



April 8, 2025

Consolidated Financial Results for the Fiscal Year Ended February 28, 2025 (Under Japanese GAAP)

Company name: Riso Kyoiku Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 4714
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 Scheduled date of annual general meeting of shareholders: May 23, 2025
 Scheduled date to commence dividend payments: May 9, 2025
 Scheduled date to file annual securities report: May 26, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended February 28, 2025 (from March 1, 2024 to February 28, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 28, 2025	33,394	3.7	2,987	13.7	2,993	12.7	1,780	7.2
February 29, 2024	32,215	2.3	2,628	8.6	2,655	7.9	1,661	11.7

Note: Comprehensive income For the fiscal year ended February 28, 2025: ¥1,730 million [0.3%]
 For the fiscal year ended February 29, 2024: ¥1,725 million [23.2%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
February 28, 2025	10.71	10.69	17.5	14.9	8.9
February 29, 2024	10.76	10.74	19.0	14.7	8.2

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
February 28, 2025	22,093	12,071	54.3	70.53
February 29, 2024	18,096	8,484	46.3	54.26

Reference: Equity
 As of February 28, 2025: ¥11,996 million
 As of February 29, 2024: ¥8,375 million

(3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
February 28, 2025	2,450	(801)	1,842	8,952
February 29, 2024	1,653	(1,028)	(2,466)	5,460

2. Cash dividends

Fiscal year ended	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
February 29, 2024	0.00	0.00	0.00	10.00	10.00	1,543	92.9	17.6
February 28, 2025	0.00	0.00	0.00	10.00	10.00	1,700	93.4	16.0
February 28, 2026 (Forecast)	0.00	0.00	0.00	10.00	10.00		85.0	

3. Forecast of consolidated financial results for the fiscal year ending February 28, 2026 (from March 1, 2025 to February 28, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending February 28, 2026	36,000	7.8	3,145	5.3	3,140	4.9	2,000	12.3	11.76

* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (3) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of February 28, 2025	171,806,159 shares
As of February 29, 2024	156,209,829 shares

- (ii) Number of treasury shares at the end of the period

As of February 28, 2025	1,722,779 shares
As of February 29, 2024	1,846,230 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended February 28, 2025	166,292,452 shares
Fiscal year ended February 29, 2024	154,363,752 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended February 28, 2025 (from March 1, 2024 to February 28, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended February 28, 2025	17,648	5.3	1,173	44.5	3,565	115.0	2,852	170.2
February 29, 2024	16,761	1.8	812	(29.2)	1,658	(20.4)	1,055	(32.4)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
February 28, 2025	17.15	17.12
February 29, 2024	6.84	6.82

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of February 28, 2025	17,352	11,395	65.2	66.56
February 29, 2024	12,415	6,694	53.0	42.66

Reference: Equity

As of February 28, 2025: ¥11,320 million

As of February 29, 2024: ¥6,585 million

As a result of the increase in the average number of students during the fiscal year and the effects of cost reductions through the efficient use of expenses, net sales, operating income, ordinary income, and net income for the fiscal year under review increased significantly compared to the previous fiscal year.

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. For the conditions on which earnings forecasts are predicated and precautions for using earnings forecasts, please refer to Summary of Business Results (4) Future Outlook".

1. Overview of Business Results for the Fiscal Year Ending February 2025

(1) Overview of Business Performance for the Fiscal Year

① General Business Overview

During the consolidated fiscal year, the Japanese economy continued to experience a gradual recovery, supported by improvements in employment and income conditions, the effects of various government policies, and increased inbound demand. However, uncertainties remained due to concerns over rising energy and raw material costs, exchange rate fluctuations, and their impact on the economy.

In the cram school industry, there is an increasing need to swiftly respond to changes in the economic environment, declining birthrates, and various educational system reforms, including university entrance examination reforms that have diversified entrance methods.

Under these circumstances, our corporate group, which operates on a business model adapted to the declining birthrate, has adopted a fundamental management policy of aiming to become a one-of-a-kind company representing Japan by providing high-quality, "authentic" educational services under the philosophy of "Everything for the Future of Children."

Furthermore, as we became a group company of Hulic Co., Ltd., our collaboration has been further strengthened. In addition to this, we are promoting partnerships with other companies, including those in different industries, such as developing the "Kodomo Depart," an education-focused building in collaboration with Hulic Co., Ltd. and Konami Sports Co., Ltd., and expanding projects that foster "well-rounded children with rich human qualities and a balanced education in both academics and sports" through a business alliance between Shingakai Co., Ltd. and Konami Sports Co., Ltd. By doing so, we will continue to provide high-value-added services while striving for sustainable growth and increased corporate value.

In the consolidated fiscal year, the average number of students enrolled in "TOMAS," our individualized entrance exam preparation tutoring service, increased by 2.3% compared to the previous year. In addition, the average number of students receiving individual instruction at "School TOMAS," an in-school tutoring service, grew by 17.1% year-on-year. Along with cost reductions through efficient expense management, we achieved increased revenue and profit, with the highest sales revenue in our company's history.

As a result, for the consolidated fiscal year, net sales amounted to 33,394 million yen (3.7% increase year-on-year), operating income reached 2,987 million yen (13.7% increase year-on-year), ordinary income was 2,993 million yen (12.7% increase year-on-year), and net income attributable to parent company shareholders totaled 1,780 million yen (7.2% increase year-on-year).

② Segment Overview

The business performance by segment is as follows:

(a) TOMAS [Private Tutoring School Business Division]

Providing high-quality education services through a completely one-on-one individualized tutoring approach, TOMAS achieved net sales of 17,671 million yen (5.0% increase year-on-year), and when including internal sales, net sales amounted to 17,731 million yen (5.4% increase year-on-year).

During the fiscal year, we opened new schools such as Medic TOMAS Shibuya (Tokyo), TOMAS Yoga (Tokyo), and TOMAS Ichigao (Kanagawa). Additionally, we relocated and renovated TOMAS Minami-Urawa (Saitama) and TOMAS Shiki (Saitama), and renovated TOMAS Nishinippori (Tokyo), TOMAS Iidabashi (Tokyo), and TOMAS Fuchu (Tokyo).

(b) Meimonkai [Home Tutoring Education Business Division]

Providing education services exclusively by professional adult instructors while expanding operations nationwide, Meimonkai recorded net sales of 4,932 million yen (1.9% decrease year-on-year).

(c) Shingakai [Early Childhood Education Business Division]

Strengthening two brands: "Shingakai," a top-tier service in prestigious kindergarten and elementary school entrance exam preparation, and "Shinga's Club," a long-hour childcare service focused on entrance exam preparation. Net sales were 5,708 million yen (0.1% decrease year-on-year), while including internal sales, net sales amounted to 5,737 million yen (0.0% increase year-on-year).

During the fiscal year, we opened Konami Sports Shinga's Academy Musashi-Kosugi (Kanagawa) and renovated Shinga's Club Gakudo Kichijoji (Tokyo).

(d) School TOMAS [In-School Individualized Instruction Business Division]

Expanding our in-school individualized tutoring service, "School TOMAS," net sales reached 3,438 million yen (17.5% increase year-on-year), and including internal sales, net sales amounted to 3,439 million yen (17.5% increase year-on-year).

(e) Plus One Kyoiku [Personality Development and Training Camp Education Business Division]

Providing diverse experiential learning services that cultivate emotional intelligence, net sales were 1,625 million yen (4.3% decrease year-on-year), while including internal sales, net sales amounted to 1,770 million yen (3.4% increase year-on-year).

During the fiscal year, we opened TOMAS Gymnastics School Musashi-Kosugi (Kanagawa) and TOMAS Soccer School Sumida (Tokyo).

(f) Other Businesses

Net sales amounted to 17 million yen (6.8% increase year-on-year), while including internal sales, net sales totaled 134 million yen (0.8% decrease year-on-year).

(2) Overview of Financial Position

At the end of the consolidated fiscal year, total assets increased by 3,996 million yen to 22,093 million yen (compared to 18,096 million yen at the end of the previous fiscal year). This was due to increases in cash and deposits, trade accounts receivable, prepaid expenses, intangible fixed assets, deferred tax assets, and security deposits, offset by decreases in tangible fixed assets and investment securities.

Liabilities increased by 409 million yen to 10,021 million yen (compared to 9,611 million yen at the end of the previous fiscal year), due to increases in accounts payable, contract liabilities, other current liabilities (e.g., unpaid consumption tax), and retirement benefit liabilities, partially offset by decreases in unpaid corporate taxes and bonus reserves.

Net assets increased by 3,586 million yen to 12,071 million yen (compared to 8,484 million yen at the end of the previous fiscal year) due to increases in capital stock, capital surplus, and retained earnings, partially offset by a decrease in accumulated other comprehensive income.

(3) Overview of Cash Flows

At the end of the consolidated fiscal year, cash and cash equivalents increased by 3,491 million yen to 8,952 million yen (compared to 5,460 million yen at the end of the previous fiscal year).

(Cash Flows from Operating Activities)

Cash flows from operating activities was 2,437 million yen (compared to 1,653 million yen in the previous fiscal year), mainly due to the following factors: profit before income taxes of 2,636 million yen, depreciation expenses of 507 million yen, impairment losses of 311 million yen, retirement benefit liabilities of 306 million yen, accounts receivable of (119) million yen, prepaid expenses of (108) million yen, contract liabilities of 147 million yen, and corporate income tax payments of (1,111) million yen.

(Cash Flows from Investing Activities)

As a result of investing activities, the funds used amounted to 801 million yen (compared to 1,028 million yen used in the previous consolidated fiscal year).

This was mainly due to the following factors: expenditures of (631) million yen for the acquisition of property, plant, and equipment; proceeds of 114 million yen from the sale of property, plant, and equipment; expenditures of (182) million yen for the acquisition of intangible assets; proceeds of 149 million yen from the sale of parent company stock; and expenditures of (235) million yen for deposits and guarantee money.

(Cash Flows from Financing Activities)

As a result of financing activities, the funds obtained amounted to 1,854 million yen (compared to 2,466 million yen used in the previous consolidated fiscal year).

This was mainly due to proceeds of 3,383 million yen from stock issuance and dividend payments of (1,541) million yen.

(4) Future Outlook

Looking ahead, the business environment surrounding the cram school industry is expected to remain challenging as the trend of declining birthrates continues. In addition, ongoing economic risks and an increasingly uncertain

outlook are anticipated to accelerate corporate restructuring and market consolidation due to the growing polarization in business performance.

Amid these conditions, our group will continue to implement its differentiation strategies across its existing business divisions—TOMAS, Meimonkai, and Shingakai—while further strengthening the profitability of our specialized education services, including the Shinga’s Club, a long-hour gifted childcare service for exam preparation; InterTOMAS, a one-on-one English conversation school; School TOMAS, an in-school individualized tutoring service; and Plus One Education, a character-building and emotional development training program.

Furthermore, by strengthening our partnership with Hulic Co., Ltd., we will be able to expand our classroom operations in prime locations near major train stations in central Tokyo. Additionally, through our collaboration with Hulic Co., Ltd. and Konami Sports Co., Ltd., we are developing the “Kodomo Depart” project, an education-specialized building offering one-stop services for children. This initiative not only advances our market expansion strategy by broadening the age range of our target customers but also enhances our competitive advantage and synergy within the education sector, enabling us to provide higher-quality educational services for the future of children.

With regard to our commitment to carbon neutrality, we have been actively promoting sustainability initiatives. Since July 2023, we have switched the electricity used in our headquarters building to 100% effectively renewable energy with zero CO₂ emissions by utilizing “Tracking FIT Non-Fossil Certificates” issued from Hulic Co., Ltd.'s solar power generation facilities.

Moving forward, we will continue to strengthen corporate governance and investor relations, while providing a safe and high-quality learning environment along with genuine educational services. Through, enhancing our corporate competitiveness and business foundation, we aim to achieve sustainable growth and increased corporate value.

(Note): The "Tracking FIT Non-Fossil Certificate" represents the environmental value of electricity generated from FIT (Feed-in Tariff) solar power plants, rather than electricity derived from fossil fuels such as coal or oil.

2. Basic Approach to Accounting Standards

To ensure comparability with domestic competitors, our group applies Japanese accounting standards.

Consolidated balance sheet

(Thousands of yen)

	As of February 29, 2024	As of February 28, 2025
Assets		
Current assets		
Cash and deposits	5,460,988	8,952,594
Trade accounts receivable	2,784,920	2,904,137
Inventories	171,828	214,251
Prepaid expenses	487,162	595,273
Other	55,576	26,218
Allowance for doubtful accounts	(5,502)	(6,267)
Total current assets	8,954,974	12,686,208
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,950,105	4,161,628
Accumulated depreciation	(1,876,983)	(2,046,377)
Buildings and structures, net	2,073,122	2,115,250
Tools, furniture and fixtures	2,321,998	2,260,329
Accumulated depreciation	(977,509)	(1,095,264)
Tools, furniture and fixtures, net	1,344,489	1,165,065
Land	417,963	395,039
Construction in progress	3,495	32,667
Other	23,541	35,868
Accumulated depreciation	(7,587)	(11,853)
Other, net	15,953	24,014
Total property, plant and equipment	3,855,023	3,732,038
Intangible assets		
Other	310,555	478,048
Total intangible assets	310,555	478,048
Investments and other assets		
Investment securities	200,019	82,650
Deferred tax assets	1,502,592	1,649,631
Leasehold and guarantee deposits	2,974,002	3,168,566
Other	305,576	302,115
Allowance for doubtful accounts	(6,072)	(6,072)
Total investments and other assets	4,976,118	5,196,891
Total non-current assets	9,141,697	9,406,977
Total assets	18,096,672	22,093,186

	As of February 29, 2024	As of February 28, 2025
Liabilities		
Current liabilities		
Accounts payable - other	1,196,199	1,251,226
Income taxes payable	707,892	596,743
Contract liabilities	2,410,503	2,558,048
Provision for bonuses	354,064	279,924
Asset retirement obligations	36,830	36,830
Other	1,025,788	1,088,075
Total current liabilities	5,731,279	5,810,849
Non-current liabilities		
Retirement benefit liability	2,600,717	2,907,317
Asset retirement obligations	1,276,985	1,295,019
Deferred tax liabilities	2,933	-
Other	-	8,268
Total non-current liabilities	3,880,637	4,210,605
Total liabilities	9,611,916	10,021,454
Net assets		
Shareholders' equity		
Share capital	2,890,415	4,590,415
Capital surplus	2,622,691	4,331,411
Retained earnings	3,331,151	3,568,242
Treasury shares	(381,348)	(355,814)
Total shareholders' equity	8,462,910	12,134,255
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	27,934	19,252
Remeasurements of defined benefit plans	(115,436)	(156,895)
Total accumulated other comprehensive income	(87,502)	(137,642)
Share acquisition rights	109,347	75,118
Total net assets	8,484,755	12,071,731
Total liabilities and net assets	18,096,672	22,093,186

Consolidated statement of income

(Thousands of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Net sales	32,215,052	33,394,944
Cost of sales	23,656,991	24,318,152
Gross profit	8,558,060	9,076,792
Selling, general and administrative expenses	5,929,817	6,088,826
Operating profit	2,628,243	2,987,965
Non-operating income		
Interest income	25	1,996
Dividend income	4,698	2,819
Insurance claim income	-	2,967
Gain on forfeiture of unclaimed dividends	2,545	3,354
Subsidy income	3,811	3,820
Photo sales profit	5,632	4,883
Other	14,387	8,171
Total non-operating income	31,100	28,012
Non-operating expenses		
Interest expenses	555	69
Share issuance costs	-	16,017
Foreign exchange losses	33	-
Commission expenses	-	4,333
Loss on cancellation of insurance policies	2,524	-
Other	374	2,441
Total non-operating expenses	3,488	22,861
Ordinary profit	2,655,855	2,993,116
Extraordinary income		
Gain on sale of non-current assets	-	61,111
Gain on sales of parent company's stocks	-	44,409
Reversal of provision for loss on liquidation of subsidiaries and associates	1,096	-
Total extraordinary income	1,096	105,521
Extraordinary losses		
Loss on retirement of non-current assets	26,103	46,010
Impairment losses	187,040	311,787
Relocation expenses	5,147	4,844
Tender offer related expenses	53,768	96,607
Other	14,439	2,813
Total extraordinary losses	286,497	462,063
Profit before income taxes	2,370,454	2,636,574
Income taxes - current	987,909	981,239
Income taxes - deferred	(278,638)	(125,391)
Total income taxes	709,270	855,847
Profit	1,661,183	1,780,726
Loss attributable to non-controlling interests	(0)	-
Profit attributable to owners of parent	1,661,183	1,780,726

Consolidated statement of comprehensive income

(Thousands of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Profit	1,661,183	1,780,726
Other comprehensive income		
Valuation difference on available-for-sale securities	22,166	(8,681)
Foreign currency translation adjustment	716	-
Remeasurements of defined benefit plans, net of tax	41,159	(41,458)
Total other comprehensive income	64,042	(50,140)
Comprehensive income	1,725,226	1,730,586
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,725,226	1,730,586
Comprehensive income attributable to non-controlling interests	(0)	-

Consolidated statement of changes in equity

Fiscal year ended February 29, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,890,415	2,622,691	4,148,597	(381,226)	9,280,478
Issuance of new shares (third-party allocation of new shares)					
Profit attributable to owners of parent			1,661,183		1,661,183
Decrease due to exclusion from consolidation			(8,805)		(8,805)
Dividends of surplus			(2,469,824)		(2,469,824)
Purchase of treasury shares				(121)	(121)
Disposal of treasury shares					
Net changes in items other than shareholders' equity					-
Total changes during period	-	-	(817,445)	(121)	(817,567)
Balance at end of period	2,890,415	2,622,691	3,331,151	(381,348)	8,462,910

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	5,767	(716)	(156,595)	(151,544)	96,375	0	9,225,309
Issuance of new shares (third-party allocation of new shares)							
Profit attributable to owners of parent							1,661,183
Decrease due to exclusion from consolidation							(8,805)
Dividends of surplus							(2,469,824)
Purchase of treasury shares							(121)
Disposal of treasury shares							
Net changes in items other than shareholders' equity	22,166	716	41,159	64,042	12,972	(0)	77,014
Total changes during period	22,166	716	41,159	64,042	12,972	(0)	(740,553)
Balance at end of period	27,934	-	(115,436)	(87,502)	109,347	-	8,484,755

Consolidated statement of changes in equity

Fiscal year ended February 28, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,890,415	2,622,691	3,331,151	(381,348)	8,462,910
Issuance of new shares (third-party allocation of new shares)	1,699,999	1,699,999			3,399,999
Profit attributable to owners of parent			1,780,726		1,780,726
Decrease due to exclusion from consolidation					
Dividends of surplus			(1,543,635)		(1,543,635)
Purchase of treasury shares				(115)	(115)
Disposal of treasury shares		8,719		25,649	34,369
Net changes in items other than shareholders' equity					-
Total changes during period	1,699,999	1,708,719	237,090	25,534	3,671,344
Balance at end of period	4,590,415	4,331,411	3,568,242	(355,814)	12,134,255

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	27,934	-	(115,436)	(87,502)	109,347	-	8,484,755
Issuance of new shares (third-party allocation of new shares)							3,399,999
Profit attributable to owners of parent							1,780,726
Decrease due to exclusion from consolidation							
Dividends of surplus							(1,543,635)
Purchase of treasury shares							(115)
Disposal of treasury shares							34,369
Net changes in items other than shareholders' equity	(8,681)		(41,458)	(50,140)	(34,228)		(84,369)
Total changes during period	(8,681)		(41,458)	(50,140)	(34,228)		3,586,975
Balance at end of period	19,252	-	(156,895)	(137,642)	75,118	-	12,071,731

Consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Cash flows from operating activities		
Profit before income taxes	2,370,454	2,636,574
Depreciation	496,842	507,498
Impairment losses	187,040	311,787
Increase (decrease) in allowance for doubtful accounts	(1,988)	765
Increase (decrease) in provision for bonuses	16,708	(74,140)
Increase (decrease) in retirement benefit liability	280,534	306,599
Increase (decrease) in remeasurements of defined benefit plans	41,159	(41,458)
Increase (decrease) in provision for loss on liquidation of subsidiaries and associates	(1,296)	-
Interest and dividend income	(4,724)	(4,815)
Interest expenses	555	69
Subsidy income	(3,811)	(3,820)
Share issuance costs	-	16,017
Gain on sales of parent company's stocks -OpeCF	-	(44,409)
Gain on sale of non-current assets	-	(61,111)
Loss on retirement of non-current assets	26,103	46,010
Tender offer-related expenses	53,768	96,607
Decrease (increase) in trade receivables	(1,114,063)	(119,216)
Decrease (increase) in inventories	(18,808)	(42,423)
Decrease (increase) in prepaid expenses	23,435	(108,110)
Increase (decrease) in accounts payable - other	20,392	(17,437)
Increase (decrease) in contract liabilities	(3,805)	147,545
Other, net	(36,433)	98,016
Subtotal	2,332,059	3,650,546
Interest and dividends received	4,724	4,815
Interest paid	(555)	(69)
Subsidies received	3,811	3,820
Tender Offer-Related Expenses paid	(53,768)	(96,607)
Income taxes paid	(637,091)	(1,111,685)
Income taxes refund	4,788	61
Net cash provided by (used in) operating activities	1,653,968	2,450,882

(Thousands of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Cash flows from investing activities		
Purchase of property, plant and equipment	(661,396)	(631,388)
Proceeds from sale of property, plant and equipment	-	114,925
Purchase of intangible assets	(157,392)	(182,731)
Purchase of investment securities	(54,900)	-
Proceeds from sale of shares of parent	-	149,266
Payments of leasehold and guarantee deposits	(156,862)	(235,769)
Proceeds from refund of leasehold and guarantee deposits	64,199	40,958
Other, net	(62,107)	(56,562)
Net cash provided by (used in) investing activities	(1,028,459)	(801,301)
Cash flows from financing activities		
Proceeds from short-term borrowings	1,000,000	500,000
Repayments of short-term borrowings	(1,000,000)	(500,000)
Repayments of lease liabilities	(1,678)	-
Proceeds from issuance of shares	-	3,383,982
Dividends paid	(2,464,424)	(1,541,982)
Proceeds from exercise of employee share options	-	123
Purchase of treasury shares	(121)	(115)
Proceeds from disposal of treasury shares	-	17
Net cash provided by (used in) financing activities	(2,466,224)	1,842,024
Net increase (decrease) in cash and cash equivalents	(1,840,715)	3,491,605
Cash and cash equivalents at beginning of period	7,308,410	5,460,988
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(6,706)	-
Cash and cash equivalents at end of period	5,460,988	8,952,594

(Notes on segment information, etc.)

1. Overview of Reporting Segments

The Group's reporting segments are those of the constituent units of the Group for which segregated financial information is available and are subject to periodic review by the Board of Directors in order to determine the allocation of management resources and evaluate business performance.

Based on the following business contents, the Group has identified the following reporting segments: "Individual tutoring school business," "Tutor Dispatch Education business,"

"Early Childhood Education business," "In-School Tutoring business," and "Personality and Emotional Training Camp Education business."

The "Individual tutoring school business" provides learning and academic guidance for all grades through an individualized guidance system.

The "Tutor Dispatch Education business" provides tutoring and further education guidance for all grades.

The "Early Childhood Education business" provides entrance examination guidance for prestigious kindergartens and elementary schools.

The "In-School Tutoring business," we set up individual guidance booths in the school to provide guidance for learning and going on to higher education.

The "Personality and Emotional Training Camp Education business" provides personality and emotional education guidance that cannot be filled by knowledge education.

2. Method of calculating the amount of sales, profits or losses, assets and other items for each reporting segment

The method of accounting for the reported business segments is in accordance with the accounting policy adopted to prepare consolidated financial statements.

Profit in the reporting segment is a figure based on operating income.

Internal sales and transfers between segments are based on prevailing market prices.

3. Information on the amount of sales, profits or losses, assets and other items for each reported segment, and information on the breakdown of revenue the previous fiscal year (March 1, 2023 to February 29, 2024)

(Unit: 1,000 yen)

	Reportable segments						Other Note1	Group total or entity total	Adjustment amount (Note)2	Amount recorded in consolidated financial statements (Note)3
	The enterprise for an individual juku school	The enterprise tutoring professional tutors	The enterprise which educates a small child	In-school private education services	Personality enrichment camp education business	Reportable segments				
Net sales										
Goods or services to be transferred at a single point in time	171	-	266,745	-	868	267,785	16,596	284,381	-	284,381
Goods or services that are transferred over a period of time	16,830,122	5,028,844	5,447,203	2,925,685	1,698,815	31,930,670	-	31,930,670	-	31,930,670
Revenue from contracts with customers	16,830,293	5,028,844	5,713,948	2,925,685	1,699,683	32,198,455	16,596	32,215,052	-	32,215,052
Other revenue	-	-	-	-	-	-	-	-	-	-
Revenues from external customers	16,830,293	5,028,844	5,713,948	2,925,685	1,699,683	32,198,455	16,596	32,215,052	-	32,215,052
Transactions with other segments	13	-	21,994	434	12,320	34,763	118,872	153,636	(153,636)	-
Reportable segments	16,830,307	5,028,844	5,735,943	2,926,119	1,712,004	32,233,219	135,469	32,368,689	(153,636)	32,215,052
Segment profit (loss)	843,357	426,400	614,448	306,938	13,728	2,204,872	16,688	2,221,560	406,682	2,628,243
Segment Assets	10,862,885	2,198,351	3,032,909	1,422,210	589,084	18,105,441	115,850	18,221,292	(124,620)	18,096,672
Other items										
Depreciation and amortization (Note)4	311,755	52,535	101,143	15,179	14,973	495,588	1,253	496,842	-	496,842
Increase in property, plant and equipment and intangible assets (Note)5	531,859	98,288	187,640	32,721	12,825	863,335	1,651	864,987	(23,243)	841,744

Note: 1. The "Other" category is for business segments that are not included in the reporting segments.

2. The adjustment amount is due to the elimination of inter-segment transactions.

3. Segment profit is adjusted to operating income in consolidated financial statements.

4. Depreciation includes amortization of long-term prepaid expenses.

5. The increase in property, plant and equipment and intangible assets includes an increase in long-term upfront expenses. the current fiscal year (March 1, 2024 to February 28, 2025)

(Unit: 1,000 yen)

	Reportable segments						Other Note1	Group total or entity total	Adjustment amount (Note)2	Amount recorded in consolidated financial statements (Note)3
	The enterprise for an individual juku school	The enterprise tutoring professional tutors	The enterprise which educates a small child	In-school private education services	Personality enrichment camp education business	Reportable segments				
Net sales										
Goods or services to be transferred at a single point in time	776	-	253,556	-	593	254,926	17,725	272,652	-	272,652
Goods or services that are transferred over a period of time	17,670,609	4,932,147	5,455,433	3,438,886	1,625,215	33,122,292	-	33,122,292	-	33,122,292
Revenue from contracts with customers	17,671,386	4,932,147	5,708,989	3,438,886	1,625,808	33,377,218	17,725	33,394,944	-	33,394,944
Other revenue	-	-	-	-	-	-	-	-	-	-
Revenues from external customers	17,671,386	4,932,147	5,708,989	3,438,886	1,625,808	33,377,218	17,725	33,394,944	-	33,394,944
Transactions with other segments	60,480	-	28,913	375	12,163	101,932	116,627	218,560	(218,560)	-
Reportable segments	17,731,866	4,932,147	5,737,902	3,439,262	1,637,971	33,479,151	134,353	33,613,504	(218,560)	33,394,944
Segment profit (loss)	1,218,878	361,166	434,861	501,056	47,122	2,563,084	15,323	2,578,407	409,557	2,987,965
Segment Assets	17,278,712	2,363,701	3,367,052	1,621,377	647,063	25,277,906	126,854	25,404,761	(3,311,574)	22,093,186
Other items										
Depreciation and amortization (Note)4	328,649	52,866	105,651	4,894	14,110	506,172	1,326	507,498	-	507,498
Increase in property, plant and equipment and intangible assets (Note)5	752,318	61,049	73,540	25,949	23,093	935,952	-	935,952	-	935,952

Note: 1. The "Other" category is for business segments that are not included in the reporting segments.

2. The adjustment amount is due to the elimination of inter-segment transactions.

3. Segment profit is adjusted to operating income in consolidated financial statements.

4. Depreciation includes amortization of long-term prepaid expenses.

5. The increase in property, plant and equipment and intangible assets includes an increase in long-term upfront expenses.