



**KOSAIDO Holdings Co., Ltd.  
Launch of New Segment and  
Status of Formulation of New Medium-Term  
Business Plan [Interim Report]**

**Securities code: 7868**

April 12, 2023

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# **Financial Forecast for FY03/23**

# 1-01 Financial Forecast for FY03/23

## Reason for revision

In the fourth quarter, performance was strong, mainly in the Funeral Services segment. The revision was made due to an improvement on the profit side, particularly in the Information Segment.

	Previously announced forecast (Announced on February 10, 2023)	Revised forecast (Announced on April 12, 2023)	Compared with the previous forecast		(Millions of yen)
			Amount	(%)	(Reference)
					Results for the previous fiscal year
Net sales	36,620	<b>36,620</b>	0	0.0	35,361
Operating profit	4,130	<b>4,250</b>	120	2.9	3,729
Ordinary profit	4,000	<b>4,150</b>	150	3.7	3,610
Profit attributable to owners of parent	3,850	<b>4,000</b>	150	3.8	3,643

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## **Launch of New Segment**

## 2-01 Launch of New Segment – Background

### Progress of Medium-Term Business Plan 2.0

Upward  
factors

Discovering the potential of the Funeral Hall business

Downward  
factors

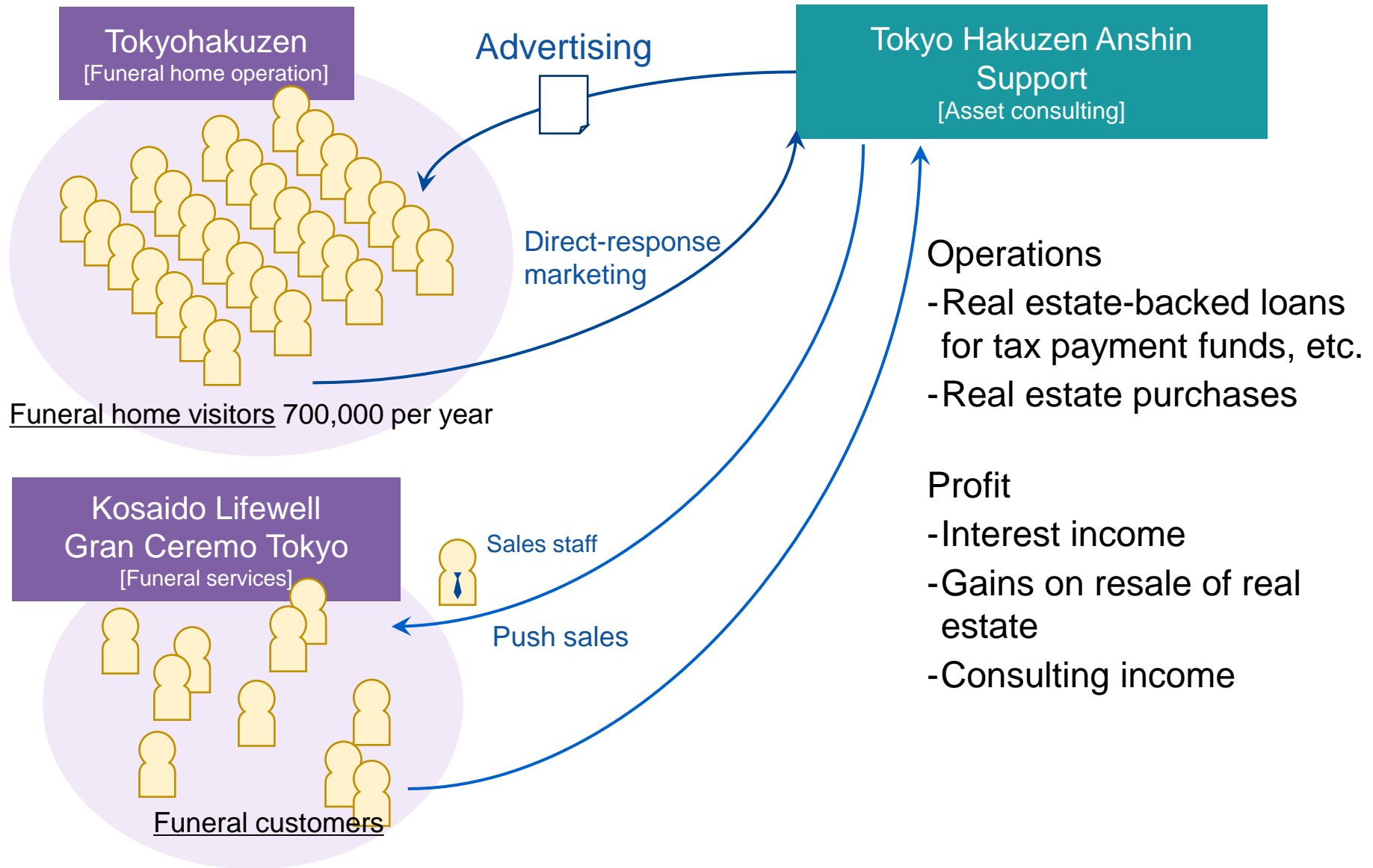
Overestimating the profit margin and speed of business expansion in the Funeral Business

Since the upward factor “potential of the Funeral Hall business” exceeded downward factors, the new Medium-Term Business Plan 3.0 indicates the target figure for the upward revision.

+

Since the upper limit of growth due to the expansion of the Funeral Hall business is now in sight, as a further future growth strategy, we will make the Asset Consulting Segment its own independent segment and seek to expand it, with a primary focus on consulting on matters relating to inheritance.

## 2-02 Asset Consulting Business – Overview



## 2-03 Asset Consulting – Business Plan

(Millions of yen)

	FY03/23	FY03/24	FY03/25	FY03/26
Lending amounts	0	5,000	5,000	10,000
Real estate investment balance	0	5,000	5,000	10,000
Segment gross profit margin	0	268	500	1,000

Step (1) Securing stable projects  Step(2) Liquidation and expansion of investments

In the New Medium-Term Business Plan 3.0, Step (1) is incorporated first.



**3**

## **Status of Formulation of New Medium-Term Business Plan**

# 3-01 Medium-Term Business Plan 3.0 Overview (Profit Side)

Growth goal by expanding funeral halls, etc.

(Billions of yen)

	'23.3	'24.3	'25.3	'26.3
Operating profit	4.2	6.3	7.4	7.7
Stable net profits	4.0	4.3	5.1	5.3
<b>New</b> Asset consulting operating profit	0.0	0.3	0.5	1.0 + additional
<b>Total net profit</b>	<b>4.0</b>	<b>4.5</b>	<b>5.5</b>	<b>6.0</b> + additional
Target market capitalization	80.0	100.0 -	150.0	+ additional

In FY03/26, we aim to make additional revisions to the medium-term business plan through "skin-shedding" mainly by means of large-scale M&A.

Growth in the inheritance market!

We believe that a market capitalization of 100 billion yen qualifies for participation in **large-scale M&A**.

Nursing care

Hospitals

Silver

Healthcare

and

Ending

Growth through synergies

We are exploring possibilities for long-term growth with inheritance services and large-scale M&A.



## 3-02

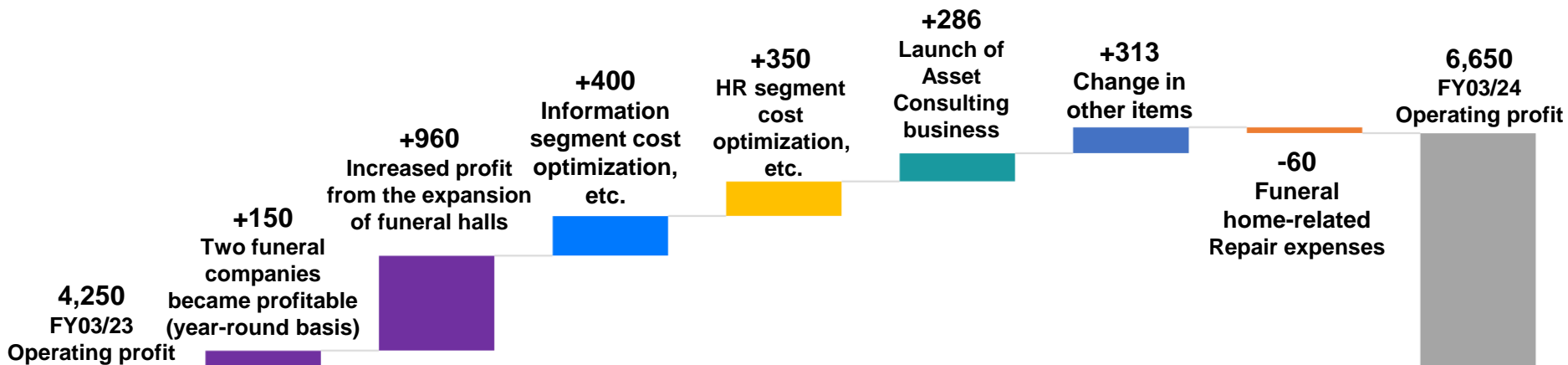
## Comparison with Medium-Term Business Plan 2.0

(Millions of yen)

		FY03/22 Results (reference)	FY03/23 Plan	FY03/23 Forecast (April 12)	FY03/24 Plan	FY03/25 Plan	FY03/26 Plan
Medium-Term Business Plan 2.0	Existing businesses	4,442	4,730	-	5,517	6,882	
	Funeral	0	40	-	275	485	
	Adjustments, etc.	-713	-970	-	-1,092	-1,167	
	Total	3,729	3,800	4,250	4,700	6,200	
New Medium-Term Business Plan 3.0	Existing businesses				6,401	6,991	7,271
	Funeral				150	180	190
	(New) Funeral halls				960	1,400	1,400
	Adjustments, etc.				-1,147	-1,101	-1,151
	Subtotal				6,364	7,470	7,710
	Asset consulting				286	500	1,000
	Total – Operating profit	3,729	3,800	4,250	6,650	7,970	8,710
	Income taxes	17	740	-	1,940	2,290	2,530
	Profit	3,643	2,950	4,000	4,500	5,500	6,000

# 3-03 Change in Operating Profit – FY03/23–FY03/24

(Millions of yen)



Operating profit is **expected to exceed** by **450** million yen in FY03/23 (comparison with Medium-Term Business Plan 2.0)

In FY03/24, we expect further increases:

+960 million yen from the **funeral hall expansion** and +286 million yen from the **launch of the Asset Consulting business**.

By adding on 750 million yen from cost optimization of the **Information** and **HR** segments, we aim to achieve **operating profit** of **6,650** million yen.

FY03/23

Operating profit +2,400 million yen  
(+56.4% YoY)

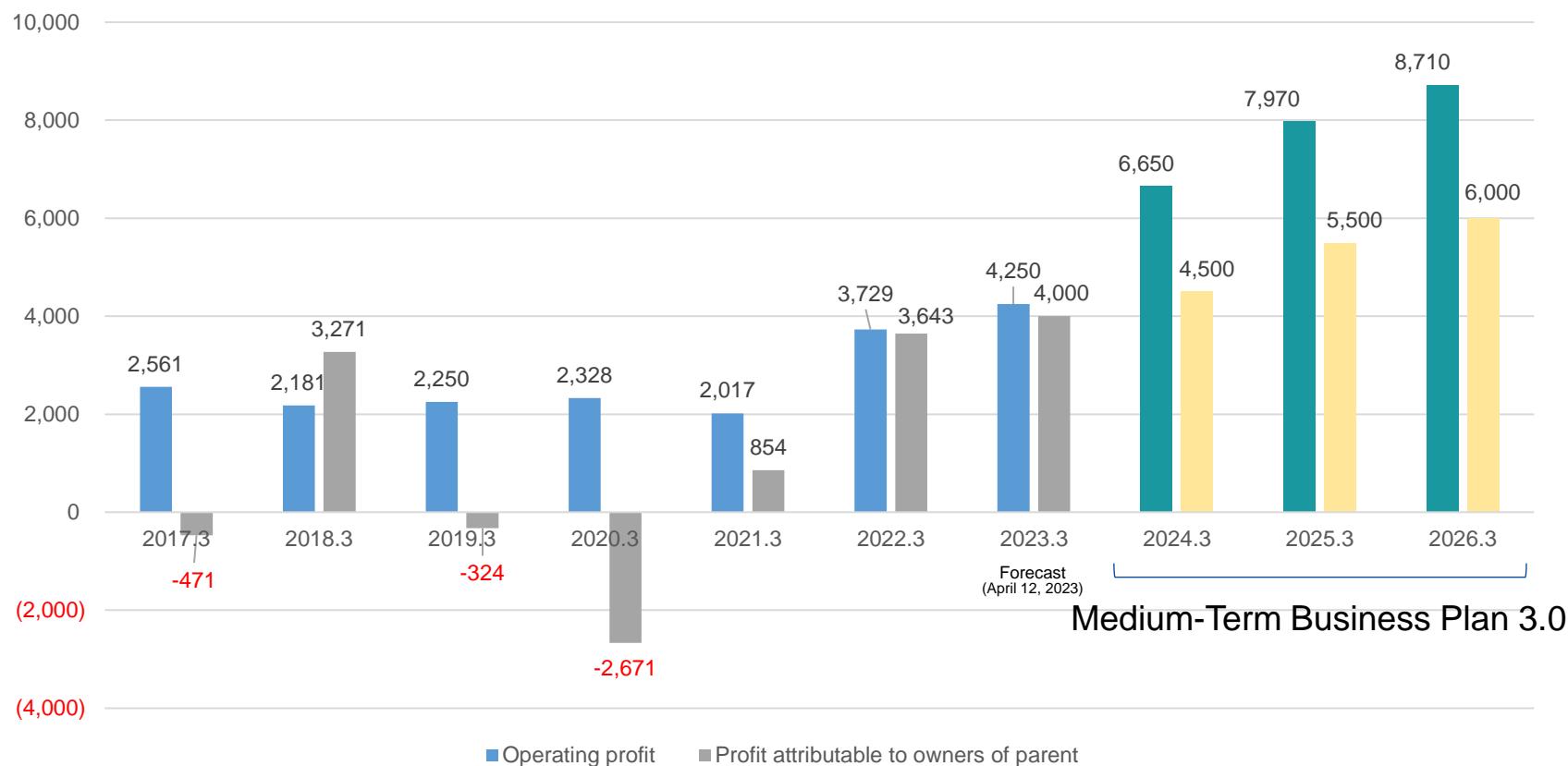
FY03/24



### 3-04 Changes in Operating Profit and Net Profit

(Millions of yen)

Through implementation of the new medium-term business plan, we will aim to record stable and continuous net profits.



## 3-05 Overall Funding Plan

(Millions of yen)

	FY03/23 Forecast	FY03/24 Plan	FY03/25 Plan	FY03/26 Plan
Operating CF	5,900	6,800	8,100	9,100
Investing CF	-3,900	-4,800	-6,100	-7,100
Borrowings (net)	-5,121	-2,000	-2,000	-2,000
Dividends	-221	-1,030	-1,500	-1,700
Cash at end of fiscal year	18,200	17,100	16,800	15,000

Details of Medium-Term Business Plan  
3.0 will be announced on May 12, 2023.

We will further scrutinize and consider the content of this interim report, and formulate an effective plan.



**A**

## **Appendix: Company Introduction**



## A-01 Company Overview

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<b>Company name</b>	<b>KOSAIDO Holdings Co., Ltd.</b>	<b>Establishment</b>	<b>January 1949</b>		
<b>Net sales</b>	<b>35,361</b> million yen (FY03/22)	<b>Total assets</b>	<b>68,843</b> million yen (as of December 31, 2022)	<b>Net assets</b>	<b>39,218</b> million yen (as of December 31, 2022)
<b>Representative</b>	<b>Hiroshi Kurosawa, President &amp; CEO</b>				
<b>Number of employees</b>	<b>1,129 (consolidated   as of December 31, 2022)</b>				
<b>Market information</b>	<b>Prime Market, Tokyo Stock Exchange (Securities code: 7868)</b>				

# A-02 History



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

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

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



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



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



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

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



**MISSION** Further enrich 100-year lives

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

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

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

# A-04 KOSAIDO Group




Further enrich  
100-year lives.



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

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




## Ending-related Business

-  TOKYO HAKUZEN
-  KOSAIDO LIFEWELL
-  GRAN CEREMO TOKYO



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

## Information Solution Business

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



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

## HR Service Business

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



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



# A-05 KOSAIDO Group's SDGs Declaration

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

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



## Economy

**Providing wide-ranging support**

**Value creation for sustainable economic activities**

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





## Society

**Live in harmony with others**

**Developing equitable and diverse communities**

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








**Company that guides the future in a positive direction**



## Environment

**Protect our future**

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

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










## Corporate Culture

**Connect with smiles**

**Sound corporate management characterized by transparency and dialogue**

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










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

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

# Further enrich 100-year lives

<Precautionary note regarding this material>

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



KOSAI DO GROUP

広濟堂ホールディングス

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