

# Consolidated Financial Results for the Fiscal Year Ended September 30, 2025 [Japanese GAAP]



November 7, 2025

Company name: Gakken Holdings Co., Ltd.  
 Stock exchange listing: Tokyo Stock Exchange  
 Securities code: 9470  
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 Scheduled date of Ordinary General Meeting of Shareholders: December 19, 2025  
 Scheduled date of filing annual securities report: December 18, 2025  
 Scheduled date of commencing dividend payments: December 4, 2025  
 Availability of supplementary briefing 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 September 30, 2025 (October 1, 2024 to September 30, 2025)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net Sales		EBITDA		Ordinary profit		Profit attributable to owners of parent		Ordinary profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended September 30, 2025	199,119	7.3	12,975	16.2	8,237	19.7	7,810	13.1	3,578	58.3
September 30, 2024	185,566	13.1	11,164	19.8	6,880	11.5	6,903	6.6	2,260	△29.2

EBITDA : Operating profit + Depreciation + Amortization of goodwill

(Note) Comprehensive income: Fiscal year ended September 30, 2025: 3,328 million yen [39.9 %]

Fiscal year ended September 30, 2024: 2,379 million yen [(58.2) %]

	Profit per share	Diluted profit per share	Rate of return on equity	Rate of return on total assets	Operating profit margin
	Yen	Yen	%	%	%
Fiscal year ended September 30, 2025	86.02	85.49	7.0	5.8	4.1
September 30, 2024	52.99	52.60	4.3	5.2	3.7

(Reference) Equity in earnings of affiliated companies: Fiscal year ended September 30, 2025: (104) million yen

Fiscal year ended September 30, 2024: 171 million yen

## (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of September 30, 2025	130,194	59,471	36.9	1,241.65
As of September 30, 2024	130,714	53,653	39.4	1,219.10

(Reference) Equity: As of September 30, 2025: 51,424 million yen

As of September 30, 2024: 51,473 million yen

## (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended September 30, 2025	7,817	392	(5,604)	20,994
September 30, 2024	7,158	1,842	(9,375)	18,768

## 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
September 30, 2024	—	12.50	—	12.50	25.00	1,055	47.2	2.1
September 30, 2025	—	13.00	—	13.00	26.00	1,076	30.2	2.1
Fiscal year ending September 30, 2026 (Forecast)	—	14.50	—	14.50	29.00		30.0	

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending September 30, 2026 (October 1, 2025 to September 30, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	yen
	205,000	3.0	13,500	4.0	8,500	3.2	8,300	6.3	4,000	11.8	96.77

### \* Notes:

(1) Significant Changes in the scope of consolidation during the period under review: Yes

Newly added: 2 (Name) DTP Education Solutions JSC Excluded: — (Name) —  
(Name) Gakken Link Co.,Ltd.

(2) Changes in accounting policies, changes in accounting estimates, and retrospective restatement

- 1) Changes in accounting policies due to the revision of accounting standards: Yes
- 2) Changes in accounting policies other than 1) above: None
- 3) Changes in accounting estimates: None
- 4) Retrospective restatement: None

(3) Total number of issued shares (common stock)

1) Total number of issued shares at the end of the period (including treasury shares):

September 30, 2025: 44,633,232 shares

September 30, 2024: 44,633,232 shares

2) Total number of treasury shares at the end of the period:

September 30, 2025: 3,217,142 shares

September 30, 2024: 2,410,576 shares

3) The average number of shares during the period:

September 30, 2025: 41,600,036 shares

September 30, 2024: 42,663,569 shares

(Reference) Summary of Non-Consolidated Financial Results

**1. Non-consolidated Financial Results for the Fiscal Year Ended September 30, 2025 (October 1, 2024 to September 30, 2025)**

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	million yen	%	million yen	%	million yen	%	million yen	%
Fiscal year ended								
September 30, 2025	8,288	6.0	2,313	(16.5)	2,376	(6.6)	2,523	26.8
September 30, 2024	7,818	3.6	2,771	8.8	2,544	19.2	1,989	33.7

	Profit per share	Diluted profit per share
	yen	yen
Fiscal year ended		
September 30, 2025	60.66	60.29
September 30, 2024	46.64	46.30

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
As of September 30, 2025	80,252	38,072	47.2	915.22
As of September 30, 2024	78,063	37,532	47.8	884.19

(Reference) Equity: As of September 30, 2025: 37,904 million yen

As of September 30, 2024: 37,332 million yen

\*These consolidated financial results are outside the scope of audit by certified public accountants or an audit firm.

\* Notes on proper use of financial results forecasts and special matters

(Note on forward-looking statements, etc.)

Financial performance forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions it deems rational. The actual results may vary significantly due to various factors. With regard to the assumptions for the performance forecasts and the notes on the use of the performance forecasts, please refer to “1. Overview of Business Results, (4) Future Outlook” on page 7 of the Attachments.

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## 1. Overview of Business Result

### (1) Overview of Business Results for the Current Fiscal Year

The domestic economy is showing a gradual recovery trend, bolstered by factors such as the Nikkei Stock Average reaching record highs. However, real wages are declining, and rising prices for essential goods, along with increasing interest rates, are exerting pressure on household finances. Consequently, consumers are demonstrating a strong tendency to save. In this challenging environment, companies are finding it increasingly difficult to pass on costs to consumers. As a result, there is a growing need to secure profitability through the development of high-value-added products and the provision of differentiated services.

In the education sector, public support is advancing through the expansion of high school tuition assistance and the enhancement of school recommendation and comprehensive selection systems for university entrance exams. Additionally, subsidies for recurrent education and reskilling programs for working adults are being expanded, leading to a growing demand for retraining across various generations.

Conversely, in the compulsory education stage, there is increasing concern regarding the rising number of school refusal cases and disparities in educational opportunities based on region and income. Both the public and private sectors are actively working to expand educational opportunities by providing learning support and utilizing digital teaching materials.

In the nursing care and medical services sector, demand continues to grow due to the aging population; however, securing personnel remains a significant challenge. Additionally, rising costs of food ingredients and construction are exerting pressure on management, making the establishment of efficient operational systems a critical issue for many businesses.

In this context, various new solutions are emerging beyond the framework of the long-term care insurance system and public services. These include caregiving support and monitoring services provided by companies and private enterprises, aimed at addressing the evolving needs of the sector.

In light of the market conditions described above, the consolidated results for this fiscal year are as follows: net sales of 199,119 million yen (a 7.3% increase YoY), operating profit of 8,237 million yen (a 19.7% increase YoY), ordinary profit of 7,810 million yen (a 13.1% increase YoY), and profit attributable to owners of the parent company of 3,578 million yen (a 58.3% increase YoY).

The increase in net sales is attributed to the growth in the number of facilities and the maintenance of high occupancy rates in the Healthcare and Nursing Domain, as well as the consolidation of DTP Education Solutions JSC (hereafter referred to as DTP) and Kiri-hara Shoten K.K., Ltd. Additionally, the expansion of the publishing and language businesses contributed to an overall increase of 13,552 million yen YoY.

Operating profit increased due to price revisions and cost reduction effects in the Education Domain. Furthermore, the Healthcare and Nursing Domain also experienced a recovery in performance during the second half of the year, aided by price revision effects, resulting in an overall increase of 1,357 million yen YoY.

Ordinary profit rose by 907 million yen YoY, driven by the increase in operating profit, despite a decrease in the share of profit from entities accounted for using the equity method.

Profit attributable to owners of the parent company increased by 1,317 million yen YoY. This increase is due to the absence of a loss on the sale of shares recorded in the first quarter of the previous year and the recognition of gains from the step acquisition related to the consolidation of DTP, despite the implementation of impairment losses during the transition of the business portfolio.

(million yen)

	Fiscal year ended September 30, 2024		Fiscal year ended September 30, 2025		Change	
Reportable segments	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Education Domain	91,880	4,121	95,390	4,958	3,510	836
Healthcare and Nursing Domain	87,513	4,203	95,088	4,275	7,575	71
Other	6,173	526	8,639	1,200	2,466	673
Adjustment	—	(1,972)	—	(2,196)	—	(224)
Group total	185,566	6,880	199,119	8,237	13,552	1,357

Classification of the Group's products and services is as follows:

Classification of the Group's products and services is as follows.

Reporting segment	Large classification	Medium classification	Individual business (small classification)
Education Domain	Classroom and Learning Center Business	Classroom Business	Operation of classrooms for a range of children from preschoolers to junior high school students (mainly elementary school students)
		Learning Center Business	Operation of learning centers for a range of children from elementary school students to senior high school students
			Publishing and sale of learning materials for learning centers, assessment, and other materials
	Publishing and Content Business	Publishing Business	Publishing and sale of publications through distributors and bookstores
		Workforce Development and Language Learning Business	Operation of e-learning for training programs targeting nurses
			Operation of online English conversation services
			Operation of experience-based English learning facilities
			Sale of corporate training contents and services
	Kindergarten and School Business	Preschooler Business	Procurement, planning, production, and sale of publications, child-care products, equipment, and playground equipment for kindergartens and nursery schools, as well as apparel items for teachers, Design of facilities and equipment
		School Business	Planning, production, and sale of textbooks, instruction guides for teachers, supplemental, digital learning materials, special needs education materials, and short essay tutoring services
Healthcare and Nursing Domain	Elderly Housing Business		Planning, development, and operation of bases for elderly care services, mainly serviced apartments for the elderly
	Group Homes for the Elderly with Dementia Business		Planning, development, and operation of bases for elderly care services, mainly group homes for the elderly with dementia
	Child Raising Support Business		Development, and operation of nursery schools, daycare centers, afterschool program, etc.
Other Business Domain			Logistics business, operation of relevant systems, undertaking of contract work, etc.
			Planning, contract work, and implementation of ODA business, and promotion of the Group's overseas business
			Planning and development of digital products and support for Group DX

[Education Domain]

Net sales: 95,390 million yen (up 3.8% YoY) / Operating profit: 4,958 million yen (up 836 million yen, 20.3% YoY)

(million yen)

Main businesses	Fiscal year ended September 30, 2024		Fiscal year ended September 30, 2025		Change	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Classroom and Learning Center Business	52,848	1,959	53,438	2,369	590	409
Publishing and Content Business	26,327	2,166	27,859	2,850	1,531	683
Kindergarten and School Business	12,704	410	14,092	123	1,388	(286)
Goodwill	—	(415)	—	(384)	—	30
Segment total	91,880	4,121	95,390	4,958	3,510	836

(Classroom and Learning Center Business)

Net sales: 53,438 million yen (up 1.1% YoY) / Operating profit: 2,369 million yen (up 409 million yen, 20.9% YoY)

Net sales increased overall with the consolidation of Gakken Link Co., Ltd., which was established in October 2024 following the business succession of "Kodansha Kids Classroom" operated by Kodansha Pal, along with an increase in sales of study-aid books for cram schools due to the revision of junior high school textbooks, and strong performance from ICHISHIN HOLDINGS CO., LTD.

Operating profit increased thanks to the effects of the tuition fee revision implemented in April 2025 in the Classroom Business, contributions from cost efficiency improvement activities, and growth in study-aid books for cram schools.

(Publishing and Content Business)

Net sales: 27,859 million yen (up 5.8% YoY) / Operating profit: 2,850 million yen (up 683 million yen, 31.5% YoY)

Net sales increased overall as the Publishing Business continued to perform strongly in high school study-aid books, language learning books, and practical guides books. Additionally, the online English conversation program "Kimini" experienced steady growth in the number of participants, while the number of contracted hospitals for e-learning aimed at nurses also remained robust.

Operating profit rose due to price revisions of existing study-aid books and reprints of successful practical guides books, along with the expansion of the high-margin digital content business in the Workforce Development and Language Learning sectors.

(Kindergarten and School Business)

Net sales: 14,092 million yen (up 10.9% YoY) / Operating profit: 123 million yen (down 286 million yen, 69.8% YoY)

Net sales increased due to the contribution from the integration of Kirihara Shoten K.K. into the School Business. However, the Kindergarten Business experienced a decline in revenue due to a decrease in the number of kindergartens, nursery schools, and enrolled children, resulting in an overall decrease in revenue.

Operating profit was maintained in the Kindergarten Business through ongoing cost reduction efforts, but it decreased in the School Business due to a reactionary decline following last year's revision of elementary school textbooks.

[Healthcare and Nursing Domain]

Net sales: 95,088 million yen (up 8.7% YoY) / Operating profit: 4,275 million yen (up 71 million yen, 1.7% YoY)  
(million yen)

	Fiscal year ended September 30, 2024		Fiscal year ended September 30, 2025		Change	
Main businesses	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Elderly Housing Business	42,495	2,427	46,587	2,433	4,092	5
Group Homes for the Elderly with Dementia Business	37,998	2,247	40,397	2,290	2,399	43
Child Raising Support Business	7,019	161	8,103	193	1,084	32
Goodwill	—	(632)	—	(642)	—	(9)
Segment total	87,513	4,203	95,088	4,275	7,575	71

(Elderly Housing Business)

Net sales: 46,587 million yen (up 9.6% YoY) / Operating profit: 2,433 million yen (up 5 million yen, 0.2% YoY)

Net sales increased due to a rise in the number of new openings and a stable high occupancy rate. Despite soaring construction costs, 16 new openings and 2 business successions were implemented this term. By increasing the number of rooms per building, profitability was secured while steadily promoting the expansion of locations in response to growing demand.

Operating profit increased due to the cost reduction effects from the price revisions implemented in March 2025 and improvements in operational efficiency, although it was also affected by rising prices of food ingredients, utilities, and labor costs.

(Group Homes for the Elderly with Dementia Business)

Net sales: 40,397 million yen (up 6.3% YoY) / Operating profit: 2,290 million yen (up 43 million yen, 1.9% YoY)

The number of locations has steadily expanded this term, with 2 new openings and 10 business successions, despite the challenging environment posed by soaring construction costs. Net sales continued to rise, driven not only by the increase in the number of locations but also by the successful maintenance of a high occupancy rate. Operating profit saw an increase, attributed to the gradual implementation of price revisions to address rising costs, which began in February 2025. This was further supported by the effectiveness of company-wide cost reduction measures. Notably, these improvements were achieved despite the ongoing impact of rising costs for utilities and food ingredients.

(Child Raising Support Business)

Net sales: 8,103 million yen (up 15.4% YoY) / Operating profit: 193 million yen (up 32 million yen, 19.8% YoY)

10 new afterschool program facilities and child development support centers were opened to meet the needs of dual-income households and families requiring individual support, particularly in the Tokyo metropolitan area.

Net sales increased due to these new openings, along with the continued high occupancy rate of nursery schools.

Operating profit also rose, driven by an increase in enrollment and the implementation of operational efficiency measures.

[Other Business Domain]

Net sales: 8,639 million yen (up 40.0% YoY) / Operating profit: 1,200 million yen (up 673 million yen, 127.7% YoY)

In the Other Domain, net sales increased due to the consolidation of DTP as a wholly-owned subsidiary in the Global Business.

Operating profit turned positive as revenue growth from DTP supported the earnings base of the global business, allowing for the steady implementation of strengthening measures in this area.



## (2) Overview of Financial Position for the Current Fiscal Year

The Company's consolidated financial position for the fiscal year under review is summarized below.

(million yen)

Item	Fiscal year ended September 30, 2024	Fiscal year ended September 30, 2025	Change
Current Assets	63,112	70,038	6,926
Cash and Deposits	20,385	22,916	2,530
Non-Current Assets	67,602	69,155	1,553
Total Assets	130,714	139,194	8,479
Current Liabilities	43,187	40,384	(2,803)
Non-Current Liabilities	33,873	39,338	5,464
Total Liabilities	77,061	79,722	2,661
Interest-Bearing Debt <sup>*1</sup>	38,353	36,652	(1,701)
Total Net Assets	53,653	59,471	5,818
Total Liabilities and Net Assets	130,714	139,194	8,479
Equity Ratio (%) <sup>*2</sup>	39.4	36.9	(2.5)
D/E Ratio (times) <sup>*3</sup>	0.75	0.71	(0.04)

\*1: Interest-bearing debt = Borrowings + Bonds payable + Lease obligations

\*2: Equity ratio = Equity / Total assets

\*3: D/E ratio = Interest-bearing debt / Equity

At the end of the current consolidated fiscal year, total assets increased by 8,479 million yen compared to the end of the previous consolidated fiscal year, reaching 139,194 million yen. The main changes included an increase in cash and deposits by 2,530 million yen, an increase in merchandise and finished goods by 1,109 million yen, a decrease in property, plant and equipment by 3,034 million yen, an increase in intangible fixed assets by 6,423 million yen, and a decrease in investment securities by 2,163 million yen.

Liabilities increased by 2,661 million yen compared to the end of the previous consolidated fiscal year, totaling 79,722 million yen. The main changes included a decrease in short-term borrowings by 1,697 million yen, an increase in long-term borrowings due for repayment within one year by 1,536 million yen, and a decrease in long-term borrowings by 2,593 million yen.

Net assets increased by 5,818 million yen compared to the end of the previous consolidated fiscal year, totaling 59,471 million yen. The main changes include a decrease in capital surplus by 745 million yen, an increase in retained earnings by 2,512 million yen, an increase in treasury shares by 841 million yen, and an increase in non-controlling interests by 5,899 million yen, among others.

### (3) Overview of Cash Flows for the Current Fiscal Year

(million yen)

Item	Fiscal year ended September 30, 2024	Fiscal year ended September 30, 2025	Change
Net cash provided by (used in) operating activities	7,158	7,817	658
Net cash provided by (used in) investing activities	1,842	392	(1,449)
Free cash flow	9,001	8,209	(791)
Net cash provided by (used in) financing activities	(9,375)	(5,604)	3,771
Cash and cash equivalents at end of period	18,768	20,994	2,225

### (4) Future Outlook

The fiscal year ending September 2026 marks the first year of the newly announced mid-term management plan, "Gakken 2027."

In the Education Domain, business expansion in Vietnam is anticipated, while in the Healthcare and Nursing Domain, the continuous development of serviced apartments for the elderly and group homes for the elderly with dementia will be promoted. As a result, consolidated net sales of 205,000 million yen, operating profit of 8,500 million yen, and profit attributable to owners of parent of 4,000 million yen are expected for the entire group.

	Fiscal year ended September 30, 2025	Fiscal year ended September 30, 2026	Change (YoY)
Net Sales	199,119 million yen	205,000 million yen	+3.0 %
Operating Profit	8,237 million yen	8,500 million yen	+3.2 %
Ordinary Profit	7,810 million yen	8,300 million yen	+6.3 %
Net profit attributable to owners of parent	3,578 million yen	4,000 million yen	+11.8 %
Profit per share	86.02 yen	96.77 yen	+12.5 %

The above financial performance forecasts are determined based on information currently available to the Company and include potential risks and uncertainties. Please note that actual performance may vary significantly due to various factors.

### 2. Basic Stance Concerning Choice of Accounting Standards

The group is committed to preparing consolidated financial statements based on Japanese GAAP for the time being, taking into account the comparability of periods in the consolidated financial statements and the comparability among companies.

Regarding the application of International Financial Reporting Standards (IFRS), the group will determine its adoption appropriately, considering various circumstances both in Japan and abroad.

### 3. Consolidated Financial Statements and Primary Notes

#### (1) Consolidated Balance Sheets

(million yen)

	As of September 30, 2024	As of September 30, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	20,385	22,916
Notes receivable - trade	266	306
Accounts receivable - trade	22,889	25,736
Merchandise and finished goods	9,245	10,355
Real estate for sale	837	—
Work in process	2,920	3,702
Raw materials and supplies	194	235
Other	6,405	6,859
Allowance for doubtful accounts	(32)	(73)
Total current assets	63,112	70,038
Non-current assets		
Property, plant and equipment		
Buildings and structures	26,873	23,629
Accumulated depreciation	(13,536)	(13,363)
Buildings and structures, net	13,337	10,265
Machinery, equipment and vehicles	773	762
Accumulated depreciation	(679)	(653)
Machinery, equipment and vehicles, net	93	108
Land	4,975	4,835
Construction in progress	14	25
Other	8,147	8,754
Accumulated depreciation	(6,615)	(7,069)
Other, net	1,532	1,684
Total property, plant and equipment	19,953	16,918
Intangible assets		
Goodwill	9,792	9,628
Other	3,522	10,109
Total intangible assets	13,314	19,738
Investments and other assets		
Investment securities	17,574	15,410
Long-term loans receivable	534	835
Deferred tax assets	2,814	2,616
Retirement benefit asset	3,383	3,407
Guarantee deposits	8,205	8,230
Other	2,007	2,232
Allowance for doubtful accounts	(185)	(234)
Total investments and other assets	34,334	32,498
Total non-current assets	67,602	69,155
Total assets	130,714	139,194

(million yen)

	As of September 30, 2024	As of September 30, 2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	6,623	7,080
Short-term borrowings	4,447	2,750
Current portion of bonds payable	6,000	—
Current portion of long-term borrowings	5,291	6,828
Income taxes payable	1,542	2,757
Contract liabilities	2,857	3,280
Provision for bonuses	2,561	2,726
Other	13,863	14,960
Total current liabilities	43,187	40,384
Non-current liabilities		
Bonds payable	—	7,000
Long-term borrowings	21,644	19,050
Long-term accounts payable - other	233	161
Long-term guarantee deposits	3,743	3,915
Retirement benefit liability	5,130	5,207
Deferred tax liabilities	54	972
Other	3,068	3,030
Total non-current liabilities	33,873	39,338
Total liabilities	77,061	79,722
<b>Net assets</b>		
Shareholders' equity		
Share capital	19,817	19,817
Capital surplus	12,102	11,357
Retained earnings	18,615	21,127
Treasury shares	(2,187)	(3,029)
Total shareholders' equity	48,348	49,273
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,624	1,581
Deferred gains or losses on hedges	(0)	1
Foreign currency translation adjustment	385	(342)
Remeasurements of defined benefit plans	1,115	911
Total accumulated other comprehensive income	3,125	2,150
Share acquisition rights	199	167
Non-controlling interests	1,980	7,880
Total net assets	53,653	59,471
Total liabilities and net assets	130,714	139,194

## (2) Consolidated Statements of Income and Comprehensive Income

## Consolidated Statements of Income

	(million yen)	
	For the fiscal year ended September 30, 2024	For the fiscal year ended September 30, 2025
Net sales	185,566	199,119
Cost of sales	135,668	144,166
Gross profit	49,897	54,953
Selling, general and administrative expenses	43,017	46,715
Operating profit	6,880	8,237
Non-operating income		
Interest income	32	124
Dividend income	237	255
Share of profit of entities accounted for using equity method	171	—
Other	283	202
Total non-operating income	724	582
Non-operating expenses		
Interest expenses	326	517
Share of loss of entities accounted for using equity method	—	104
Foreign exchange losses	63	99
Other	313	288
Total non-operating expenses	702	1,009
Ordinary profit	6,903	7,810
Extraordinary income		
Gain on sale of non-current assets	0	181
Gain on sale of investment securities	924	1,794
Gains on negative goodwill incurred	—	416
Gain on step acquisitions	—	480
Other	123	99
Total extraordinary income	1,048	2,971
Extraordinary losses		
Loss on sale and retirement of non-current assets	236	189
Impairment losses	193	254
Loss on sale of investment securities	1,093	117
Loss on valuation of investment securities	713	1,405
Other	80	30
Total extraordinary losses	2,317	1,997
Profit before income taxes	5,634	8,784
Income taxes – current	3,047	4,016
Income taxes – deferred	(118)	31
Total Income taxes	2,928	4,047
Profit	2,706	4,736
Profit attributable to non-controlling interests	445	1,158
Profit attributable to owners of parent	2,260	3,578

# Consolidated Statements of Comprehensive Income

(million yen)

	For the fiscal year ended September 30, 2024	For the fiscal year ended September 30, 2025
Profit	2,706	4,736
Other comprehensive income		
Valuation difference on available-for-sale securities	(256)	(14)
Deferred gains or losses on hedges	2	2
Foreign currency translation adjustment	51	(1,167)
Remeasurements of defined benefit plans, net of tax	(164)	(207)
Share of other comprehensive income of entities accounted for using equity method	41	(20)
Total other comprehensive income	(327)	(1,407)
Comprehensive income	2,379	3,328
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,944	2,603
Comprehensive income attributable to non-controlling interests	434	725

### (3) Consolidated Statements of Changes in Equity

For the fiscal year ended September 30, 2024 (October 1, 2023 to September 30, 2024)

(million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	19,817	12,370	17,433	(315)	49,306
Changes during period					
Dividends of surplus			(1,079)		(1,079)
Profit attributable to owners of parent			2,260		2,260
Purchase of treasury shares				(2,000)	(2,000)
Disposal of treasury shares		(1)		128	126
Change in ownership interest of parent due to transactions with non-controlling interests		(266)			(266)
Net changes in items other than shareholders' equity					
Total changes during period	—	(267)	1,181	(1,872)	(958)
Balance at end of period	19,817	12,102	18,615	(2,187)	48,348

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	1,857	1	271	1,310	3,441	229	2,056	55,034
Changes during period								
Dividends of surplus								(1,079)
Profit attributable to owners of parent								2,260
Purchase of treasury shares								(2,000)
Disposal of treasury shares								126
Change in ownership interest of parent due to transactions with non-controlling interests								(266)
Net changes in items other than shareholders' equity	(233)	(1)	114	(195)	(316)	(30)	(76)	(422)
Total changes during period	(233)	(1)	114	(195)	(316)	(30)	(76)	(1,381)
Balance at end of period	1,624	(0)	385	1,115	3,125	199	1,980	53,653

For the fiscal year ended September 30, 2025 (October 1, 2024 to September 30, 2025)

(million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	19,817	12,102	18,615	(2,187)	48,348
Changes during period					
Dividends of surplus			(1,066)		(1,066)
Profit attributable to owners of parent			3,578		3,578
Purchase of treasury shares				(1,000)	(1,000)
Disposal of treasury shares		(7)		159	151
Change in ownership interest of parent due to transactions with non-controlling interests		(737)			(737)
Net changes in items other than shareholders' equity					
Total changes during period	—	(745)	2,512	(841)	925
Balance at end of period	19,817	11,357	21,127	(3,029)	49,273

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	1,624	(0)	385	1,115	3,125	199	1,980	53,653
Changes during period								
Dividends of surplus								(1,066)
Profit attributable to owners of parent								3,578
Purchase of treasury shares								(1,000)
Disposal of treasury shares								151
Change in ownership interest of parent due to transactions with non-controlling interests								(737)
Net changes in items other than shareholders' equity	(43)	1	(728)	(204)	(974)	(31)	5,899	4,893
Total changes during period	(43)	1	(728)	(204)	(974)	(31)	5,899	5,818
Balance at end of period	1,581	1	(342)	911	2,150	167	7,880	59,471



## (4) Consolidated Statements of Cash Flows

(million yen)

	For the fiscal year ended September 30, 2024	For the fiscal year ended September 30, 2025
<b>Cash flows from operating activities</b>		
Profit before income taxes	5,634	8,784
Depreciation	3,073	3,508
Impairment losses	193	254
Amortization of goodwill	1,210	1,228
Loss (gain) on sale and retirement of property, plant and equipment and intangible assets	235	8
Loss (gain) on sale and valuation of investment securities	882	(270)
Gain on negative goodwill incurred	—	(416)
Loss (gain) on step acquisitions	—	(480)
Increase (decrease) in provisions	20	250
Decrease (increase) in retirement benefit asset	(345)	(230)
Increase (decrease) in retirement benefit liability	14	37
Interest and dividend income	(270)	(380)
Interest expenses	326	517
Share of loss (profit) of entities accounted for using equity method	(171)	104
Decrease (increase) in trade receivables	(900)	(2,599)
Decrease (increase) in inventories	(116)	(1,344)
Increase (decrease) in trade payables	(490)	437
Increase (decrease) in accrued consumption taxes	(11)	179
Decrease (increase) in other assets	(291)	489
Increase (decrease) in other liabilities	(354)	313
Other	29	415
Subtotal	8,667	10,807
Interest and dividends received	372	483
Interest paid	(318)	(513)
Income taxes paid	(1,562)	(2,960)
Net cash provided by (used in) operating activities	7,158	7,817
<b>Cash flows from investing activities</b>		
Payments into time deposits	(297)	(186)
Proceeds from withdrawal of time deposits	437	83
Purchase of property, plant and equipment and intangible assets	(3,955)	(3,608)
Proceeds from sale of property, plant and equipment and intangible assets	69	4,171
Purchase of investment securities	(1,427)	(3,550)
Proceeds from sale of investment securities	10,295	2,581
Net decrease (increase) in short-term loans receivable	(105)	(302)
Long-term loan advances	(109)	(527)
Proceeds from collection of long-term loans receivable	11	39
Payments of guarantee deposits	(207)	(264)
Proceeds from refund of guarantee deposits	174	205
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(3,614)	—
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	11	2,546
Subsidies received	607	116
Other	(48)	(912)
Net cash provided by (used in) investing activities	1,842	392

(million yen)

	For the fiscal year ended September 30, 2024	For the fiscal year ended September 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(2,519)	(1,697)
Proceeds from long-term borrowings	9,549	5,300
Repayments of long-term borrowings	(11,982)	(6,383)
Proceeds from sale of treasury shares	—	6,957
Redemption of bonds	—	(6,000)
Purchase of treasury shares	(2,012)	(1,006)
Purchase of treasury shares of subsidiaries	(890)	—
Dividends paid	(1,079)	(1,066)
Dividends paid to non-controlling interests	(65)	(220)
Purchase of shares of subsidiaries without change in scope of consolidation	(95)	(1,199)
Other	(279)	(287)
Net cash provided by (used in) financing activities	(9,375)	(5,604)
Effect of exchange rate change on cash and cash equivalents	28	(379)
Net increase (decrease) in cash and cash equivalents	(346)	2,225
Cash and cash equivalents at beginning of period	19,093	18,768
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	20	—
Cash and cash equivalents at end of period	18,768	20,994

(5) Notes to the Consolidated Financial Statements

(Notes on Going Concern Assumption)

There is no relevant information.

(Change in Accounting Policy)

The Company has applied the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter, the “Revised Accounting Standard of 2022”) and related accounting guidance from the beginning of the current consolidated fiscal year.

Revisions concerning the categories in which current income taxes should be recorded (taxes on other comprehensive income) are subject to the transitional treatment set forth in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment set forth in the proviso of paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter, “Revised Guidance 2022”). The change in accounting policies had no impact on the consolidated financial statements.

With regard to revisions related to changes in the accounting treatment for consolidated financial statements when gains/losses on sale of shares, etc. in subsidiaries resulting from transactions between consolidated subsidiaries are deferred for tax purposes, the Company has applied the Revised Guidance 2022 from the beginning of the current consolidated fiscal year. This change in accounting policy is applied retroactively, resulting in the consolidated financial statements for the previous consolidated fiscal year reflecting the retroactive application. Furthermore, there is no impact on the consolidated financial statements for the previous consolidated fiscal year due to this change in accounting policy.

(Segment Information)

1. Description of reportable segments

(1) Determination of reportable segments

The Group’s reportable segments are the Group’s business units for which separate financial information can be obtained and which are subject to periodic reviews by the Board of Directors for deciding the allocation of management resources and evaluating business performance.

The Group has adopted a holding company structure. The Company, the holding company, formulates the Group’s management strategies and manages the performance of its operating subsidiaries. The Company’s operating subsidiaries formulate comprehensive strategies regarding their respective products and services and conduct business in and outside Japan.

Based on the business scale and importance for the Group’s management strategy, the Group classifies its businesses into two reportable segments: Educational Domain and Healthcare and Nursing Domain. These businesses are positioned as the Group’s core businesses.

(2) Type of products and services belonging to each reportable segment

The Education Domain is engaged in the Classroom and Learning Center Business, which includes operation of Gakken Classroom for a range of children from preschoolers to junior high school students (mainly elementary school students) and operation of learning centers for a range of children from elementary school students to senior high school students, the Publishing and Content Business, which includes publishing and sale of publications, and the Kindergarten and School Business, which includes production and sale of publications, child-care products, equipment, and playground equipment for kindergartens, nursery schools, and children’s daycare centers, as well as clothing for teachers.

The Healthcare and Nursing Domain is engaged in the Elderly Housing Business for planning, development, and operation of serviced apartments for the elderly, bases for elderly care services, etc., the Group Homes for the Elderly with Dementia Business for planning, development, and operation of various services including group homes for the elderly with dementia, and the Child Raising Support Business for planning, development, and operation of nursery schools, children’s daycare centers, afterschool children’s clubs, etc.

2. Method of measurement for the amounts of net sales, profit or loss, assets and liabilities, and other items by reportable segment

The accounting treatment method used for the reported business segments is generally the same as the method

used for preparing consolidated financial statements.

Profit by reportable segment is based on the values for operating profit. Inter-segment net sales or transfers are based on market prices.

3. Information on the amounts of net sales, profit or loss, assets and liabilities, and other items by reportable segment

For the fiscal year ended September 30, 2024 (October 1, 2023 to September 30, 2024)

(million yen)

	Reportable segment			Other (Note) 1	Total	Adjustment (Notes) 2 and 3	Amount recorded in consolidated financial statements (Note) 4
	Educational Domain	Healthcare and Nursing Domain	Total				
Net sales							
Net sales to external customers	91,880	87,513	179,393	6,173	185,566	—	185,566
Inter-segment net sales or transfers	267	90	357	8,404	8,762	(8,762)	—
Total	92,147	87,603	179,750	14,577	194,328	(8,762)	185,566
Segment profit	4,121	4,203	8,325	526	8,852	(1,972)	6,880
Segment assets	58,671	42,004	100,676	9,000	109,676	21,038	130,714
Other items							
Depreciation	1,686	1,095	2,782	248	3,030	42	3,073
Amortization of goodwill	474	701	1,176	34	1,210	—	1,210
Impairment losses	193	—	193	—	193	—	193
Investment in entities accounted for using equity method	238	—	238	3,619	3,858	—	3,858
Increase in property, plant and equipment and intangible assets	1,590	2,450	4,040	247	4,287	75	4,363

(Notes)

1. “Other” includes logistics and other businesses that are not included in the reportable segments.
2. The adjustment of negative 1,972 million yen for “Segment profit” includes negative 1,972 million yen in company-wide expenses that were not allocated to specific reportable segments. Company-wide expenses are mainly general and administrative expenses that are not attributable to a reportable segment.
3. The “adjustment” under “segment assets” includes corporate assets (21,038 million yen). The corporate assets consist mainly of surplus funds for management (i.e., cash and deposits), long-term investments (i.e., investment securities), and assets related to administrative departments at the parent company.
4. Total amount of “Segment profit” is adjusted based on operating profit reported in the consolidated statements of income.
5. “Depreciation” and “Increase in property, plant and equipment and intangible assets include long-term prepaid expenses.

For the fiscal year ended September 30, 2025 (October 1, 2024 to September 30, 2025)

(million yen)

	Reportable segment			Other (Note) 1	Total	Adjustment (Notes) 2 and 3	Amount recorded in consolidated financial statements (Note) 4
	Educational Domain	Healthcare and Nursing Domain	Total				
Net sales							
Net sales to external customers	95,390	95,088	190,479	8,639	199,119	—	199,119
Inter-segment net sales or transfers	335	103	438	7,870	8,309	(8,309)	—
Total	95,726	95,192	190,918	16,510	207,428	(8,309)	199,119
Segment profit	4,958	4,275	9,234	1,200	10,434	(2,196)	8,237
Segment assets	61,380	39,665	101,046	18,518	119,564	19,630	139,194
Other items							
Depreciation	1,828	939	2,768	688	3,457	51	3,508
Amortization of goodwill	444	733	1,178	50	1,228	—	1,228
Impairment losses	252	—	252	1	254	—	254
Investment in entities accounted for using equity method	978	—	978	1,735	2,713	—	2,713
Increase in property, plant and equipment and intangible assets	1,716	1,024	2,740	963	3,703	31	3,734

(Notes)

1. “Other” includes logistics and other businesses that are not included in the reportable segments.
2. The adjustment of negative 2,196 million yen for “Segment profit” includes negative 2,184 million yen in company-wide expenses that were not allocated to specific reportable segments. Company-wide expenses are mainly general and administrative expenses that are not attributable to a reportable segment.
3. The “adjustment” under “segment assets” includes corporate assets (19,630 million yen). The corporate assets consist mainly of surplus funds for management (i.e., cash and deposits), long-term investments (i.e., investment securities), and assets related to administrative departments at the parent company.
4. Total amount of “segment profit” is adjusted based on operating profit reported in the consolidated statements of income.
5. “Depreciation” and “increase in property, plant and equipment and intangible assets include long-term prepaid expenses.

(Per Share Information)

For the fiscal year ended September 30, 2024	For the fiscal year ended September 30, 2025
Net assets per share 1,219.10 Yen	Net assets per share 1,241.65 Yen
Profit per share 52.99Yen	Profit per share 86.02Yen
Diluted profit per share 52.60Yen	Diluted profit per share 85.49Yen

(Notes) 1. The basis for the calculation of net assets per share is as follows.

Item	As of September 30, 2024	As of September 30, 2025
Total net assets (million yen)	53,653	59,471
Deductions from total net assets (million yen)	2,179	8,047
(of which share acquisition rights) (million yen)	(199)	(167)
(of which non-controlling interests) (million yen)	(1,980)	(7,880)
Net assets applicable to common stock at end of period (million yen)	51,473	51,424
Number of shares of common stock at end of period used for the calculation of net assets per share (Thousand shares)	42,222	41,416

2. The basis for the calculation of profit per share and diluted profit per share is as follows.

Item	For the fiscal year ended September 30, 2024	For the fiscal year ended September 30, 2025
Profit per share		
Profit attributable to owners of parent (million yen)	2,260	3,578
Amount not attributable to common shareholders (million yen)	—	—
Profit attributable to owners of parent relating to common stock (million yen)	2,260	3,578
Average number of shares of common stock during the period (Thousand shares)	42,663	41,600
Diluted profit per share		
Adjustment for profit attributable to owners of parent (million yen)	—	—
Increase in number of shares of common stock (Thousand shares)	315	256
(of which share acquisition rights) (Thousand shares)	(315)	(256)
Overview of residual shares not included in calculation of diluted profit per share due to lack of dilutive effect	—	—

(Significant Subsequent Events)

There is no relevant information.

#### 4. Other

##### Changes in Directors

The company plans to transition to a company with an Audit and Supervisory Committee, subject to the approval of necessary amendments to the Articles of Incorporation at the 80th Annual General Meeting of Shareholders scheduled for December 19, 2025.

##### ① Change in Representative Directors

There are no relevant matters.

##### ② Other Changes in Directors

Scheduled for December 19, 2025:

##### 1. Candidate of Director to be newly elected

Director serving as Audit and Supervisory Committee Member

Outside Director: Toshiaki Yamada (currently serves as Outside Corporate Auditor of the Company)

Outside Director: Ryujin Matsuura (currently serves as Outside Corporate Auditor of the Company)

##### 2. Directors Scheduled to Retire

Executive Vice President: Kazuhiko Fukuzumi

Director Senior Corporate Officer: Toru Goromaru

Outside Director: Maako Kido

Outside Director: Caroline F. Benton

##### 3. Auditors Scheduled to Retire

Auditor: Koutaro Oda

Auditor: Takuya Fujishima

Outside Auditor: Toshiaki Yamada (scheduled to be appointed as Director of the Company)

Outside Auditor: Ryujin Matsuura (scheduled to be appointed as Director of the Company)