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Non-consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP]

August 7, 2025

Company name: KOURAKUEN CORPORATION

Listing: Tokyo Stock Exchange

Securities code: 7554

URL: <https://www.kourakuen.co.jp>

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Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: None

Holding of financial results briefing: None

Representative Director, Chairman and President
Executive Officer, General Manager of Finance and Accounting
Department

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

1. Non-consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 2025)

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	6,909	-	265	-	267	-	134	-
June 30, 2024	-	-	-	-	-	-	-	-

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	7.06	-
June 30, 2024	-	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	11,149	6,135	54.7
March 31, 2025	12,494	5,992	47.8

(Reference) Equity: As of June 30, 2025: ¥ 6,103 million
As of March 31, 2025: ¥ 5,967 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	0.00	-	0.00	0.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		-	-	-	-

(Note) Revision to the forecast for dividends announced most recently: None

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending March 31, 2026 :

Commemorative dividend	- yen
Special dividend	- yen

3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026(April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	14,000	192.8	500	-	500	-	350	(19.5)	18.32
Full year	28,000	48.6	1,100	147.8	1,100	165.8	800	0.0	41.86

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements: None

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

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(3) Number of issued shares (common shares)

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

June 30, 2025:	20,832,441 shares
March 31, 2025:	20,832,441 shares

2) Number of treasury shares at the end of the period:

June 30, 2025:	1,723,342 shares
March 31, 2025:	1,723,342 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2025:	19,109,099 shares
Three months ended June 30, 2024:	15,720,819 shares

* Review of the Japanese-language originals of the attached quarterly non-consolidated financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

Quarterly Non-consolidated Financial Statements and Primary Notes
Quarterly Non-consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	4,721,957	3,526,938
Accounts receivable - trade	680,590	606,531
Inventories	277,503	315,985
Other	338,130	281,219
Total current assets	6,018,182	4,730,675
Non-current assets		
Property, plant and equipment		
Buildings, net	2,079,108	2,114,557
Land	1,245,936	1,245,936
Leased assets, net	704,713	651,319
Other, net	698,282	769,284
Total property, plant and equipment	4,728,040	4,781,098
Intangible assets	104,107	101,874
Investments and other assets		
Leasehold and guarantee deposits	1,167,063	1,141,498
Other	480,925	397,853
Allowance for doubtful accounts	(3,732)	(3,732)
Total investments and other assets	1,644,256	1,535,619
Total non-current assets	6,476,405	6,418,592
Total assets	12,494,587	11,149,267
Liabilities		
Current liabilities		
Accounts payable - trade	1,070,498	905,095
Short-term borrowings	1,100,000	-
Current portion of long-term borrowings	199,960	139,960
Accrued expenses	1,010,233	1,030,133
Income taxes payable	163,503	75,651
Provision for bonuses	316,012	158,527
Provision for loss on store closings	1,950	1,950
Sublease loss allowance	3,137	3,137
Provision for point card certificates	29,363	29,363
Other	1,054,638	1,193,314
Total current liabilities	4,949,297	3,537,132
Non-current liabilities		
Long-term borrowings	108,410	83,420
Provision for retirement benefits	215,042	193,824
Sublease loss allowance	1,307	522
Asset retirement obligations	871,383	868,288
Other	356,889	331,073
Total non-current liabilities	1,553,032	1,477,128
Total liabilities	6,502,330	5,014,261

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Net assets		
Shareholders' equity		
Share capital	4,988,077	4,988,077
Capital surplus		
Legal capital surplus	4,934,485	3,351,532
Other capital surplus	149,332	-
Total capital surplus	5,083,817	3,351,532
Retained earnings		
Legal retained earnings	62,800	-
Other retained earnings		
General reserve	2,930,070	-
Retained earnings brought forward	(4,725,155)	134,886
Total retained earnings	(1,732,285)	134,886
Treasury shares	(2,383,820)	(2,383,820)
Total shareholders' equity	5,955,788	6,090,675
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	11,648	12,551
Total valuation and translation adjustments	11,648	12,551
Share acquisition rights	24,819	31,779
Total net assets	5,992,256	6,135,006
Total liabilities and net assets	12,494,587	11,149,267

Quarterly Non-consolidated Statement of Income

For the three months ended June 30, 2025

(Thousands of yen)

	For the three months ended June 30, 2025
Net sales	6,909,743
Cost of sales	2,103,676
Gross profit	4,806,066
Selling, general and administrative expenses	4,540,193
Operating profit	265,873
Non-operating income	
Interest income	246
Rental income from non-current assets	28,438
Other	10,702
Total non-operating income	39,387
Non-operating expenses	
Interest expenses	3,431
Rental expenses on non-current assets	24,290
Rent expenses	8,130
Other	1,706
Total non-operating expenses	37,559
Ordinary profit	267,700
Extraordinary income	
Gain on sale of non-current assets	300
Total extraordinary income	300
Extraordinary losses	
Loss on retirement of non-current assets	15,196
Other	3,050
Total extraordinary losses	18,246
Profit before income taxes	249,754
Income taxes - current	34,030
Income taxes - deferred	80,837
Total income taxes	114,867
Profit	134,886