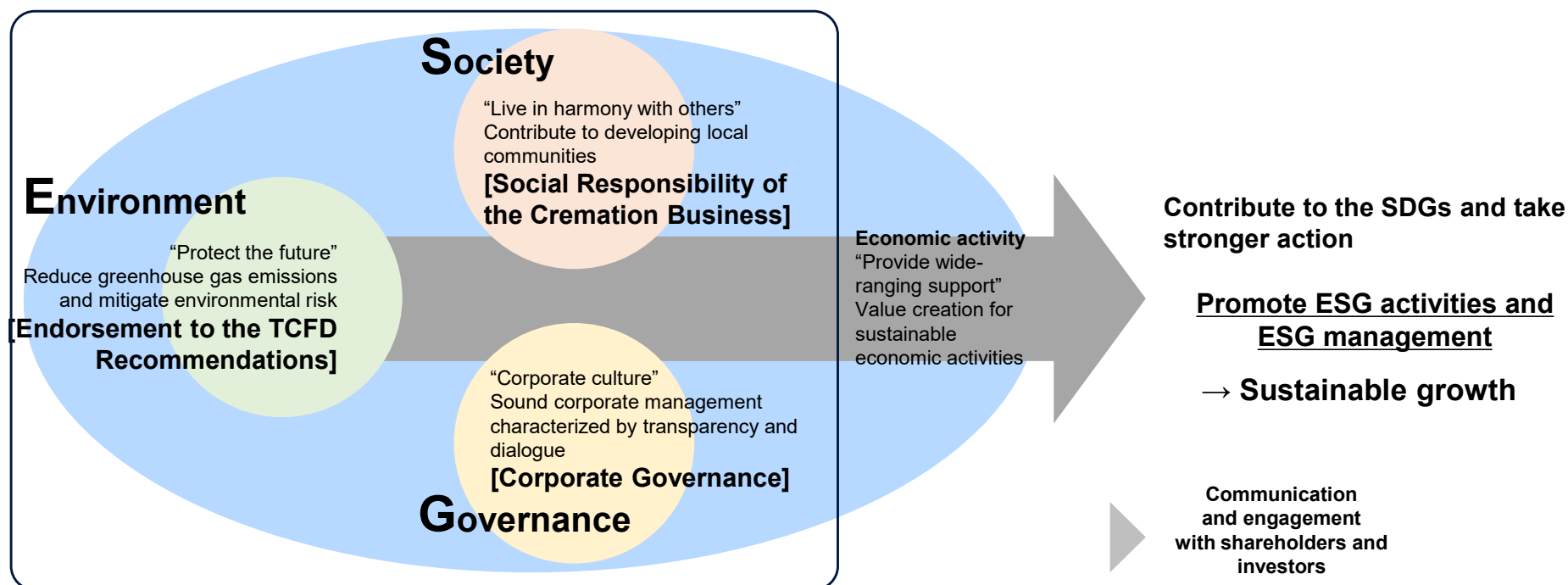
Medium-Term Business Plan 3.0 (announced May 12, 2023)

		FY03/23 Results	Medium-Term Business Plan 3.0			
			FY03/24 Forecast		FY03/25 PLAN	FY03/26 PLAN
			May 12	Nov 10		
Public Funeral Services	Net sales	5,561	6,033	5,808	6,215	6,400
	Operating profit	1,015	1,018	1,130	1,354	1,378
Profit- Generating Funeral Services	Net sales	6,382	8,639	8,667	9,785	10,100
	Operating profit	2,139	3,351	3,382	4,374	4,501
Asset Consulting	Net sales	0	368	537	700	1,400
	Operating profit	0	286	311	500	1,000
Information	Net sales	18,048	18,068	18,282	18,411	18,749
	Operating profit	392	609	900	684	694
HR	Net sales	6,677	6,892	6,544	6,989	7,151
	Operating profit	-27	237	227	244	247
Adjustments		761	859	991	814	890
Total	Net sales	36,668	40,000	39,841	42,100	43,800
	Operating profit	4,280	6,360	6,940	7,970	8,710

A3-01 ESG Activities Report

The purpose of the Kosaido Holdings ESG Activity Report is to provide shareholders, investors, business partners, and a wide range of other stakeholders with an understanding of the Company's approach and concrete action to further sustainability. The Kosaido Group SDGs Declaration defines four materialities (key issues) that are linked to both ESG activities and business management.

The word “Kosai” in our company name means “contributing to society at large.” Since our founding, we have diversified into the Public Funeral Services Business, Profit-Generating Funeral Services Segment, Asset Consulting, Information, and HR according to this common philosophy, thus providing valuable services that people and society appreciate. This report presents concrete action in our ESG activities with an awareness of our contribution to the SDGs, along with action to carry out our corporate philosophy.



ESG Activity Report [Society]

A3-02 - Social Responsibility of the Cremation Business

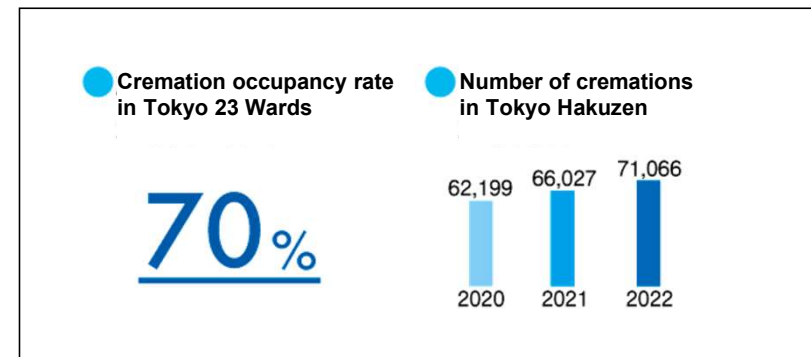
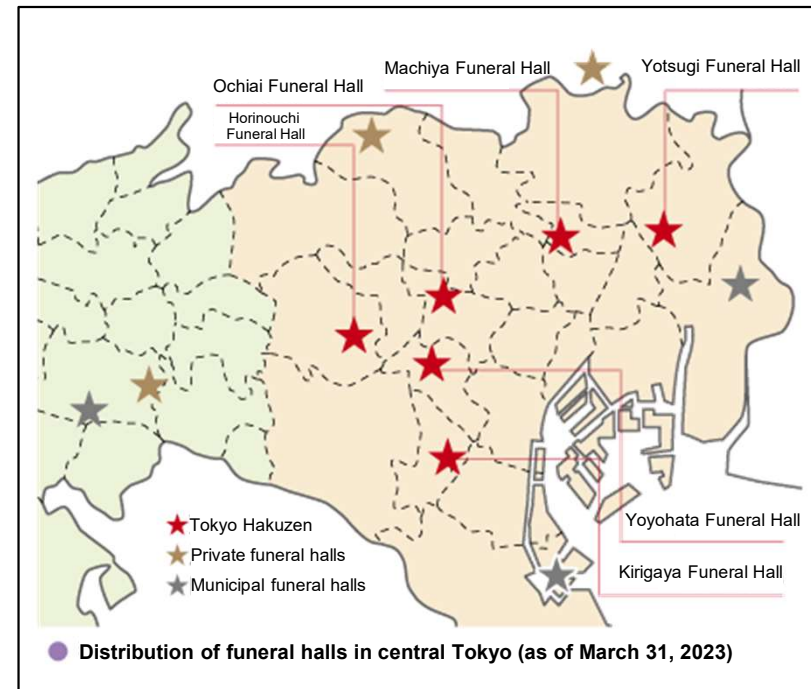
Basic Concept

The Company conducts our business based on the spirit of “Kosai,” which means “contributing to society at large.” Especially in Tokyo Hakuzen's cremation business, we contribute to the local community at large by carrying on this spirit and putting it into practice.

Originally, crematorium operations in Japan were regulated by the Act Concerning Graveyard, Burial, etc. and managing entities were generally local public organizations. Even if operations were more difficult, the operator had to be a public interest corporation or a religious corporation. But because Tokyo Hakuzen has been doing business in Tokyo since before this law came into force, **Tokyo Hakuzen, a private company, is operating six crematoriums.** Tokyo Hakuzen's crematoriums have a long history. They were built between the Edo Period (1603-1867) to the Meiji Era (1868-1912). Today, these facilities stand at convenient locations in Tokyo.

64* furnaces are operating at Tokyo Hakuzen funeral homes, handling approximately 70,000 cremations a year.* This accounts for about 70% of deaths in Tokyo's 23 wards.* Therefore, these locations receive many visitors, around 700,000. (*As of July 2023)

For more than 100 years since our establishment, we have been an indispensable business upholding the social infrastructure in the metropolis of Tokyo and fulfilling our social responsibility, but without public assistance, because we are a private company. In addition to contributing to the local community, our cremation business supports its development.



ESG Activity Report [Society]

A3-03 - Social Responsibility of the Cremation Business

Social Responsibility of the Cremation Business in a High-Death Society

Both local communities and Japanese society as a whole are facing a high number of deaths, and that figure increases by the year. As shown in these materials, nationwide deaths will peak by around 2040, and the number in Tokyo will continue increasing until 2065.



(From this document: Q1 FY03/24 Highlights)

*See next page for death statistics and trends.

In a society already facing a high number of deaths, those of us in the cremation business must take prompt action. However, public facilities operated by local governments cannot cope and there are already cremation waiting lists. In the future, the facilities may become more incapable of holding the funeral services requested by bereaved families.

In response, Tokyo Hakuzen is working to accurately understand social issues and problems from our unique business perspective as a private company, and we are striving for sustainable operations that do not rely on public funds. Tokyo Hakuzen, with a history spanning 100 years, takes the accelerating trend of a high number of deaths in Tokyo's large population seriously. We believe that it is our social responsibility to make efforts to build a society where we can always perform cremations and funeral processions at any time.

We also clearly recognize that without Tokyo Hakuzen, funeral processions in Tokyo would not be possible. Carrying on our business for the next 100 years and in perpetuity beyond is also connected to our company's great significance for society. We aspire to be a company that society always recognizes for its contributions, while establishing bonds of trust with society and members of the local community, and maintaining an awareness of the requirements for appropriate behavior according to our corporate responsibilities.



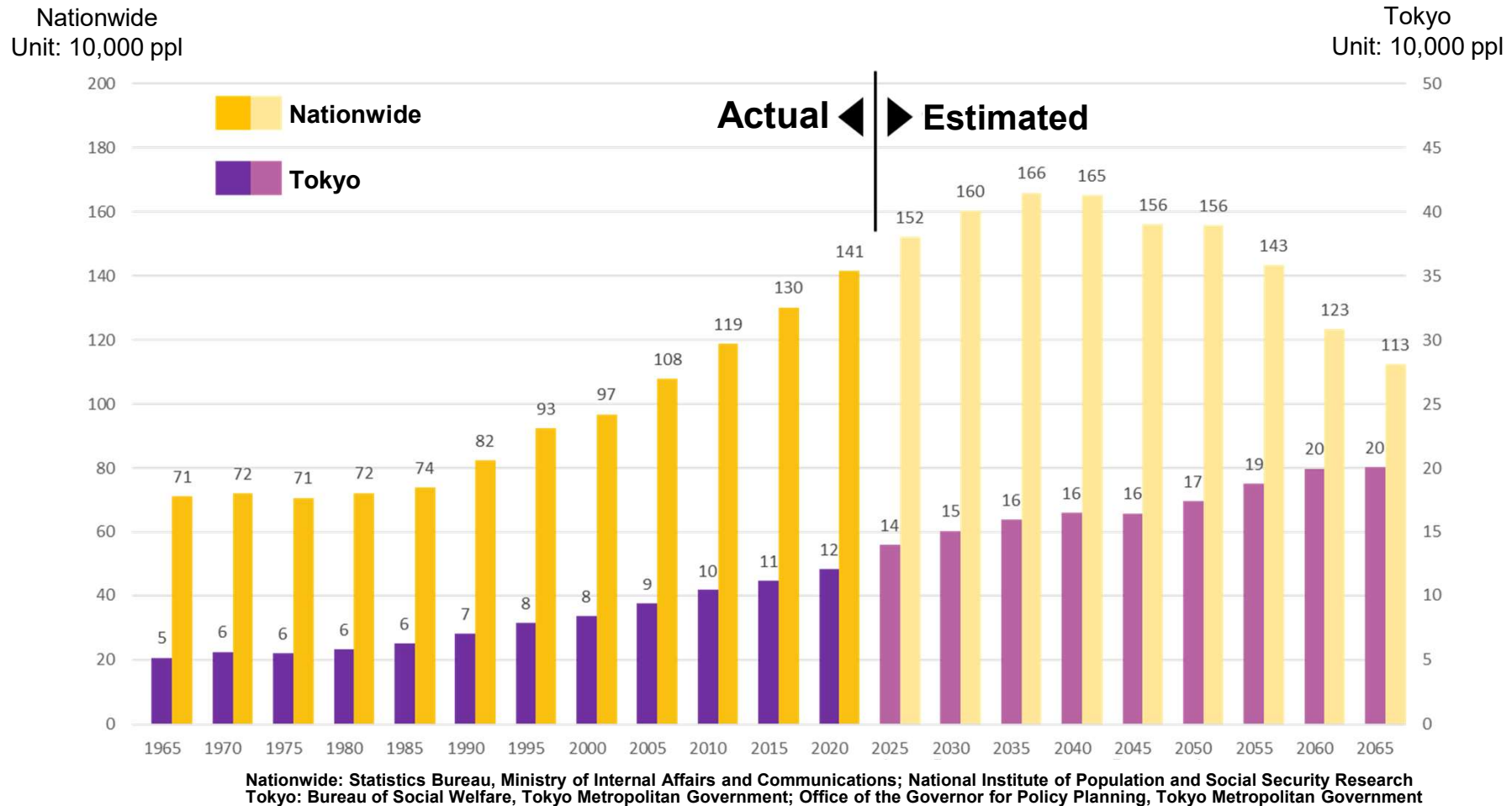
広済堂グループ
東京博善

ESG Activity Report [Society]

A3-04 - Social Responsibility of the Cremation Business

*Excerpt/reprint from this document: Q1 FY03/24 Highlights)

State of the Population | Estimated Deaths



**Nationwide deaths will peak in around 2040, but will continue rising in Tokyo until at least 2065.
(*There were 1.58 million deaths nationwide in 2022.)**

ESG Activity Report [Society]

A3-05 - Social Responsibility of the Cremation Business

Tokyo Hakuzen's Actions

■ Cremation technology for smooth funeral services

While many crematoriums use furnaces with carts, Tokyo Hakuzen uses grates that enable quick cremations so we can handle the increasing number of services. While other crematoriums normally handle two to three services per day, ours perform seven to nine. This eliminates waiting times before funeral services and reduces the psychological burden for the bereaved. To cope with a society with high number of deaths, we are focused on improving our operations as well as our technology.



Outside the cremation furnaces at Yotsugi Funeral Home

■ Development of new, environmentally friendly cremation furnace system (Patented)

*Environmentally friendly

To help protect the environment, we are furthering the development of new cremation furnace systems that suppress dioxins while reducing CO2 emissions. We have developed and patented Japan's first environmentally friendly cremation furnace system that generates electricity from the cremation furnace's residual heat and uses a power recycling system. This new cremation system significantly suppresses exhaust gas emissions compared to conventional cremation furnace systems, and has achieved reductions in CO2, dioxins, and other toxic substances.

Stimulating the local economy through mutual understanding from exchanges with the community *CSR activities

Each of our six funeral homes in Tokyo hold Community Appreciation Gatherings to thank neighboring communities for their understanding and support. We endeavor to provide a setting where people of all ages can have an enjoyable and meaningful time through various events such as facility tours, morning markets, sales of products that support the employment of people with disabilities, *rakugo* (traditional Japanese comic storytelling) performances, mini concerts, art exhibitions, health seminars, and more.



The Kirigaya Funeral Hall held a Community Appreciation Gathering on July 9, 2023 for the neighborhood.

The event was a great success, with a dance performance by local children, a show by top-ranked *rakugo* storyteller Hanahei Hayashiya, an earthquake experience, and a Mercari class.

A3-06 ESG Activity Report [Environment]

Disclosure Based on the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations

In addition to endorsing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), in 2022, in response to increasing greenhouse gas emissions and extreme weather conditions caused by global warming, which have become important issues for the international community, the Group announced our SDGs Declaration to promote sustainability management. We have established a materiality on the environment and will work with our partners to further reduce risks to the environment. In addition, we have begun to disclose information in accordance with the TCFD and we will continue to implement the PDCA cycle to strengthen our management strategies related to climate change based on feedback from our stakeholders.

GHG Emissions Reduction Target

For GHG emissions from business activities at our company's sites (Scope 1 and 2), we are taking action to reduce with a medium-term target of 2030. For Scope 3, we are surveying the state of GHG emissions control by suppliers and customers.

Item	Scope 1+2 reduction targets	Scope 3 reduction targets
2050 target	Carbon neutrality	Carbon neutrality
2030 target	Reduce CO ₂ emissions by 34%	To be formulated based on the status of suppliers and purchases
Emissions factor	Ministry of the Environment "Measurement Methods and Emissions Factors under the Measurement, Reporting, and Publication System"	
Reference year	2020	

We disclose information according to TCFD recommendations at our Japanese website (IR Site/Environmental Policy).

You can check the following items according to disclosure rules:
 "Governance," "Strategy," "Risk Analysis,"
 "Indicators and Targets," "Reduction Targets"

*The information will be updated in December 2023.



A3-07 ESG Activity Report [Governance]

Basic Concept

Aiming to maximize shareholder value, sustainably increase enterprise value, and earn society's trust, we not only boost profitability, but also emphasize shareholder rights, implement efficient, fair, and transparent management practices, and ensure compliance. Furthermore, we enhance corporate governance by fulfilling the social responsibilities required of companies in terms of the environment, society, and governance, and by addressing social issues for the sustainable growth of the company and society.

Overview of Corporate Governance Structure

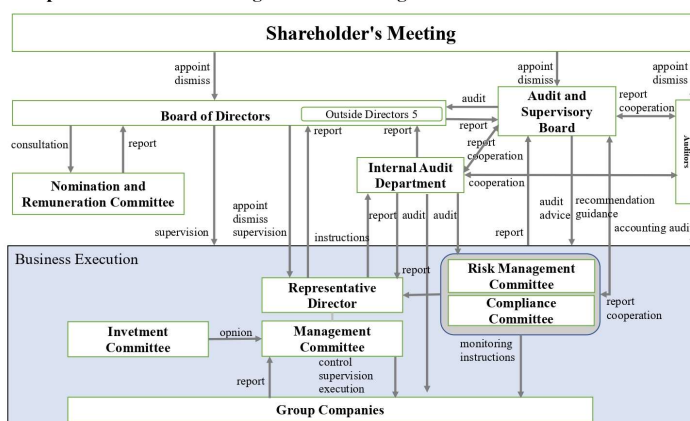
■ Board of Directors

As a company with a Board of Corporate Auditors, we endeavor to enhance corporate governance and improve the fairness and transparency of management based on our basic concept by building a management organization enabling proper supervision and monitoring while allowing directors to make appropriate decisions and promptly carry out business operations. In addition, we have established a voluntary nomination and compensation committee, whose primary members are independent outside directors and independent outside auditors, to deliberate and report to the Board of Directors on the directors' compensation, policy for determining their compensation, and proposed candidates for director positions. The Board of Directors, comprising two executive directors, one non-executive director, five outside directors, and corporate auditors, generally hold a regular monthly Board of Directors meeting, along with extraordinary meetings as necessary, to determine important business strategies, including management targets and strategies, as well as matters required by law, and to supervise business execution.

■ Board of Corporate Auditors

One full-time auditor and two outside auditors are appointed to ensure objectivity and neutrality in management oversight as they audit the state of governance and operations. In addition, we have appointed two outside auditors as independent directors, with the understanding that the roles of outside directors and outside auditors are, as an independent body entrusted by shareholders, to maintain a neutral and impartial position and ensure management's neutrality and objectivity.

Corporate Governance Organizational Diagram



For more information on corporate governance, please visit the IR News section of our website.

A4-01 Company Overview

**Company
name**

KOSAIDO Holdings Co., Ltd.

**Establish-
ment**

January 1949

Net sales

36,668
million yen
(FY03/23)

Total assets

71,064
million yen
(as of Sep 30, 2023)

Net assets

39,452
million yen
(as of Sep 30, 2023)

**Represent-
ative**

Hiroshi Kurosawa, President & CEO

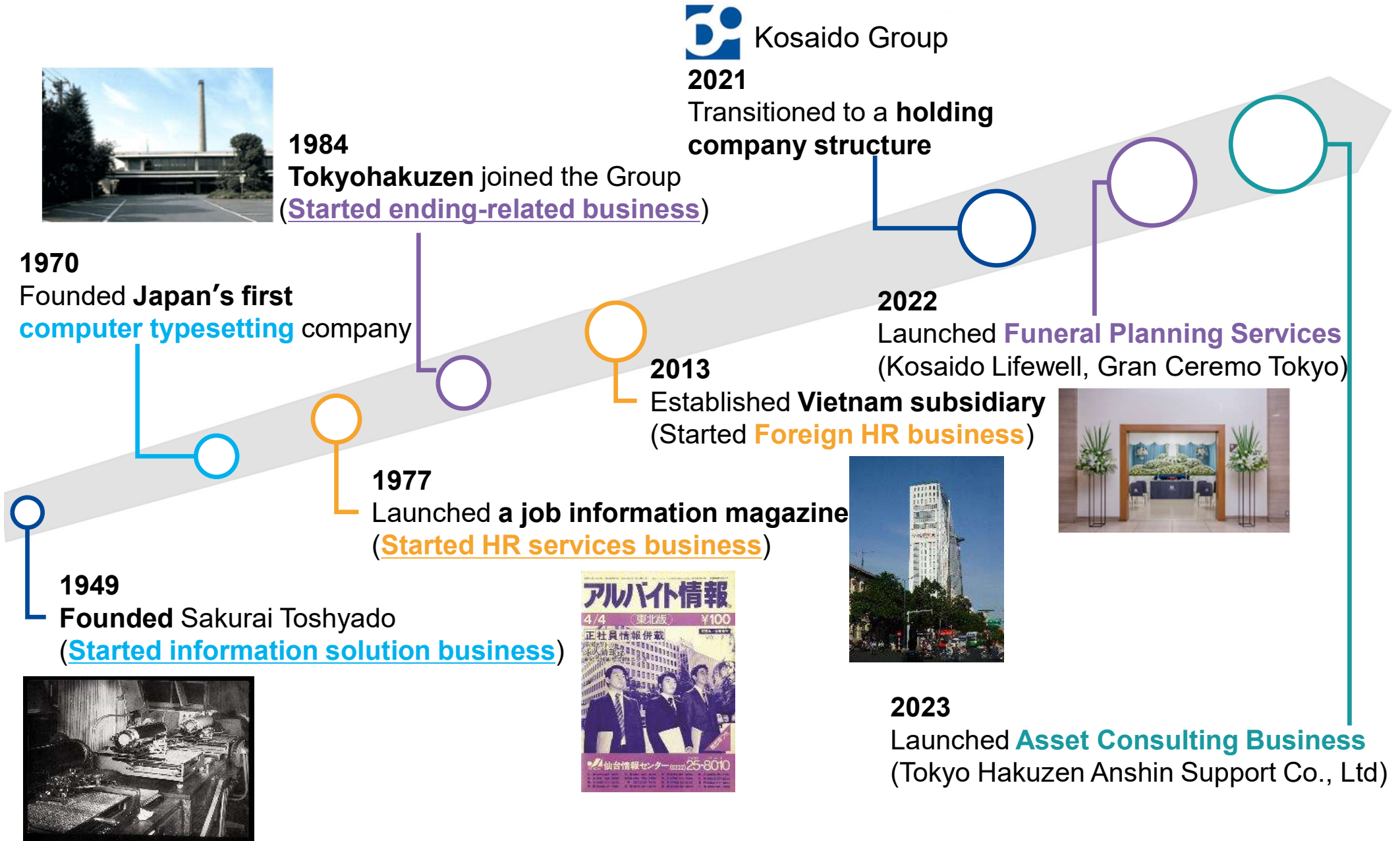
**Number of
employees**

1,077 (consolidated | as of Sep 30, 2023)

**Market
information**

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

A4-02 History



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.

A4-04 KOSAIDO Group

Further enrich
100-year lives.






KOSAIDO Holdings

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



[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



A4-05 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.



A4-06 Contact

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.

In addition, Facilities Tour for Institutional Investors and Analysts are held accordingly (funeral home tours operated by Tokyo Hakuzen Co., Ltd.).

If you would like to join, please contact us via the URL below.

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



FY03/24

Q2 Financial Results Presentation

Securities code: 7868

November 10, 2023

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- Status of New Businesses

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1

Q2 FY03/24 Highlights












1-01 Q2 FY03/24 Consolidated Financial Results

- As in Q1, income in the Information Segment decreased due to changes in COVID-19-related special demand from the previous fiscal year and large BPO projects that were shifted to Q4. However, profits were booked by curbing outsourcing costs and reducing fixed costs.
- The Profit-Generating Funeral Services Segment grew sales from funeral hall usage while the funeral business contributed to an increase in consolidated profit.
- The 154M that was scheduled to be sold from Asset Consulting is recognized as non-operating income.

(Millions of yen)								*Reference	
	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast		Q2 FY03/24	YoY change
			Change	Rate of Change (%)		Change	Rate of Change (%)		Rate of Change (%)
Net sales	15,730	16,488	-758	-4.6	16,421	-691	-4.2	8,086	-6.6
Operating profit	1,817	1,197	620	51.8	1,625	192	11.8	1,071	46.7
Ordinary profit	1,842	1,202	640	53.1	1,533	309	20.2	1,024	38.4
Profit attributable to owners of parent	1,460	929	531	57.2	1,167	293	25.1	814	42.1

1-02 Q2 FY03/24 Financial Results Summary by Business Segment

(Millions of yen)

	Net sales		YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast		Operating profit		YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast	
	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	Change	Rate of Change (%)		Change	Rate of Change (%)	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	Difference	Rate of Change (%)		Change	Rate of Change (%)
Public Funeral Services	 2,513	2,435	78	3.2	2,593	-80	-3.1	 226	256	-30	-11.7	134	92	68.7
Profit- Generating Funeral Services	 3,796	2,734	1,062	38.8	3,750	46	1.2	 1,357	883	474	53.7	1,261	96	7.6
Asset Consulting	48	0	48	—	190	-142	-74.7	-22	0	-22	—	114	-136	—
Information	 6,422	8,096	-1,674	-20.7	6,740	-318	-4.7	 -266	-221	-45	—	-294	28	—
HR	 2,949	3,221	-272	-8.4	3,147	-198	-6.3	 -2	-73	71	—	6	-8	—
Adjustments , etc.			0	—		0	—	 525	352	173	49.1	403	122	30.3
Total	 15,730	16,488	-758	-4.6	16,421	-691	-4.2	 1,817	1,197	620	51.8	1,624	193	11.9

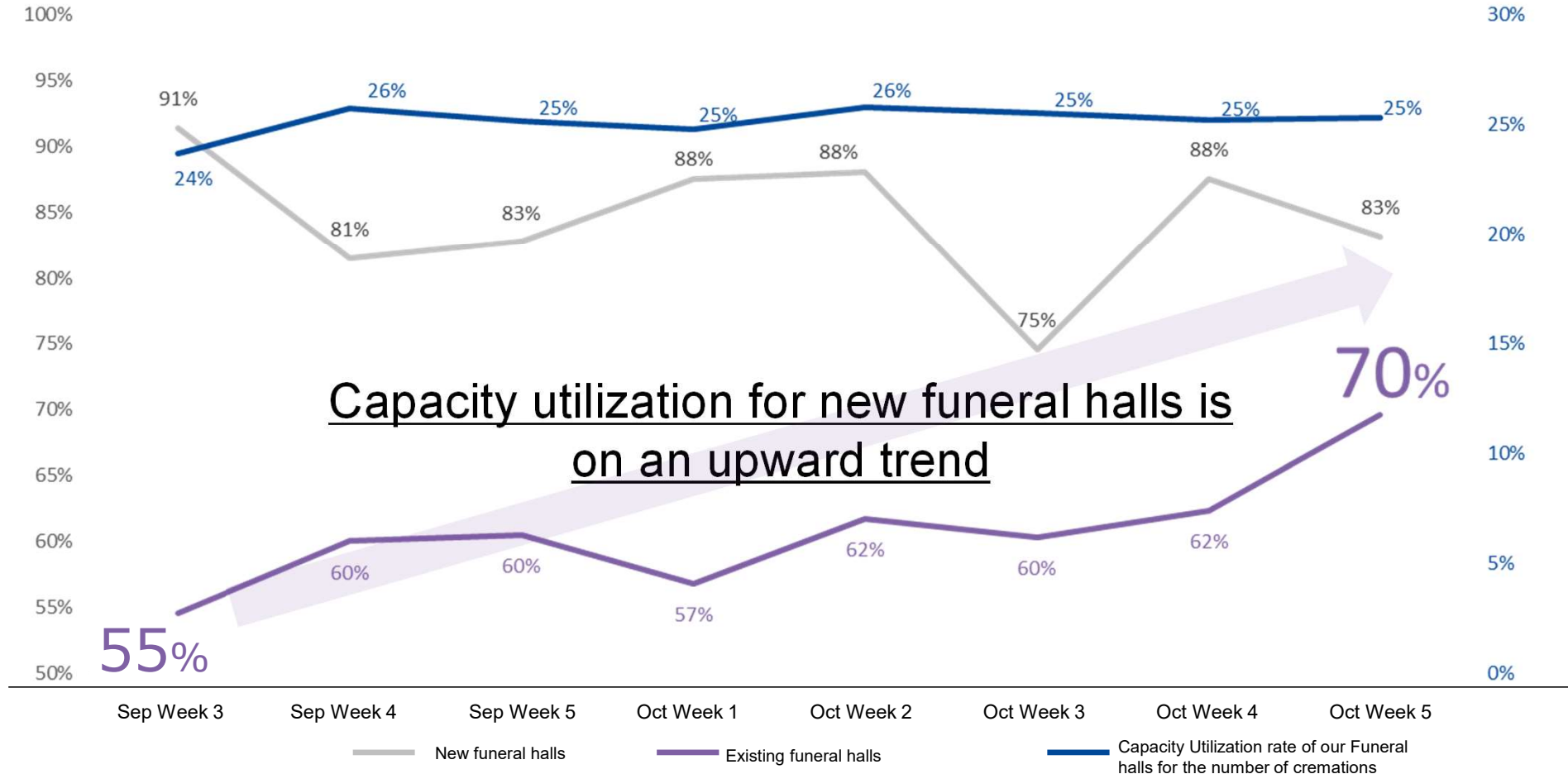
  ... YoY change

- Information and HR income declined due to the impact of the previous fiscal year's COVID-19-related special demand, but we ensured profits through cost reductions.
- Profit-Generating Funeral Services covered the overall revenue due to increased sales from opening new funeral halls and growth in the performance of funeral services company.
- Asset Consulting | 154M in non-operating income booked. Approx. 100M yen in sales to be booked late in Q3 or afterward.

1-03 New Funeral Hall Capacity Utilization

Capacity Utilization rate of existing and new Funeral halls

Capacity Utilization rate of our Funeral halls



- All new funeral halls became operational from September.
- The new funeral hall capacity utilization has exceeded expectations from 55% at the start.
- Continuous publicity and sales to funeral services companies have resulted in steadily increasing capacity utilization for new funeral halls.

1-04 Status of New Businesses

Funeral Business

* ... 2 companies: Kosaido Lifewell, Gran Ceremo Tokyo

- FY03/24 Performance (2 companies* combined)

(Millions of yen)

	Q1					Q2					Q2 (Cumulative)				
	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year
Net sales	329	343	-14	44	285	383	360	23	209	174	712	703	9	254	458
Operating profit	45	20	25	-59	104	35	31	4	-39	74	80	52	28	-98	178

Primary cause

(Difference from plan) - Sales are on an upward trend due to increased attendees. Advertising operations are optimized to further increase orders in 2Q

(Difference from the prior year) - There were upfront costs because the previous fiscal year was the first year for the newly launched funeral business.

Asset Consulting Business

- Sales of a project (100M scale) scheduled to be booked in 2Q were changed to sales in 4Q.
- Small-scale real estate-related projects are also progressing and gradually adding up the sales.

Furnaces

- Started in-house maintenance and crematorium design. It is progressing smoothly.

A blue background with organic, wavy shapes. A large white number '2' is centered within a lighter blue circular area.

2

Consolidated Financial Forecast for FY03/24

Q1

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	7,644	7,644	-	-	7,832	-188	-2.4
Operating profit	746	746	-	-	467	279	59.7
Ordinary profit	818	818	-	-	463	355	76.6
Quarterly profit	646	646	-	-	356	290	81.3

Q2

	Actual	Revised forecast (Aug 9)	Amount revised		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	8,086	8,777	-691	-7.9	8,657	-571	-6.6
Operating profit	1,071	879	192	21.8	730	341	46.7
Ordinary profit	1,024	715	309	43.2	740	275	38.4
Quarterly profit	814	521	293	56.2	573	241	42.1

H1 (cumulative)

(Millions of yen)

	Actual	Revised forecast (Aug 9)	Amount revised		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	15,730	16,421	-691	-4.2	16,488	-758	-4.6
Operating profit	1,817	1,625	192	11.8	1,197	620	51.8
Ordinary profit	1,842	1,533	309	20.2	1,202	640	53.1
Quarterly profit	1,460	1,167	293	25.1	929	531	57.2

Q3

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	10,589	10,488	101	1.0	9,711	878	9.0
Operating profit	1,766	1,721	45	2.6	1,219	547	44.9
Ordinary profit	1,717	1,672	45	2.7	1,172	545	46.5
Quarterly profit	1,418	1,220	198	16.2	973	445	45.7

Q4

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	13,521	13,311	210	1.6	10,469	3,052	29.2
Operating profit	3,357	3,212	145	4.5	1,864	1,493	80.1
Ordinary profit	3,334	3,189	145	4.5	1,810	1,524	84.2
Quarterly profit	2,022	2,333	-311	-13.3	2,139	-117	-5.5

Full year (cumulative)

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	39,841	40,221	-380	-0.9	36,668	3,173	8.7
Operating profit	6,940	6,558	382	5.8	4,280	2,660	62.1
Ordinary profit	6,893	6,394	499	7.8	4,185	2,708	64.7
Quarterly profit	4,900	4,720	180	3.8	4,042	858	21.2

FY03/24 current net profit forecast changed due to factors including +499M ordinary profit and -303M decrease in profit from higher tax expenses

1Q

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	7,644	7,644	0	0.0	7,832	-188	-2.4
Public Funeral Services Segment	1,207	1,207	0	0.0	1,148	59	5.1
Profit-Generating Funeral Services Segment	1,796	1,796	0	0.0	1,255	541	43.1
Asset Consulting Segment	0	0	0	-	0	0	-
Information Segment	3,160	3,160	0	0.0	3,838	-678	-17.7
HR Segment	1,480	1,480	0	0.0	1,589	-109	-6.9
Operating profit	746	746	0	0.0	467	279	59.7
Public Funeral Services Segment	58	58	0	0.0	112	-54	-48.2
Profit-Generating Funeral Services Segment	641	641	0	0.0	434	207	47.7
Asset Consulting Segment	-29	-29	0	-	0	-29	-
Information Segment	-156	-156	0	-	-185	29	-
HR Segment	-23	-23	0	-	-45	22	-
Adjustments	254	254	0	0.0	150	104	69.3

3Q

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	10,589	10,488	101	1.0	9,711	878	9.0
Public Funeral Services Segment	1,593	1,593	0	0.0	1,472	121	8.2
Profit-Generating Funeral Services Segment	2,302	2,302	0	0.0	1,756	546	31.1
Asset Consulting Segment	113	12	101	841.7	0	113	-
Information Segment	4,756	4,756	0	0.0	4,719	37	0.8
HR Segment	1,825	1,824	1	0.1	1,764	61	3.5
Operating profit	1,766	1,721	45	2.6	1,219	547	44.9
Public Funeral Services Segment	394	394	0	0.0	300	94	31.3
Profit-Generating Funeral Services Segment	900	900	0	0.0	599	301	50.3
Asset Consulting Segment	49	4	45	1,125.0	0	49	-
Information Segment	108	108	0	0.0	94	14	14.9
HR Segment	118	118	0	0.0	38	80	210.5
Adjustments	197	197	0	0.0	189	8	4.2

2Q

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	8,086	8,777	-691	-7.9	8,656	-570	-6.6
Public Funeral Services Segment	1,306	1,386	-80	-5.8	1,288	18	1.4
Profit-Generating Funeral Services Segment	2,000	1,954	46	2.4	1,478	522	35.3
Asset Consulting Segment	48	190	-142	-74.7	0	48	-
Information Segment	3,262	3,580	-318	-8.9	4,258	-996	-23.4
HR Segment	1,469	1,667	-198	-11.9	1,632	-163	-10.0
Operating profit	1,071	879	192	21.8	729	342	46.9
Public Funeral Services Segment	168	76	92	121.1	144	24	16.7
Profit-Generating Funeral Services Segment	716	620	96	15.5	449	267	59.5
Asset Consulting Segment	7	143	-136	-95.1	0	7	-
Information Segment	-110	-138	28	-	-37	-73	-
HR Segment	21	29	-8	-27.6	-29	50	-
Adjustments	271	149	122	81.9	202	69	34.2

4Q

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	13,521	13,311	100	0.8	10,469	3,052	28.1
Public Funeral Services Segment	1,702	1,702	0	0.0	1,651	51	3.1
Profit-Generating Funeral Services Segment	2,569	2,569	0	0.0	1,894	675	35.6
Asset Consulting Segment	376	166	210	126.5	0	376	-
Information Segment	7,104	7,104	0	0.0	5,232	1,872	35.8
HR Segment	1,770	1,770	0	0.0	1,692	78	4.6
Operating profit	3,357	3,212	145	4.5	1,864	1,493	80.1
Public Funeral Services Segment	510	510	0	0.0	357	153	42.9
Profit-Generating Funeral Services Segment	1,125	1,125	0	0.0	752	373	49.6
Asset Consulting Segment	284	139	145	104.3	0	284	-
Information Segment	1,058	1,058	0	0.0	521	537	103.1
HR Segment	111	111	0	0.0	9	102	1,133.3
Adjustments	269	269	0	0.0	223	46	20.6

H1 (cumulative)

(Millions of yen)

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	15,730	16,421	-691	-4.2	16,488	-758	-4.6
Public Funeral Services Segment	2,513	2,593	-80	-3.1	2,435	78	3.2
Profit-Generating Funeral Services Segment	3,796	3,750	46	1.2	2,734	1,062	38.8
Asset Consulting Segment	48	190	-142	-74.7	0	48	-
Information Segment	6,422	6,740	-318	-4.7	8,096	-1,674	-20.7
HR Segment	2,949	3,147	-198	-6.3	3,221	-272	-8.4
Operating profit	1,817	1,625	192	11.8	1,197	620	51.8
Public Funeral Services Segment	226	134	92	68.7	256	-30	-11.7
Profit-Generating Funeral Services Segment	1,357	1,261	96	7.6	884	473	53.5
Asset Consulting Segment	-22	114	-136	-	0	-22	-
Information Segment	-266	-294	28	-	-221	-45	-
HR Segment	-2	6	-8	-	-73	71	-
Adjustments	525	403	122	30.3	352	173	49.1

Full year (cumulative)

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	39,841	40,221	-380	-0.9	36,668	3,063	8.4
Public Funeral Services Segment	5,808	5,888	-80	-1.4	5,559	249	4.5
Profit-Generating Funeral Services Segment	8,667	8,621	46	0.5	6,383	2,284	35.8
Asset Consulting Segment	537	368	169	45.9	0	537	-
Information Segment	18,282	18,600	-318	-1.7	18,047	235	1.3
HR Segment	6,544	6,741	-197	-2.9	6,677	-133	-2.0
Operating profit	6,940	6,558	382	5.8	4,280	2,660	62.1
Public Funeral Services Segment	1,130	1,038	92	8.9	913	217	23.8
Profit-Generating Funeral Services Segment	3,382	3,286	96	2.9	2,235	1,147	51.3
Asset Consulting Segment	311	257	54	21.0	0	311	-
Information Segment	900	872	28	3.2	393	507	129.0
HR Segment	227	235	-8	-3.4	-26	253	-
Adjustments	991	869	122	14.0	764	227	29.7



3

FY03/24 Shareholder Return

3-01 Shareholder Return

Approach to shareholder return and internal reserves

Dividend and internal reserves

Dividend

... Dividends implemented as a stable return policy

⇒ Current dividend payout ratio ~~30%~~

32.5%

[As of November 10, 2023]

Further increase in the dividend payout ratio will be considered in the future

Internal reserves

... Seeking scale for growth investments reserves
(Expansion, furnace manufacturing, etc.)

Stock buyback

Plan to flexibly execute based on cash balances and stock price trends

3-02 Stock Split

Stock split (announced Nov 10, 2023)

At a meeting of the Company's Board of Directors held on November 10, 2023, the following resolution was adopted.

Purpose of the stock split:

In line with the new NISA system that will be introduced from January next year, the Company decided to carry out the stock split after comprehensively considering the level of the Company's stock price, how the Company's stock is circulating, changes in the composition of shareholders, and other factors.

By reducing the per-unit investment amount in the Company's shares, the Company aims to create an environment in which investors can invest more easily, improve the liquidity of the Company's shares, and further expand the investor base.

Method of split:

With November 30, 2023 as the record date, the shares of common stock held by shareholders listed or recorded in the shareholders' register as of the end of that date will be split at a ratio of five shares for each share held.

Split dates:

- Date of standard public notice: Wednesday, November 15, 2023
- Record date: Thursday, November 30, 2023
- Effective date: Friday, December 1, 2023

3-03 Revision to Dividend Forecast

Dividend Forecast for FY03/24

- ✓ In addition to reflecting revisions in the full-year consolidated financial forecast, the payout ratio will change from 30% to 32.5%

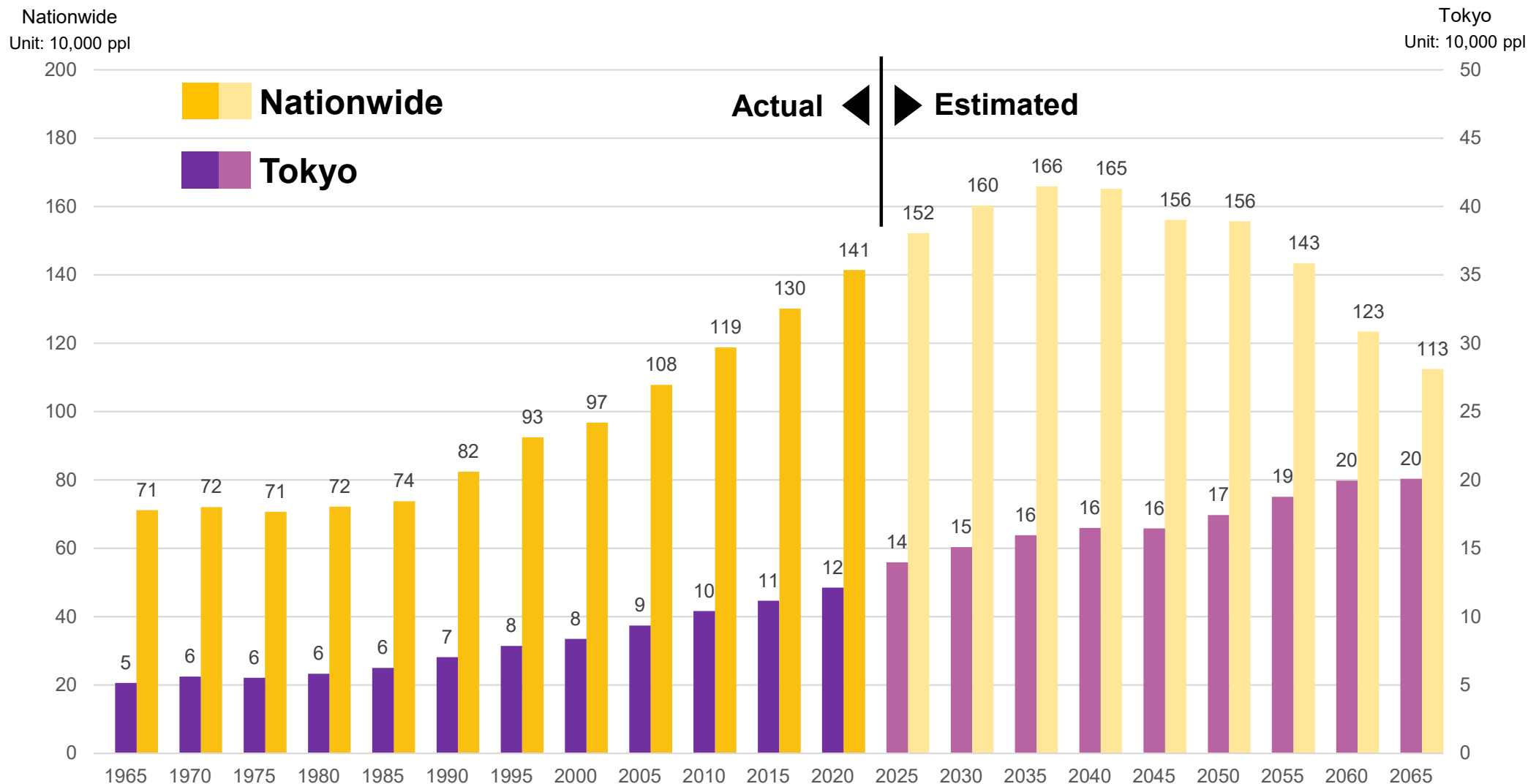
Record date	Dividend per share		
	End of Q2	End of FY	Total
FY03/23 results	7.75 yen	13.50 yen	21.25 yen
FY03/24 initial forecast (May 12, 2023)	23.65 yen	23.65 yen	47.30 yen
FY03/24 previous forecast (Aug 9, 2023)	26.30 yen	26.30 yen	52.60 yen
FY03/24 revised forecast (Conversion before stock split)	29.47 yen	5.89 yen* (29.47 yen)	— 58.94 yen

* ... Dividend per share after stock split effective December 1, 2023

4

Long-Term Outlook

4-01 State of the Population | Estimated Deaths



Nationwide: Statistics Bureau, Ministry of Internal Affairs and Communications; National Institute of Population and Social Security Research
Tokyo: Bureau of Social Welfare, Tokyo Metropolitan Government; Office of the Governor for Policy Planning, Tokyo Metropolitan Government

**Nationwide deaths will peak in around 2040, but will continue rising in Tokyo until at least 2065.
(*There were 1.58 million deaths nationwide in 2022.)**

4-02 Room for Expansion at Tokyo Hakuzen | Social Responsibility

As a company that provides cremation services in the public interest, we will fulfill our social responsibility in response to the increase in deaths.

Predicted number of cremation services

FY2022 **70,000**
(Deaths in Tokyo: 120,000)

FY2060 **130,000***
(Deaths in Tokyo | Estimate: 200,000)

*Company estimates based on statistical data from the Office of the Governor for Policy Planning, Tokyo Metropolitan Government

Our response

1. Operational capabilities developed by Tokyo Hakuzen

Expand service hours and cremations we handle

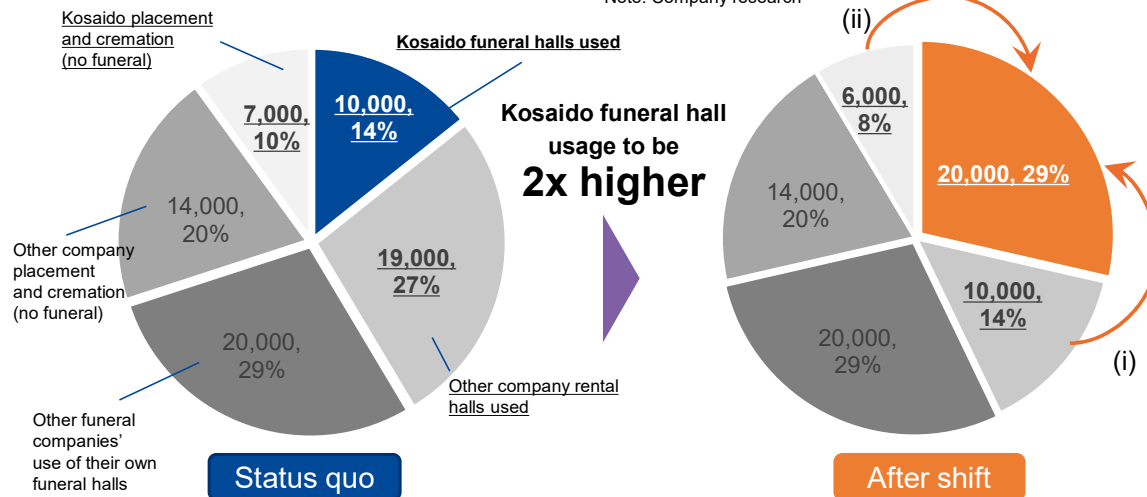
2. Utilize room for expansion at Tokyo Hakuzen

Additional furnaces (expansion)

Add yet more funeral halls

Breakdown of Funeral Hall Used for 70,000 Cremations*

Note: Company research



Current facilities

Funeral homes	Number of funeral homes	6 locations (23 wards)
	Total floor area	45,132 m ²
	Furnaces	
	Total furnaces	64
	Area	1,568 m ² (including back of furnaces)
	Funeral halls	
Additional funeral halls	Total number of funeral halls	35 halls
	Area	3,889 m ² (including 1,790 m ² for waiting rooms)
	Facilities added	36 halls (end of Sept 2023)
	Additional floor area	2,168 m ²
Remarks		Floorspace added in existing funeral homes

Room for expansion [7 locations (within the existing sites in the 23 wards)]

Total floor area	10,460 m ²
Funeral hall area rentable ratio	6,000m ² 57.4%

4-03 Room for Growth through Expansion | Profit Estimates

Estimated impact on performance by utilizing room for expansion

- Facility-related data

Current facilities				
Funeral homes	Number of funeral homes		6 locations (23 wards)	
	Total floor area		45,132 m ²	
	Furnaces	Total furnaces	64	
		Area	1,568 m ² (including back of furnaces)	
	Funeral halls	Total number of funeral halls	35 halls	
		Area	3,889 m ² (including 1,790 m ² for waiting rooms)	
	Additional funeral halls	Facilities added	36 halls (end of Sept 2023)	
		Additional floor area	2,168 m ²	
		Remarks	Floorspace added in existing funeral homes	
Room for expansion [7 locations (within the existing sites in the 23 wards)]				
Total floor area			10,460 m ²	
Funeral hall area rentable ratio			6,000m ² 57.4%	

Funeral halls

Revenue per tsubo | 2,232,000 yen/year

Tsubo

Assumed annual revenue

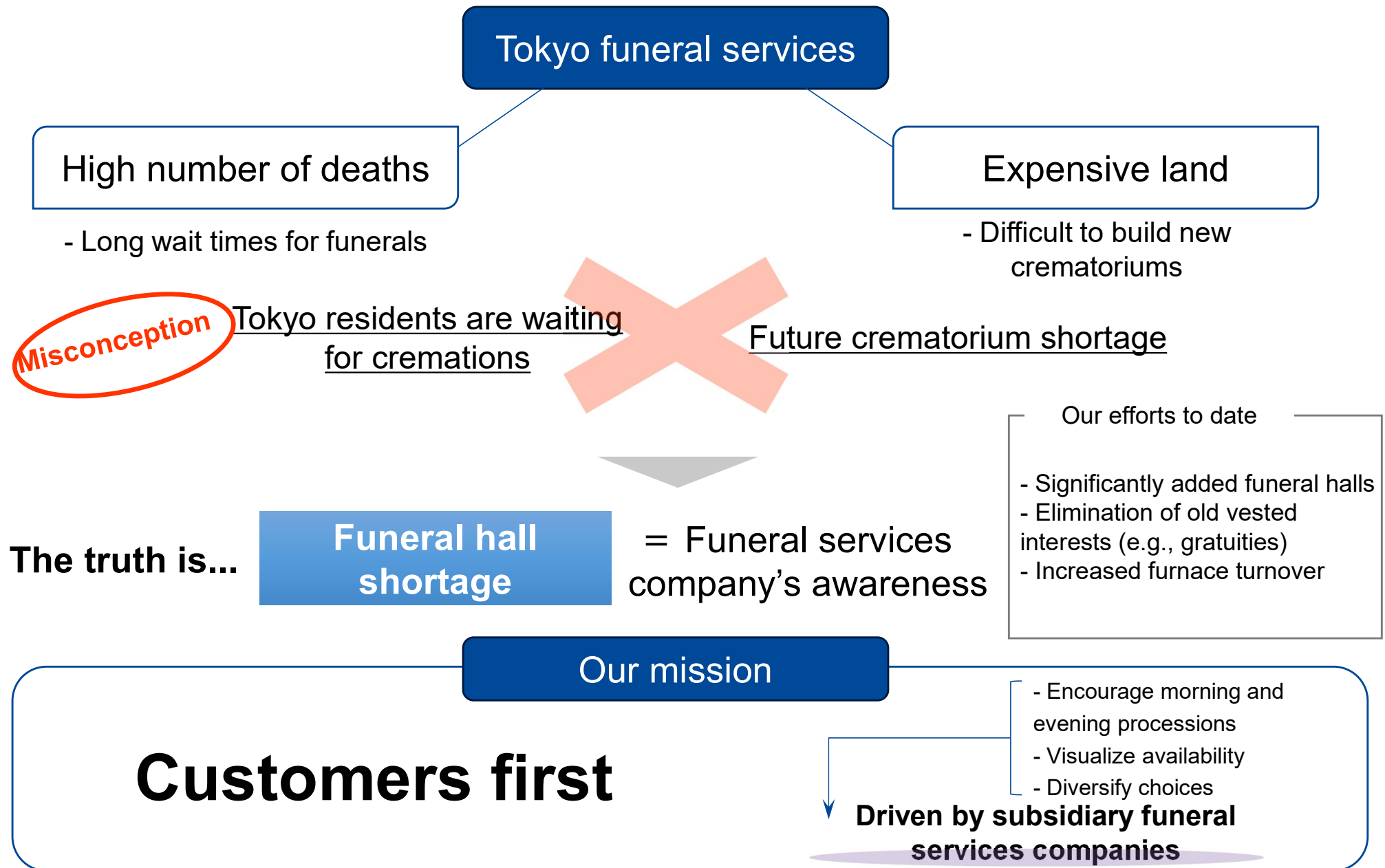
1,815 tsubo
(6,000 m²)

4,051 million yen

Expansion | Schedule to determine start date

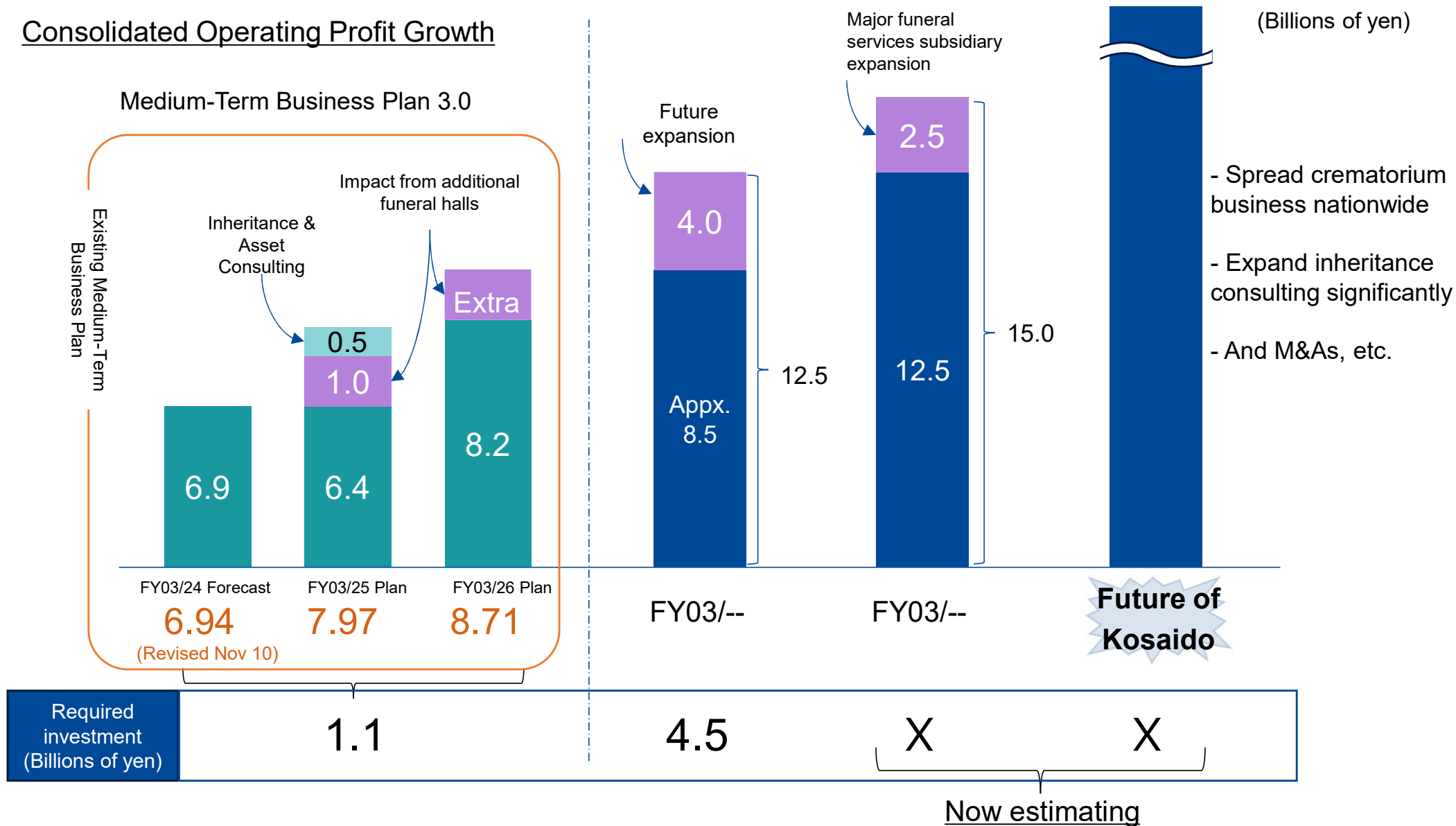
We would like to decide the date by April 2024.

4-04 The Tokyo End-of-Life Market



4-05 Business Growth Beyond Medium-Term Business Plan 3.0

Consolidated Operating Profit Growth



Improve planning accuracy and proceed to next Medium-Term Business Plan



A

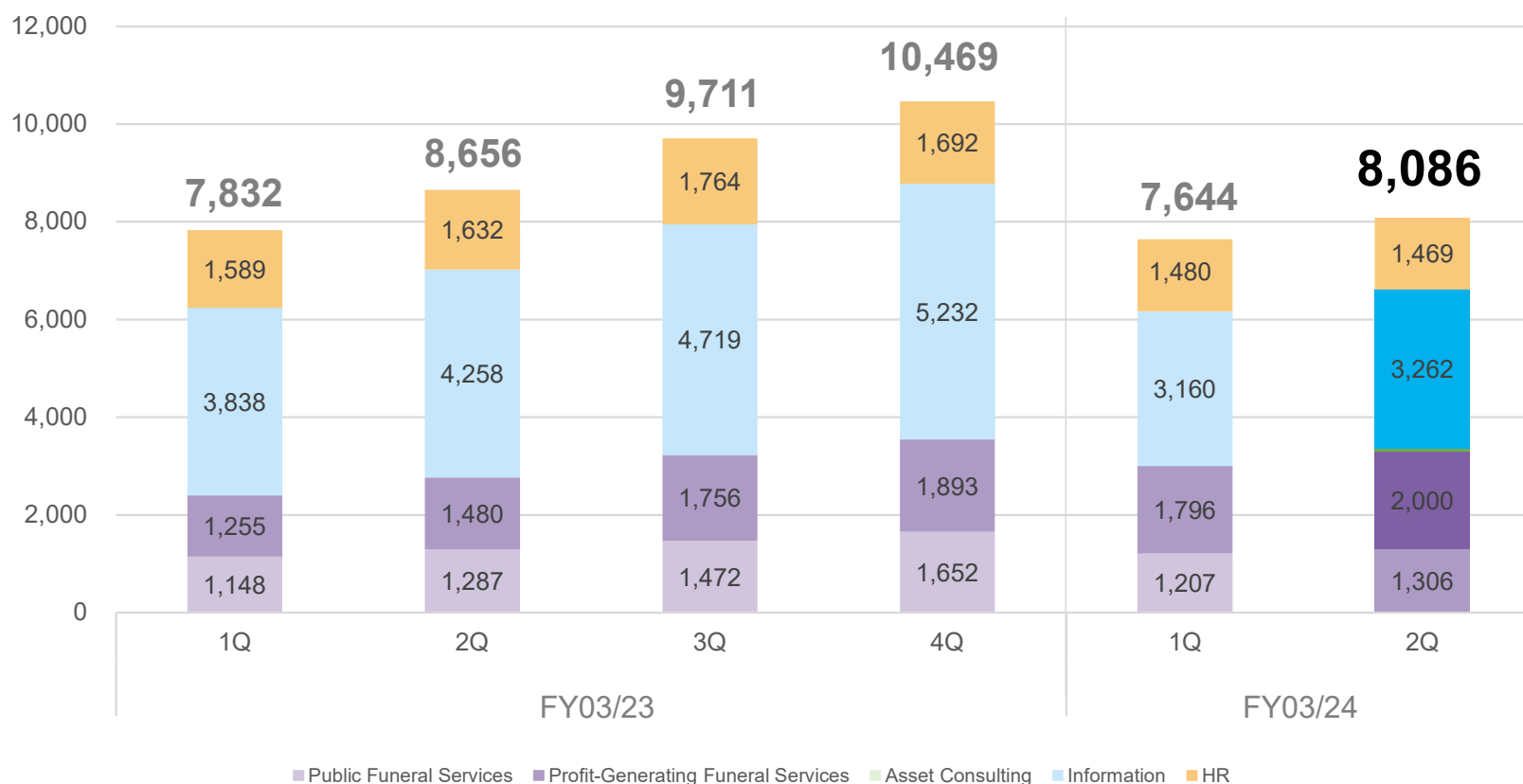
Appendix

- 1. Details of FY03/24 Performance**
- 2. Medium-Term Business Plan**
Performance Targets
- 3. ESG Activities Report**
- 4. Company Introduction**

A1-01 Quarterly Trend (Net Sales)

- Q2 sales increased in the Funeral Services segments due to the operation of new funeral halls at Tokyo Hakuzen and increased orders from two funeral service companies. In the Information and HR segments, overall sales decreased 6.6% year on year due to a difficult business environment compared to the previous year.

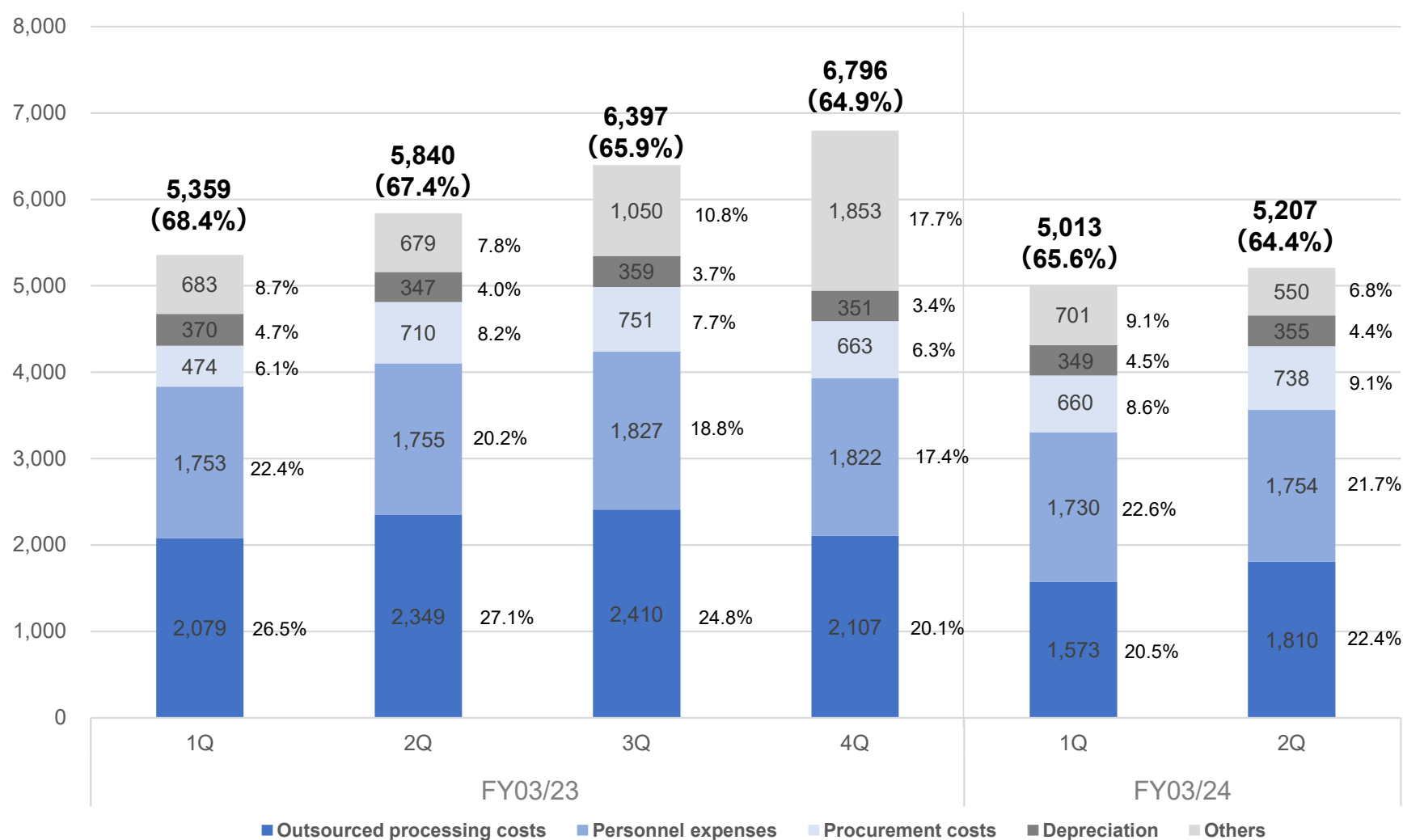
(Millions of yen)



A1-02 Quarterly Trend (Cost of Sales)

- Q2 cost of sales decreased year on year (-633 million yen, -3.0 pt cost of sales ratio)
- Continued control of subcontract expenses and reduction of fixed costs in the Information Segment contributed to cost cuts.

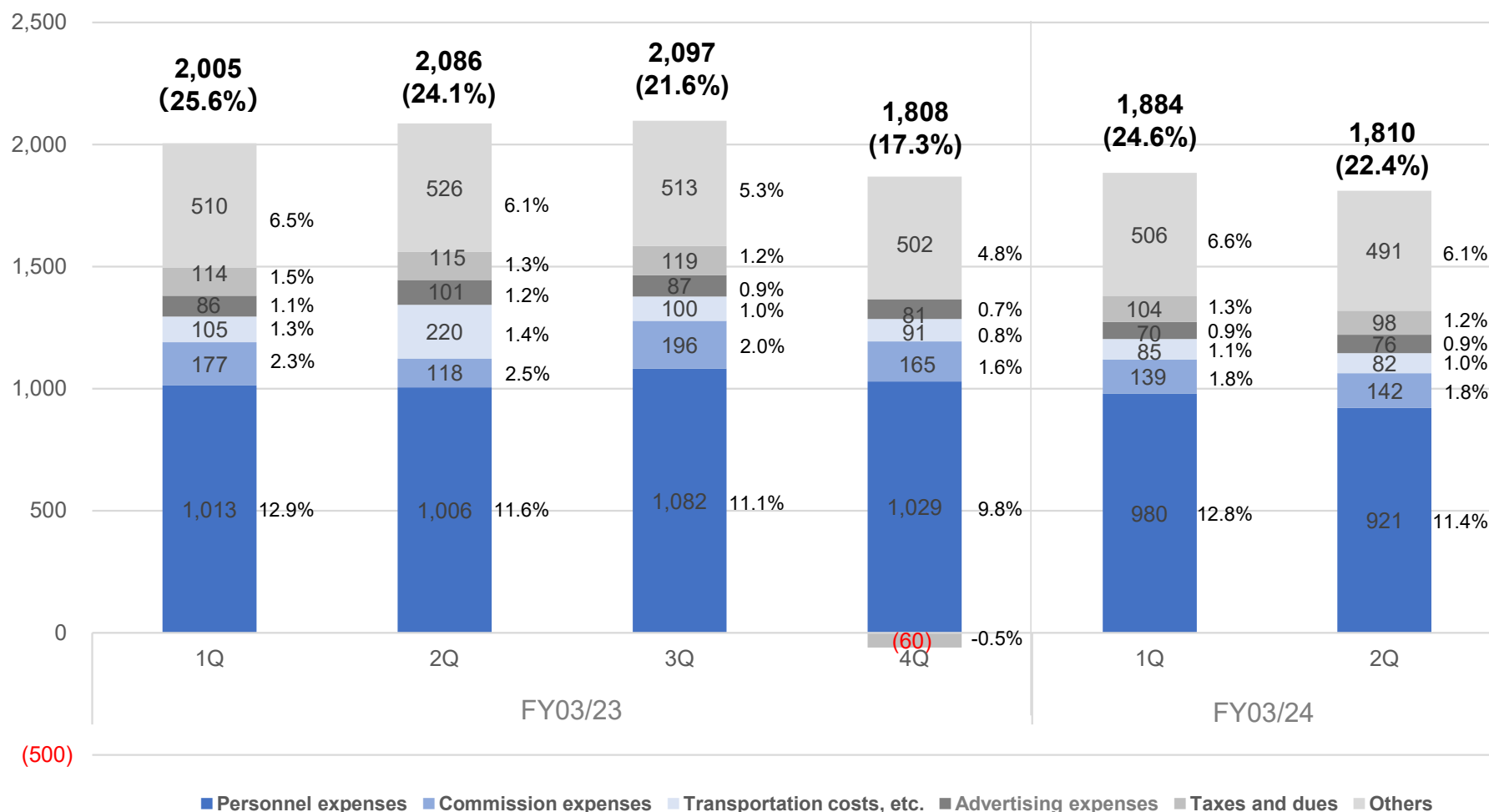
(Millions of yen / %: Cost of sales ratio)



A1-03 Quarterly Trend (SG&A Expenses)

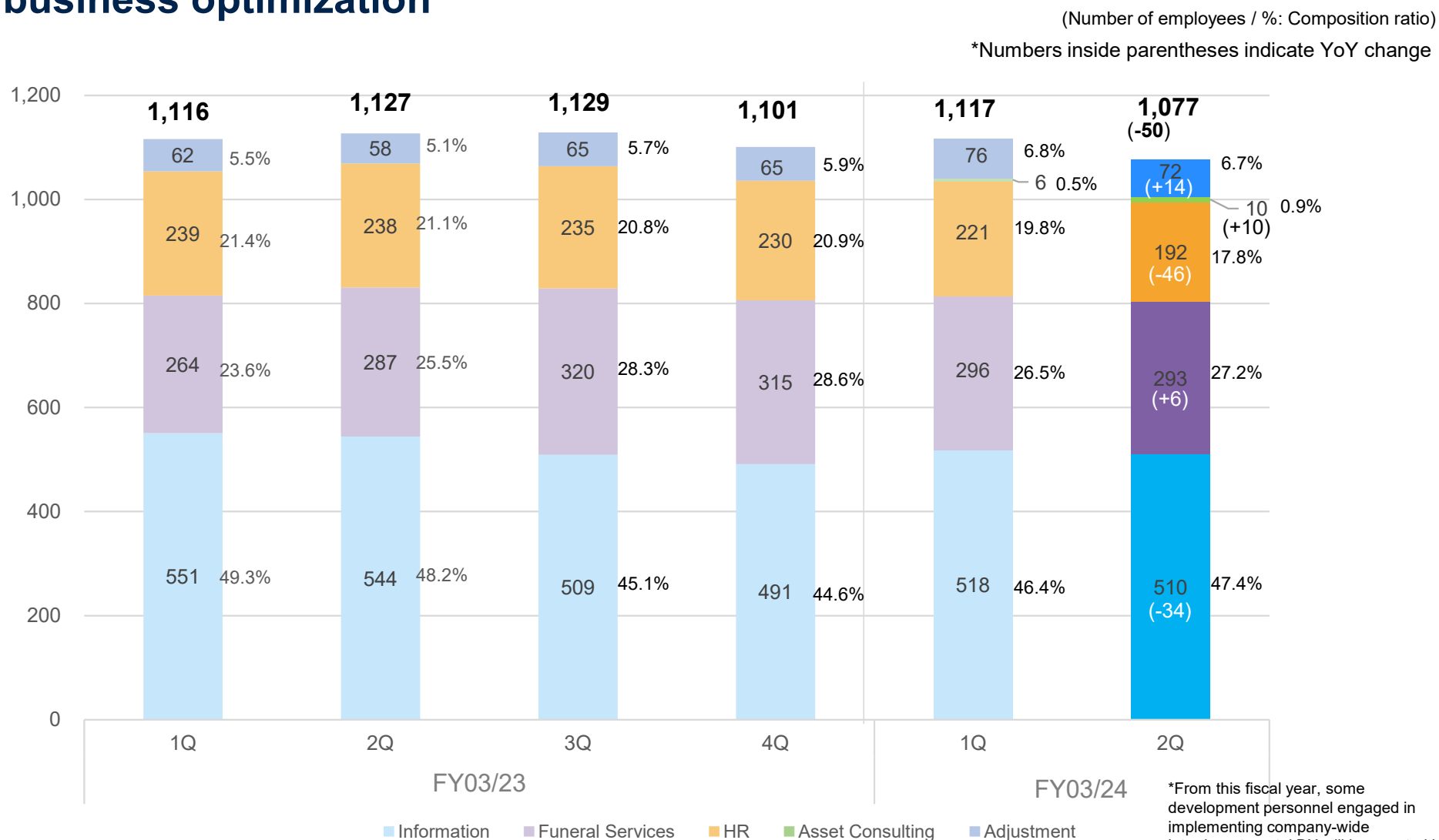
- Q2 SG&A expenses decreased year on year (-276 million yen, -1.7 pt SG&A expenses ratio)
- Continued reduction of fixed costs by implementing cost optimization at operating company.

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



A1-04 Quarterly Trend (Number of Employees)

- Review personnel in Information and HR segments and promote business optimization



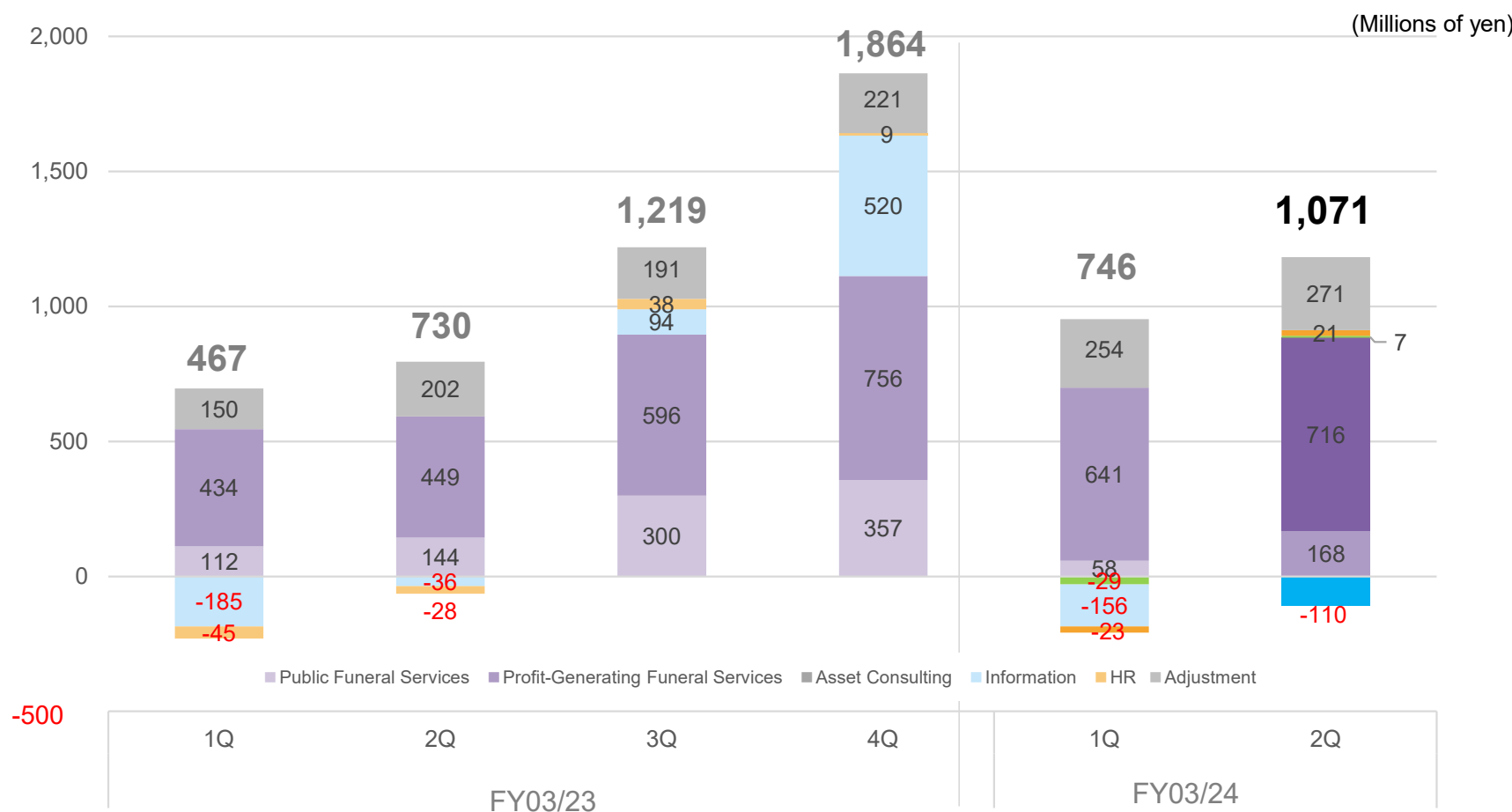
*From this fiscal year, some development personnel engaged in implementing company-wide interdepartmental DX will be counted in "Information" instead of "Other."

Quarterly Trend

A1-05 (Operating Profit by Segment)

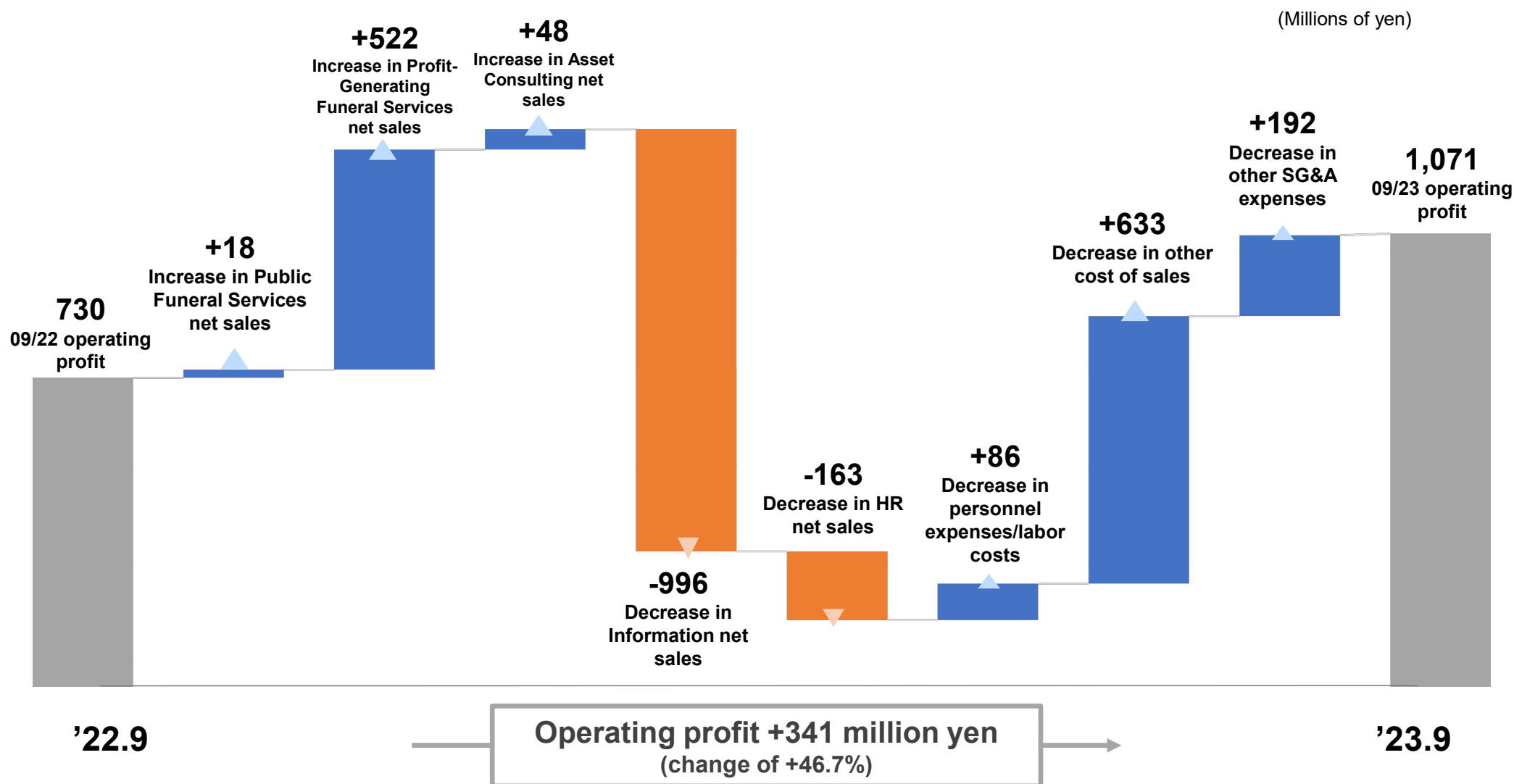
The method for booking management guidance fees for Group companies has been changed effective from the first quarter of the current fiscal year. These fees, which were included in corporate expenses as an adjustment, are now booked as operating expenses for each Group company of the reporting segment. Materials for the previous fiscal year were prepared according to this change.

- Operating profit increased 46.7% year on year due to solid performance of the funeral business, contribution from the Profit-Generating Funeral Services Segment with new funeral halls in operation, and continued cost optimization of Information and HR segments.



A1-06 Q2 FY03/24 Analysis of Change in Operating Profit (Major Items)

- Year on year, Information and HR segment income decreased, but Profit-Generating Funeral Services income increased. Overall income increased as a result of cost reductions in both Information and HR segments.



A1-07 Consolidated Balance Sheet

(Millions of yen)

	March 2023	Sep 2023	Difference as of quarter end
Current assets	27,998	27,127	-871
Cash and deposits	18,699	13,133	-5,566
Notes and accounts receivable–trade	5,810	3,458	-2,352
Non-current assets	43,134	43,937	803
Property, plant and equipment	35,807	36,684	877
Intangible assets	886	783	-103
Investments and other assets	6,440	6,469	29
Total assets	71,134	71,064	-70
Current liabilities	12,443	13,152	709
Short-term debt	1,400	1,400	0
Income taxes payable	325	551	226
Non-current liabilities	17,256	18,459	1,203
Total liabilities	29,699	31,611	1,912
Shareholders' equity	41,060	38,774	-2,286
Capital	100	159	59
Retained earnings	30,561	31,636	1,075
Share acquisition rights	11	66	55
Total net assets	41,434	39,452	-1,982
Total liabilities and net assets	71,134	71,064	-70

Public Funeral Services Business

A1-08 Income & Expenditures | Q2 FY03/24

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

Increase in transparency



Increase in business stability

■ The Company's 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 payments

||

(Reserves for losses in the Public Funeral Services Business)

■ Business Income & Expenditure for FY03/24 | Cumulative total from April 2023 to Sep 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	The balance of payments is appropriated as profit.	(vii) Public Funeral Services business reserves for losses
(ii) Segment sales	(iii) Segment expenses	(ii - iii) =			(i - iv - v) =		
2,513	2,287	226	69	375	- 218		0

(Millions of yen)

(*Estimate based on information as of August 2023)

A2-01 Medium-Term Business Plan 3.0 Performance Targets

Medium-Term Business Plan 3.0 (announced May 12, 2023)

(Millions of yen)

	FY03/22 Results	FY03/23 Results	Medium-Term Business Plan 3.0			
			FY03/24 Forecast		FY03/25 Plan	FY03/26 Plan
			May 12	Nov 10		
Net sales	35,361	36,668	40,000	39,841	42,100	43,800
Operating profit	3,729	4,280	6,360	6,940	7,970	8,710
Ordinary profit	3,610	4,185	6,110	6,893	7,750	8,490
Profit before income taxes	3,627	4,071	6,110	6,883	7,750	8,490
Income taxes	17	29	1,610	1,983	2,250	2,490
Profit attributable to owners of parent	3,643	4,042	4,500	4,900	5,500	6,000

Medium-Term Business Plan 3.0 Performance Targets

A2-02 by Business Segment

(Millions of yen)

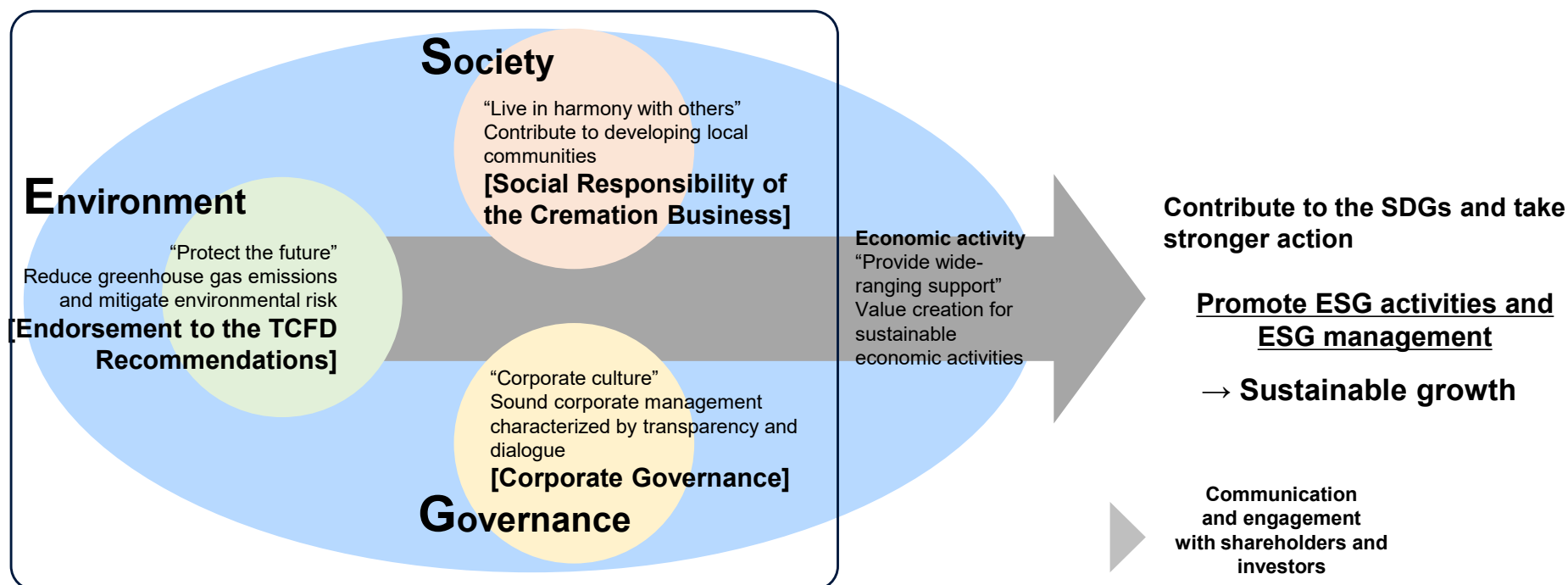
Medium-Term Business Plan 3.0 (announced May 12, 2023)

		FY03/23 Results	Medium-Term Business Plan 3.0			
			FY03/24 Forecast		FY03/25 PLAN	FY03/26 PLAN
			May 12	Nov 10		
Public Funeral Services	Net sales	5,561	6,033	5,808	6,215	6,400
	Operating profit	1,015	1,018	1,130	1,354	1,378
Profit- Generating Funeral Services	Net sales	6,382	8,639	8,667	9,785	10,100
	Operating profit	2,139	3,351	3,382	4,374	4,501
Asset Consulting	Net sales	0	368	537	700	1,400
	Operating profit	0	286	311	500	1,000
Information	Net sales	18,048	18,068	18,282	18,411	18,749
	Operating profit	392	609	900	684	694
HR	Net sales	6,677	6,892	6,544	6,989	7,151
	Operating profit	-27	237	227	244	247
Adjustments		761	859	991	814	890
Total	Net sales	36,668	40,000	39,841	42,100	43,800
	Operating profit	4,280	6,360	6,940	7,970	8,710

A3-01 ESG Activities Report

The purpose of the Kosaido Holdings ESG Activity Report is to provide shareholders, investors, business partners, and a wide range of other stakeholders with an understanding of the Company's approach and concrete action to further sustainability. The Kosaido Group SDGs Declaration defines four materialities (key issues) that are linked to both ESG activities and business management.

The word “Kosai” in our company name means “contributing to society at large.” Since our founding, we have diversified into the Public Funeral Services Business, Profit-Generating Funeral Services Segment, Asset Consulting, Information, and HR according to this common philosophy, thus providing valuable services that people and society appreciate. This report presents concrete action in our ESG activities with an awareness of our contribution to the SDGs, along with action to carry out our corporate philosophy.



ESG Activity Report [Society]

A3-02 - Social Responsibility of the Cremation Business

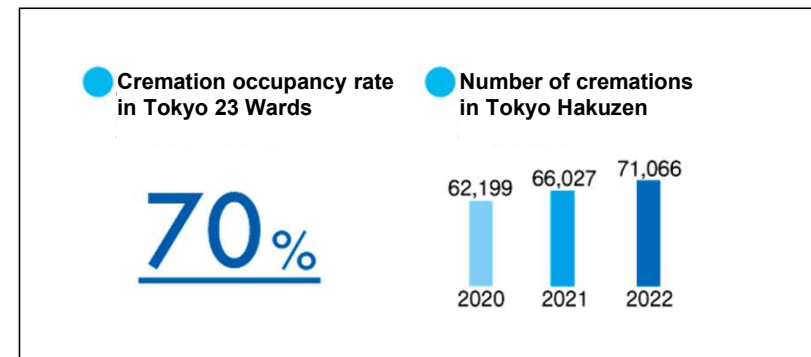
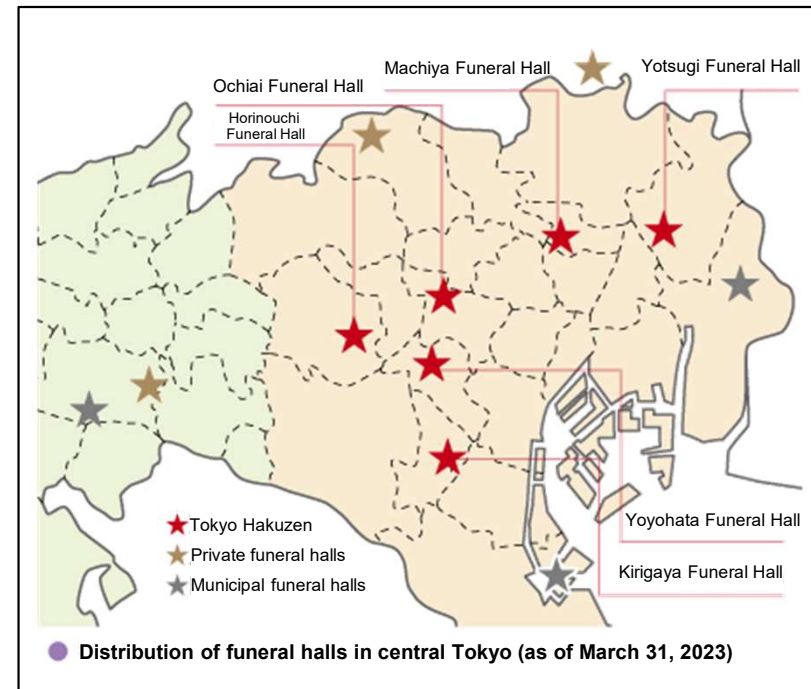
Basic Concept

The Company conducts our business based on the spirit of “Kosai,” which means “contributing to society at large.” Especially in Tokyo Hakuzen's cremation business, we contribute to the local community at large by carrying on this spirit and putting it into practice.

Originally, crematorium operations in Japan were regulated by the Act Concerning Graveyard, Burial, etc. and managing entities were generally local public organizations. Even if operations were more difficult, the operator had to be a public interest corporation or a religious corporation. But because Tokyo Hakuzen has been doing business in Tokyo since before this law came into force, **Tokyo Hakuzen, a private company, is operating six crematoriums.** Tokyo Hakuzen's crematoriums have a long history. They were built between the Edo Period (1603-1867) to the Meiji Era (1868-1912). Today, these facilities stand at convenient locations in Tokyo.

64* furnaces are operating at Tokyo Hakuzen funeral homes, **handling approximately 70,000 cremations a year.*** This accounts for about 70% of deaths in Tokyo's 23 wards.* Therefore, these locations receive many visitors, around 700,000. (*As of July 2023)

For more than 100 years since our establishment, we have been an indispensable business upholding the social infrastructure in the metropolis of Tokyo and fulfilling our social responsibility, but without public assistance, because we are a private company. In addition to contributing to the local community, our cremation business supports its development.



ESG Activity Report [Society]

A3-03 - Social Responsibility of the Cremation Business

Social Responsibility of the Cremation Business in a High-Death Society

Both local communities and Japanese society as a whole are facing a high number of deaths, and that figure increases by the year. As shown in these materials, nationwide deaths will peak by around 2040, and the number in Tokyo will continue increasing until 2065.



(From this document: Q1 FY03/24 Highlights)

*See next page for death statistics and trends.

In a society already facing a high number of deaths, those of us in the cremation business must take prompt action. However, public facilities operated by local governments cannot cope and there are already cremation waiting lists. In the future, the facilities may become more incapable of holding the funeral services requested by bereaved families.

In response, Tokyo Hakuzen is working to accurately understand social issues and problems from our unique business perspective as a private company, and we are striving for sustainable operations that do not rely on public funds. Tokyo Hakuzen, with a history spanning 100 years, takes the accelerating trend of a high number of deaths in Tokyo's large population seriously. We believe that it is our social responsibility to make efforts to build a society where we can always perform cremations and funeral processions at any time.

We also clearly recognize that without Tokyo Hakuzen, funeral processions in Tokyo would not be possible. Carrying on our business for the next 100 years and in perpetuity beyond is also connected to our company's great significance for society. We aspire to be a company that society always recognizes for its contributions, while establishing bonds of trust with society and members of the local community, and maintaining an awareness of the requirements for appropriate behavior according to our corporate responsibilities.



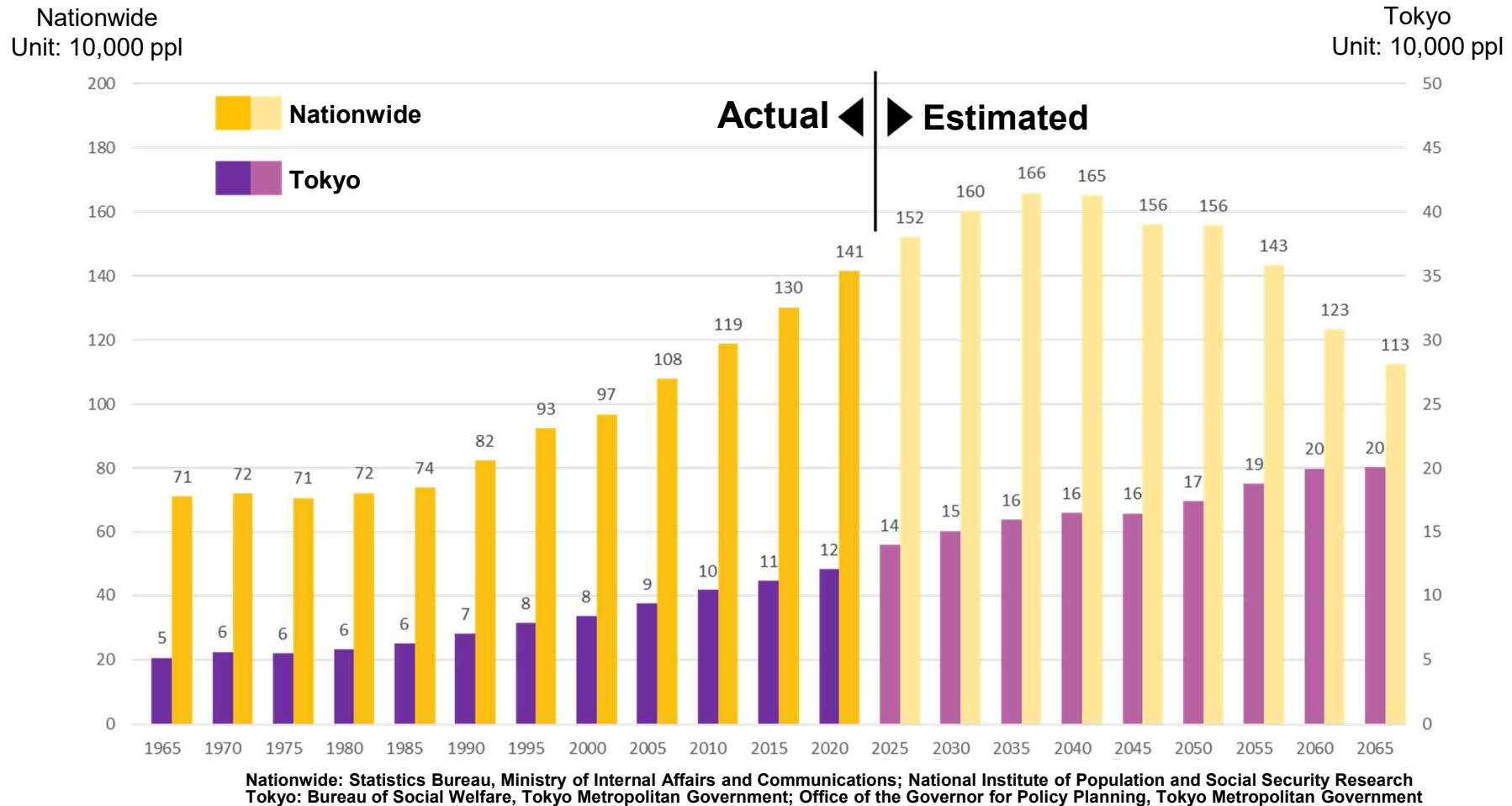
広済堂グループ
東京博善

ESG Activity Report [Society]

A3-04 - Social Responsibility of the Cremation Business

*Excerpt/reprint from this document: Q1 FY03/24 Highlights)

State of the Population | Estimated Deaths



**Nationwide deaths will peak in around 2040, but will continue rising in Tokyo until at least 2065.
(*There were 1.58 million deaths nationwide in 2022.)**

ESG Activity Report [Society]

A3-05 - Social Responsibility of the Cremation Business

Tokyo Hakuzen's Actions

■ Cremation technology for smooth funeral services

While many crematoriums use furnaces with carts, Tokyo Hakuzen uses grates that enable quick cremations so we can handle the increasing number of services. While other crematoriums normally handle two to three services per day, ours perform seven to nine. This eliminates waiting times before funeral services and reduces the psychological burden for the bereaved. To cope with a society with high number of deaths, we are focused on improving our operations as well as our technology.



Outside the cremation furnaces
at Yotsugi Funeral Home

■ Development of new, environmentally friendly cremation furnace system (Patented)

*Environmentally friendly

To help protect the environment, we are furthering the development of new cremation furnace systems that suppress dioxins while reducing CO2 emissions. We have developed and patented Japan's first environmentally friendly cremation furnace system that generates electricity from the cremation furnace's residual heat and uses a power recycling system. This new cremation system significantly suppresses exhaust gas emissions compared to conventional cremation furnace systems, and has achieved reductions in CO2, dioxins, and other toxic substances.

Stimulating the local economy through mutual understanding from exchanges with the community *CSR activities

Each of our six funeral homes in Tokyo hold Community Appreciation Gatherings to thank neighboring communities for their understanding and support. We endeavor to provide a setting where people of all ages can have an enjoyable and meaningful time through various events such as facility tours, morning markets, sales of products that support the employment of people with disabilities, *rakugo* (traditional Japanese comic storytelling) performances, mini concerts, art exhibitions, health seminars, and more.



The Kirigaya Funeral Hall held a Community Appreciation Gathering on July 9, 2023 for the neighborhood.

The event was a great success, with a dance performance by local children, a show by top-ranked *rakugo* storyteller Hanahei Hayashiya, an earthquake experience, and a Mercari class.

A3-06 ESG Activity Report [Environment]

Disclosure Based on the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations

In addition to endorsing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), in 2022, in response to increasing greenhouse gas emissions and extreme weather conditions caused by global warming, which have become important issues for the international community, the Group announced our SDGs Declaration to promote sustainability management. We have established a materiality on the environment and will work with our partners to further reduce risks to the environment. In addition, we have begun to disclose information in accordance with the TCFD and we will continue to implement the PDCA cycle to strengthen our management strategies related to climate change based on feedback from our stakeholders.

GHG Emissions Reduction Target

For GHG emissions from business activities at our company's sites (Scope 1 and 2), we are taking action to reduce with a medium-term target of 2030. For Scope 3, we are surveying the state of GHG emissions control by suppliers and customers.

Item	Scope 1+2 reduction targets	Scope 3 reduction targets
2050 target	Carbon neutrality	Carbon neutrality
2030 target	Reduce CO ₂ emissions by 34%	To be formulated based on the status of suppliers and purchases
Emissions factor	Ministry of the Environment "Measurement Methods and Emissions Factors under the Measurement, Reporting, and Publication System"	
Reference year	2020	

We disclose information according to TCFD recommendations at our Japanese website (IR Site/Environmental Policy).

You can check the following items according to disclosure rules:
 "Governance," "Strategy," "Risk Analysis,"
 "Indicators and Targets," "Reduction Targets"

*The information will be updated in December 2023.



A3-07 ESG Activity Report [Governance]

Basic Concept

Aiming to maximize shareholder value, sustainably increase enterprise value, and earn society's trust, we not only boost profitability, but also emphasize shareholder rights, implement efficient, fair, and transparent management practices, and ensure compliance. Furthermore, we enhance corporate governance by fulfilling the social responsibilities required of companies in terms of the environment, society, and governance, and by addressing social issues for the sustainable growth of the company and society.

Overview of Corporate Governance Structure

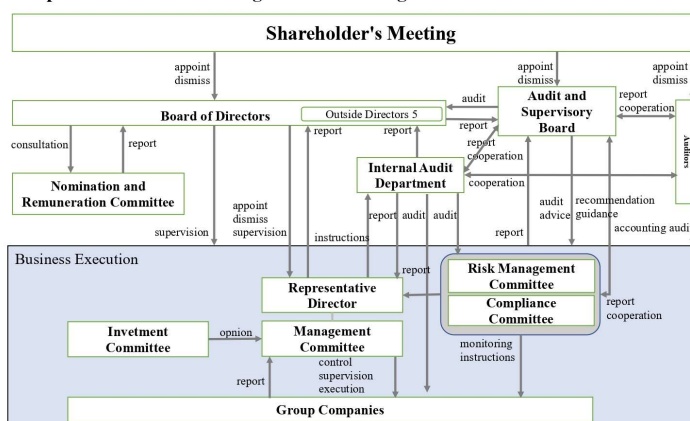
■ Board of Directors

As a company with a Board of Corporate Auditors, we endeavor to enhance corporate governance and improve the fairness and transparency of management based on our basic concept by building a management organization enabling proper supervision and monitoring while allowing directors to make appropriate decisions and promptly carry out business operations. In addition, we have established a voluntary nomination and compensation committee, whose primary members are independent outside directors and independent outside auditors, to deliberate and report to the Board of Directors on the directors' compensation, policy for determining their compensation, and proposed candidates for director positions. The Board of Directors, comprising two executive directors, one non-executive director, five outside directors, and corporate auditors, generally hold a regular monthly Board of Directors meeting, along with extraordinary meetings as necessary, to determine important business strategies, including management targets and strategies, as well as matters required by law, and to supervise business execution.

■ Board of Corporate Auditors

One full-time auditor and two outside auditors are appointed to ensure objectivity and neutrality in management oversight as they audit the state of governance and operations. In addition, we have appointed two outside auditors as independent directors, with the understanding that the roles of outside directors and outside auditors are, as an independent body entrusted by shareholders, to maintain a neutral and impartial position and ensure management's neutrality and objectivity.

Corporate Governance Organizational Diagram



For more information on corporate governance, please visit the IR News section of our website.

A4-01 Company Overview

**Company
name**

KOSAIDO Holdings Co., Ltd.

**Establish-
ment**

January 1949

Net sales

36,668
million yen
(FY03/23)

Total assets

71,064
million yen
(as of Sep 30, 2023)

Net assets

39,452
million yen
(as of Sep 30, 2023)

**Represent-
ative**

Hiroshi Kurosawa, President & CEO

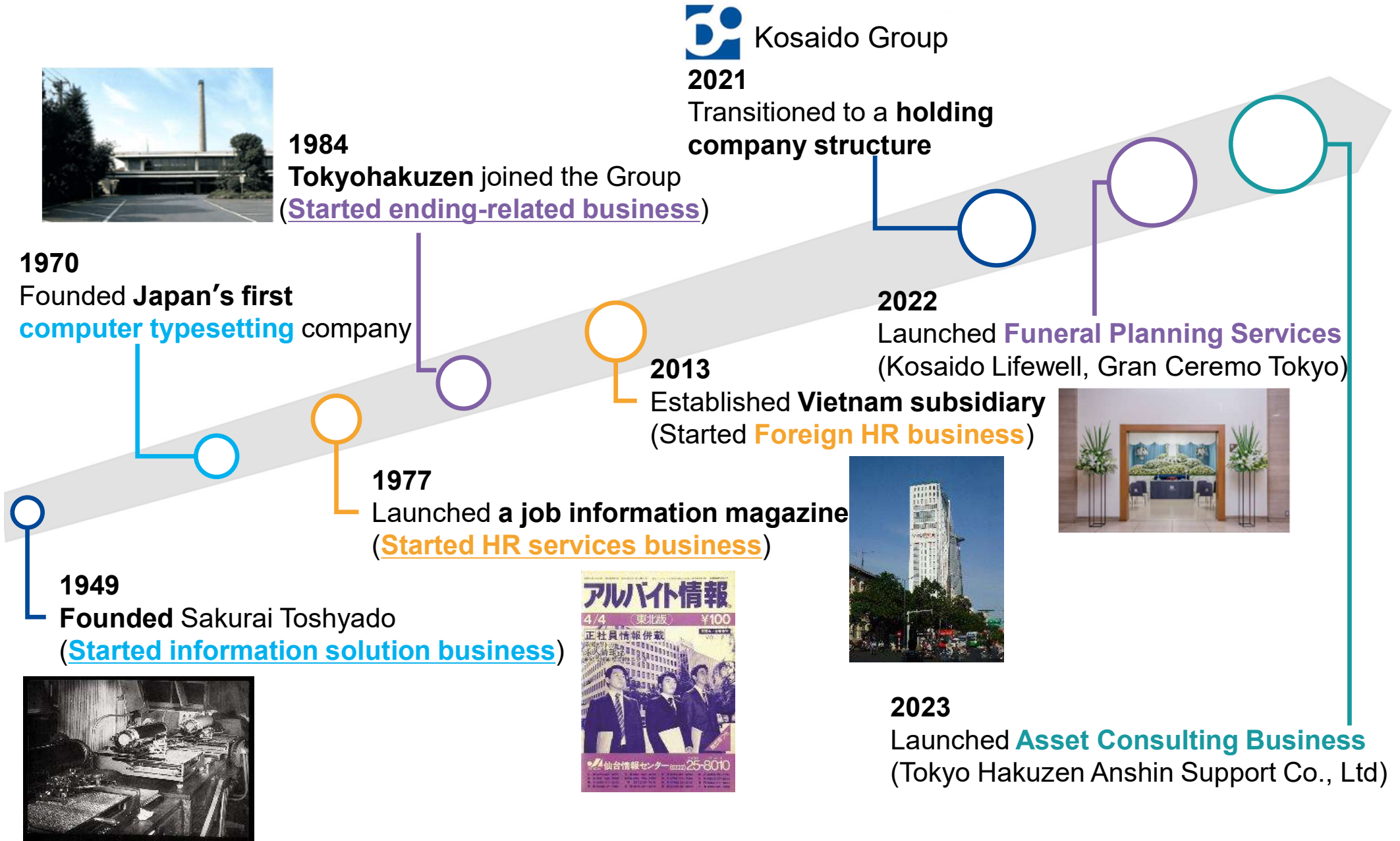
**Number of
employees**

1,077 (consolidated | as of Sep 30, 2023)

**Market
information**

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

A4-02 History



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.

A4-04 KOSAIDO Group

Further enrich
100-year lives.






KOSAIDO Holdings

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



[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



A4-05 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.



A4-06 Contact

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.

In addition, Facilities Tour for Institutional Investors and Analysts are held accordingly (funeral home tours operated by Tokyo Hakuzen Co., Ltd.).

If you would like to join, please contact us via the URL below.

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



FY03/24

Q2 Financial Results Presentation

Securities code: 7868

November 10, 2023

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1

Q2 FY03/24 Highlights












1-01 Q2 FY03/24 Consolidated Financial Results

- As in Q1, income in the Information Segment decreased due to changes in COVID-19-related special demand from the previous fiscal year and large BPO projects that were shifted to Q4. However, profits were booked by curbing outsourcing costs and reducing fixed costs.
- The Profit-Generating Funeral Services Segment grew sales from funeral hall usage while the funeral business contributed to an increase in consolidated profit.
- The 154M that was scheduled to be sold from Asset Consulting is recognized as non-operating income.

(Millions of yen)								*Reference	
	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast		Q2 FY03/24	YoY change
			Change	Rate of Change (%)		Change	Rate of Change (%)		Rate of Change (%)
Net sales	15,730	16,488	-758	-4.6	16,421	-691	-4.2	8,086	-6.6
Operating profit	1,817	1,197	620	51.8	1,625	192	11.8	1,071	46.7
Ordinary profit	1,842	1,202	640	53.1	1,533	309	20.2	1,024	38.4
Profit attributable to owners of parent	1,460	929	531	57.2	1,167	293	25.1	814	42.1

1-02 Q2 FY03/24 Financial Results Summary by Business Segment

(Millions of yen)

	Net sales		YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast		Operating profit		YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast	
	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	Change	Rate of Change (%)		Change	Rate of Change (%)	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	Difference	Rate of Change (%)		Change	Rate of Change (%)
Public Funeral Services	 2,513	2,435	78	3.2	2,593	-80	-3.1	 226	256	-30	-11.7	134	92	68.7
Profit- Generating Funeral Services	 3,796	2,734	1,062	38.8	3,750	46	1.2	 1,357	883	474	53.7	1,261	96	7.6
Asset Consulting	48	0	48	—	190	-142	-74.7	-22	0	-22	—	114	-136	—
Information	 6,422	8,096	-1,674	-20.7	6,740	-318	-4.7	 -266	-221	-45	—	-294	28	—
HR	 2,949	3,221	-272	-8.4	3,147	-198	-6.3	 -2	-73	71	—	6	-8	—
Adjustments , etc.			0	—		0	—	 525	352	173	49.1	403	122	30.3
Total	 15,730	16,488	-758	-4.6	16,421	-691	-4.2	 1,817	1,197	620	51.8	1,624	193	11.9

  ... YoY change

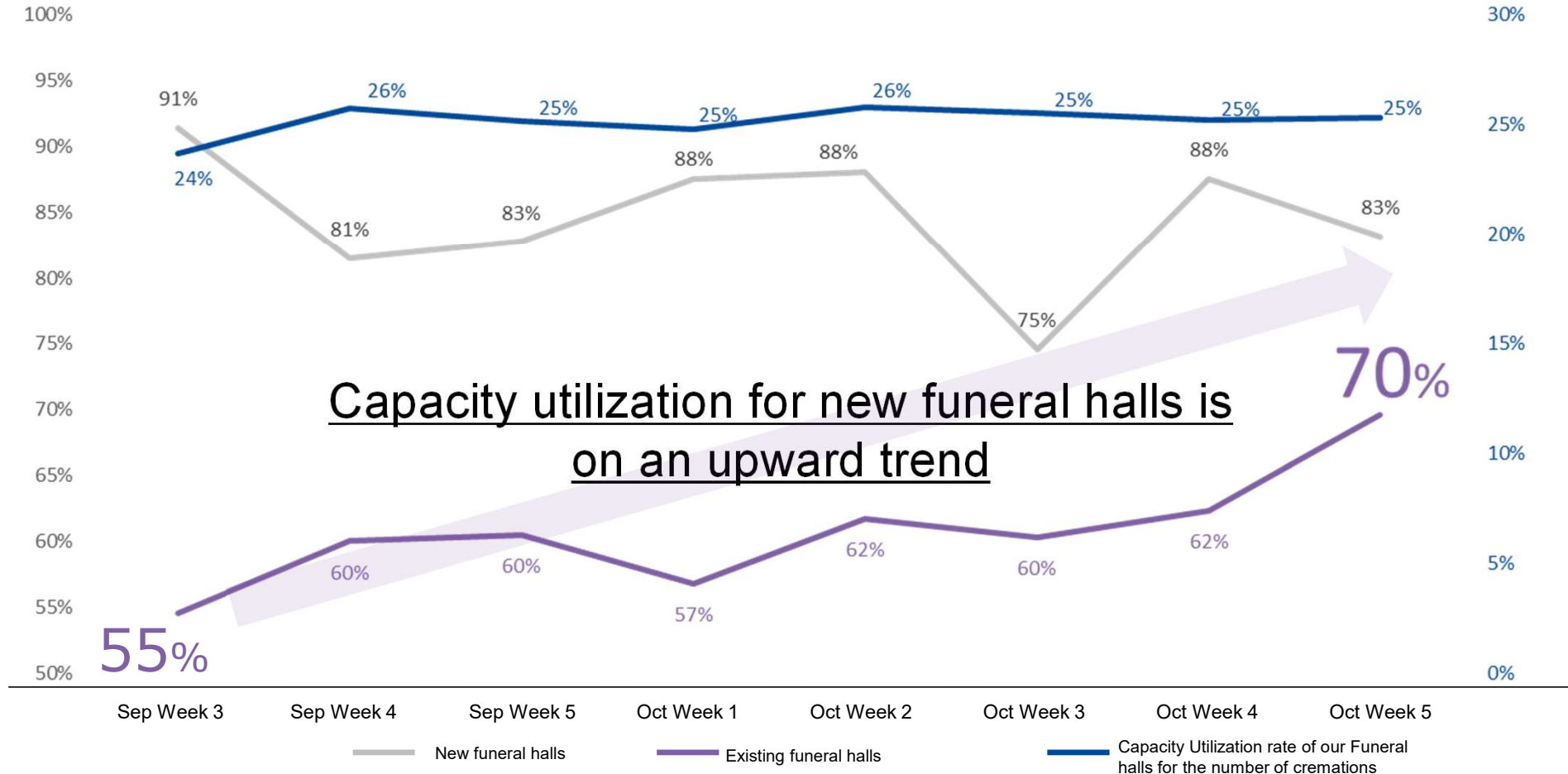
- Information and HR income declined due to the impact of the previous fiscal year's COVID-19-related special demand, but we ensured profits through cost reductions.
- Profit-Generating Funeral Services covered the overall revenue due to increased sales from opening new funeral halls and growth in the performance of funeral services company.
- Asset Consulting | 154M in non-operating income booked. Approx. 100M yen in sales to be booked late in Q3 or afterward.



1-03 New Funeral Hall Capacity Utilization

Capacity Utilization rate of existing and new Funeral halls

Capacity Utilization rate of our Funeral halls



- All new funeral halls became operational from September.
- The new funeral hall capacity utilization has exceeded expectations from 55% at the start.
- Continuous publicity and sales to funeral services companies have resulted in steadily increasing capacity utilization for new funeral halls.

1-04 Status of New Businesses

Funeral Business

* ... 2 companies: Kosaido Lifewell, Gran Ceremo Tokyo

- FY03/24 Performance (2 companies* combined)

(Millions of yen)

	Q1					Q2					Q2 (Cumulative)				
	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year
Net sales	329	343	-14	44	285	383	360	23	209	174	712	703	9	254	458
Operating profit	45	20	25	-59	104	35	31	4	-39	74	80	52	28	-98	178

Primary cause

(Difference from plan) - Sales are on an upward trend due to increased attendees. Advertising operations are optimized to further increase orders in 2Q

(Difference from the prior year) - There were upfront costs because the previous fiscal year was the first year for the newly launched funeral business.

Asset Consulting Business

- Sales of a project (100M scale) scheduled to be booked in 2Q were changed to sales in 4Q.
- Small-scale real estate-related projects are also progressing and gradually adding up the sales.

Furnaces

- Started in-house maintenance and crematorium design. It is progressing smoothly.

A blue background with organic, wavy shapes. A large white number '2' is centered within a lighter blue circular area.

2

Consolidated Financial Forecast for FY03/24

Q1

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	7,644	7,644	-	-	7,832	-188	-2.4
Operating profit	746	746	-	-	467	279	59.7
Ordinary profit	818	818	-	-	463	355	76.6
Quarterly profit	646	646	-	-	356	290	81.3

Q2

	Actual	Revised forecast (Aug 9)	Amount revised		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	8,086	8,777	-691	-7.9	8,657	-571	-6.6
Operating profit	1,071	879	192	21.8	730	341	46.7
Ordinary profit	1,024	715	309	43.2	740	275	38.4
Quarterly profit	814	521	293	56.2	573	241	42.1

H1 (cumulative)

(Millions of yen)

	Actual	Revised forecast (Aug 9)	Amount revised		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	15,730	16,421	-691	-4.2	16,488	-758	-4.6
Operating profit	1,817	1,625	192	11.8	1,197	620	51.8
Ordinary profit	1,842	1,533	309	20.2	1,202	640	53.1
Quarterly profit	1,460	1,167	293	25.1	929	531	57.2

Q3

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	10,589	10,488	101	1.0	9,711	878	9.0
Operating profit	1,766	1,721	45	2.6	1,219	547	44.9
Ordinary profit	1,717	1,672	45	2.7	1,172	545	46.5
Quarterly profit	1,418	1,220	198	16.2	973	445	45.7

Q4

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	13,521	13,311	210	1.6	10,469	3,052	29.2
Operating profit	3,357	3,212	145	4.5	1,864	1,493	80.1
Ordinary profit	3,334	3,189	145	4.5	1,810	1,524	84.2
Quarterly profit	2,022	2,333	-311	-13.3	2,139	-117	-5.5

Full year (cumulative)

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	39,841	40,221	-380	-0.9	36,668	3,173	8.7
Operating profit	6,940	6,558	382	5.8	4,280	2,660	62.1
Ordinary profit	6,893	6,394	499	7.8	4,185	2,708	64.7
Quarterly profit	4,900	4,720	180	3.8	4,042	858	21.2

FY03/24 current net profit forecast changed due to factors including +499M ordinary profit and -303M decrease in profit from higher tax expenses

1Q

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	7,644	7,644	0	0.0	7,832	-188	-2.4
Public Funeral Services Segment	1,207	1,207	0	0.0	1,148	59	5.1
Profit-Generating Funeral Services Segment	1,796	1,796	0	0.0	1,255	541	43.1
Asset Consulting Segment	0	0	0	-	0	0	-
Information Segment	3,160	3,160	0	0.0	3,838	-678	-17.7
HR Segment	1,480	1,480	0	0.0	1,589	-109	-6.9
Operating profit	746	746	0	0.0	467	279	59.7
Public Funeral Services Segment	58	58	0	0.0	112	-54	-48.2
Profit-Generating Funeral Services Segment	641	641	0	0.0	434	207	47.7
Asset Consulting Segment	-29	-29	0	-	0	-29	-
Information Segment	-156	-156	0	-	-185	29	-
HR Segment	-23	-23	0	-	-45	22	-
Adjustments	254	254	0	0.0	150	104	69.3

3Q

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	10,589	10,488	101	1.0	9,711	878	9.0
Public Funeral Services Segment	1,593	1,593	0	0.0	1,472	121	8.2
Profit-Generating Funeral Services Segment	2,302	2,302	0	0.0	1,756	546	31.1
Asset Consulting Segment	113	12	101	841.7	0	113	-
Information Segment	4,756	4,756	0	0.0	4,719	37	0.8
HR Segment	1,825	1,824	1	0.1	1,764	61	3.5
Operating profit	1,766	1,721	45	2.6	1,219	547	44.9
Public Funeral Services Segment	394	394	0	0.0	300	94	31.3
Profit-Generating Funeral Services Segment	900	900	0	0.0	599	301	50.3
Asset Consulting Segment	49	4	45	1,125.0	0	49	-
Information Segment	108	108	0	0.0	94	14	14.9
HR Segment	118	118	0	0.0	38	80	210.5
Adjustments	197	197	0	0.0	189	8	4.2

2Q

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	8,086	8,777	-691	-7.9	8,656	-570	-6.6
Public Funeral Services Segment	1,306	1,386	-80	-5.8	1,288	18	1.4
Profit-Generating Funeral Services Segment	2,000	1,954	46	2.4	1,478	522	35.3
Asset Consulting Segment	48	190	-142	-74.7	0	48	-
Information Segment	3,262	3,580	-318	-8.9	4,258	-996	-23.4
HR Segment	1,469	1,667	-198	-11.9	1,632	-163	-10.0
Operating profit	1,071	879	192	21.8	729	342	46.9
Public Funeral Services Segment	168	76	92	121.1	144	24	16.7
Profit-Generating Funeral Services Segment	716	620	96	15.5	449	267	59.5
Asset Consulting Segment	7	143	-136	-95.1	0	7	-
Information Segment	-110	-138	28	-	-37	-73	-
HR Segment	21	29	-8	-27.6	-29	50	-
Adjustments	271	149	122	81.9	202	69	34.2

4Q

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	13,521	13,311	100	0.8	10,469	3,052	28.1
Public Funeral Services Segment	1,702	1,702	0	0.0	1,651	51	3.1
Profit-Generating Funeral Services Segment	2,569	2,569	0	0.0	1,894	675	35.6
Asset Consulting Segment	376	166	210	126.5	0	376	-
Information Segment	7,104	7,104	0	0.0	5,232	1,872	35.8
HR Segment	1,770	1,770	0	0.0	1,692	78	4.6
Operating profit	3,357	3,212	145	4.5	1,864	1,493	80.1
Public Funeral Services Segment	510	510	0	0.0	357	153	42.9
Profit-Generating Funeral Services Segment	1,125	1,125	0	0.0	752	373	49.6
Asset Consulting Segment	284	139	145	104.3	0	284	-
Information Segment	1,058	1,058	0	0.0	521	537	103.1
HR Segment	111	111	0	0.0	9	102	1,133.3
Adjustments	269	269	0	0.0	223	46	20.6

H1 (cumulative)

(Millions of yen)

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	15,730	16,421	-691	-4.2	16,488	-758	-4.6
Public Funeral Services Segment	2,513	2,593	-80	-3.1	2,435	78	3.2
Profit-Generating Funeral Services Segment	3,796	3,750	46	1.2	2,734	1,062	38.8
Asset Consulting Segment	48	190	-142	-74.7	0	48	-
Information Segment	6,422	6,740	-318	-4.7	8,096	-1,674	-20.7
HR Segment	2,949	3,147	-198	-6.3	3,221	-272	-8.4
Operating profit	1,817	1,625	192	11.8	1,197	620	51.8
Public Funeral Services Segment	226	134	92	68.7	256	-30	-11.7
Profit-Generating Funeral Services Segment	1,357	1,261	96	7.6	884	473	53.5
Asset Consulting Segment	-22	114	-136	-	0	-22	-
Information Segment	-266	-294	28	-	-221	-45	-
HR Segment	-2	6	-8	-	-73	71	-
Adjustments	525	403	122	30.3	352	173	49.1

Full year (cumulative)

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	39,841	40,221	-380	-0.9	36,668	3,063	8.4
Public Funeral Services Segment	5,808	5,888	-80	-1.4	5,559	249	4.5
Profit-Generating Funeral Services Segment	8,667	8,621	46	0.5	6,383	2,284	35.8
Asset Consulting Segment	537	368	169	45.9	0	537	-
Information Segment	18,282	18,600	-318	-1.7	18,047	235	1.3
HR Segment	6,544	6,741	-197	-2.9	6,677	-133	-2.0
Operating profit	6,940	6,558	382	5.8	4,280	2,660	62.1
Public Funeral Services Segment	1,130	1,038	92	8.9	913	217	23.8
Profit-Generating Funeral Services Segment	3,382	3,286	96	2.9	2,235	1,147	51.3
Asset Consulting Segment	311	257	54	21.0	0	311	-
Information Segment	900	872	28	3.2	393	507	129.0
HR Segment	227	235	-8	-3.4	-26	253	-
Adjustments	991	869	122	14.0	764	227	29.7



3

FY03/24 Shareholder Return

3-01 Shareholder Return

Approach to shareholder return and internal reserves

Dividend and internal reserves

Dividend

... Dividends implemented as a stable return policy

⇒ Current dividend payout ratio ~~30%~~

32.5%

[As of November 10, 2023]

Further increase in the dividend payout ratio will be considered in the future

Internal reserves

... Seeking scale for growth investments reserves
(Expansion, furnace manufacturing, etc.)

Stock buyback

Plan to flexibly execute based on cash balances and stock price trends

3-02 Stock Split

Stock split (announced Nov 10, 2023)

At a meeting of the Company's Board of Directors held on November 10, 2023, the following resolution was adopted.

Purpose of the stock split:

In line with the new NISA system that will be introduced from January next year, the Company decided to carry out the stock split after comprehensively considering the level of the Company's stock price, how the Company's stock is circulating, changes in the composition of shareholders, and other factors.

By reducing the per-unit investment amount in the Company's shares, the Company aims to create an environment in which investors can invest more easily, improve the liquidity of the Company's shares, and further expand the investor base.

Method of split:

With November 30, 2023 as the record date, the shares of common stock held by shareholders listed or recorded in the shareholders' register as of the end of that date will be split at a ratio of five shares for each share held.

Split dates:

- Date of standard public notice: Wednesday, November 15, 2023
- Record date: Thursday, November 30, 2023
- Effective date: Friday, December 1, 2023

3-03 Revision to Dividend Forecast

Dividend Forecast for FY03/24

- ✓ In addition to reflecting revisions in the full-year consolidated financial forecast, the payout ratio will change from 30% to 32.5%

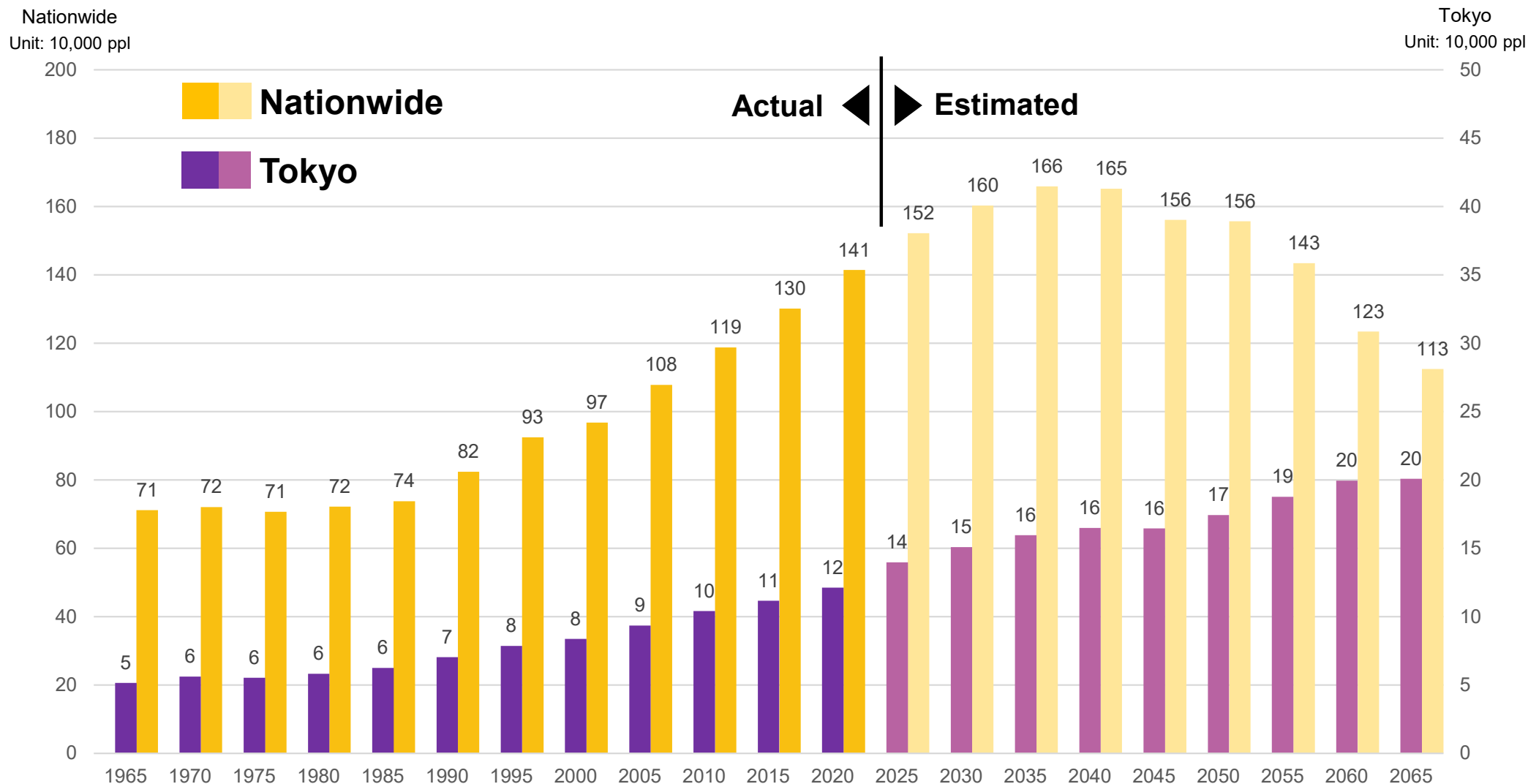
Record date	Dividend per share		
	End of Q2	End of FY	Total
FY03/23 results	7.75 yen	13.50 yen	21.25 yen
FY03/24 initial forecast (May 12, 2023)	23.65 yen	23.65 yen	47.30 yen
FY03/24 previous forecast (Aug 9, 2023)	26.30 yen	26.30 yen	52.60 yen
FY03/24 revised forecast (Conversion before stock split)	29.47 yen	5.89 yen* (29.47 yen)	— 58.94 yen

* ... Dividend per share after stock split effective December 1, 2023

4

Long-Term Outlook

4-01 State of the Population | Estimated Deaths



Nationwide: Statistics Bureau, Ministry of Internal Affairs and Communications; National Institute of Population and Social Security Research
Tokyo: Bureau of Social Welfare, Tokyo Metropolitan Government; Office of the Governor for Policy Planning, Tokyo Metropolitan Government

**Nationwide deaths will peak in around 2040, but will continue rising in Tokyo until at least 2065.
(*There were 1.58 million deaths nationwide in 2022.)**

4-02 Room for Expansion at Tokyo Hakuzen | Social Responsibility

As a company that provides cremation services in the public interest, we will fulfill our social responsibility in response to the increase in deaths.

Predicted number of cremation services

FY2022 **70,000**
(Deaths in Tokyo: 120,000)

FY2060 **130,000***
(Deaths in Tokyo | Estimate: 200,000)

*Company estimates based on statistical data from the Office of the Governor for Policy Planning, Tokyo Metropolitan Government

Our response

1. Operational capabilities developed by Tokyo Hakuzen

Expand service hours and cremations we handle

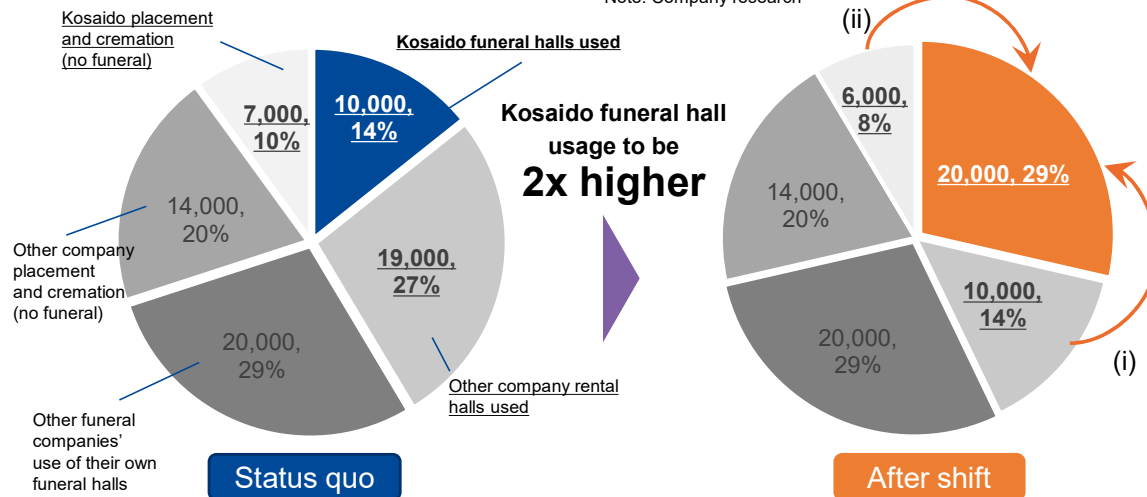
2. Utilize room for expansion at Tokyo Hakuzen

Additional furnaces (expansion)

Add yet more funeral halls

Breakdown of Funeral Hall Used for 70,000 Cremations*

Note: Company research



Current facilities			
Funeral homes	Number of funeral homes		6 locations (23 wards)
	Total floor area		45,132 m ²
	Furnaces	Total furnaces	64
		Area	1,568 m ² (including back of furnaces)
	Funeral halls	Total number of funeral halls	35 halls
		Area	3,889 m ² (including 1,790 m ² for waiting rooms)
	Additional funeral halls	Facilities added	36 halls (end of Sept 2023)
		Additional floor area	2,168 m ²
		Remarks	Floorspace added in existing funeral homes
	Room for expansion [7 locations (within the existing sites in the 23 wards)]		
Total floor area		10,460 m ²	
Funeral hall area rentable ratio		6,000m ² 57.4%	

4-03 Room for Growth through Expansion | Profit Estimates

Estimated impact on performance by utilizing room for expansion

- Facility-related data

Current facilities				
Funeral homes	Number of funeral homes		6 locations (23 wards)	
	Total floor area		45,132 m ²	
	Furnaces	Total furnaces	64	
		Area	1,568 m ² (including back of furnaces)	
	Funeral halls	Total number of funeral halls	35 halls	
		Area	3,889 m ² (including 1,790 m ² for waiting rooms)	
	Additional funeral halls	Facilities added	36 halls (end of Sept 2023)	
		Additional floor area	2,168 m ²	
		Remarks	Floorspace added in existing funeral homes	
Room for expansion [7 locations (within the existing sites in the 23 wards)]				
Total floor area			10,460 m ²	
Funeral hall area rentable ratio			6,000m ² 57.4%	

Funeral halls

Revenue per tsubo | 2,232,000 yen/year

Tsubo

Assumed annual revenue

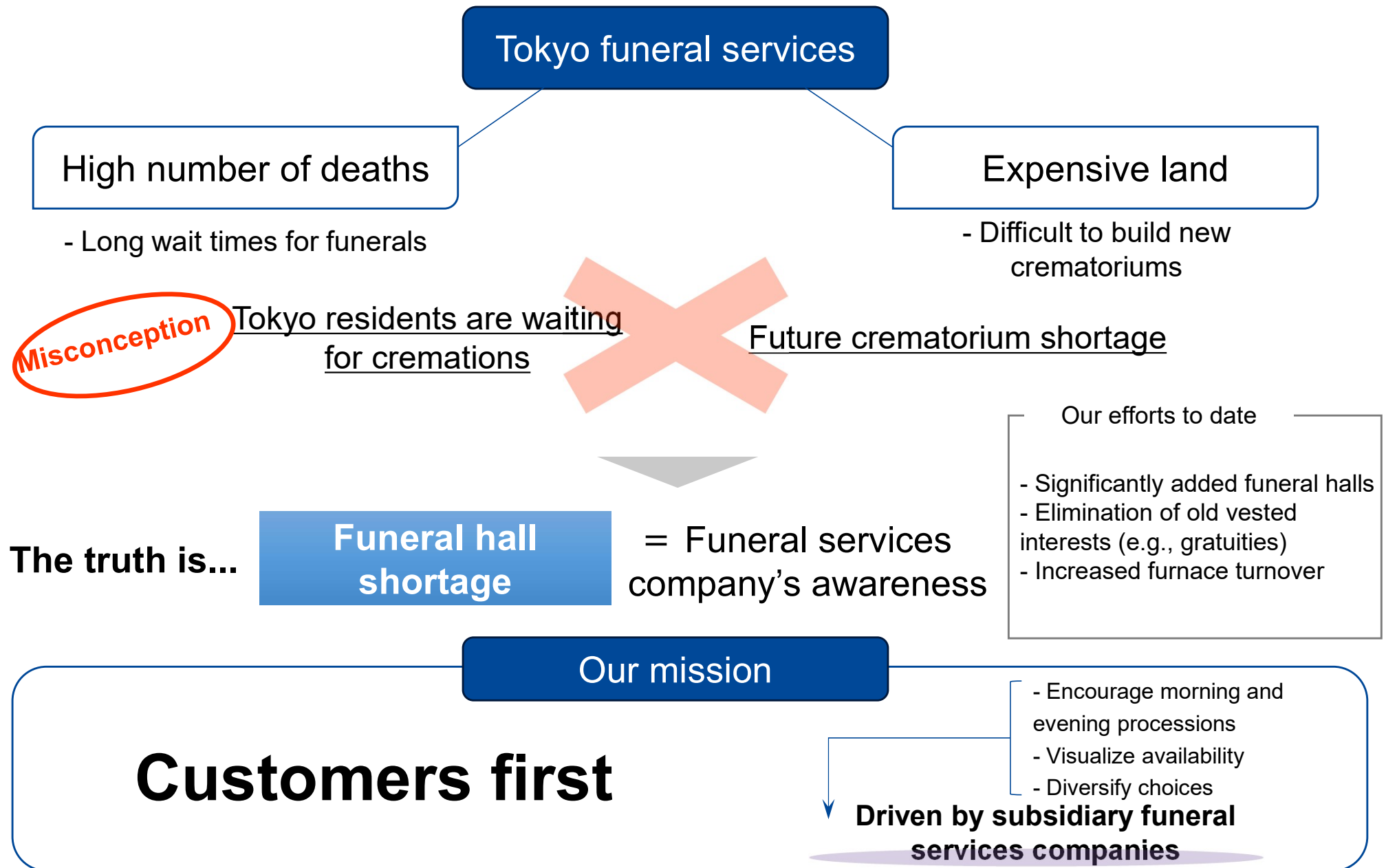
1,815 tsubo
(6,000 m²)

4,051 million yen

Expansion | Schedule to determine start date

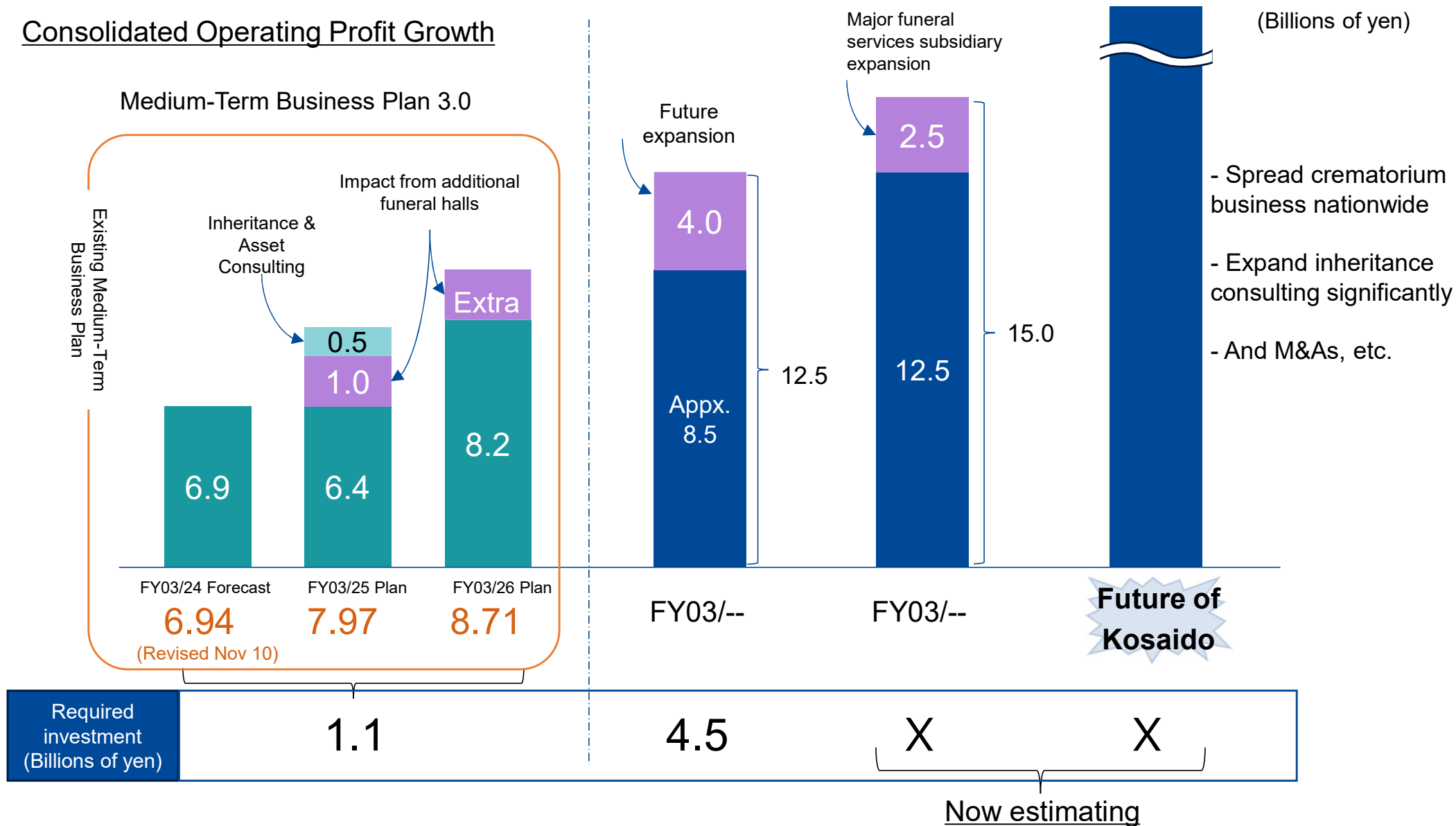
We would like to decide the date by April 2024.

4-04 The Tokyo End-of-Life Market



4-05 Business Growth Beyond Medium-Term Business Plan 3.0

Consolidated Operating Profit Growth



Improve planning accuracy and proceed to next Medium-Term Business Plan



A

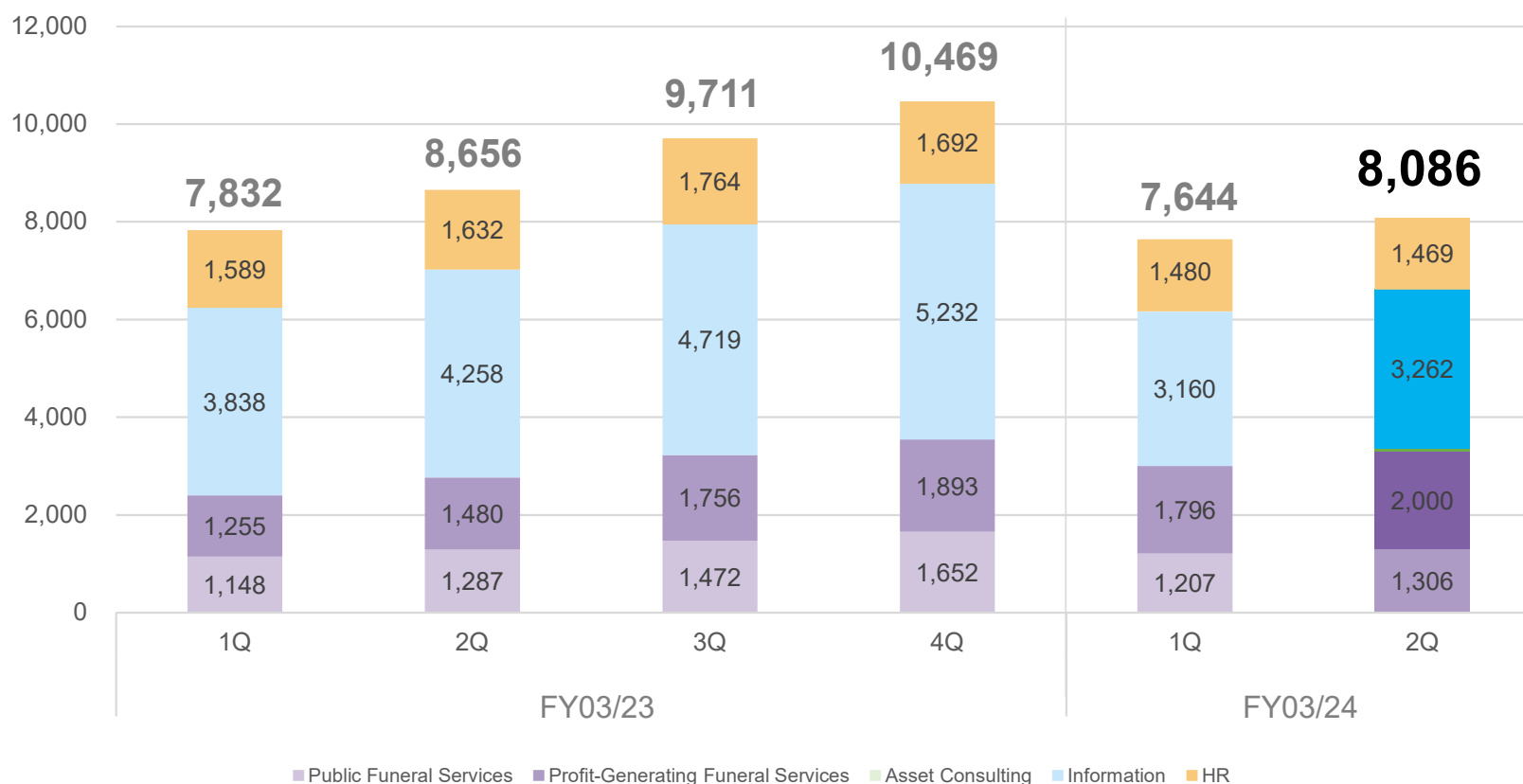
Appendix

- 1. Details of FY03/24 Performance**
- 2. Medium-Term Business Plan**
Performance Targets
- 3. ESG Activities Report**
- 4. Company Introduction**

A1-01 Quarterly Trend (Net Sales)

- Q2 sales increased in the Funeral Services segments due to the operation of new funeral halls at Tokyo Hakuzen and increased orders from two funeral service companies. In the Information and HR segments, overall sales decreased 6.6% year on year due to a difficult business environment compared to the previous year.

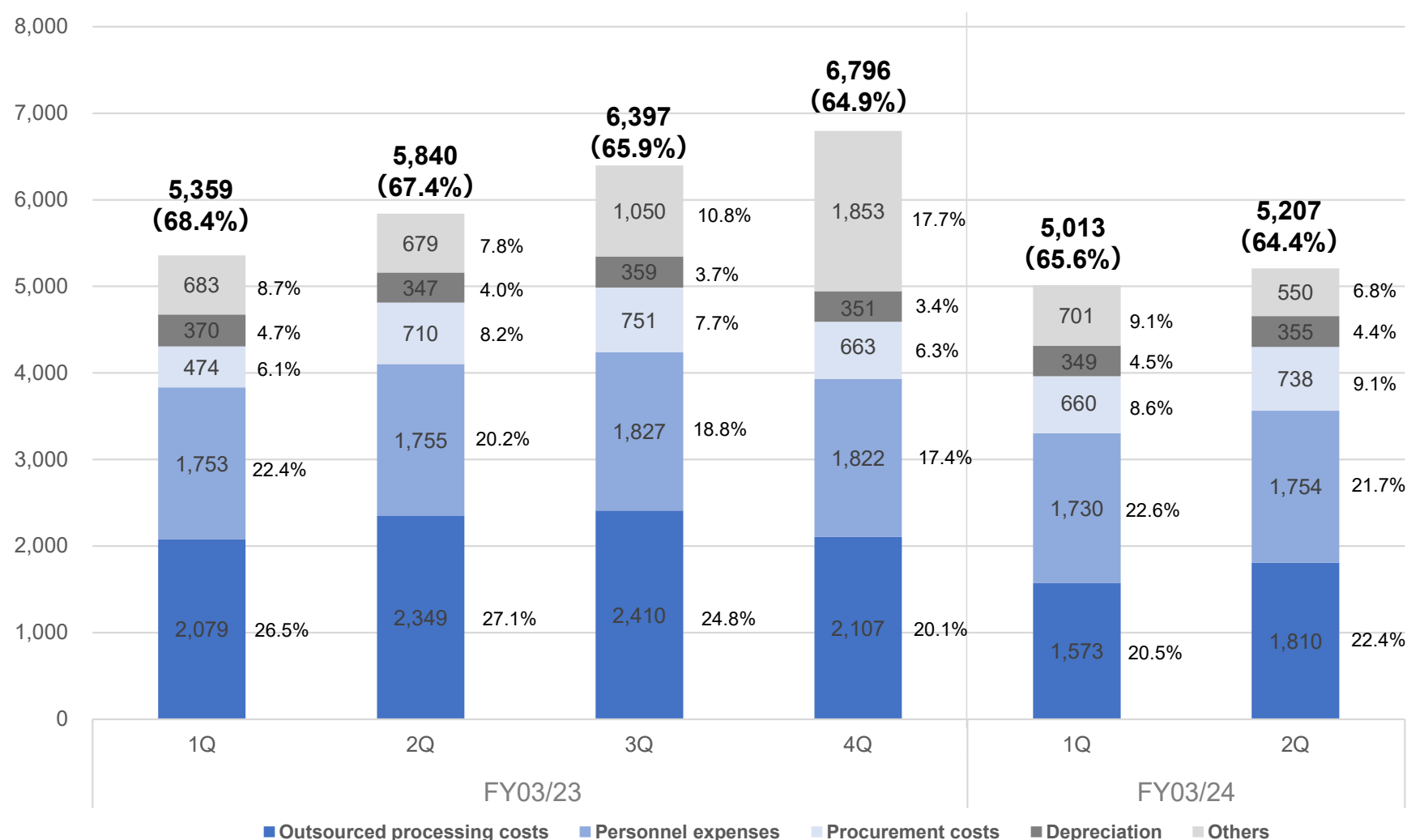
(Millions of yen)



A1-02 Quarterly Trend (Cost of Sales)

- Q2 cost of sales decreased year on year (-633 million yen, -3.0 pt cost of sales ratio)
- Continued control of subcontract expenses and reduction of fixed costs in the Information Segment contributed to cost cuts.

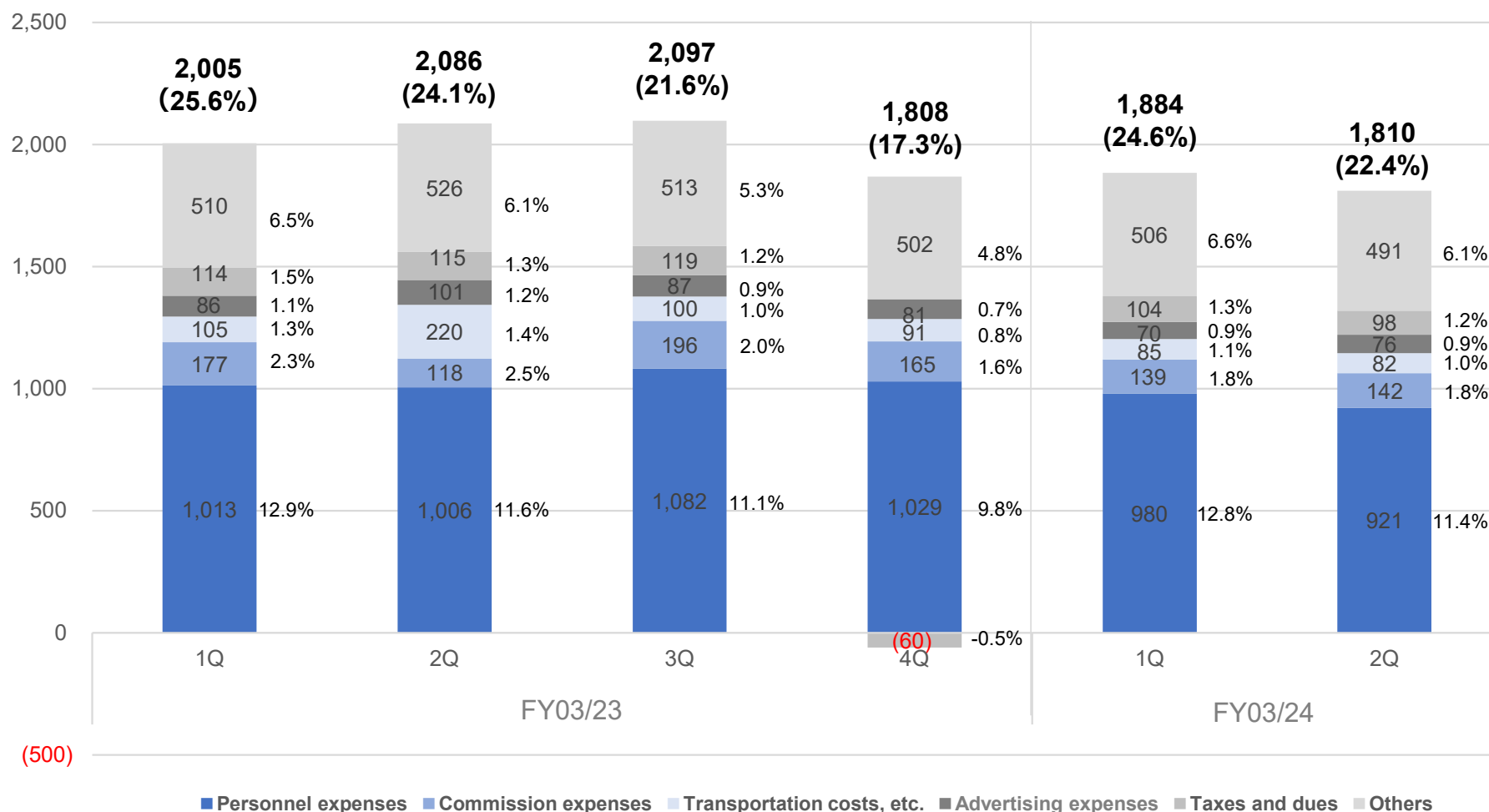
(Millions of yen / %: Cost of sales ratio)



A1-03 Quarterly Trend (SG&A Expenses)

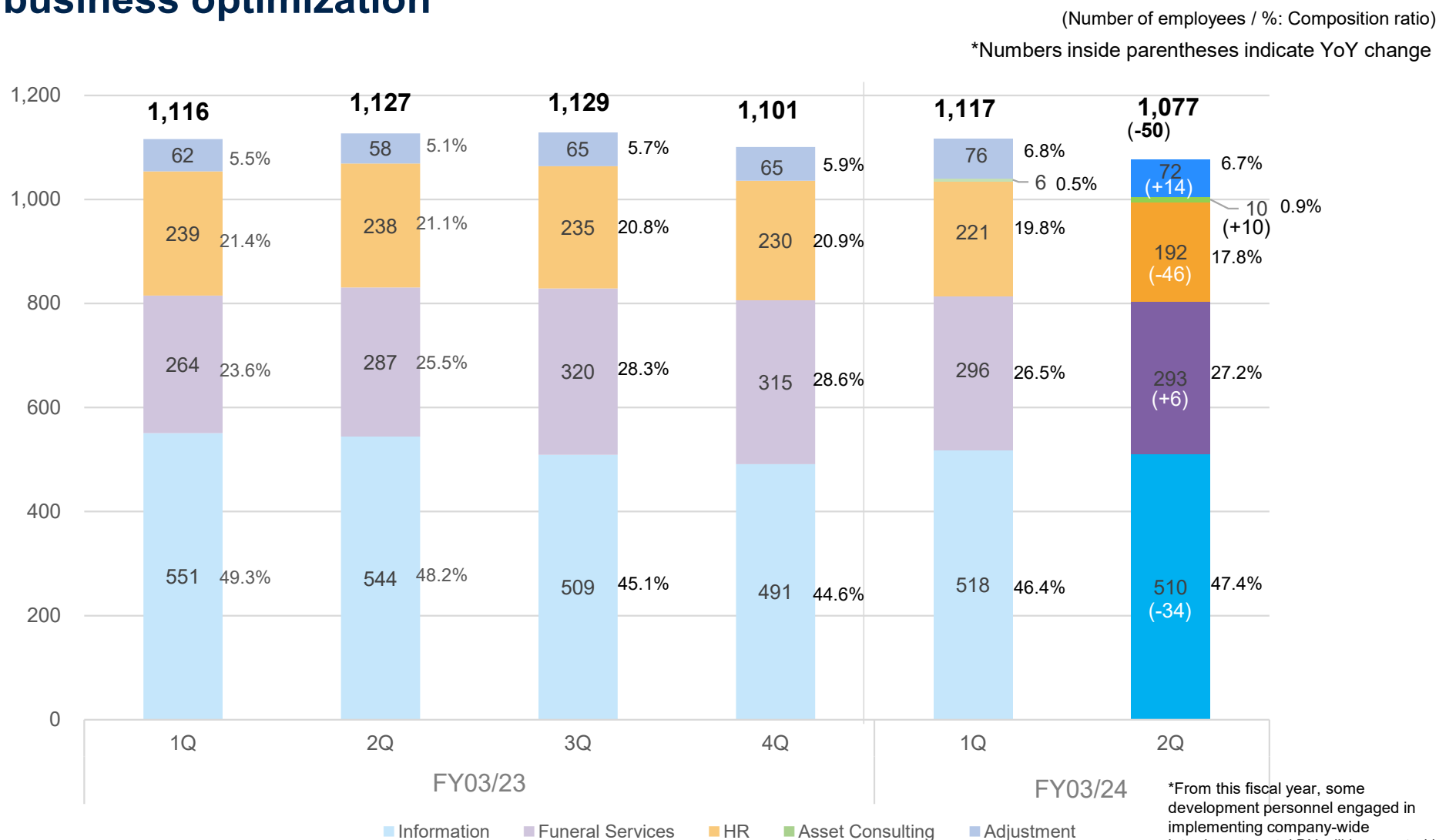
- Q2 SG&A expenses decreased year on year (-276 million yen, -1.7 pt SG&A expenses ratio)
- Continued reduction of fixed costs by implementing cost optimization at operating company.

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



A1-04 Quarterly Trend (Number of Employees)

- Review personnel in Information and HR segments and promote business optimization



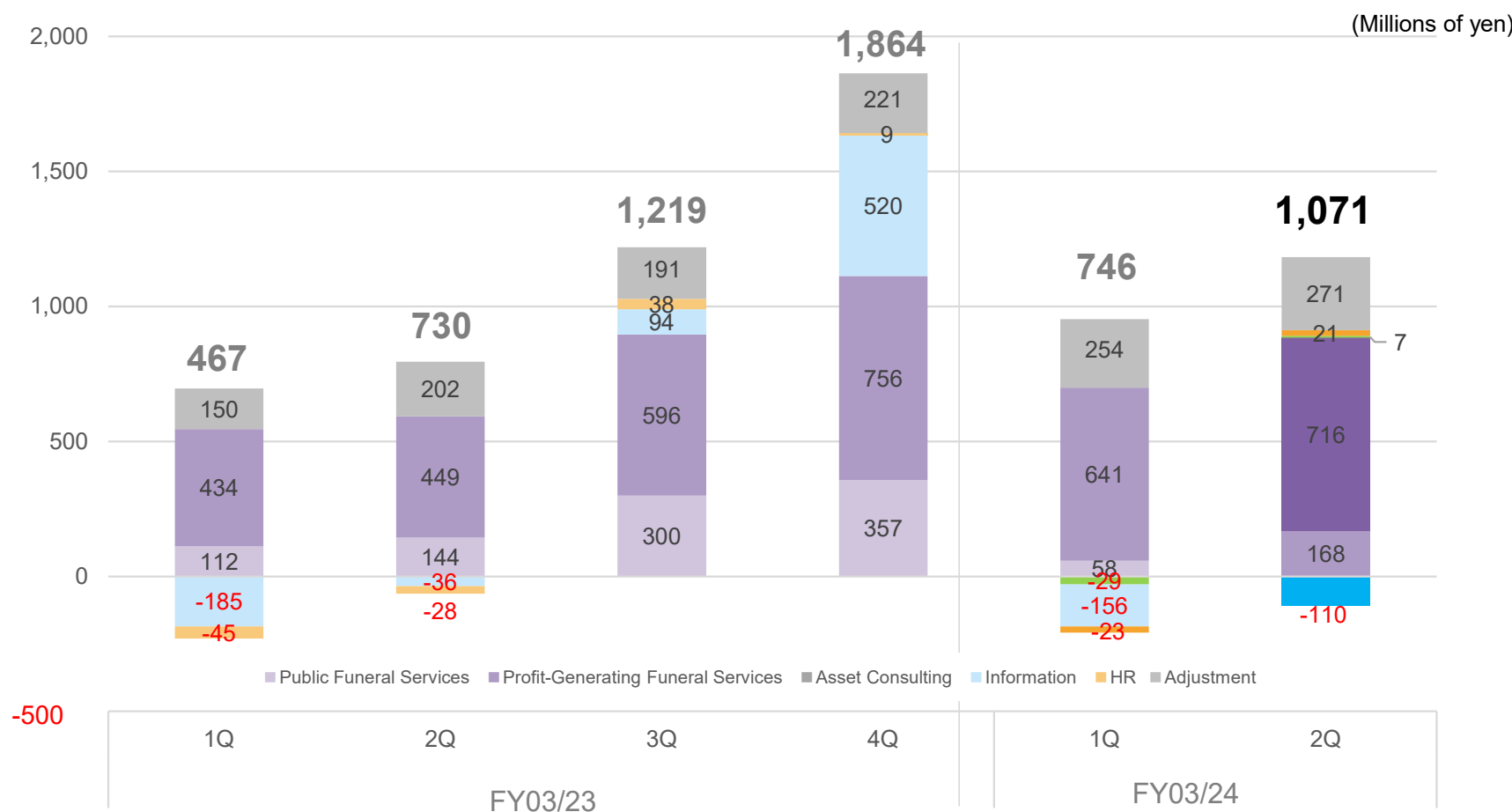
*From this fiscal year, some development personnel engaged in implementing company-wide interdepartmental DX will be counted in "Information" instead of "Other."

Quarterly Trend

A1-05 (Operating Profit by Segment)

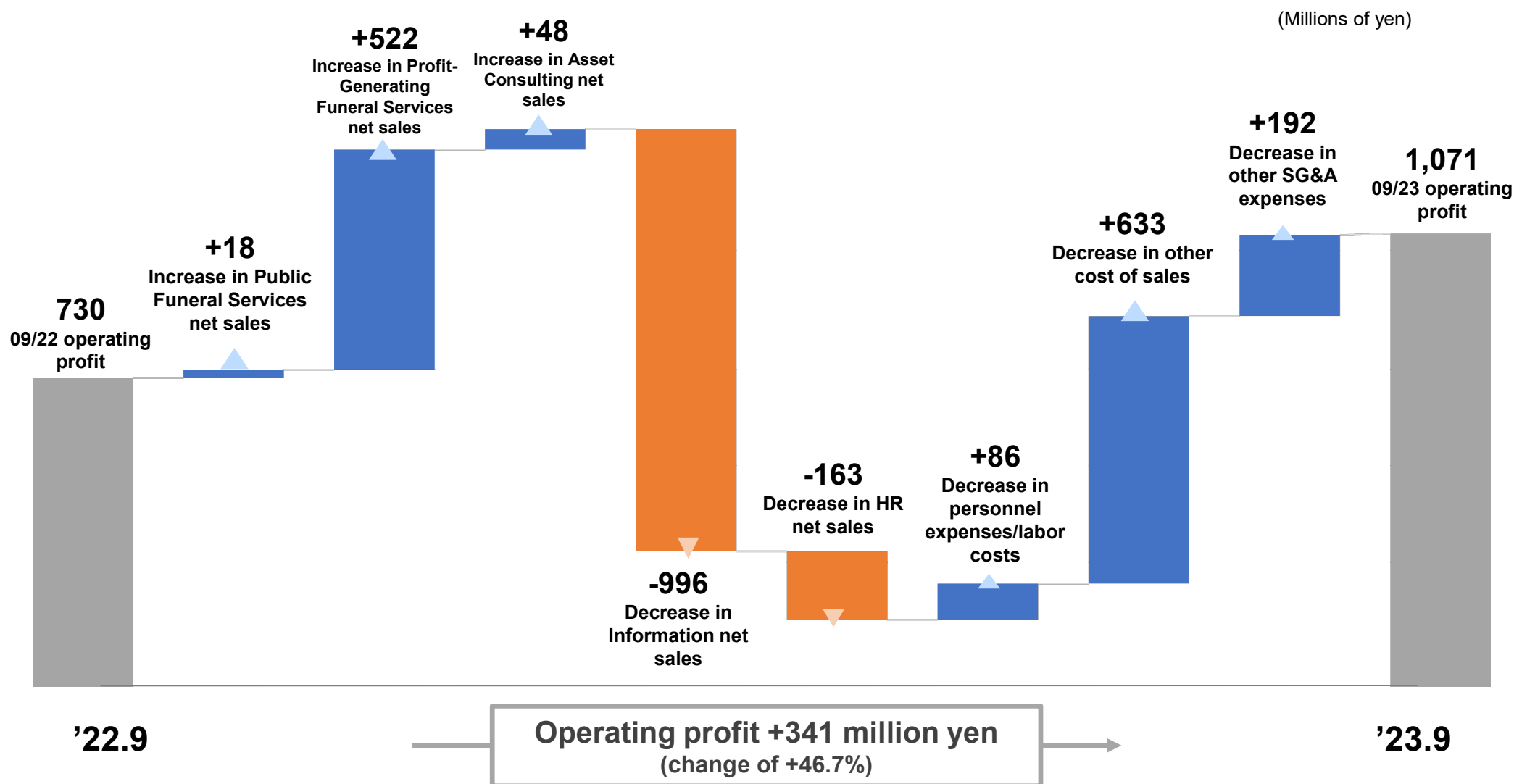
The method for booking management guidance fees for Group companies has been changed effective from the first quarter of the current fiscal year. These fees, which were included in corporate expenses as an adjustment, are now booked as operating expenses for each Group company of the reporting segment. Materials for the previous fiscal year were prepared according to this change.

- Operating profit increased 46.7% year on year due to solid performance of the funeral business, contribution from the Profit-Generating Funeral Services Segment with new funeral halls in operation, and continued cost optimization of Information and HR segments.



A1-06 Q2 FY03/24 Analysis of Change in Operating Profit (Major Items)

- Year on year, Information and HR segment income decreased, but Profit-Generating Funeral Services income increased. Overall income increased as a result of cost reductions in both Information and HR segments.



A1-07 Consolidated Balance Sheet

(Millions of yen)

	March 2023	Sep 2023	Difference as of quarter end
Current assets	27,998	27,127	-871
Cash and deposits	18,699	13,133	-5,566
Notes and accounts receivable–trade	5,810	3,458	-2,352
Non-current assets	43,134	43,937	803
Property, plant and equipment	35,807	36,684	877
Intangible assets	886	783	-103
Investments and other assets	6,440	6,469	29
Total assets	71,134	71,064	-70
Current liabilities	12,443	13,152	709
Short-term debt	1,400	1,400	0
Income taxes payable	325	551	226
Non-current liabilities	17,256	18,459	1,203
Total liabilities	29,699	31,611	1,912
Shareholders' equity	41,060	38,774	-2,286
Capital	100	159	59
Retained earnings	30,561	31,636	1,075
Share acquisition rights	11	66	55
Total net assets	41,434	39,452	-1,982
Total liabilities and net assets	71,134	71,064	-70



Public Funeral Services Business

A1-08 Income & Expenditures | Q2 FY03/24

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

Increase in transparency



Increase in business stability

■ The Company's 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 payments

||

(Reserves for losses in the Public Funeral Services Business)

■ Business Income & Expenditure for FY03/24 | Cumulative total from April 2023 to Sep 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	The balance of payments is appropriated as profit.	(vii) Public Funeral Services business reserves for losses
(ii) Segment sales	(iii) Segment expenses	(ii - iii) =			(i - iv - v) =		
2,513	2,287	226	69	375	- 218		0

(Millions of yen)

(*Estimate based on information as of August 2023)

A2-01 Medium-Term Business Plan 3.0 Performance Targets

Medium-Term Business Plan 3.0 (announced May 12, 2023)

(Millions of yen)

	FY03/22 Results	FY03/23 Results	Medium-Term Business Plan 3.0			
			FY03/24 Forecast		FY03/25 Plan	FY03/26 Plan
			May 12	Nov 10		
Net sales	35,361	36,668	40,000	39,841	42,100	43,800
Operating profit	3,729	4,280	6,360	6,940	7,970	8,710
Ordinary profit	3,610	4,185	6,110	6,893	7,750	8,490
Profit before income taxes	3,627	4,071	6,110	6,883	7,750	8,490
Income taxes	17	29	1,610	1,983	2,250	2,490
Profit attributable to owners of parent	3,643	4,042	4,500	4,900	5,500	6,000

Medium-Term Business Plan 3.0 Performance Targets

A2-02 by Business Segment

(Millions of yen)

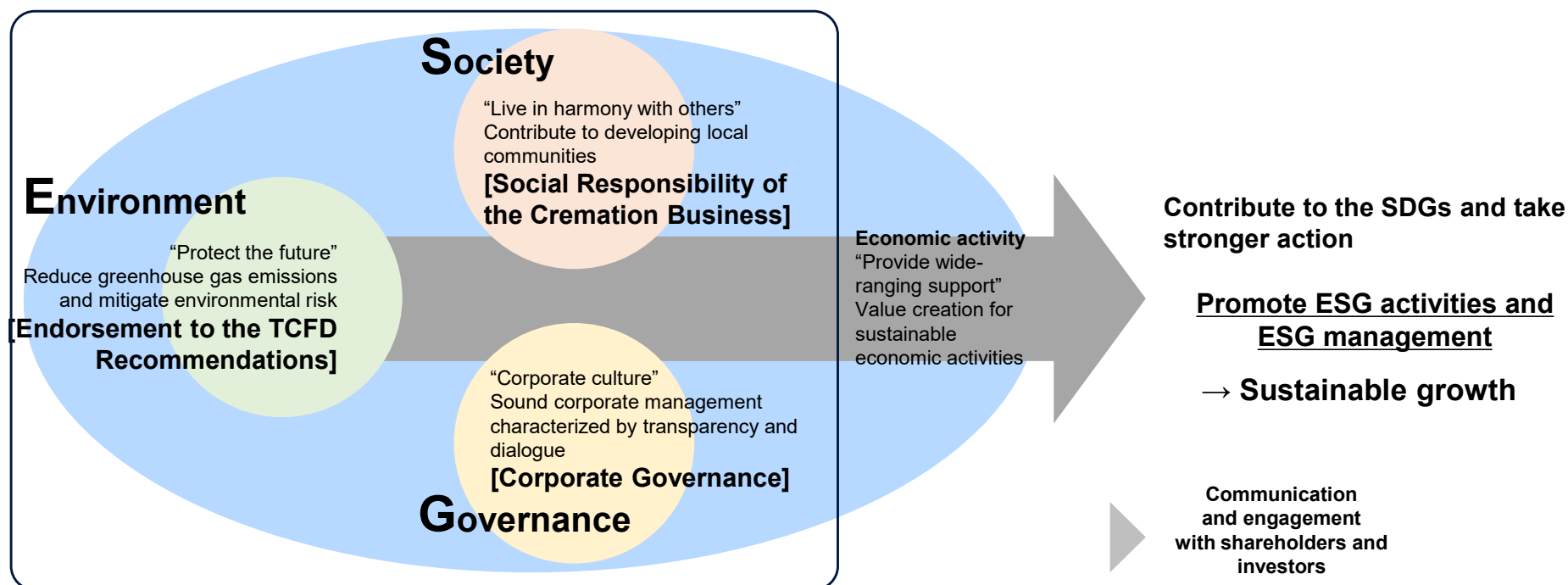
Medium-Term Business Plan 3.0 (announced May 12, 2023)

		FY03/23 Results	Medium-Term Business Plan 3.0			
			FY03/24 Forecast		FY03/25 PLAN	FY03/26 PLAN
			May 12	Nov 10		
Public Funeral Services	Net sales	5,561	6,033	5,808	6,215	6,400
	Operating profit	1,015	1,018	1,130	1,354	1,378
Profit- Generating Funeral Services	Net sales	6,382	8,639	8,667	9,785	10,100
	Operating profit	2,139	3,351	3,382	4,374	4,501
Asset Consulting	Net sales	0	368	537	700	1,400
	Operating profit	0	286	311	500	1,000
Information	Net sales	18,048	18,068	18,282	18,411	18,749
	Operating profit	392	609	900	684	694
HR	Net sales	6,677	6,892	6,544	6,989	7,151
	Operating profit	-27	237	227	244	247
Adjustments		761	859	991	814	890
Total	Net sales	36,668	40,000	39,841	42,100	43,800
	Operating profit	4,280	6,360	6,940	7,970	8,710

A3-01 ESG Activities Report

The purpose of the Kosaido Holdings ESG Activity Report is to provide shareholders, investors, business partners, and a wide range of other stakeholders with an understanding of the Company's approach and concrete action to further sustainability. The Kosaido Group SDGs Declaration defines four materialities (key issues) that are linked to both ESG activities and business management.

The word “Kosai” in our company name means “contributing to society at large.” Since our founding, we have diversified into the Public Funeral Services Business, Profit-Generating Funeral Services Segment, Asset Consulting, Information, and HR according to this common philosophy, thus providing valuable services that people and society appreciate. This report presents concrete action in our ESG activities with an awareness of our contribution to the SDGs, along with action to carry out our corporate philosophy.



ESG Activity Report [Society]

A3-02 - Social Responsibility of the Cremation Business

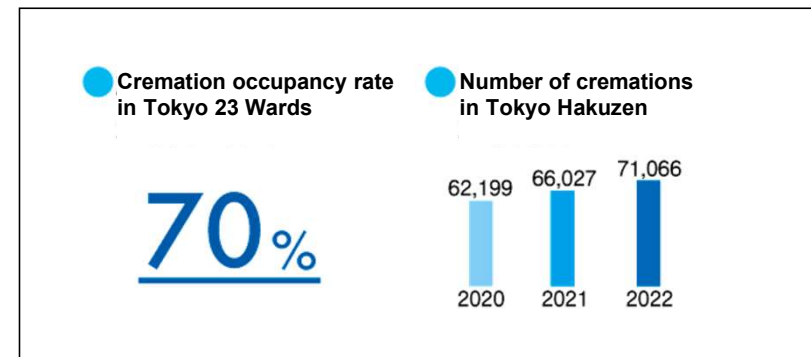
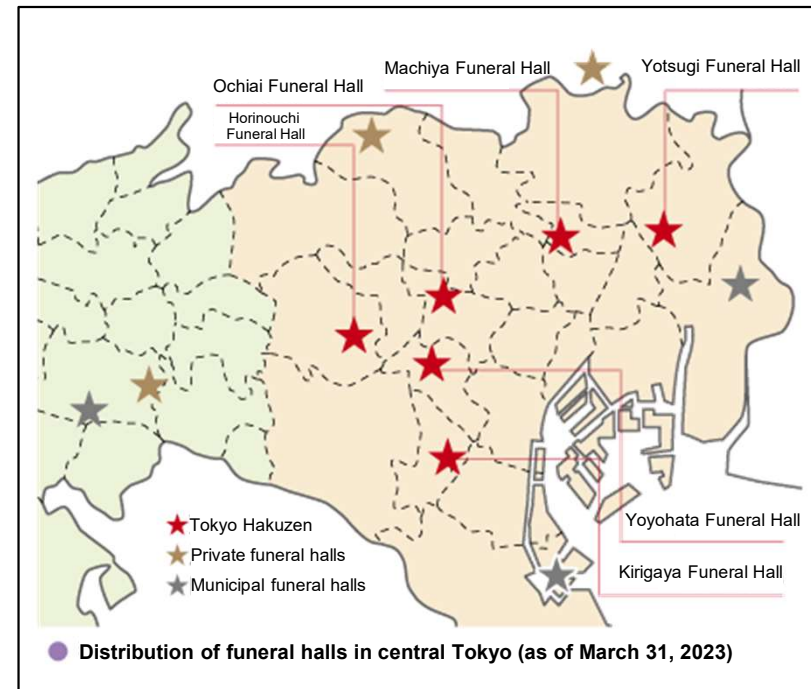
Basic Concept

The Company conducts our business based on the spirit of “Kosai,” which means “contributing to society at large.” Especially in Tokyo Hakuzen's cremation business, we contribute to the local community at large by carrying on this spirit and putting it into practice.

Originally, crematorium operations in Japan were regulated by the Act Concerning Graveyard, Burial, etc. and managing entities were generally local public organizations. Even if operations were more difficult, the operator had to be a public interest corporation or a religious corporation. But because Tokyo Hakuzen has been doing business in Tokyo since before this law came into force, **Tokyo Hakuzen, a private company, is operating six crematoriums.** Tokyo Hakuzen's crematoriums have a long history. They were built between the Edo Period (1603-1867) to the Meiji Era (1868-1912). Today, these facilities stand at convenient locations in Tokyo.

64* furnaces are operating at Tokyo Hakuzen funeral homes, **handling approximately 70,000 cremations a year.*** This accounts for about 70% of deaths in Tokyo's 23 wards.* Therefore, these locations receive many visitors, around 700,000. (*As of July 2023)

For more than 100 years since our establishment, we have been an indispensable business upholding the social infrastructure in the metropolis of Tokyo and fulfilling our social responsibility, but without public assistance, because we are a private company. In addition to contributing to the local community, our cremation business supports its development.



ESG Activity Report [Society]

A3-03 - Social Responsibility of the Cremation Business

Social Responsibility of the Cremation Business in a High-Death Society

Both local communities and Japanese society as a whole are facing a high number of deaths, and that figure increases by the year. As shown in these materials, nationwide deaths will peak by around 2040, and the number in Tokyo will continue increasing until 2065.



(From this document: Q1 FY03/24 Highlights)

*See next page for death statistics and trends.

In a society already facing a high number of deaths, those of us in the cremation business must take prompt action. However, public facilities operated by local governments cannot cope and there are already cremation waiting lists. In the future, the facilities may become more incapable of holding the funeral services requested by bereaved families.

In response, Tokyo Hakuzen is working to accurately understand social issues and problems from our unique business perspective as a private company, and we are striving for sustainable operations that do not rely on public funds. Tokyo Hakuzen, with a history spanning 100 years, takes the accelerating trend of a high number of deaths in Tokyo's large population seriously. We believe that it is our social responsibility to make efforts to build a society where we can always perform cremations and funeral processions at any time.

We also clearly recognize that without Tokyo Hakuzen, funeral processions in Tokyo would not be possible. Carrying on our business for the next 100 years and in perpetuity beyond is also connected to our company's great significance for society. We aspire to be a company that society always recognizes for its contributions, while establishing bonds of trust with society and members of the local community, and maintaining an awareness of the requirements for appropriate behavior according to our corporate responsibilities.



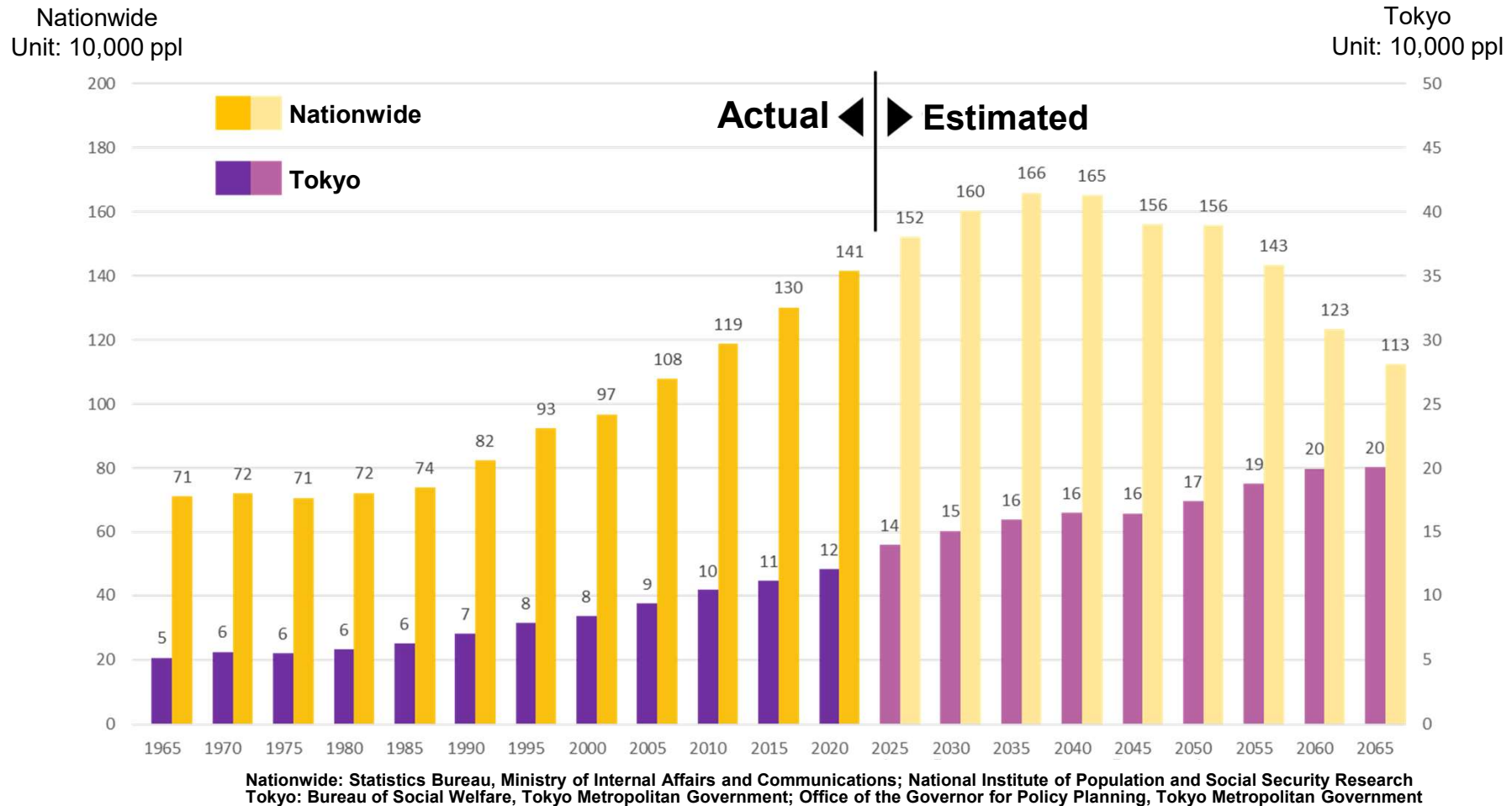
広済堂グループ
東京博善

ESG Activity Report [Society]

A3-04 - Social Responsibility of the Cremation Business

*Excerpt/reprint from this document: Q1 FY03/24 Highlights)

State of the Population | Estimated Deaths



**Nationwide deaths will peak in around 2040, but will continue rising in Tokyo until at least 2065.
(*There were 1.58 million deaths nationwide in 2022.)**

ESG Activity Report [Society]

A3-05 - Social Responsibility of the Cremation Business

Tokyo Hakuzen's Actions

■ Cremation technology for smooth funeral services

While many crematoriums use furnaces with carts, Tokyo Hakuzen uses grates that enable quick cremations so we can handle the increasing number of services. While other crematoriums normally handle two to three services per day, ours perform seven to nine. This eliminates waiting times before funeral services and reduces the psychological burden for the bereaved. To cope with a society with high number of deaths, we are focused on improving our operations as well as our technology.



Outside the cremation furnaces at Yotsugi Funeral Home

■ Development of new, environmentally friendly cremation furnace system (Patented)

*Environmentally friendly

To help protect the environment, we are furthering the development of new cremation furnace systems that suppress dioxins while reducing CO2 emissions. We have developed and patented Japan's first environmentally friendly cremation furnace system that generates electricity from the cremation furnace's residual heat and uses a power recycling system. This new cremation system significantly suppresses exhaust gas emissions compared to conventional cremation furnace systems, and has achieved reductions in CO2, dioxins, and other toxic substances.

Stimulating the local economy through mutual understanding from exchanges with the community *CSR activities

Each of our six funeral homes in Tokyo hold Community Appreciation Gatherings to thank neighboring communities for their understanding and support. We endeavor to provide a setting where people of all ages can have an enjoyable and meaningful time through various events such as facility tours, morning markets, sales of products that support the employment of people with disabilities, *rakugo* (traditional Japanese comic storytelling) performances, mini concerts, art exhibitions, health seminars, and more.



The Kirigaya Funeral Hall held a Community Appreciation Gathering on July 9, 2023 for the neighborhood.

The event was a great success, with a dance performance by local children, a show by top-ranked *rakugo* storyteller Hanahei Hayashiya, an earthquake experience, and a Mercari class.

A3-06 ESG Activity Report [Environment]

Disclosure Based on the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations

In addition to endorsing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), in 2022, in response to increasing greenhouse gas emissions and extreme weather conditions caused by global warming, which have become important issues for the international community, the Group announced our SDGs Declaration to promote sustainability management. We have established a materiality on the environment and will work with our partners to further reduce risks to the environment. In addition, we have begun to disclose information in accordance with the TCFD and we will continue to implement the PDCA cycle to strengthen our management strategies related to climate change based on feedback from our stakeholders.

GHG Emissions Reduction Target

For GHG emissions from business activities at our company's sites (Scope 1 and 2), we are taking action to reduce with a medium-term target of 2030. For Scope 3, we are surveying the state of GHG emissions control by suppliers and customers.

Item	Scope 1+2 reduction targets	Scope 3 reduction targets
2050 target	Carbon neutrality	Carbon neutrality
2030 target	Reduce CO ₂ emissions by 34%	To be formulated based on the status of suppliers and purchases
Emissions factor	Ministry of the Environment "Measurement Methods and Emissions Factors under the Measurement, Reporting, and Publication System"	
Reference year	2020	

We disclose information according to TCFD recommendations at our Japanese website (IR Site/Environmental Policy).

You can check the following items according to disclosure rules:
 "Governance," "Strategy," "Risk Analysis,"
 "Indicators and Targets," "Reduction Targets"

*The information will be updated in December 2023.



A3-07 ESG Activity Report [Governance]

Basic Concept

Aiming to maximize shareholder value, sustainably increase enterprise value, and earn society's trust, we not only boost profitability, but also emphasize shareholder rights, implement efficient, fair, and transparent management practices, and ensure compliance. Furthermore, we enhance corporate governance by fulfilling the social responsibilities required of companies in terms of the environment, society, and governance, and by addressing social issues for the sustainable growth of the company and society.

Overview of Corporate Governance Structure

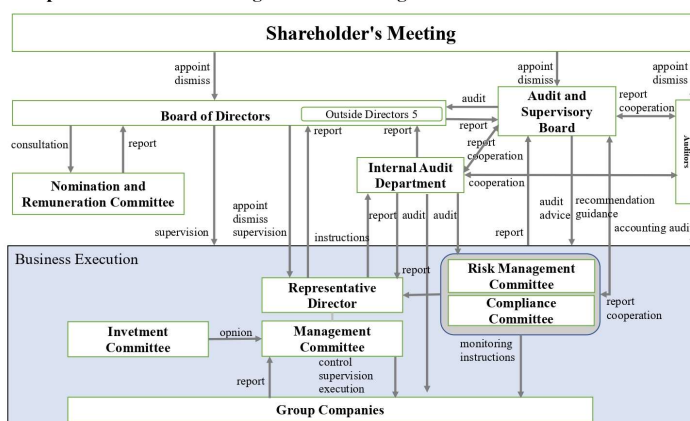
■ Board of Directors

As a company with a Board of Corporate Auditors, we endeavor to enhance corporate governance and improve the fairness and transparency of management based on our basic concept by building a management organization enabling proper supervision and monitoring while allowing directors to make appropriate decisions and promptly carry out business operations. In addition, we have established a voluntary nomination and compensation committee, whose primary members are independent outside directors and independent outside auditors, to deliberate and report to the Board of Directors on the directors' compensation, policy for determining their compensation, and proposed candidates for director positions. The Board of Directors, comprising two executive directors, one non-executive director, five outside directors, and corporate auditors, generally hold a regular monthly Board of Directors meeting, along with extraordinary meetings as necessary, to determine important business strategies, including management targets and strategies, as well as matters required by law, and to supervise business execution.

■ Board of Corporate Auditors

One full-time auditor and two outside auditors are appointed to ensure objectivity and neutrality in management oversight as they audit the state of governance and operations. In addition, we have appointed two outside auditors as independent directors, with the understanding that the roles of outside directors and outside auditors are, as an independent body entrusted by shareholders, to maintain a neutral and impartial position and ensure management's neutrality and objectivity.

Corporate Governance Organizational Diagram



For more information on corporate governance, please visit the IR News section of our website.

A4-01 Company Overview

**Company
name**

KOSAIDO Holdings Co., Ltd.

**Establish-
ment**

January 1949

Net sales

36,668
million yen
(FY03/23)

Total assets

71,064
million yen
(as of Sep 30, 2023)

Net assets

39,452
million yen
(as of Sep 30, 2023)

**Represent-
ative**

Hiroshi Kurosawa, President & CEO

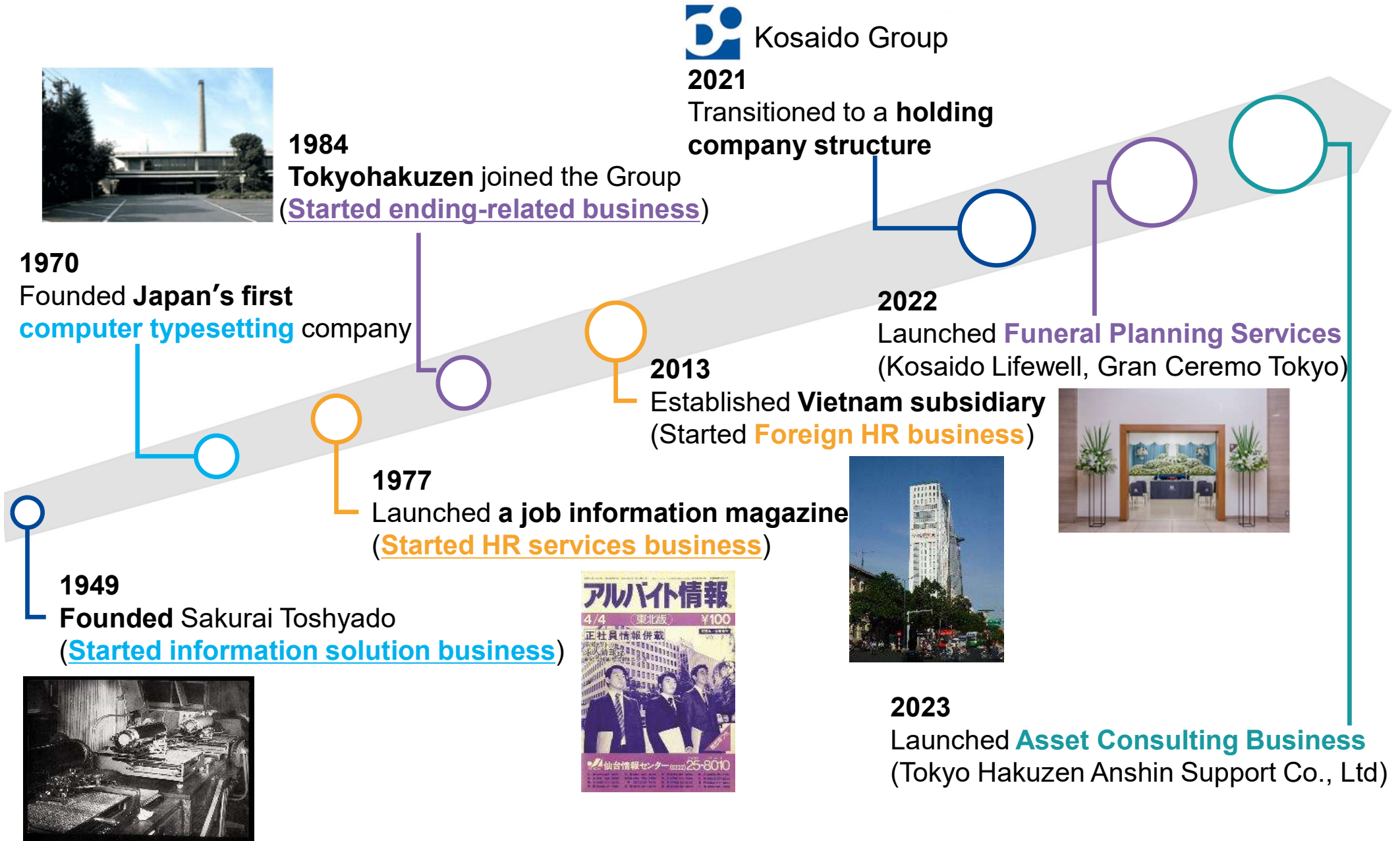
**Number of
employees**

1,077 (consolidated | as of Sep 30, 2023)

**Market
information**

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

A4-02 History



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.

A4-04 KOSAIDO Group

Further enrich
100-year lives.






KOSAIDO Holdings

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



[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



A4-05 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.



A4-06 Contact

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.

In addition, Facilities Tour for Institutional Investors and Analysts are held accordingly (funeral home tours operated by Tokyo Hakuzen Co., Ltd.).

If you would like to join, please contact us via the URL below.

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



FY03/24

Q2 Financial Results Presentation

Securities code: 7868

November 10, 2023

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1

Q2 FY03/24 Highlights












1-01 Q2 FY03/24 Consolidated Financial Results

- As in Q1, income in the Information Segment decreased due to changes in COVID-19-related special demand from the previous fiscal year and large BPO projects that were shifted to Q4. However, profits were booked by curbing outsourcing costs and reducing fixed costs.
- The Profit-Generating Funeral Services Segment grew sales from funeral hall usage while the funeral business contributed to an increase in consolidated profit.
- The 154M that was scheduled to be sold from Asset Consulting is recognized as non-operating income.

(Millions of yen)								*Reference
	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast		Q2 FY03/24 YoY change
			Change	Rate of Change (%)		Change	Rate of Change (%)	
Net sales	15,730	16,488	-758	-4.6	16,421	-691	-4.2	8,086 -6.6
Operating profit	1,817	1,197	620	51.8	1,625	192	11.8	1,071 46.7
Ordinary profit	1,842	1,202	640	53.1	1,533	309	20.2	1,024 38.4
Profit attributable to owners of parent	1,460	929	531	57.2	1,167	293	25.1	814 42.1

1-02 Q2 FY03/24 Financial Results Summary by Business Segment

(Millions of yen)

	Net sales		YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast		Operating profit		YoY change		Q2 FY03/24 Forecast (Aug 9, 2023)	Compared to forecast	
	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	Change	Rate of Change (%)		Change	Rate of Change (%)	Q2 FY03/24 [Six months]	Q2 FY03/23 [Six months]	Difference	Rate of Change (%)		Change	Rate of Change (%)
Public Funeral Services	 2,513	2,435	78	3.2	2,593	-80	-3.1	 226	256	-30	-11.7	134	92	68.7
Profit- Generating Funeral Services	 3,796	2,734	1,062	38.8	3,750	46	1.2	 1,357	883	474	53.7	1,261	96	7.6
Asset Consulting	48	0	48	—	190	-142	-74.7	-22	0	-22	—	114	-136	—
Information	 6,422	8,096	-1,674	-20.7	6,740	-318	-4.7	 -266	-221	-45	—	-294	28	—
HR	 2,949	3,221	-272	-8.4	3,147	-198	-6.3	 -2	-73	71	—	6	-8	—
Adjustments , etc.			0	—		0	—	 525	352	173	49.1	403	122	30.3
Total	 15,730	16,488	-758	-4.6	16,421	-691	-4.2	 1,817	1,197	620	51.8	1,624	193	11.9

  ... YoY change

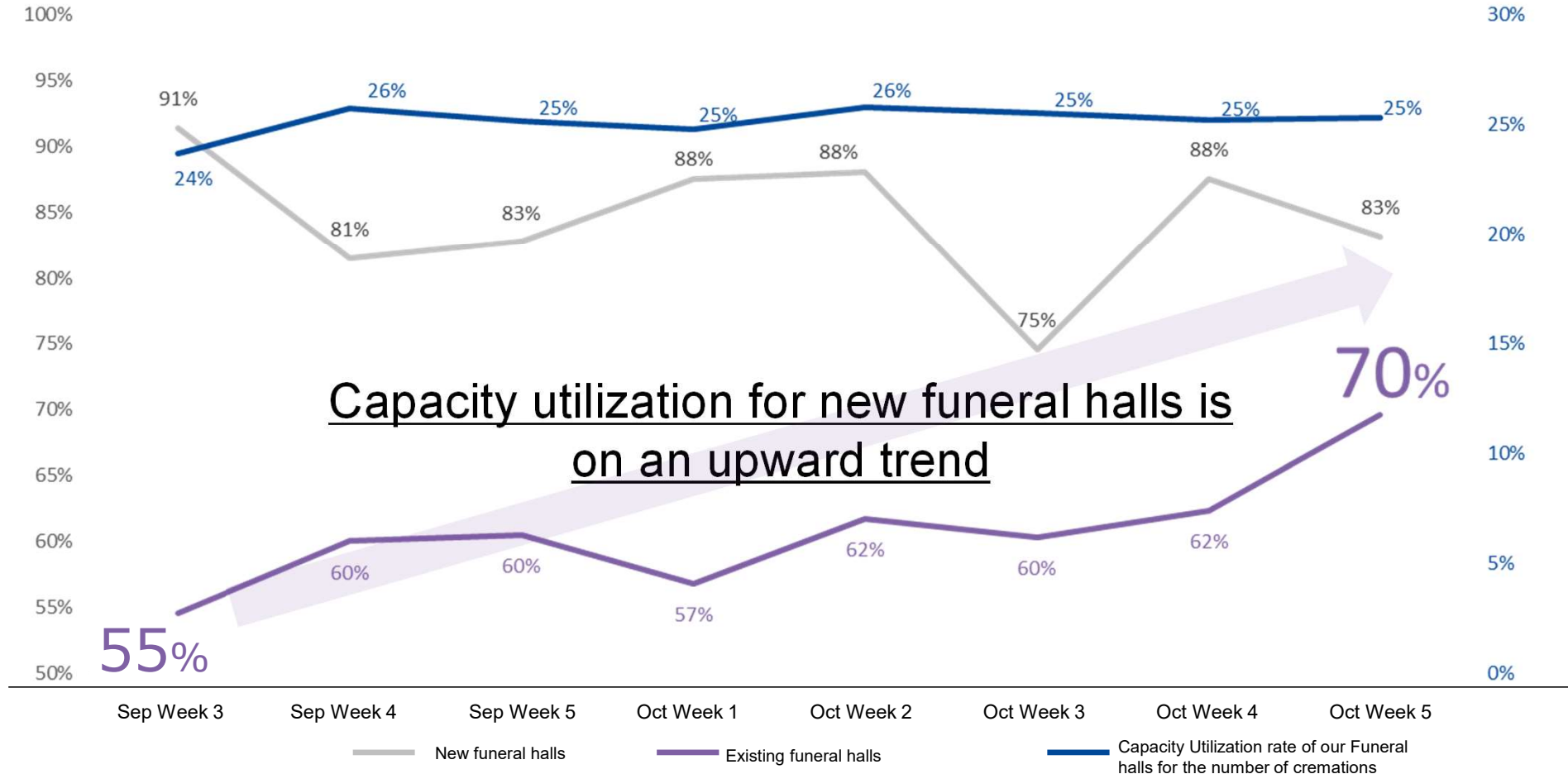
- Information and HR income declined due to the impact of the previous fiscal year's COVID-19-related special demand, but we ensured profits through cost reductions.
- Profit-Generating Funeral Services covered the overall revenue due to increased sales from opening new funeral halls and growth in the performance of funeral services company.
- Asset Consulting | 154M in non-operating income booked. Approx. 100M yen in sales to be booked late in Q3 or afterward.



1-03 New Funeral Hall Capacity Utilization

Capacity Utilization rate of existing and new Funeral halls

Capacity Utilization rate of our Funeral halls



- All new funeral halls became operational from September.
- The new funeral hall capacity utilization has exceeded expectations from 55% at the start.
- Continuous publicity and sales to funeral services companies have resulted in steadily increasing capacity utilization for new funeral halls.

1-04 Status of New Businesses

Funeral Business

* ... 2 companies: Kosaido Lifewell, Gran Ceremo Tokyo

- FY03/24 Performance (2 companies* combined)

(Millions of yen)

	Q1					Q2					Q2 (Cumulative)				
	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year
Net sales	329	343	-14	44	285	383	360	23	209	174	712	703	9	254	458
Operating profit	45	20	25	-59	104	35	31	4	-39	74	80	52	28	-98	178

Primary cause

(Difference from plan) - Sales are on an upward trend due to increased attendees. Advertising operations are optimized to further increase orders in 2Q

(Difference from the prior year) - There were upfront costs because the previous fiscal year was the first year for the newly launched funeral business.

Asset Consulting Business

- Sales of a project (100M scale) scheduled to be booked in 2Q were changed to sales in 4Q.
- Small-scale real estate-related projects are also progressing and gradually adding up the sales.

Furnaces

- Started in-house maintenance and crematorium design. It is progressing smoothly.

A blue background with organic, wavy shapes. A large white number '2' is centered within a lighter blue circular area.

2

Consolidated Financial Forecast for FY03/24

Revisions to Consolidated Financial Forecast for FY03/24

Q1

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	7,644	7,644	-	-	7,832	-188	-2.4
Operating profit	746	746	-	-	467	279	59.7
Ordinary profit	818	818	-	-	463	355	76.6
Quarterly profit	646	646	-	-	356	290	81.3

Q2

	Actual	Revised forecast (Aug 9)	Amount revised		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	8,086	8,777	-691	-7.9	8,657	-571	-6.6
Operating profit	1,071	879	192	21.8	730	341	46.7
Ordinary profit	1,024	715	309	43.2	740	275	38.4
Quarterly profit	814	521	293	56.2	573	241	42.1

H1 (cumulative)

(Millions of yen)

	Actual	Revised forecast (Aug 9)	Amount revised		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	15,730	16,421	-691	-4.2	16,488	-758	-4.6
Operating profit	1,817	1,625	192	11.8	1,197	620	51.8
Ordinary profit	1,842	1,533	309	20.2	1,202	640	53.1
Quarterly profit	1,460	1,167	293	25.1	929	531	57.2

Q3

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	10,589	10,488	101	1.0	9,711	878	9.0
Operating profit	1,766	1,721	45	2.6	1,219	547	44.9
Ordinary profit	1,717	1,672	45	2.7	1,172	545	46.5
Quarterly profit	1,418	1,220	198	16.2	973	445	45.7

Q4

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	13,521	13,311	210	1.6	10,469	3,052	29.2
Operating profit	3,357	3,212	145	4.5	1,864	1,493	80.1
Ordinary profit	3,334	3,189	145	4.5	1,810	1,524	84.2
Quarterly profit	2,022	2,333	-311	-13.3	2,139	-117	-5.5

Full year (cumulative)

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Rate of Change (%)	Rate of Change (%)		Rate of Change (%)	Rate of Change (%)
Net sales	39,841	40,221	-380	-0.9	36,668	3,173	8.7
Operating profit	6,940	6,558	382	5.8	4,280	2,660	62.1
Ordinary profit	6,893	6,394	499	7.8	4,185	2,708	64.7
Quarterly profit	4,900	4,720	180	3.8	4,042	858	21.2

FY03/24 current net profit forecast changed due to factors including +499M ordinary profit and -303M decrease in profit from higher tax expenses

1Q

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	7,644	7,644	0	0.0	7,832	-188	-2.4
Public Funeral Services Segment	1,207	1,207	0	0.0	1,148	59	5.1
Profit-Generating Funeral Services Segment	1,796	1,796	0	0.0	1,255	541	43.1
Asset Consulting Segment	0	0	0	-	0	0	-
Information Segment	3,160	3,160	0	0.0	3,838	-678	-17.7
HR Segment	1,480	1,480	0	0.0	1,589	-109	-6.9
Operating profit	746	746	0	0.0	467	279	59.7
Public Funeral Services Segment	58	58	0	0.0	112	-54	-48.2
Profit-Generating Funeral Services Segment	641	641	0	0.0	434	207	47.7
Asset Consulting Segment	-29	-29	0	-	0	-29	-
Information Segment	-156	-156	0	-	-185	29	-
HR Segment	-23	-23	0	-	-45	22	-
Adjustments	254	254	0	0.0	150	104	69.3

3Q

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	10,589	10,488	101	1.0	9,711	878	9.0
Public Funeral Services Segment	1,593	1,593	0	0.0	1,472	121	8.2
Profit-Generating Funeral Services Segment	2,302	2,302	0	0.0	1,756	546	31.1
Asset Consulting Segment	113	12	101	841.7	0	113	-
Information Segment	4,756	4,756	0	0.0	4,719	37	0.8
HR Segment	1,825	1,824	1	0.1	1,764	61	3.5
Operating profit	1,766	1,721	45	2.6	1,219	547	44.9
Public Funeral Services Segment	394	394	0	0.0	300	94	31.3
Profit-Generating Funeral Services Segment	900	900	0	0.0	599	301	50.3
Asset Consulting Segment	49	4	45	1,125.0	0	49	-
Information Segment	108	108	0	0.0	94	14	14.9
HR Segment	118	118	0	0.0	38	80	210.5
Adjustments	197	197	0	0.0	189	8	4.2

2Q

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	8,086	8,777	-691	-7.9	8,656	-570	-6.6
Public Funeral Services Segment	1,306	1,386	-80	-5.8	1,288	18	1.4
Profit-Generating Funeral Services Segment	2,000	1,954	46	2.4	1,478	522	35.3
Asset Consulting Segment	48	190	-142	-74.7	0	48	-
Information Segment	3,262	3,580	-318	-8.9	4,258	-996	-23.4
HR Segment	1,469	1,667	-198	-11.9	1,632	-163	-10.0
Operating profit	1,071	879	192	21.8	729	342	46.9
Public Funeral Services Segment	168	76	92	121.1	144	24	16.7
Profit-Generating Funeral Services Segment	716	620	96	15.5	449	267	59.5
Asset Consulting Segment	7	143	-136	-95.1	0	7	-
Information Segment	-110	-138	28	-	-37	-73	-
HR Segment	21	29	-8	-27.6	-29	50	-
Adjustments	271	149	122	81.9	202	69	34.2

4Q

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	13,521	13,311	100	0.8	10,469	3,052	28.1
Public Funeral Services Segment	1,702	1,702	0	0.0	1,651	51	3.1
Profit-Generating Funeral Services Segment	2,569	2,569	0	0.0	1,894	675	35.6
Asset Consulting Segment	376	166	210	126.5	0	376	-
Information Segment	7,104	7,104	0	0.0	5,232	1,872	35.8
HR Segment	1,770	1,770	0	0.0	1,692	78	4.6
Operating profit	3,357	3,212	145	4.5	1,864	1,493	80.1
Public Funeral Services Segment	510	510	0	0.0	357	153	42.9
Profit-Generating Funeral Services Segment	1,125	1,125	0	0.0	752	373	49.6
Asset Consulting Segment	284	139	145	104.3	0	284	-
Information Segment	1,058	1,058	0	0.0	521	537	103.1
HR Segment	111	111	0	0.0	9	102	1,133.3
Adjustments	269	269	0	0.0	223	46	20.6

H1 (cumulative)

(Millions of yen)

	Actual	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	15,730	16,421	-691	-4.2	16,488	-758	-4.6
Public Funeral Services Segment	2,513	2,593	-80	-3.1	2,435	78	3.2
Profit-Generating Funeral Services Segment	3,796	3,750	46	1.2	2,734	1,062	38.8
Asset Consulting Segment	48	190	-142	-74.7	0	48	-
Information Segment	6,422	6,740	-318	-4.7	8,096	-1,674	-20.7
HR Segment	2,949	3,147	-198	-6.3	3,221	-272	-8.4
Operating profit	1,817	1,625	192	11.8	1,197	620	51.8
Public Funeral Services Segment	226	134	92	68.7	256	-30	-11.7
Profit-Generating Funeral Services Segment	1,357	1,261	96	7.6	884	473	53.5
Asset Consulting Segment	-22	114	-136	-	0	-22	-
Information Segment	-266	-294	28	-	-221	-45	-
HR Segment	-2	6	-8	-	-73	71	-
Adjustments	525	403	122	30.3	352	173	49.1

Full year (cumulative)

	Forecast (Nov 10)	Revised forecast (Aug 9)	Compared to initial forecast		Prior FY results	YoY	
			Change	Rate of Change (%)		Change	Rate of Change (%)
Net sales	39,841	40,221	-380	-0.9	36,668	3,063	8.4
Public Funeral Services Segment	5,808	5,888	-80	-1.4	5,559	249	4.5
Profit-Generating Funeral Services Segment	8,667	8,621	46	0.5	6,383	2,284	35.8
Asset Consulting Segment	537	368	169	45.9	0	537	-
Information Segment	18,282	18,600	-318	-1.7	18,047	235	1.3
HR Segment	6,544	6,741	-197	-2.9	6,677	-133	-2.0
Operating profit	6,940	6,558	382	5.8	4,280	2,660	62.1
Public Funeral Services Segment	1,130	1,038	92	8.9	913	217	23.8
Profit-Generating Funeral Services Segment	3,382	3,286	96	2.9	2,235	1,147	51.3
Asset Consulting Segment	311	257	54	21.0	0	311	-
Information Segment	900	872	28	3.2	393	507	129.0
HR Segment	227	235	-8	-3.4	-26	253	-
Adjustments	991	869	122	14.0	764	227	29.7



3

FY03/24 Shareholder Return

3-01 Shareholder Return

Approach to shareholder return and internal reserves

Dividend and internal reserves

Dividend

... Dividends implemented as a stable return policy

⇒ Current dividend payout ratio ~~30%~~

32.5%

[As of November 10, 2023]

Further increase in the dividend payout ratio will be considered in the future

Internal reserves

... Seeking scale for growth investments reserves
(Expansion, furnace manufacturing, etc.)

Stock buyback

Plan to flexibly execute based on cash balances and stock price trends

3-02 Stock Split

Stock split (announced Nov 10, 2023)

At a meeting of the Company's Board of Directors held on November 10, 2023, the following resolution was adopted.

Purpose of the stock split:

In line with the new NISA system that will be introduced from January next year, the Company decided to carry out the stock split after comprehensively considering the level of the Company's stock price, how the Company's stock is circulating, changes in the composition of shareholders, and other factors.

By reducing the per-unit investment amount in the Company's shares, the Company aims to create an environment in which investors can invest more easily, improve the liquidity of the Company's shares, and further expand the investor base.

Method of split:

With November 30, 2023 as the record date, the shares of common stock held by shareholders listed or recorded in the shareholders' register as of the end of that date will be split at a ratio of five shares for each share held.

Split dates:

- Date of standard public notice: Wednesday, November 15, 2023
- Record date: Thursday, November 30, 2023
- Effective date: Friday, December 1, 2023

3-03 Revision to Dividend Forecast

Dividend Forecast for FY03/24

- ✓ In addition to reflecting revisions in the full-year consolidated financial forecast, the payout ratio will change from 30% to 32.5%

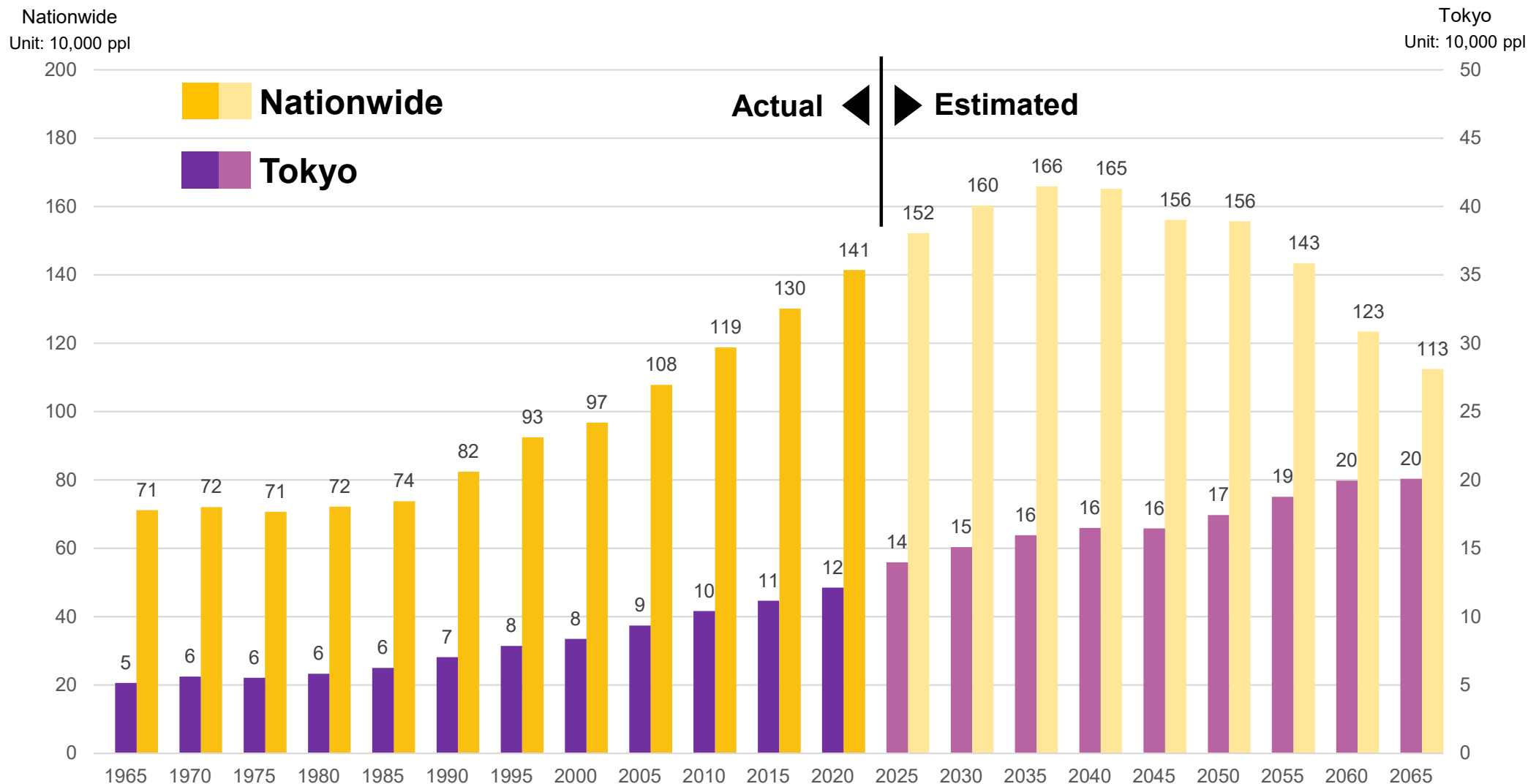
Record date	Dividend per share		
	End of Q2	End of FY	Total
FY03/23 results	7.75 yen	13.50 yen	21.25 yen
FY03/24 initial forecast (May 12, 2023)	23.65 yen	23.65 yen	47.30 yen
FY03/24 previous forecast (Aug 9, 2023)	26.30 yen	26.30 yen	52.60 yen
FY03/24 revised forecast (Conversion before stock split)	29.47 yen	5.89 yen* (29.47 yen)	— 58.94 yen

* ... Dividend per share after stock split effective December 1, 2023

4

Long-Term Outlook

4-01 State of the Population | Estimated Deaths



Nationwide: Statistics Bureau, Ministry of Internal Affairs and Communications; National Institute of Population and Social Security Research
Tokyo: Bureau of Social Welfare, Tokyo Metropolitan Government; Office of the Governor for Policy Planning, Tokyo Metropolitan Government

**Nationwide deaths will peak in around 2040, but will continue rising in Tokyo until at least 2065.
(*There were 1.58 million deaths nationwide in 2022.)**

4-02 Room for Expansion at Tokyo Hakuzen | Social Responsibility

As a company that provides cremation services in the public interest, we will fulfill our social responsibility in response to the increase in deaths.

Predicted number of cremation services

FY2022 **70,000**
(Deaths in Tokyo: 120,000)

FY2060 **130,000***
(Deaths in Tokyo | Estimate: 200,000)

*Company estimates based on statistical data from the Office of the Governor for Policy Planning, Tokyo Metropolitan Government

Our response

1. Operational capabilities developed by Tokyo Hakuzen

Expand service hours and cremations we handle

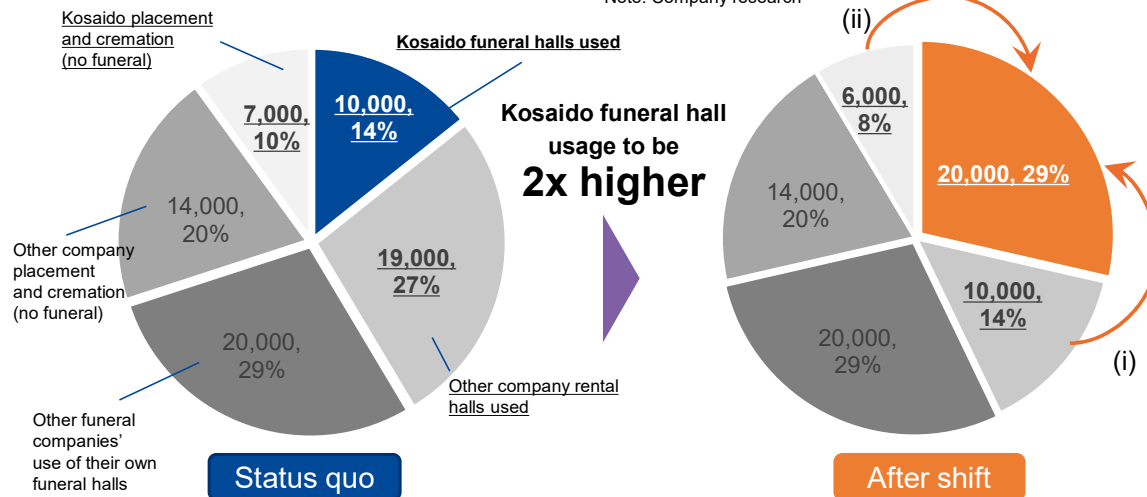
2. Utilize room for expansion at Tokyo Hakuzen

Additional furnaces (expansion)

Add yet more funeral halls

Breakdown of Funeral Hall Used for 70,000 Cremations*

Note: Company research



Current facilities			
Funeral homes	Number of funeral homes		6 locations (23 wards)
	Total floor area		45,132 m ²
	Furnaces	Total furnaces	64
		Area	1,568 m ² (including back of furnaces)
	Funeral halls	Total number of funeral halls	35 halls
		Area	3,889 m ² (including 1,790 m ² for waiting rooms)
	Additional funeral halls	Facilities added	36 halls (end of Sept 2023)
		Additional floor area	2,168 m ²
		Remarks	Floorspace added in existing funeral homes
	Room for expansion [7 locations (within the existing sites in the 23 wards)]		
Total floor area		10,460 m ²	
Funeral hall area rentable ratio		6,000m ² 57.4%	

4-03 Room for Growth through Expansion | Profit Estimates

Estimated impact on performance by utilizing room for expansion

- Facility-related data

Current facilities				
Funeral homes	Number of funeral homes		6 locations (23 wards)	
	Total floor area		45,132 m ²	
	Furnaces	Total furnaces	64	
		Area	1,568 m ² (including back of furnaces)	
	Funeral halls	Total number of funeral halls	35 halls	
		Area	3,889 m ² (including 1,790 m ² for waiting rooms)	
	Additional funeral halls	Facilities added	36 halls (end of Sept 2023)	
		Additional floor area	2,168 m ²	
		Remarks	Floorspace added in existing funeral homes	
Room for expansion [7 locations (within the existing sites in the 23 wards)]				
Total floor area			10,460 m ²	
Funeral hall area rentable ratio			6,000m ² 57.4%	

Funeral halls

Revenue per tsubo | 2,232,000 yen/year

Tsubo

Assumed annual revenue

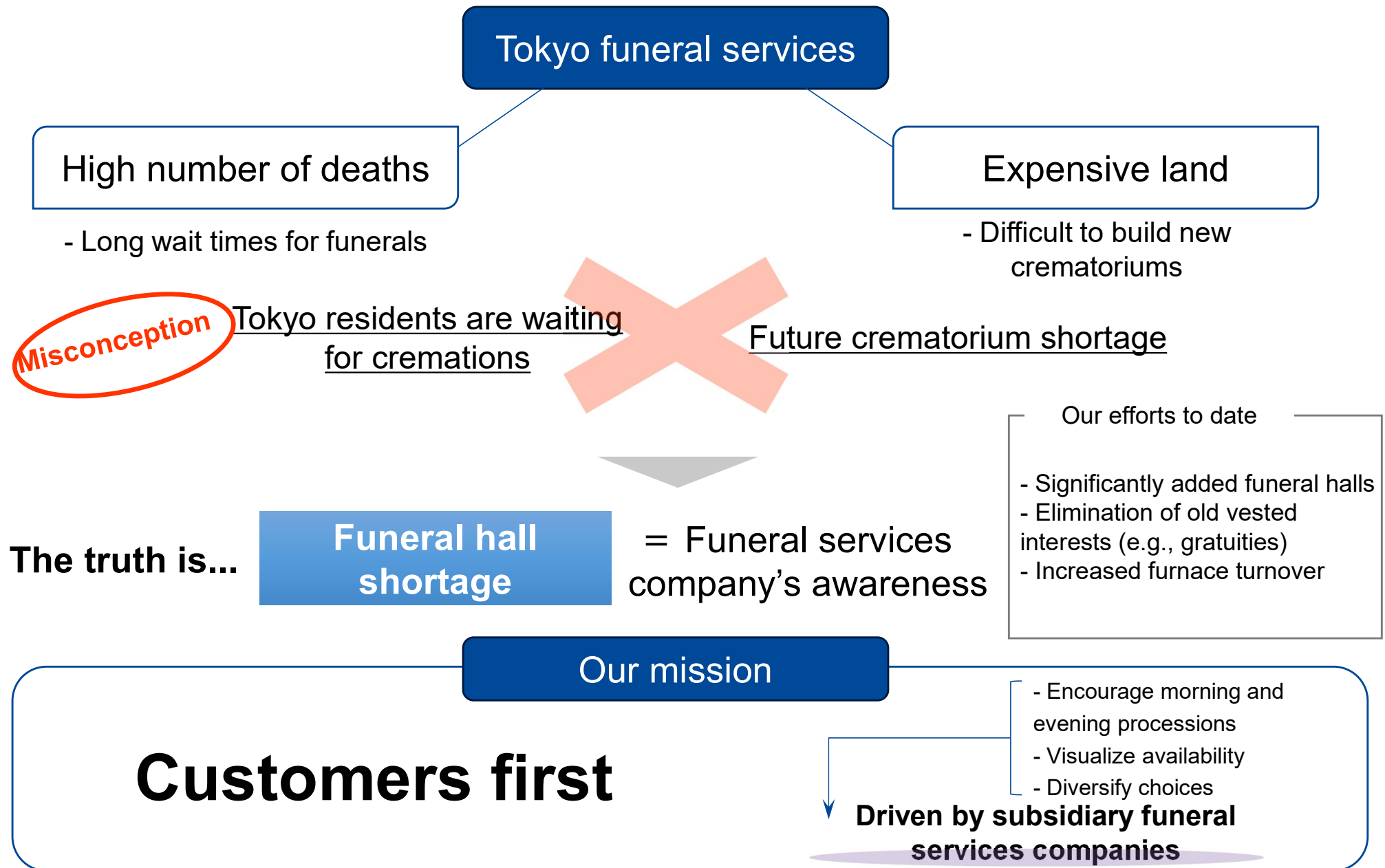
1,815 tsubo
(6,000 m²)

4,051 million yen

Expansion | Schedule to determine start date

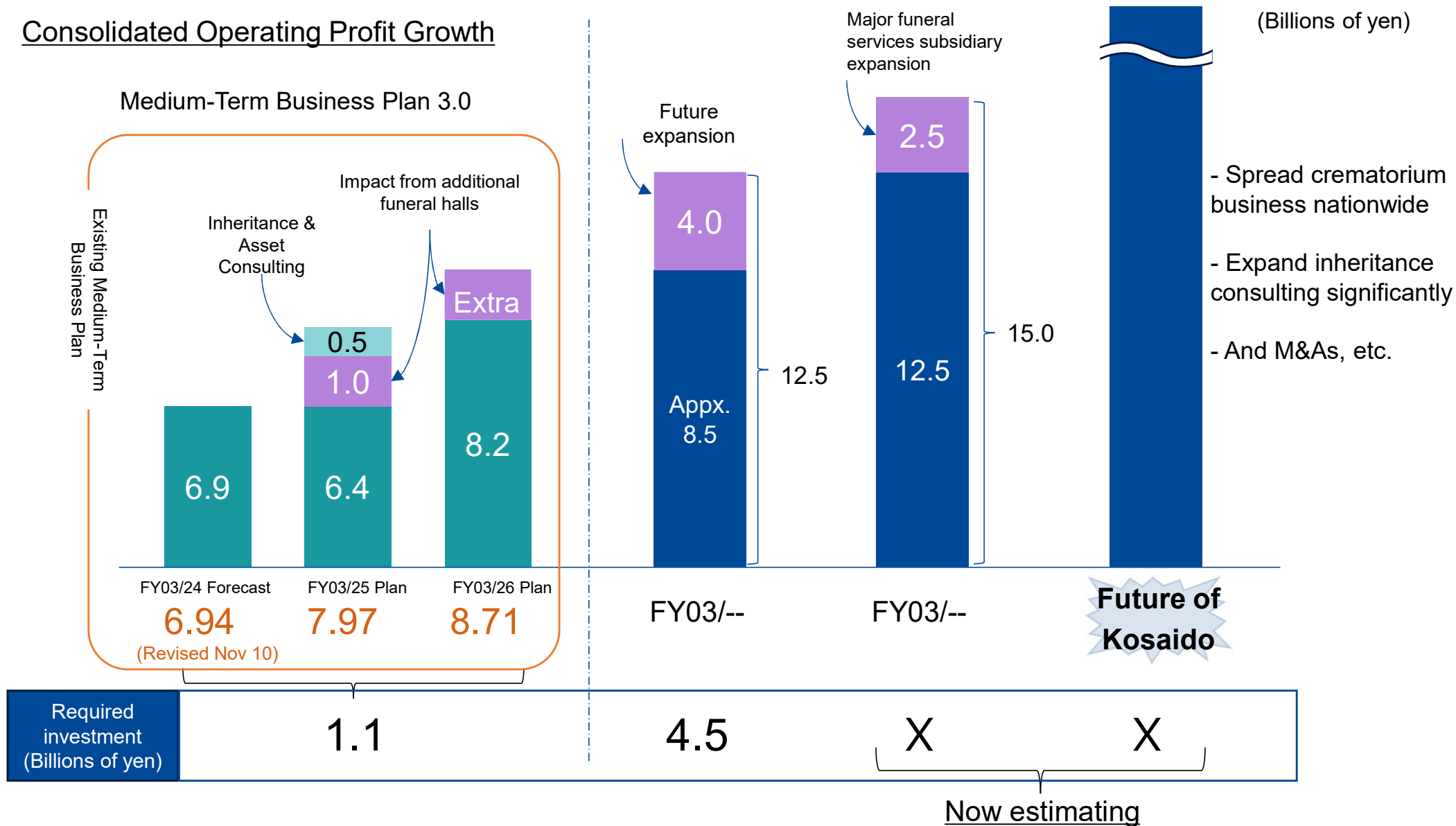
We would like to decide the date by April 2024.

4-04 The Tokyo End-of-Life Market



4-05 Business Growth Beyond Medium-Term Business Plan 3.0

Consolidated Operating Profit Growth



Improve planning accuracy and proceed to next Medium-Term Business Plan



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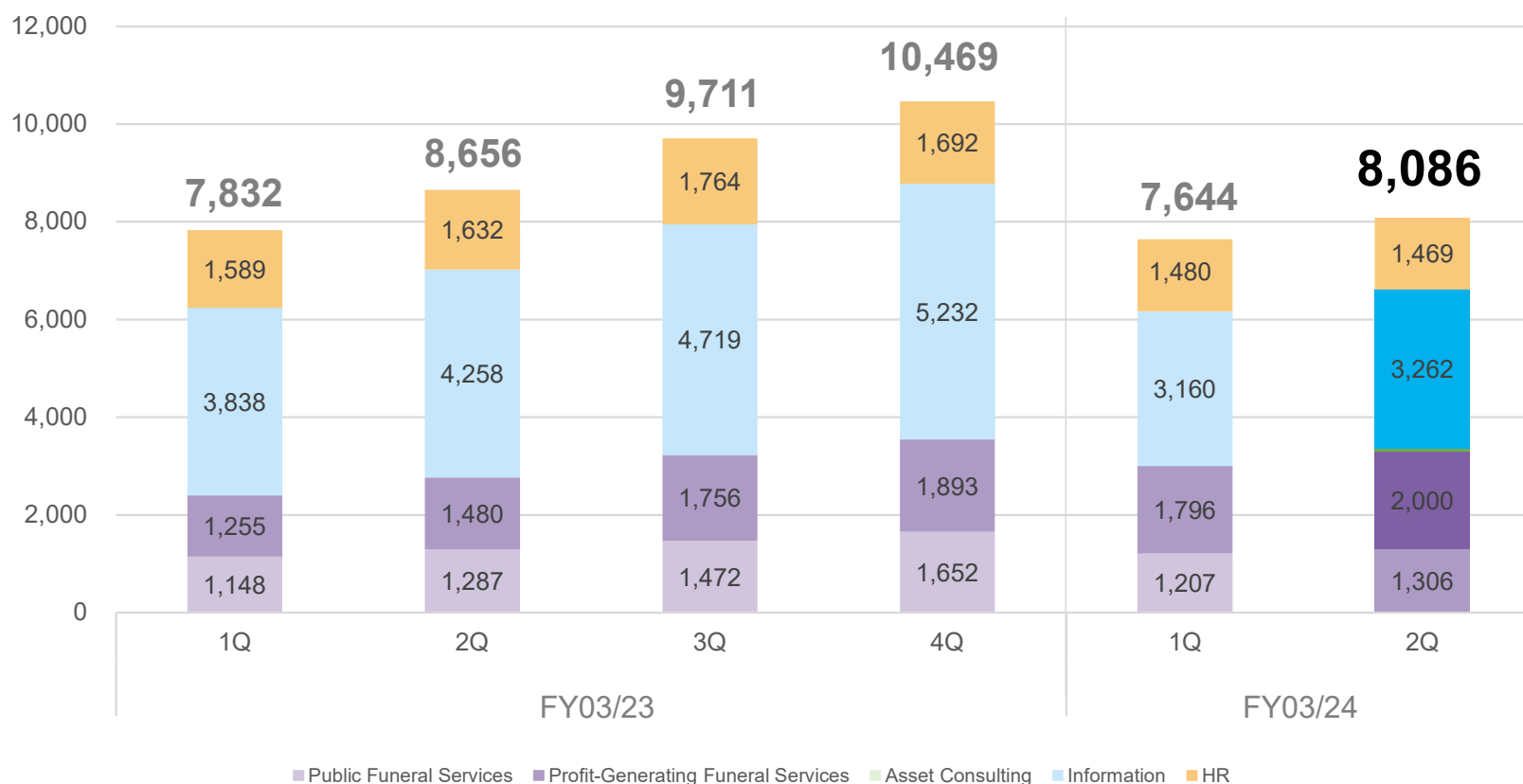
Appendix

- 1. Details of FY03/24 Performance**
- 2. Medium-Term Business Plan**
Performance Targets
- 3. ESG Activities Report**
- 4. Company Introduction**

A1-01 Quarterly Trend (Net Sales)

- Q2 sales increased in the Funeral Services segments due to the operation of new funeral halls at Tokyo Hakuzen and increased orders from two funeral service companies. In the Information and HR segments, overall sales decreased 6.6% year on year due to a difficult business environment compared to the previous year.

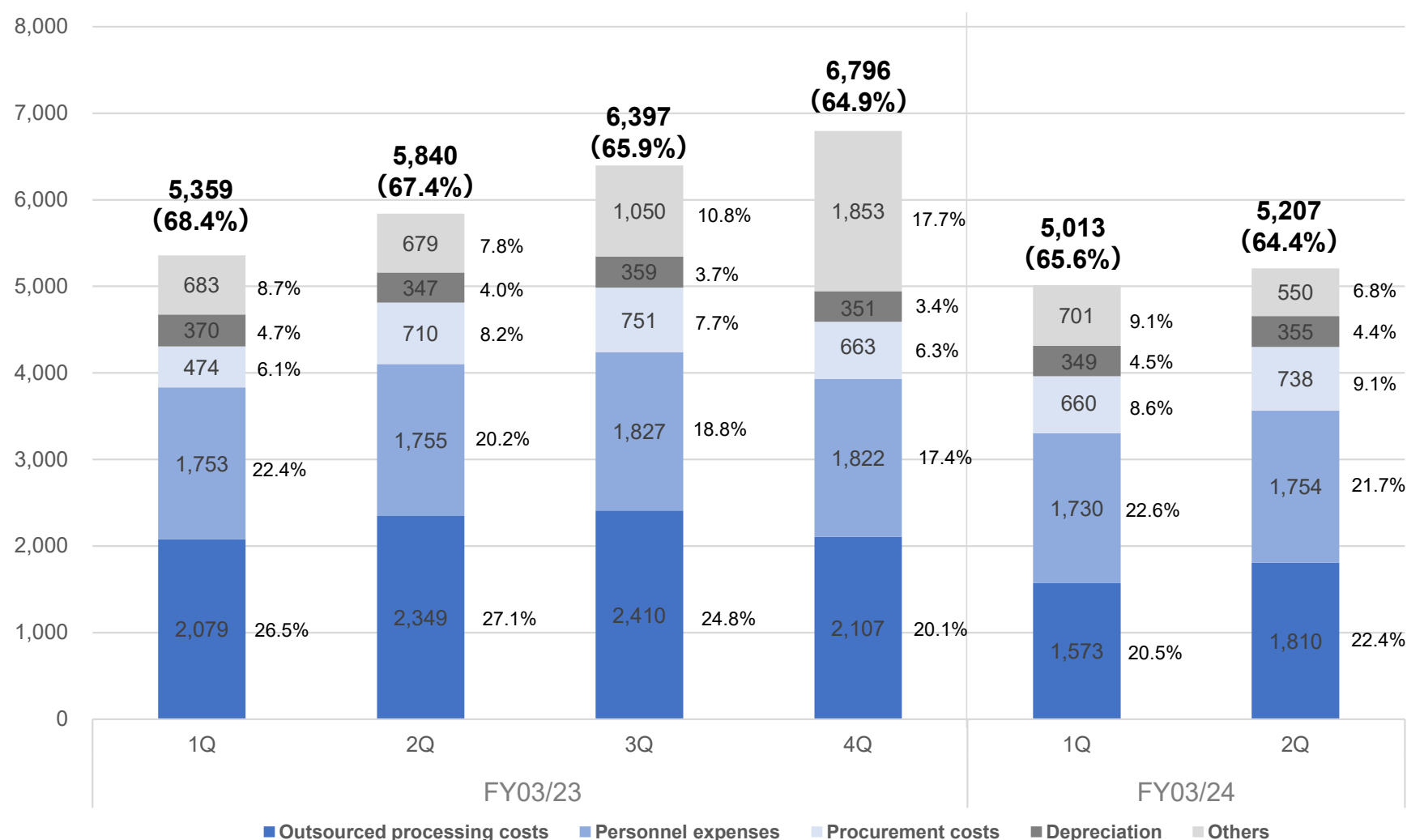
(Millions of yen)



A1-02 Quarterly Trend (Cost of Sales)

- Q2 cost of sales decreased year on year (-633 million yen, -3.0 pt cost of sales ratio)
- Continued control of subcontract expenses and reduction of fixed costs in the Information Segment contributed to cost cuts.

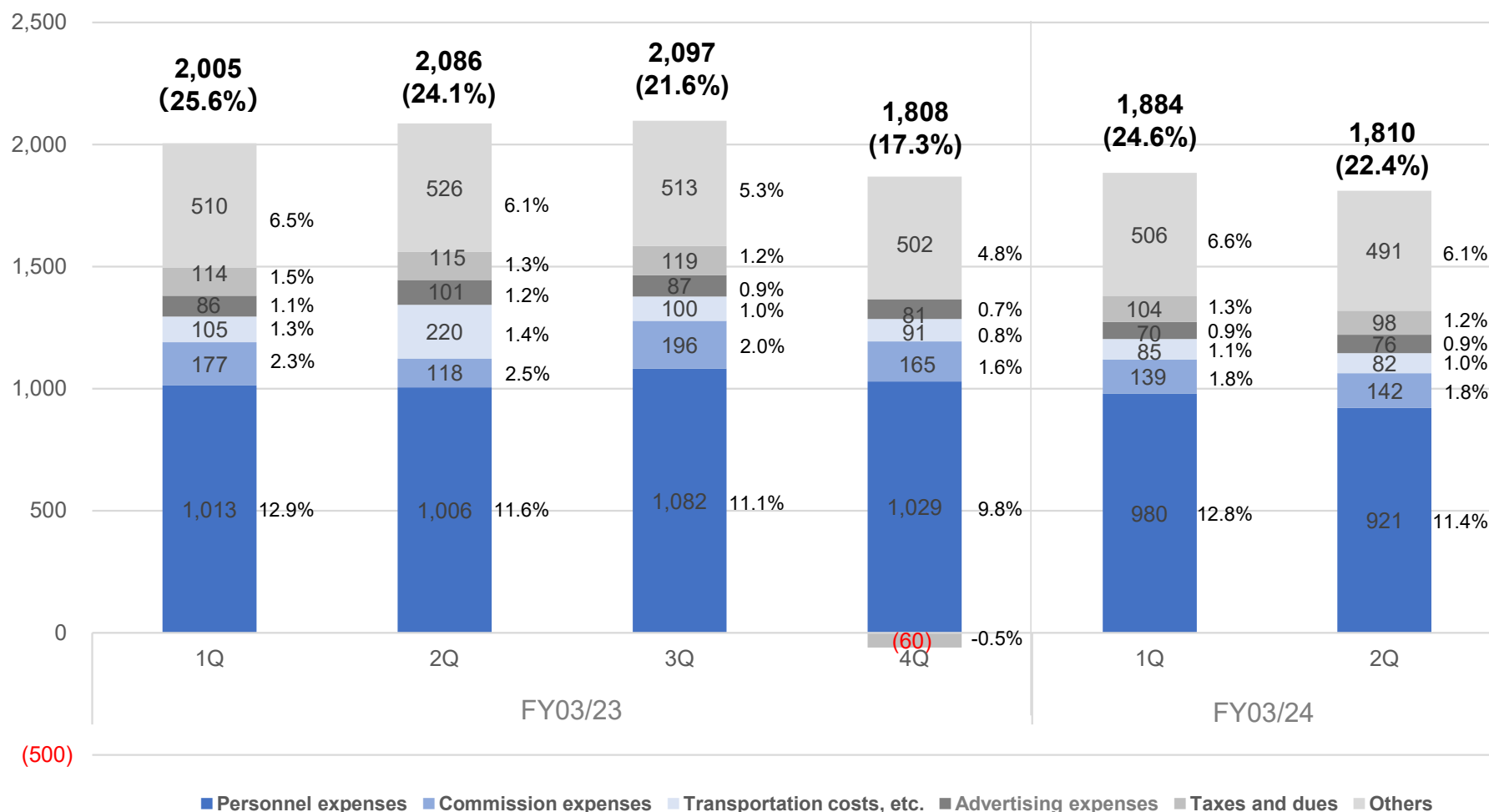
(Millions of yen / %: Cost of sales ratio)



A1-03 Quarterly Trend (SG&A Expenses)

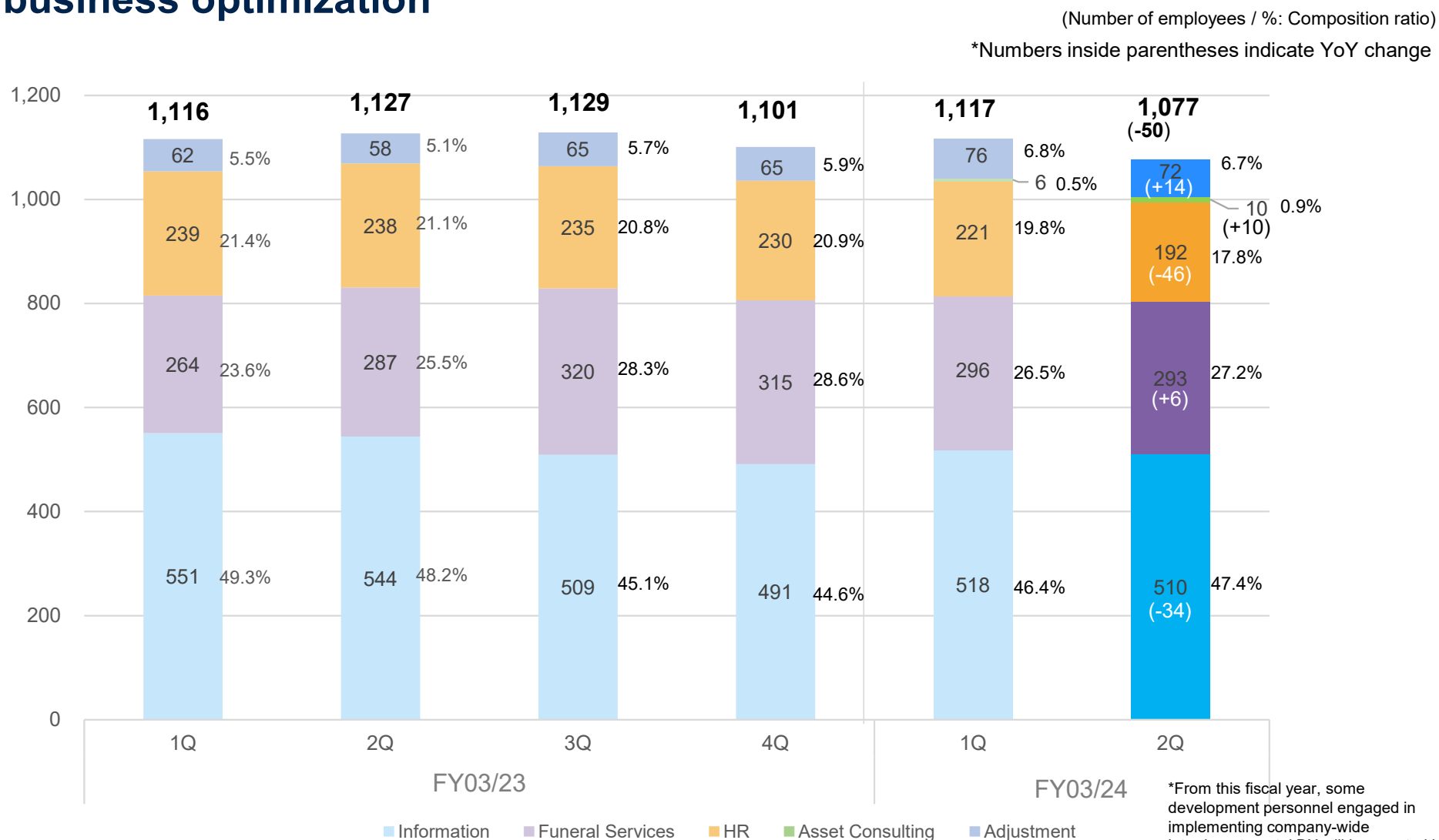
- Q2 SG&A expenses decreased year on year (-276 million yen, -1.7 pt SG&A expenses ratio)
- Continued reduction of fixed costs by implementing cost optimization at operating company.

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



A1-04 Quarterly Trend (Number of Employees)

- Review personnel in Information and HR segments and promote business optimization



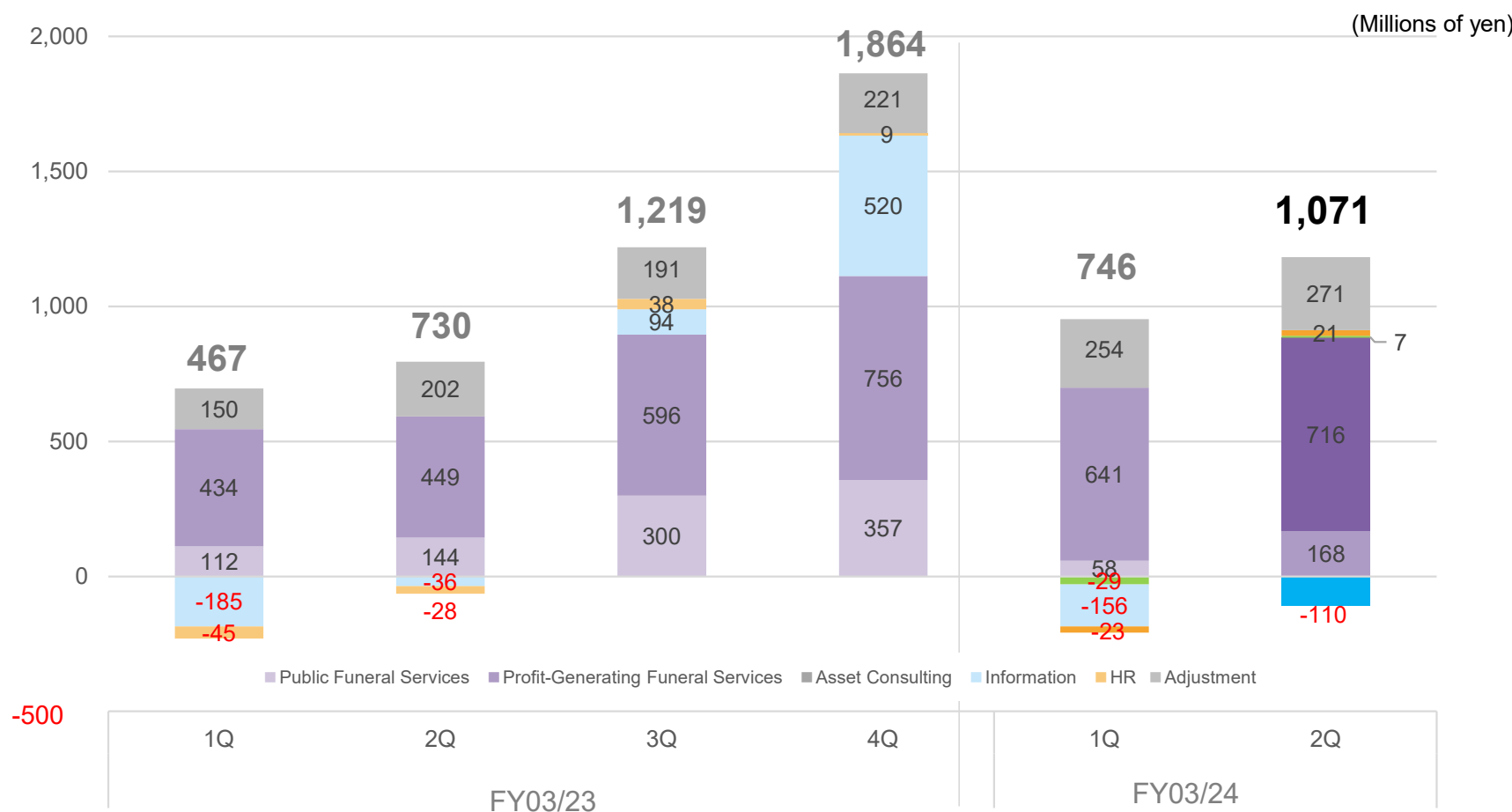
*From this fiscal year, some development personnel engaged in implementing company-wide interdepartmental DX will be counted in "Information" instead of "Other."

Quarterly Trend

A1-05 (Operating Profit by Segment)

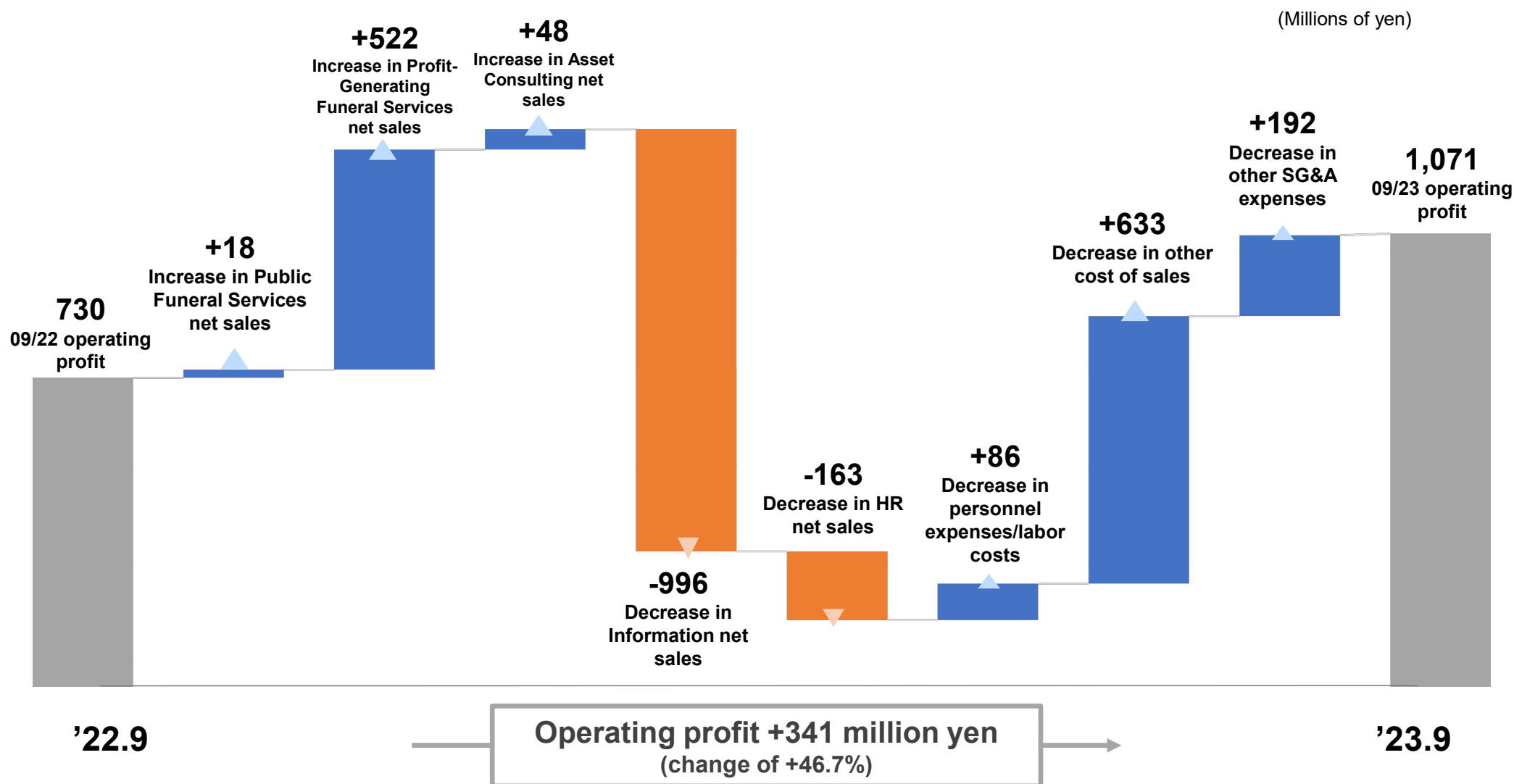
The method for booking management guidance fees for Group companies has been changed effective from the first quarter of the current fiscal year. These fees, which were included in corporate expenses as an adjustment, are now booked as operating expenses for each Group company of the reporting segment. Materials for the previous fiscal year were prepared according to this change.

- Operating profit increased 46.7% year on year due to solid performance of the funeral business, contribution from the Profit-Generating Funeral Services Segment with new funeral halls in operation, and continued cost optimization of Information and HR segments.



A1-06 Q2 FY03/24 Analysis of Change in Operating Profit (Major Items)

- Year on year, Information and HR segment income decreased, but Profit-Generating Funeral Services income increased. Overall income increased as a result of cost reductions in both Information and HR segments.



A1-07 Consolidated Balance Sheet

(Millions of yen)

	March 2023	Sep 2023	Difference as of quarter end
Current assets	27,998	27,127	-871
Cash and deposits	18,699	13,133	-5,566
Notes and accounts receivable–trade	5,810	3,458	-2,352
Non-current assets	43,134	43,937	803
Property, plant and equipment	35,807	36,684	877
Intangible assets	886	783	-103
Investments and other assets	6,440	6,469	29
Total assets	71,134	71,064	-70
Current liabilities	12,443	13,152	709
Short-term debt	1,400	1,400	0
Income taxes payable	325	551	226
Non-current liabilities	17,256	18,459	1,203
Total liabilities	29,699	31,611	1,912
Shareholders' equity	41,060	38,774	-2,286
Capital	100	159	59
Retained earnings	30,561	31,636	1,075
Share acquisition rights	11	66	55
Total net assets	41,434	39,452	-1,982
Total liabilities and net assets	71,134	71,064	-70

Public Funeral Services Business

A1-08 Income & Expenditures | Q2 FY03/24

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

Increase in transparency



Increase in business stability

■ The Company's 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 payments
||

(Reserves for losses in the Public Funeral Services Business)

■ Business Income & Expenditure for FY03/24 | Cumulative total from April 2023 to Sep 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	The balance of payments is appropriated as profit.	(vii) Public Funeral Services business reserves for losses
(ii) Segment sales	(iii) Segment expenses	(ii - iii) =			(i - iv - v) =		
2,513	2,287	226	69	375	- 218		0

(Millions of yen)

(*Estimate based on information as of August 2023)

A2-01 Medium-Term Business Plan 3.0 Performance Targets

Medium-Term Business Plan 3.0 (announced May 12, 2023)

(Millions of yen)

	FY03/22 Results	FY03/23 Results	Medium-Term Business Plan 3.0			
			FY03/24 Forecast		FY03/25 Plan	FY03/26 Plan
			May 12	Nov 10		
Net sales	35,361	36,668	40,000	39,841	42,100	43,800
Operating profit	3,729	4,280	6,360	6,940	7,970	8,710
Ordinary profit	3,610	4,185	6,110	6,893	7,750	8,490
Profit before income taxes	3,627	4,071	6,110	6,883	7,750	8,490
Income taxes	17	29	1,610	1,983	2,250	2,490
Profit attributable to owners of parent	3,643	4,042	4,500	4,900	5,500	6,000

Medium-Term Business Plan 3.0 Performance Targets

A2-02 by Business Segment

(Millions of yen)

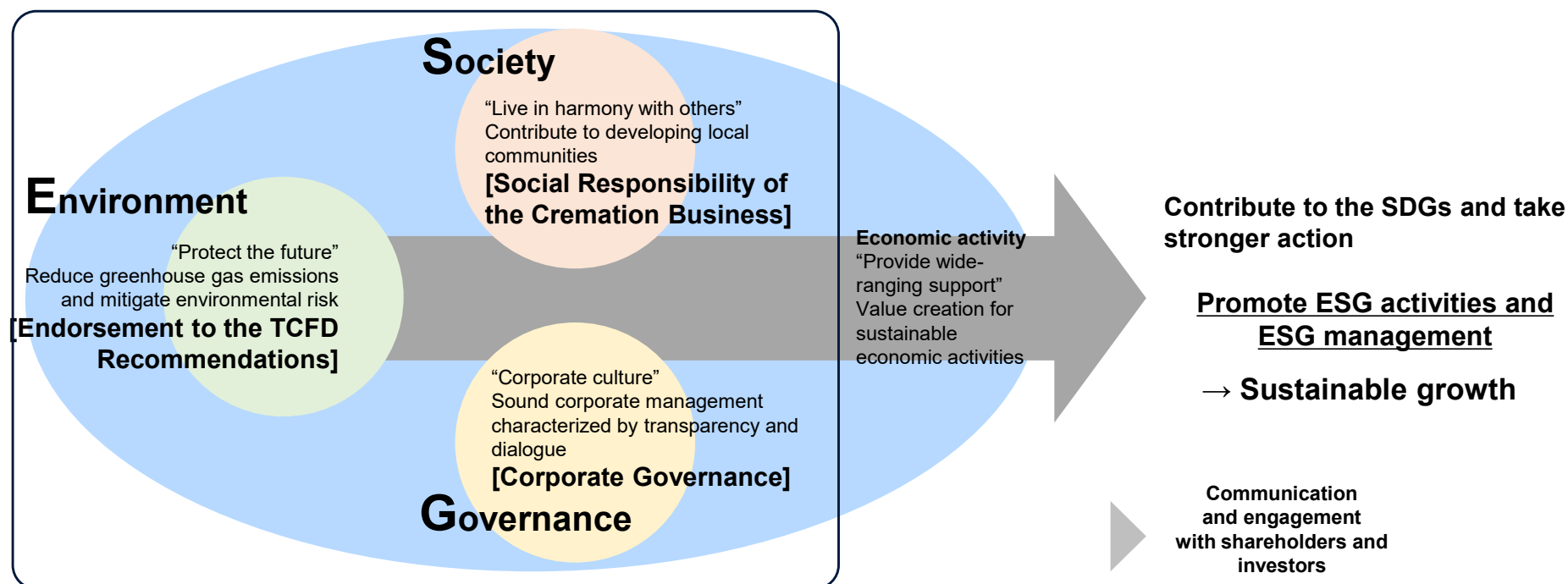
Medium-Term Business Plan 3.0 (announced May 12, 2023)

		FY03/23 Results	Medium-Term Business Plan 3.0			
			FY03/24 Forecast		FY03/25 PLAN	FY03/26 PLAN
			May 12	Nov 10		
Public Funeral Services	Net sales	5,561	6,033	5,808	6,215	6,400
	Operating profit	1,015	1,018	1,130	1,354	1,378
Profit- Generating Funeral Services	Net sales	6,382	8,639	8,667	9,785	10,100
	Operating profit	2,139	3,351	3,382	4,374	4,501
Asset Consulting	Net sales	0	368	537	700	1,400
	Operating profit	0	286	311	500	1,000
Information	Net sales	18,048	18,068	18,282	18,411	18,749
	Operating profit	392	609	900	684	694
HR	Net sales	6,677	6,892	6,544	6,989	7,151
	Operating profit	-27	237	227	244	247
Adjustments		761	859	991	814	890
Total	Net sales	36,668	40,000	39,841	42,100	43,800
	Operating profit	4,280	6,360	6,940	7,970	8,710

A3-01 ESG Activities Report

The purpose of the Kosaido Holdings ESG Activity Report is to provide shareholders, investors, business partners, and a wide range of other stakeholders with an understanding of the Company's approach and concrete action to further sustainability. The Kosaido Group SDGs Declaration defines four materialities (key issues) that are linked to both ESG activities and business management.

The word “Kosai” in our company name means “contributing to society at large.” Since our founding, we have diversified into the Public Funeral Services Business, Profit-Generating Funeral Services Segment, Asset Consulting, Information, and HR according to this common philosophy, thus providing valuable services that people and society appreciate. This report presents concrete action in our ESG activities with an awareness of our contribution to the SDGs, along with action to carry out our corporate philosophy.



ESG Activity Report [Society]

A3-02 - Social Responsibility of the Cremation Business

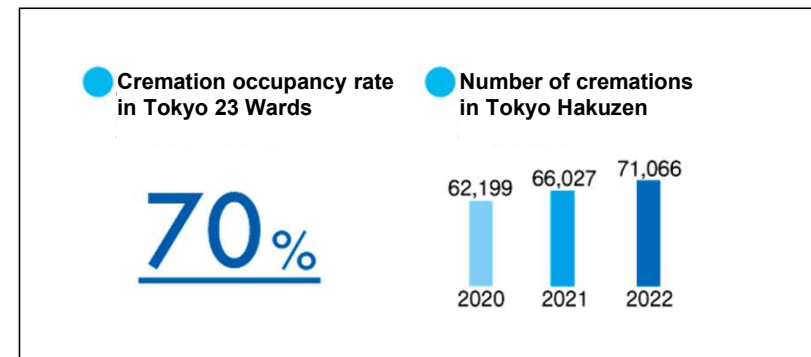
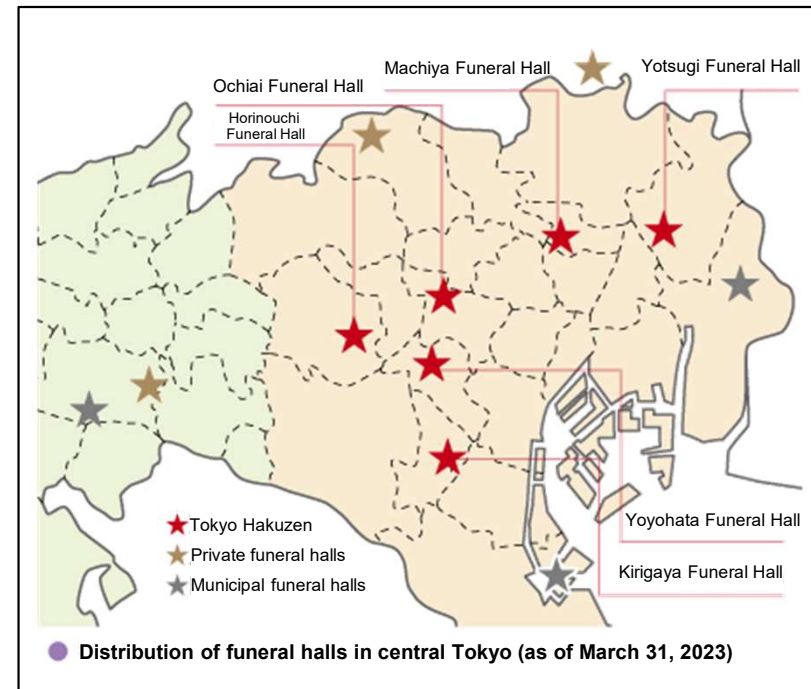
Basic Concept

The Company conducts our business based on the spirit of “Kosai,” which means “contributing to society at large.” Especially in Tokyo Hakuzen's cremation business, we contribute to the local community at large by carrying on this spirit and putting it into practice.

Originally, crematorium operations in Japan were regulated by the Act Concerning Graveyard, Burial, etc. and managing entities were generally local public organizations. Even if operations were more difficult, the operator had to be a public interest corporation or a religious corporation. But because Tokyo Hakuzen has been doing business in Tokyo since before this law came into force, **Tokyo Hakuzen, a private company, is operating six crematoriums.** Tokyo Hakuzen's crematoriums have a long history. They were built between the Edo Period (1603-1867) to the Meiji Era (1868-1912). Today, these facilities stand at convenient locations in Tokyo.

64* furnaces are operating at Tokyo Hakuzen funeral homes, handling approximately 70,000 cremations a year.* This accounts for about 70% of deaths in Tokyo's 23 wards.* Therefore, these locations receive many visitors, around 700,000. (*As of July 2023)

For more than 100 years since our establishment, we have been an indispensable business upholding the social infrastructure in the metropolis of Tokyo and fulfilling our social responsibility, but without public assistance, because we are a private company. In addition to contributing to the local community, our cremation business supports its development.



ESG Activity Report [Society]

A3-03 - Social Responsibility of the Cremation Business

Social Responsibility of the Cremation Business in a High-Death Society

Both local communities and Japanese society as a whole are facing a high number of deaths, and that figure increases by the year. As shown in these materials, nationwide deaths will peak by around 2040, and the number in Tokyo will continue increasing until 2065.



(From this document: Q1 FY03/24 Highlights)

*See next page for death statistics and trends.

In a society already facing a high number of deaths, those of us in the cremation business must take prompt action. However, public facilities operated by local governments cannot cope and there are already cremation waiting lists. In the future, the facilities may become more incapable of holding the funeral services requested by bereaved families.

In response, Tokyo Hakuzen is working to accurately understand social issues and problems from our unique business perspective as a private company, and we are striving for sustainable operations that do not rely on public funds. Tokyo Hakuzen, with a history spanning 100 years, takes the accelerating trend of a high number of deaths in Tokyo's large population seriously. We believe that it is our social responsibility to make efforts to build a society where we can always perform cremations and funeral processions at any time.

We also clearly recognize that without Tokyo Hakuzen, funeral processions in Tokyo would not be possible. Carrying on our business for the next 100 years and in perpetuity beyond is also connected to our company's great significance for society. We aspire to be a company that society always recognizes for its contributions, while establishing bonds of trust with society and members of the local community, and maintaining an awareness of the requirements for appropriate behavior according to our corporate responsibilities.



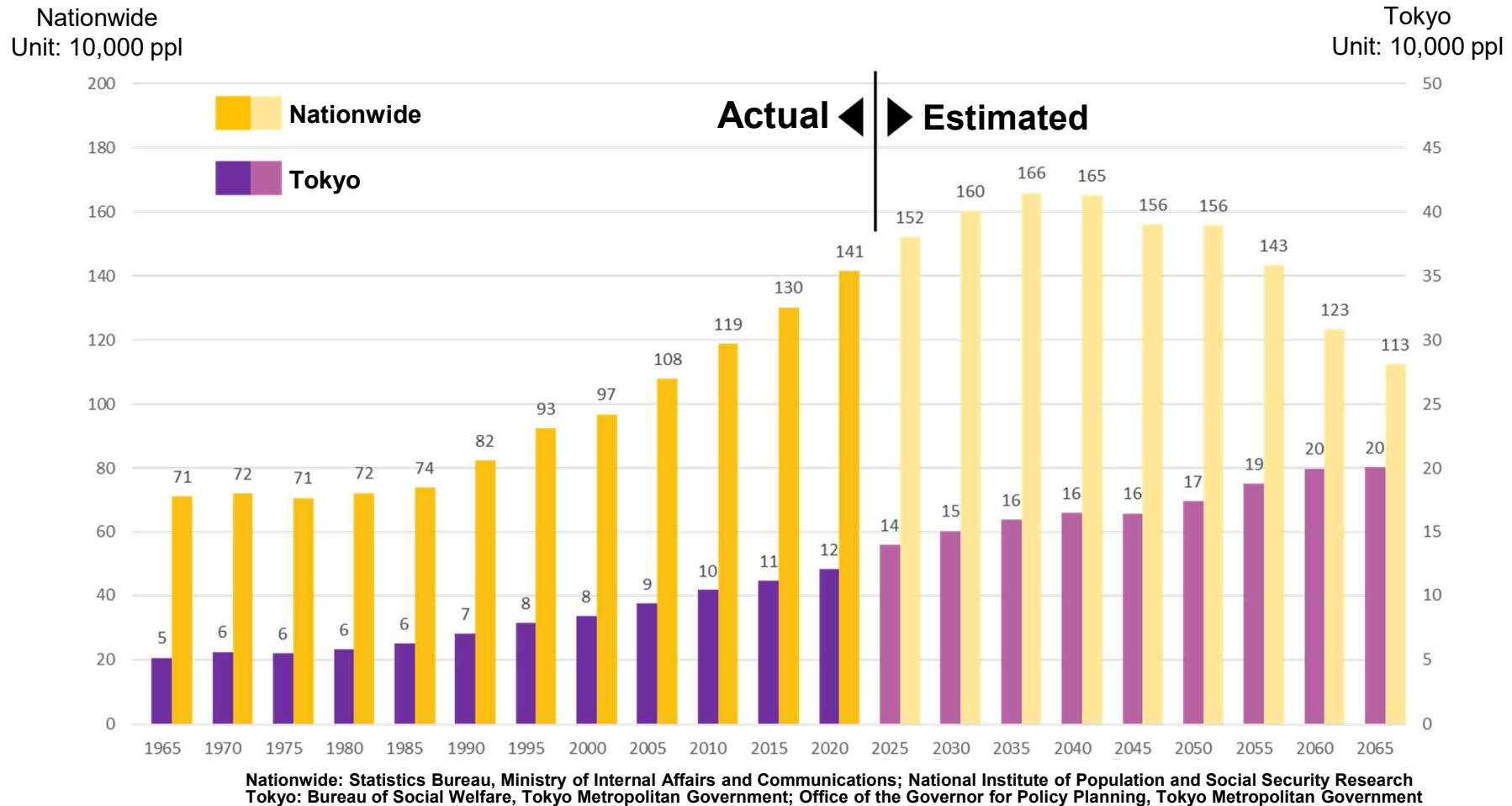
広済堂グループ
東京博善

ESG Activity Report [Society]

A3-04 - Social Responsibility of the Cremation Business

*Excerpt/reprint from this document: Q1 FY03/24 Highlights)

State of the Population | Estimated Deaths



**Nationwide deaths will peak in around 2040, but will continue rising in Tokyo until at least 2065.
(*There were 1.58 million deaths nationwide in 2022.)**

ESG Activity Report [Society]

A3-05 - Social Responsibility of the Cremation Business

Tokyo Hakuzen's Actions

■ Cremation technology for smooth funeral services

While many crematoriums use furnaces with carts, Tokyo Hakuzen uses grates that enable quick cremations so we can handle the increasing number of services. While other crematoriums normally handle two to three services per day, ours perform seven to nine. This eliminates waiting times before funeral services and reduces the psychological burden for the bereaved. To cope with a society with high number of deaths, we are focused on improving our operations as well as our technology.



Outside the cremation furnaces
at Yotsugi Funeral Home

■ Development of new, environmentally friendly cremation furnace system (Patented)

*Environmentally friendly

To help protect the environment, we are furthering the development of new cremation furnace systems that suppress dioxins while reducing CO2 emissions. We have developed and patented Japan's first environmentally friendly cremation furnace system that generates electricity from the cremation furnace's residual heat and uses a power recycling system. This new cremation system significantly suppresses exhaust gas emissions compared to conventional cremation furnace systems, and has achieved reductions in CO2, dioxins, and other toxic substances.

Stimulating the local economy through mutual understanding from exchanges with the community *CSR activities

Each of our six funeral homes in Tokyo hold Community Appreciation Gatherings to thank neighboring communities for their understanding and support. We endeavor to provide a setting where people of all ages can have an enjoyable and meaningful time through various events such as facility tours, morning markets, sales of products that support the employment of people with disabilities, *rakugo* (traditional Japanese comic storytelling) performances, mini concerts, art exhibitions, health seminars, and more.



The Kirigaya Funeral Hall held a Community Appreciation Gathering on July 9, 2023 for the neighborhood.

The event was a great success, with a dance performance by local children, a show by top-ranked *rakugo* storyteller Hanahei Hayashiya, an earthquake experience, and a Mercari class.

A3-06 ESG Activity Report [Environment]

Disclosure Based on the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations

In addition to endorsing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), in 2022, in response to increasing greenhouse gas emissions and extreme weather conditions caused by global warming, which have become important issues for the international community, the Group announced our SDGs Declaration to promote sustainability management. We have established a materiality on the environment and will work with our partners to further reduce risks to the environment. In addition, we have begun to disclose information in accordance with the TCFD and we will continue to implement the PDCA cycle to strengthen our management strategies related to climate change based on feedback from our stakeholders.

GHG Emissions Reduction Target

For GHG emissions from business activities at our company's sites (Scope 1 and 2), we are taking action to reduce with a medium-term target of 2030. For Scope 3, we are surveying the state of GHG emissions control by suppliers and customers.

Item	Scope 1+2 reduction targets	Scope 3 reduction targets
2050 target	Carbon neutrality	Carbon neutrality
2030 target	Reduce CO ₂ emissions by 34%	To be formulated based on the status of suppliers and purchases
Emissions factor	Ministry of the Environment "Measurement Methods and Emissions Factors under the Measurement, Reporting, and Publication System"	
Reference year	2020	

We disclose information according to TCFD recommendations at our Japanese website (IR Site/Environmental Policy).

You can check the following items according to disclosure rules:
 "Governance," "Strategy," "Risk Analysis,"
 "Indicators and Targets," "Reduction Targets"

*The information will be updated in December 2023.



A3-07 ESG Activity Report [Governance]

Basic Concept

Aiming to maximize shareholder value, sustainably increase enterprise value, and earn society's trust, we not only boost profitability, but also emphasize shareholder rights, implement efficient, fair, and transparent management practices, and ensure compliance. Furthermore, we enhance corporate governance by fulfilling the social responsibilities required of companies in terms of the environment, society, and governance, and by addressing social issues for the sustainable growth of the company and society.

Overview of Corporate Governance Structure

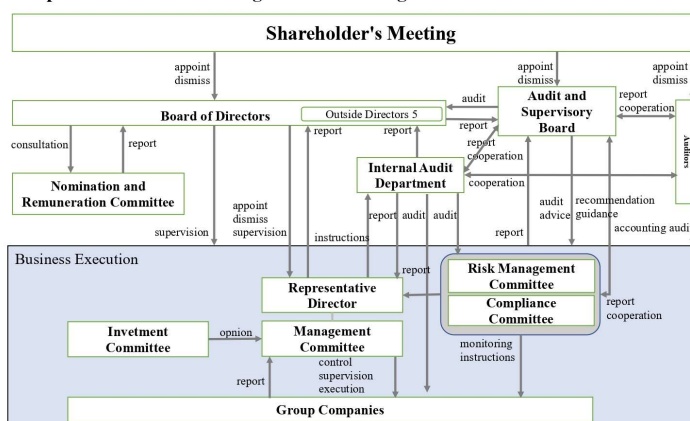
■ Board of Directors

As a company with a Board of Corporate Auditors, we endeavor to enhance corporate governance and improve the fairness and transparency of management based on our basic concept by building a management organization enabling proper supervision and monitoring while allowing directors to make appropriate decisions and promptly carry out business operations. In addition, we have established a voluntary nomination and compensation committee, whose primary members are independent outside directors and independent outside auditors, to deliberate and report to the Board of Directors on the directors' compensation, policy for determining their compensation, and proposed candidates for director positions. The Board of Directors, comprising two executive directors, one non-executive director, five outside directors, and corporate auditors, generally hold a regular monthly Board of Directors meeting, along with extraordinary meetings as necessary, to determine important business strategies, including management targets and strategies, as well as matters required by law, and to supervise business execution.

■ Board of Corporate Auditors

One full-time auditor and two outside auditors are appointed to ensure objectivity and neutrality in management oversight as they audit the state of governance and operations. In addition, we have appointed two outside auditors as independent directors, with the understanding that the roles of outside directors and outside auditors are, as an independent body entrusted by shareholders, to maintain a neutral and impartial position and ensure management's neutrality and objectivity.

Corporate Governance Organizational Diagram



For more information on corporate governance, please visit the IR News section of our website.

A4-01 Company Overview

**Company
name**

KOSAIDO Holdings Co., Ltd.

**Establish-
ment**

January 1949

Net sales

36,668
million yen
(FY03/23)

Total assets

71,064
million yen
(as of Sep 30, 2023)

Net assets

39,452
million yen
(as of Sep 30, 2023)

**Represent-
ative**

Hiroshi Kurosawa, President & CEO

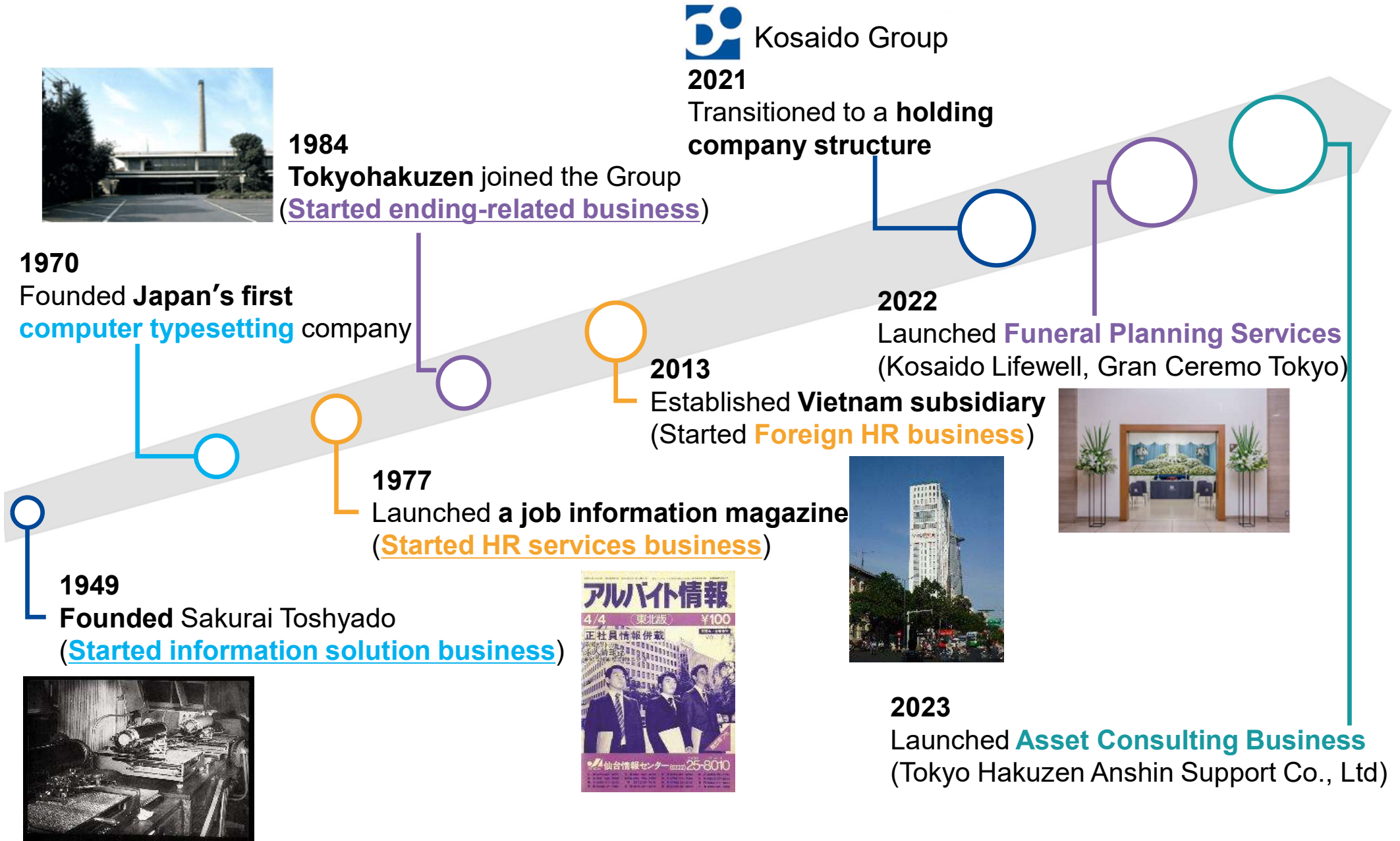
**Number of
employees**

1,077 (consolidated | as of Sep 30, 2023)

**Market
information**

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

A4-02 History



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.

A4-04 KOSAIDO Group

Further enrich
100-year lives.






KOSAIDO Holdings

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



[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



A4-05 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.



A4-06 Contact

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.

In addition, Facilities Tour for Institutional Investors and Analysts are held accordingly (funeral home tours operated by Tokyo Hakuzen Co., Ltd.).

If you would like to join, please contact us via the URL below.

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