



Fiscal Year Ending March 2026

Presentation on Business Plan and Growth Potential

Jun. 30th, 2025


Living Platform, Ltd.
(TSE Growth : 7091)

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Company Profile



Foster Assurance, Create Challenges.



With the vision of "building a sustainable social security system," Living Platform, Ltd. provides quality services at reasonable price and prevents the increase of governmental social security expenses through its private business. By supporting people's daily lives, we will increase the number of people who can participate in social activity and the number of work forces. The reassurance of the social security system conveys her/ his challenges, and the challenges foster further reassurance. This virtuous cycle is what we aim for in a sustainable social security system.



Company Profile

Name	Living Platform, Ltd.	
Officers	CEO Board Director Outside Board Director Outside Board Director Auditor Outside Auditor Outside Auditor	Hirofumi KANEKO Ryusuke HAYASHI Hiroaki TANAKA, attorney Yoshiaki HIRAO Mitsuhiro GOTOH, certified public accountant Hidetsugu KATAKURA, attorney Rina SUMINO, certified public accountant
Established	June 28, 2011	
Listed	March 17, 2020 (Tokyo Stock Exchange Mothers market (currently Growth market)) Securities code: 7091	
Number of Employees	3,448 (including part-time workers)	
Group Companies	Living Platform Care Nursery Platform OS Platform Silver Heights Sapporo Truth	Challenge Platform Medical Platform Care BS Platform Blue Care ID Arman

Business Domains

With the corporate philosophy of “establishing a sustainable social security system,” Living Platform, Ltd. as a private-sector company offers facilities and services to promote the three pillars : elderly care, disabilities support and childcare throughout Japan.



Major Business Domains



Elderly care

Focus on facility care services that are efficient and advantageous for hiring staff

Facility care

Care and cure

Healthcare facilities for the elderly (Roken)

Residential intensive-care facilities (Tokuyo)

Group homes for the elderly

Residential care facilities^{*1}

Others

Home care^{*2}

Visiting care

Visiting nursing

Support for bathing

Support for rehabilitation

Regular and on-demand visiting care and nursing

Day care at home

Day care at facilities

Others

Our business domains

- ^{*1} Residential care facilities are divided into “specified facilities (with care)” and “serviced care residences/assisted living residences.”
“Serviced care residences/assisted living residences” include part of the services of visiting care, visiting nursing, regular and on-demand visiting care and nursing, and home care support.
- ^{*2} Home care conducted by the Company is offered at residential care facilities, which are evidently care facilities in practice.

Major Business Domains



Disabilities support

Focus on less competitive areas of “living support” and “working support at the initial stage”

Visiting care

Daily assistance at home

Intensive daily assistance at home

Outing assistance for the blind

Outing assistance for the disabled

Others

Facility care

Assistance at facilities

Daytime assistance

Living assistance

Others

Training and working support

Functional training

Life training

Working support at companies

Type A working support

Type B working support

Support for continuous working

Living support

Home assistance

Group home

Our business domains

Major Business Domains



Childcare

Operate approved childcare facilities and private in-house childcare facilities that offer services for sick children

Entire municipalities

Facility service

Approved childcare facilities

Kindergartens

Certified child facilities

Community-
based service

Small-scale childcare

Homelike childcare

Visiting childcare

In-house childcare

Government-led

Private in-house childcare

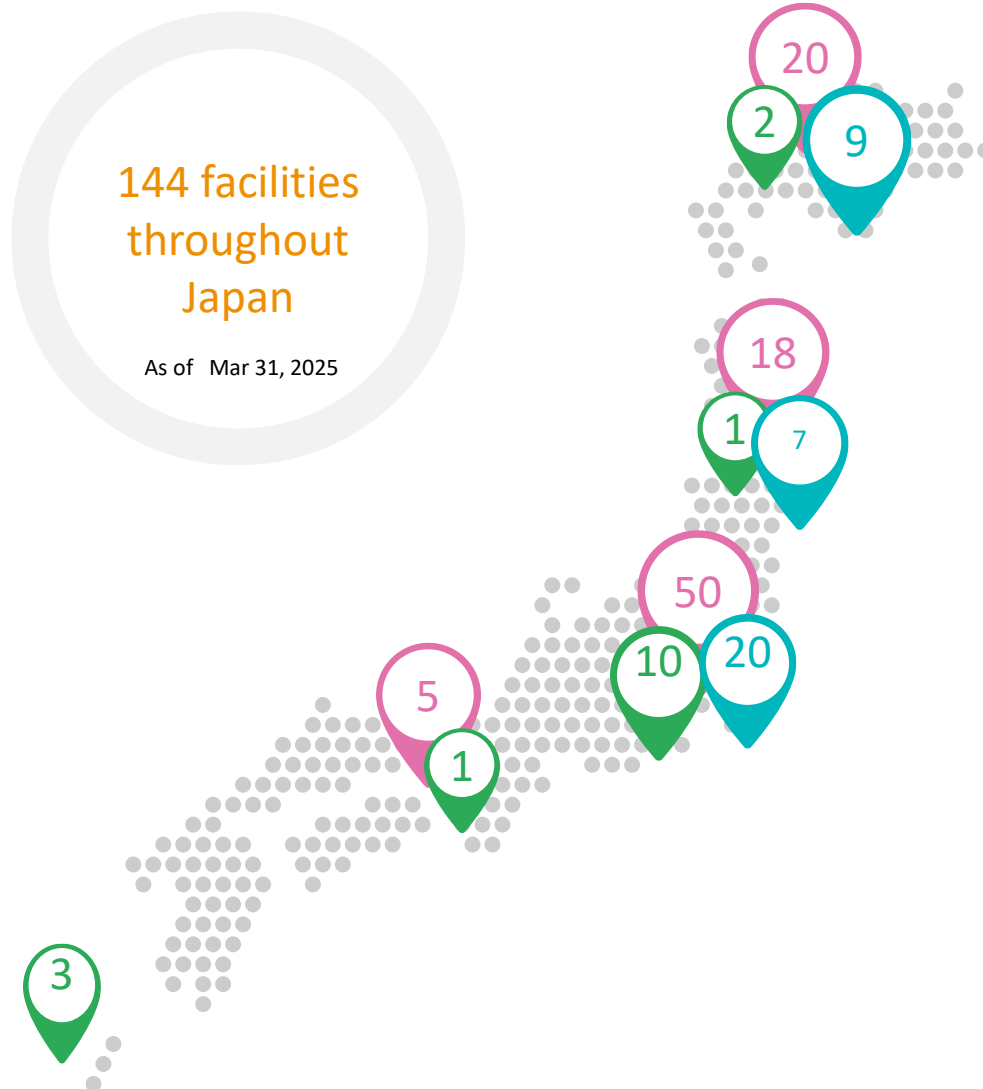
Others

Our business domains



Development Status (including M&A)

Total number of facilities as of the end of Mar 2025
(Figures in parentheses indicate the increase in FY25.3)



Elderly care

Residential care facilities, etc.	44 (+3)
Group homes	49(+2)



Disabilities support

Type B working support facilities	11(+1)
Group homes	24 (+4)

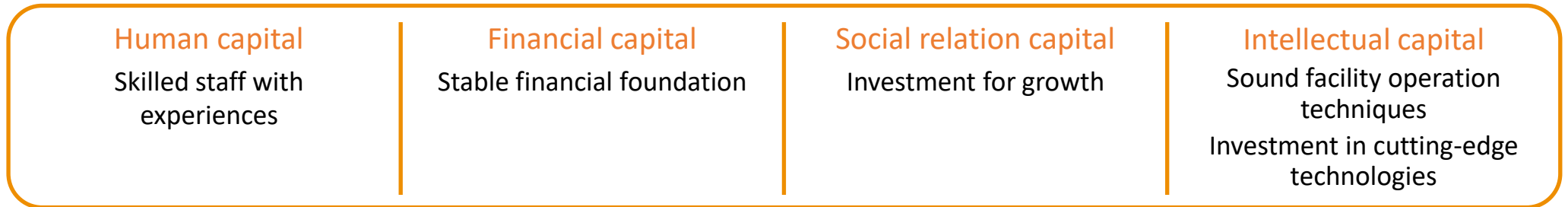


Childcare

Approved childcare facilities	14 (+1)
Private in-house childcare facilities	1 (0)
Non-approved childcare facilities	1 (0)



Our Value Creation Process



INPUT

Make operations profitable

Stabilize facility operations in a year following opening as a target to generate stable revenue.

Identify issues in social welfare

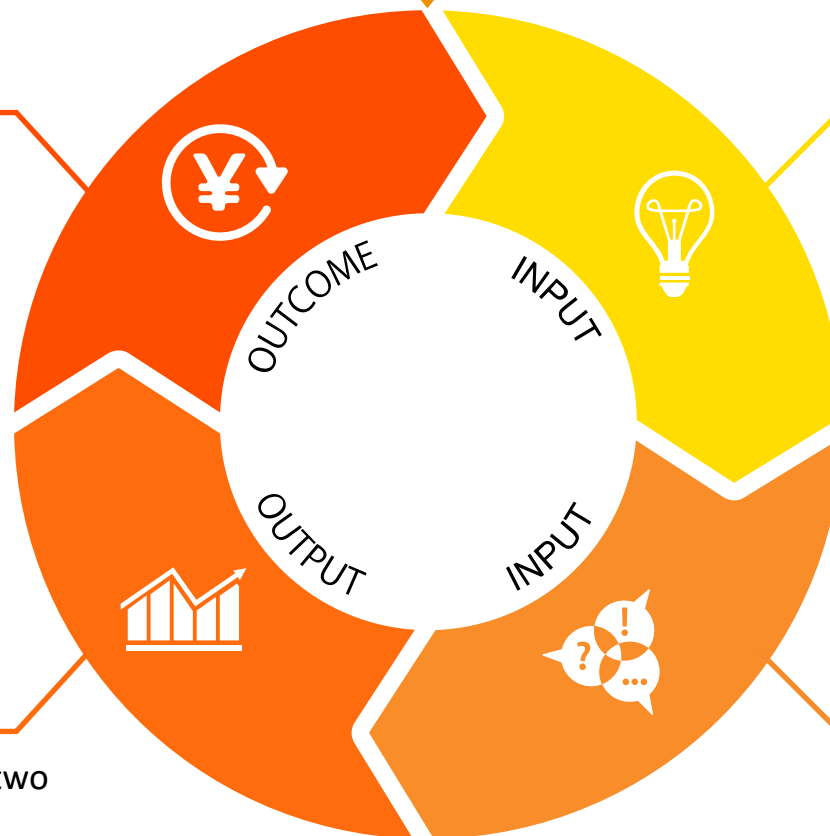
Identify issues for which we can contribute as a private-sector company in establishing a foundation for a sustainable social security system.

Facility development

Promote development through the two pillars of in-house development and M&As, based on our development rationale.

Create services

Create services in a sustainable approach to solve issues.

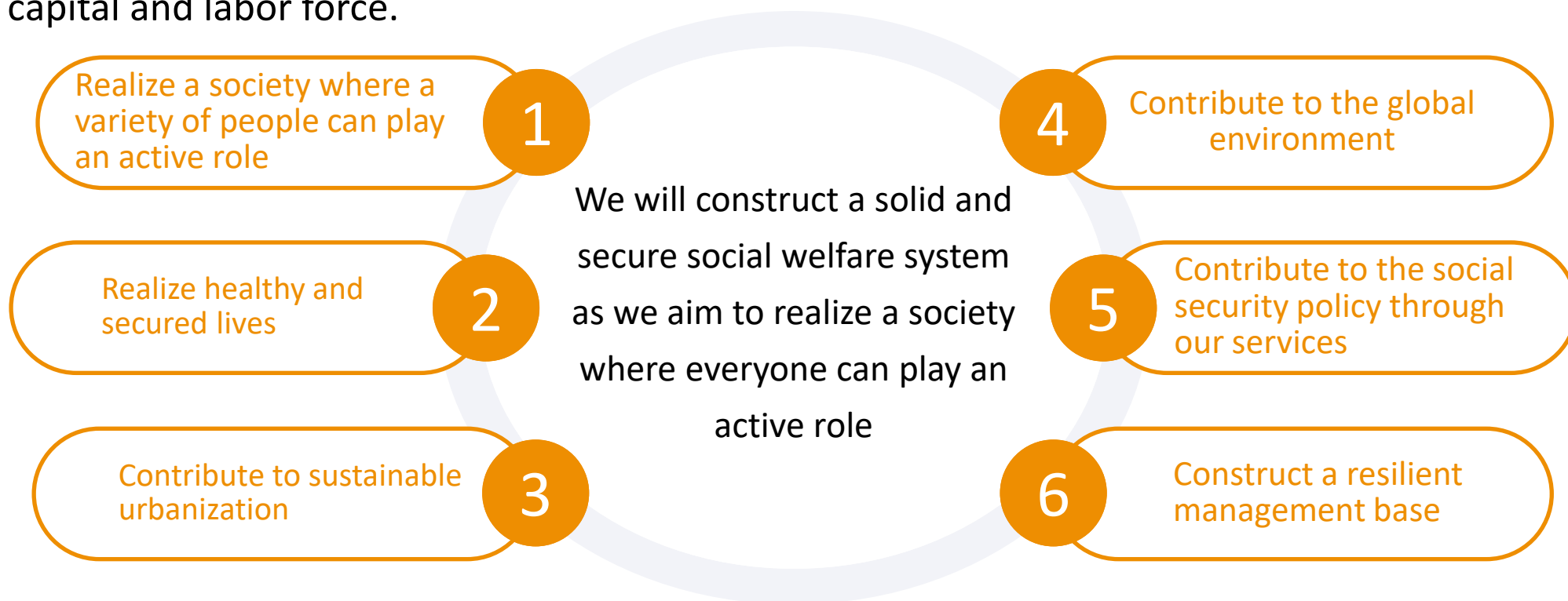


Sustainability Initiatives

“Creating a society where everyone can play an active role”

Create a sustainable society and achieve continuous business growth

Amid various social issues becoming increasingly serious, companies are required to address SDGs, a globally common theme for realizing a peaceful, prosperous and sustainable society. The Company has identified six themes as its materialities, under the concept of “creating a society where everyone can play an active role.” We aim to construct a sustainable social security system from the private sector by considering social welfare in terms of productivity, capital and labor force.



Sustainability Initiatives

Realize a society where a variety of people can play an active role



1. Maximize opportunities for people to work through provision of elderly care, childcare and disabilities support services
2. Create education opportunities to develop human resources, driving growth
3. Promote diversity and inclusion of employees and users

Realize healthy and secured lives



1. Provide social welfare facilities that enable everyone to use them easily and maintain and improve their living standards
2. Provide social welfare facilities to prevent people from leaving jobs for the purpose of elderly care or childcare of their families

Contribute to sustainable urbanization



1. Develop facilities in line with the “Compact City” concept
2. Enhance productivity by constructing an advanced work environment

Contribute to the global environment



1. Create a prosperous society through popularization of clean energy
2. Recycle water at owned facilities

Contribute to the social security policy through our services



1. Build sustainable social security infrastructures
2. Improve the working conditions through achieving an advanced workplace environment

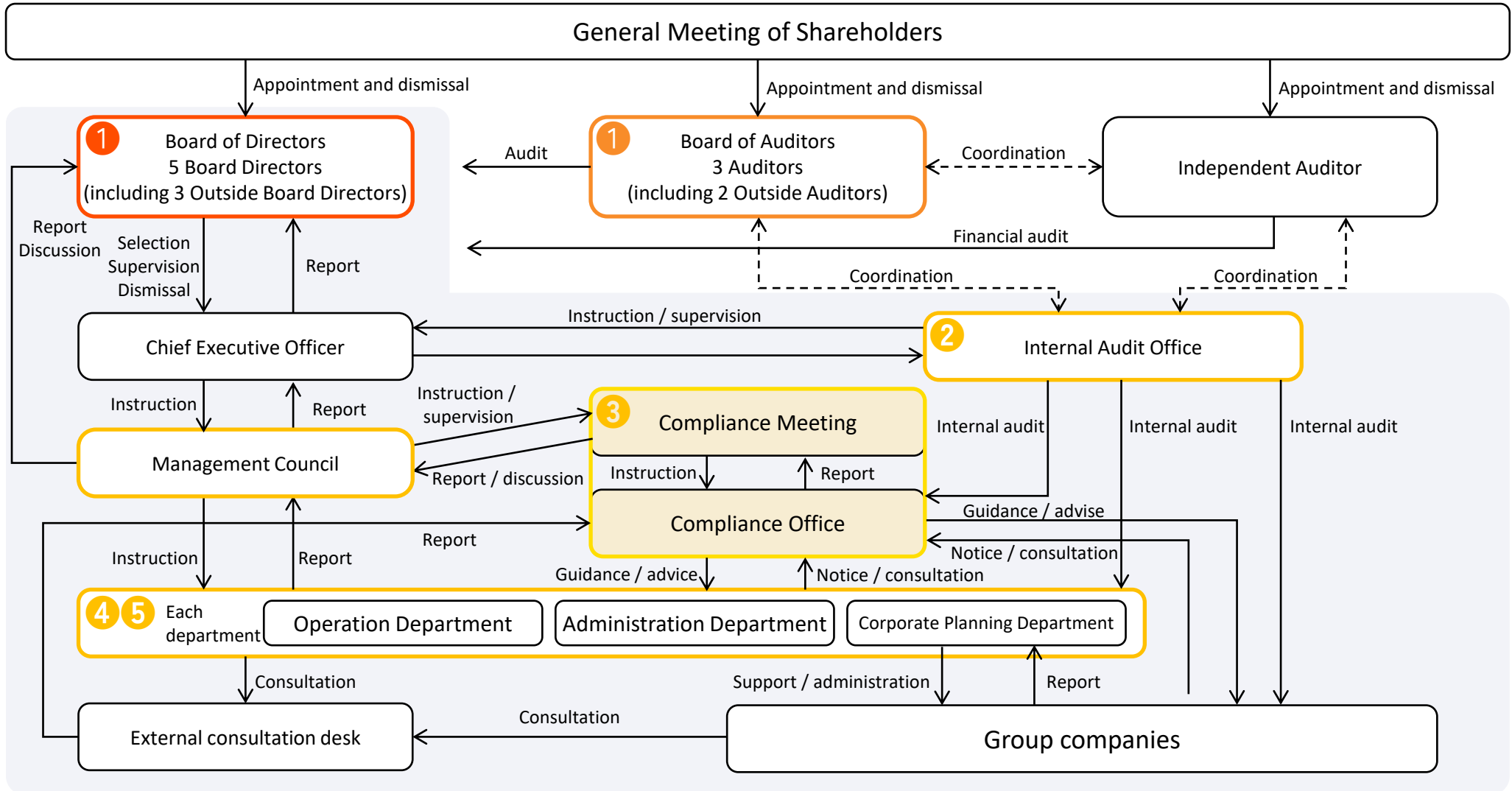
Construct a resilient management base



1. Secure solid corporate governance
2. Promote continuous business enhancement
3. Improve employees’ well-being

Strengthening Governance

Established a governance structure, including the establishment of Management Council and Internal Audit Office.





Strengthening Governance

Board of Directors

- ① Appointment of four Board Directors
 1. Of which, two are Outside Board Directors (at least one-third)
 2. Already filed as independent officers
 3. Hold a Board of Directors meeting once a month as a rule

Board of Auditors

- ① Appointment of three Auditors
 - Organize a Board of Auditors meeting once a month as an obligation

Execution

- ① Establishment of Management Council
- ② Set up Internal Audit Office
 - Hold a risk management meeting each week
- ③ Establishment and strengthening of Compliance Office
 1. Hold a Compliance Meeting each week
 2. Establishment of a whistleblower hotline/unification of handling workflow
- ④ Preparation of administrator manuals
- ⑤ Establishment of blocks/areas and appointment of managers for each
 - Conduct cross-checking among area managers

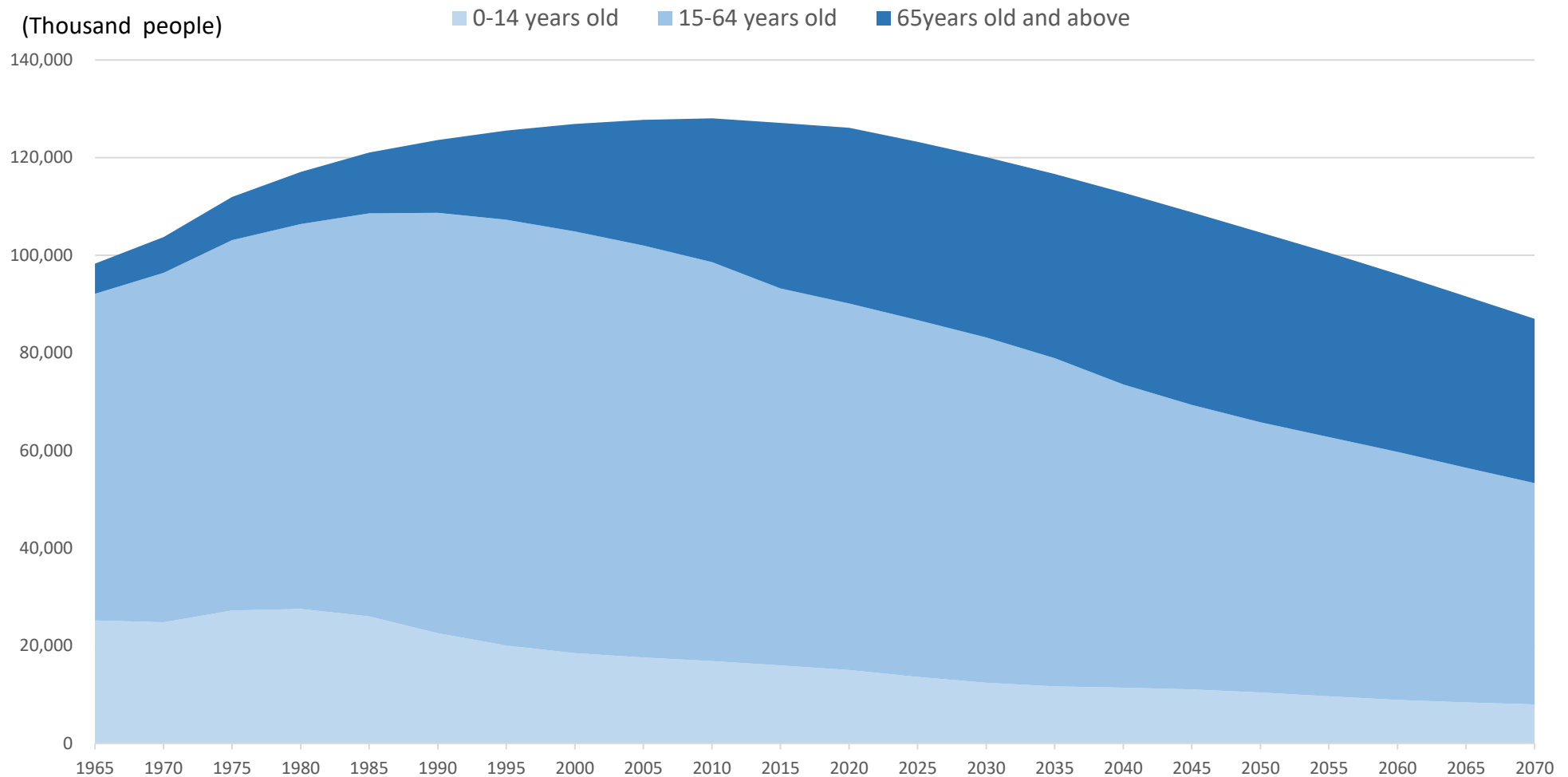


Market Environment



Demographics of Japan

Japan's population is shrinking due to declining birthrate and aging population.

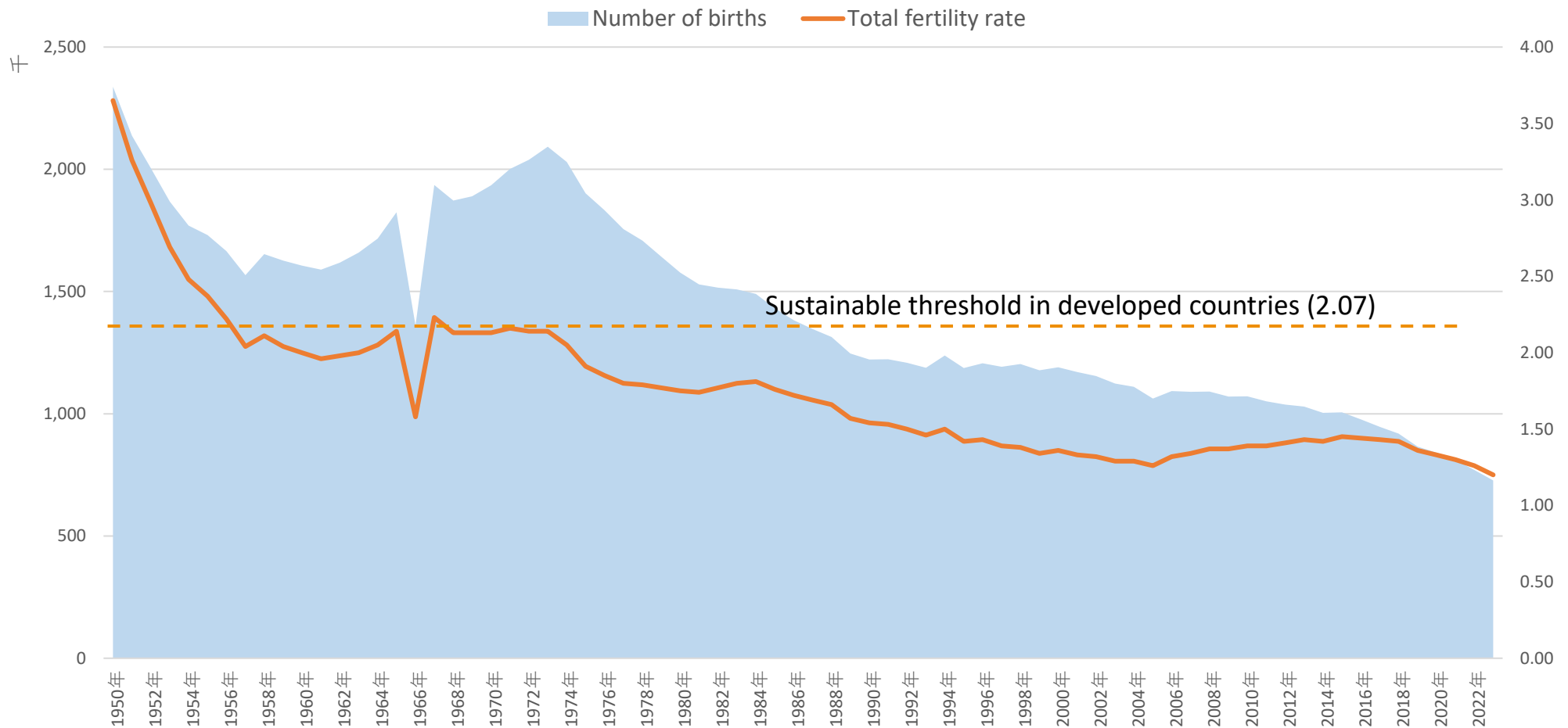


Source: Population estimate materials ("Population Estimates of Japan" and "Annual Report of Population Estimates") by Population Census Division, Statistical Survey Department, Statistics Bureau, Ministry of Internal Affairs and Communications



Number of Births and Total Fertility Rate

Number of births fell below one million in 2016, with total fertility rate remaining at a low level.

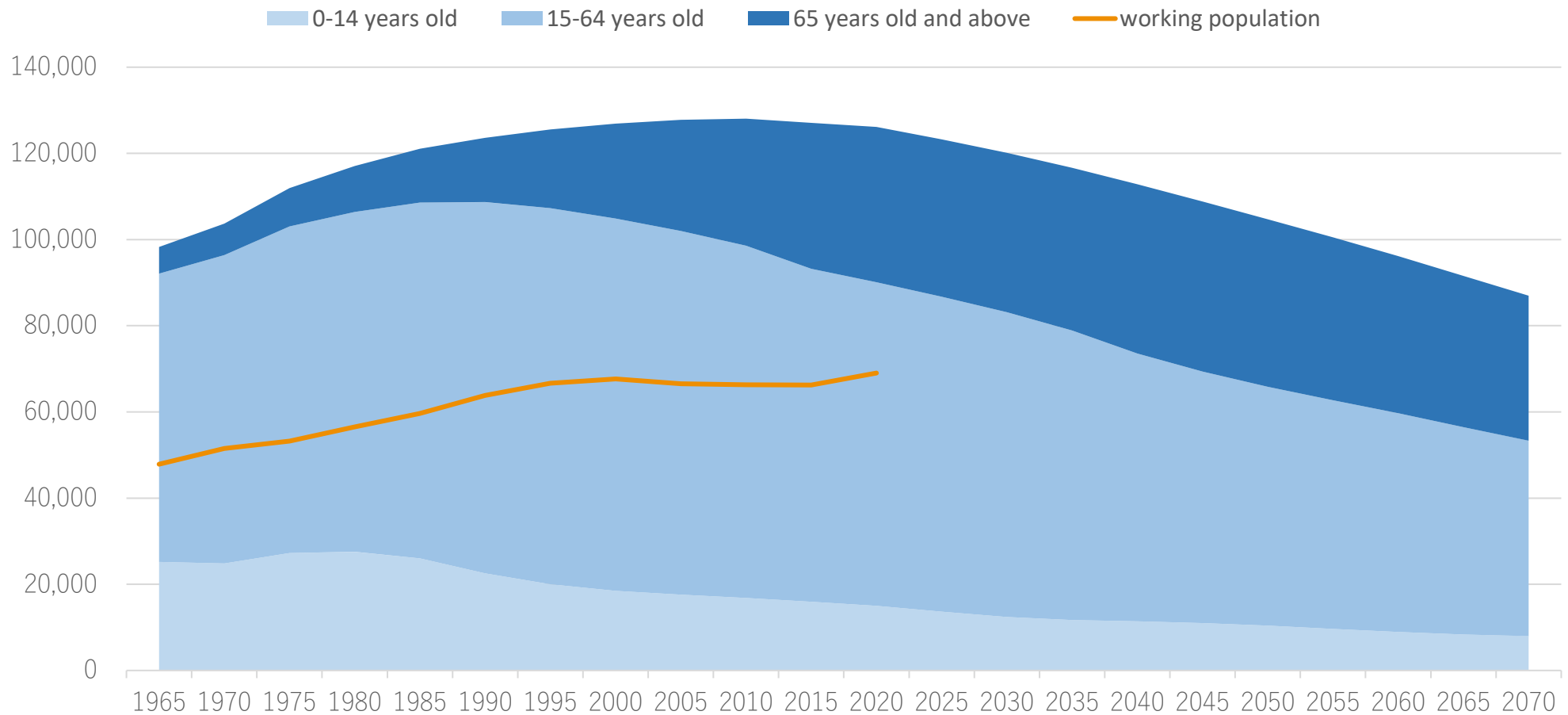


Source: "Summary Report of Annual Vital Statistics for 2023," by the Ministry of Health, Labour and Welfare



Japan's Population and Labor Force

Japan's labor force population is also declining rapidly.

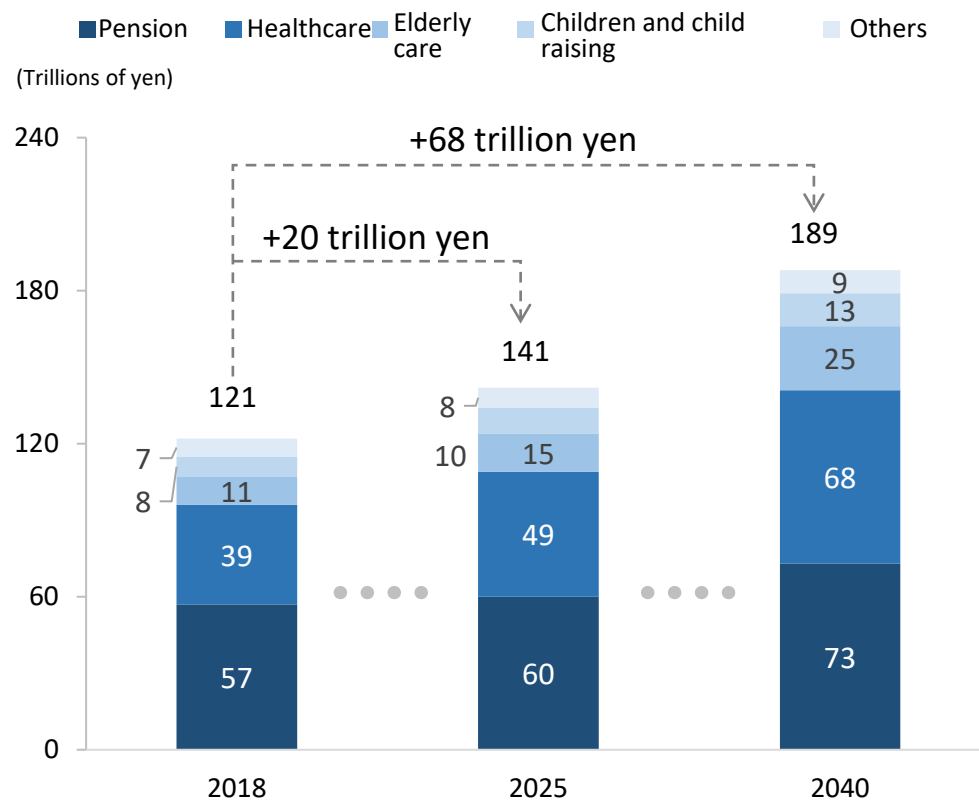


Source: Population estimate materials ("Population Estimates of Japan" and "Annual Report of Population Estimates") by Population Census Division, Statistical Survey Department, Statistics Bureau, Ministry of Internal Affairs and Communications

Expanding Social Security Costs and Sustainability of National Finances

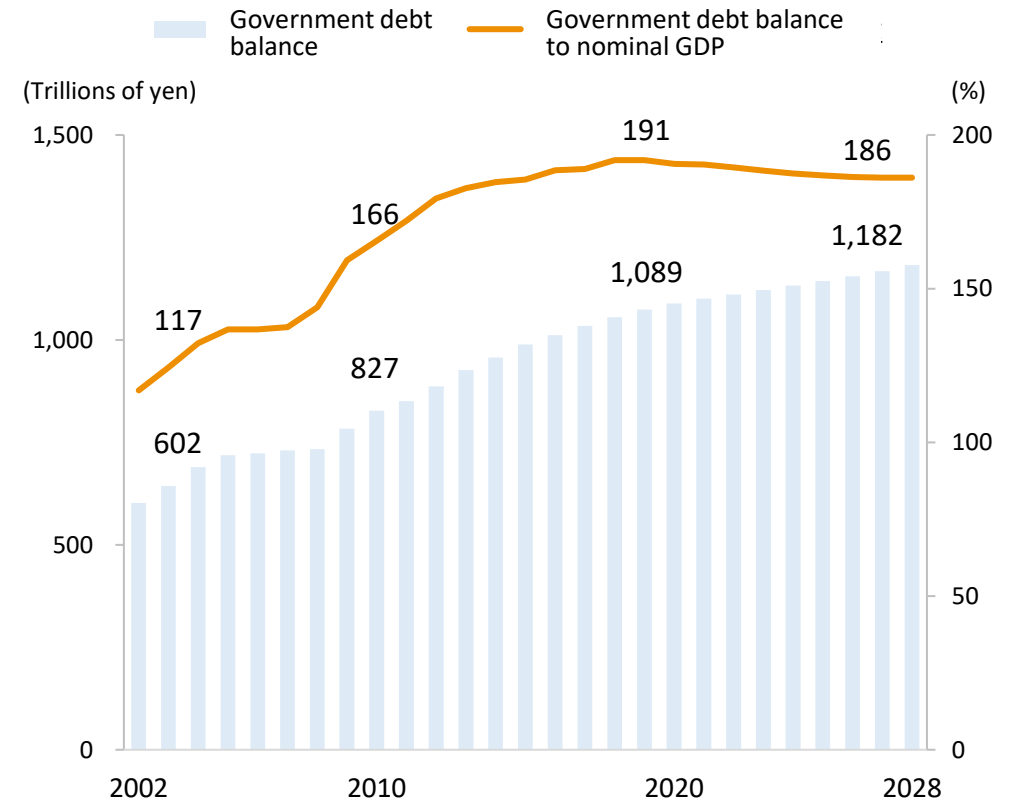
Social security costs will continue to grow in line with demographic changes  National finances will become unsustainable

Outlook of social security benefits



Source: “Future Outlook of Social Security Towards 2040 (Materials for Discussion) - Overview (Cabinet Secretariat, Cabinet Office, Ministry of Finance and Ministry of Health, Labour and Welfare, 2022)” by Cabinet Secretariat, Cabinet Office, Ministry of Finance and Ministry of Health, Labour and Welfare

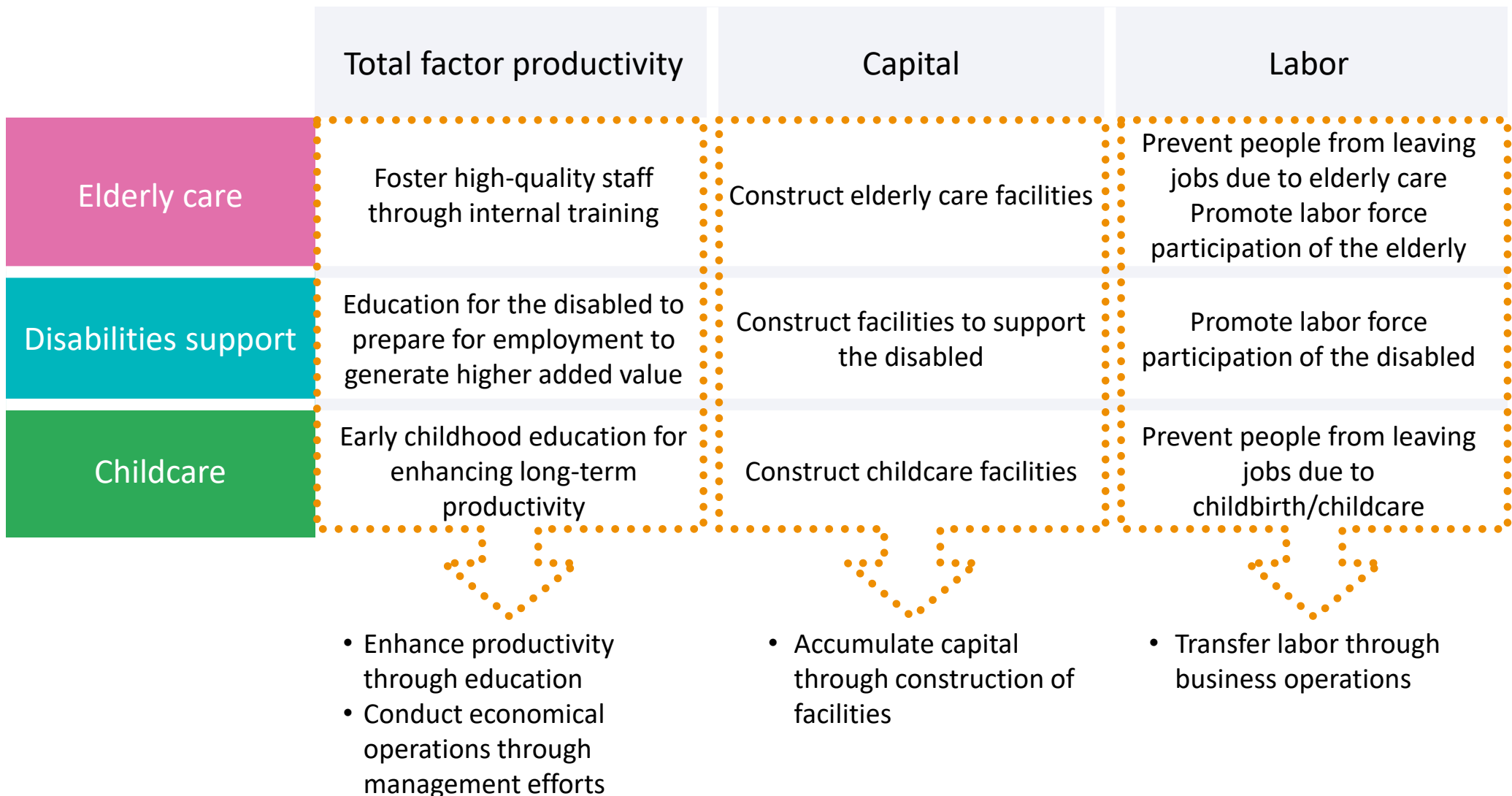
Government debt balance to nominal GDP



Source: “Estimates on Economy and Finance over the Medium to Long Term (July 31, 2019, submitted by the Council on Economic and Fiscal Policy), Shape of National and Local Finance (Excluding the Amount of Expenses and Financial Resources for Reconstruction and Restoration Measures), Balance of Public Debts, Etc., Baseline Cases” by Cabinet Office

Concepts Underlying Our Business

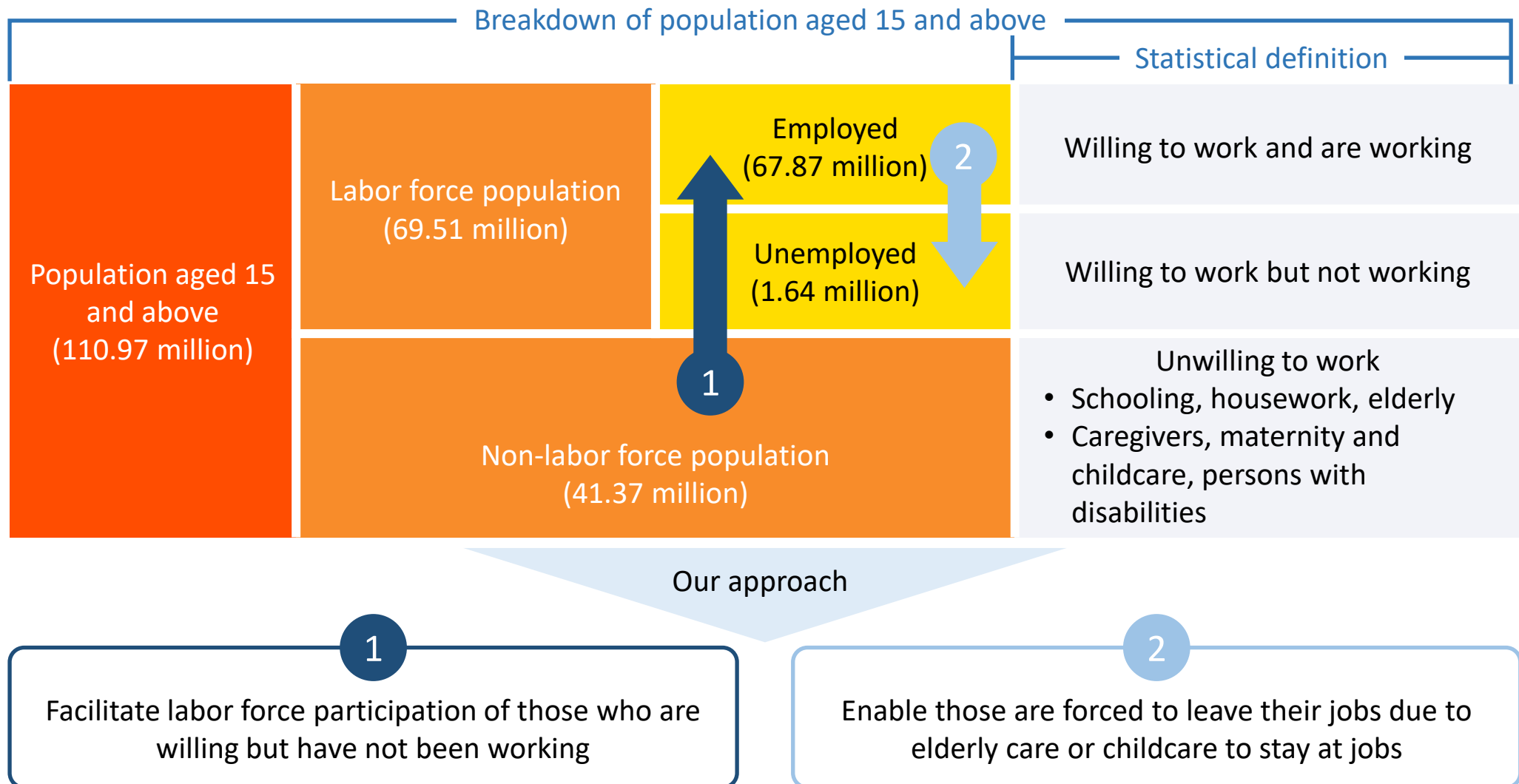
Grow the overall market through improvements on the supply side to reduce burdens and acknowledge sustainable social security systems.





Transfer of Labor through Business Operations

Provide a working environment in which people with disabilities and the elderly can play an active role, and help reduce unwanted job turnovers by expanding facilities for nursing care, disabilities support and childcare.





Business Model and Competitive Advantages



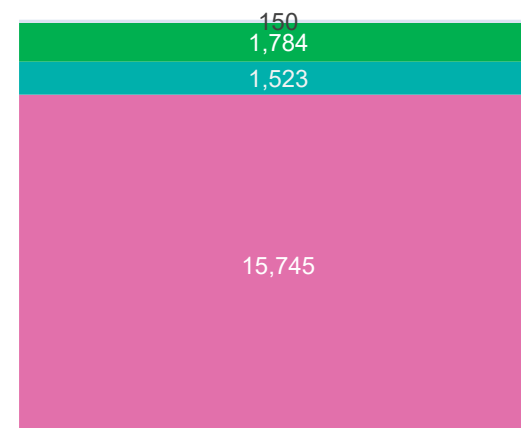
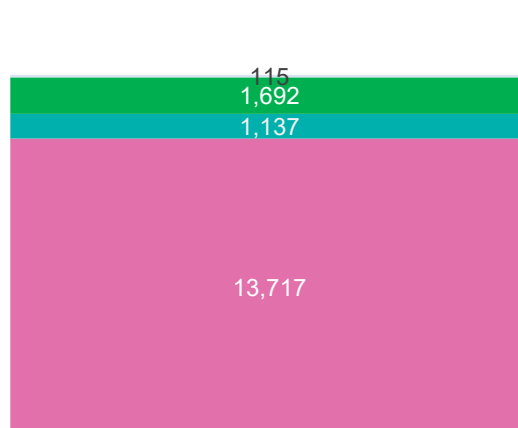
Trends in Net Sales by Business Domain

■ Elderly Care ■ Disabilities Support ■ Childcare ■ Others

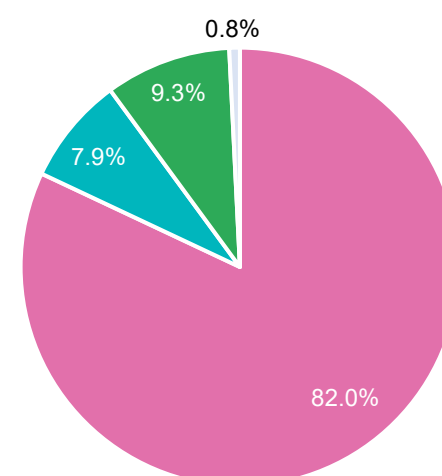
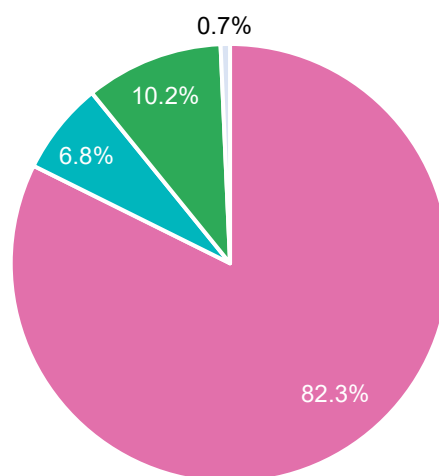
FY24.3 FY

FY25.3 FY

Net Sales
(millions of Yen)



Composition
ratio



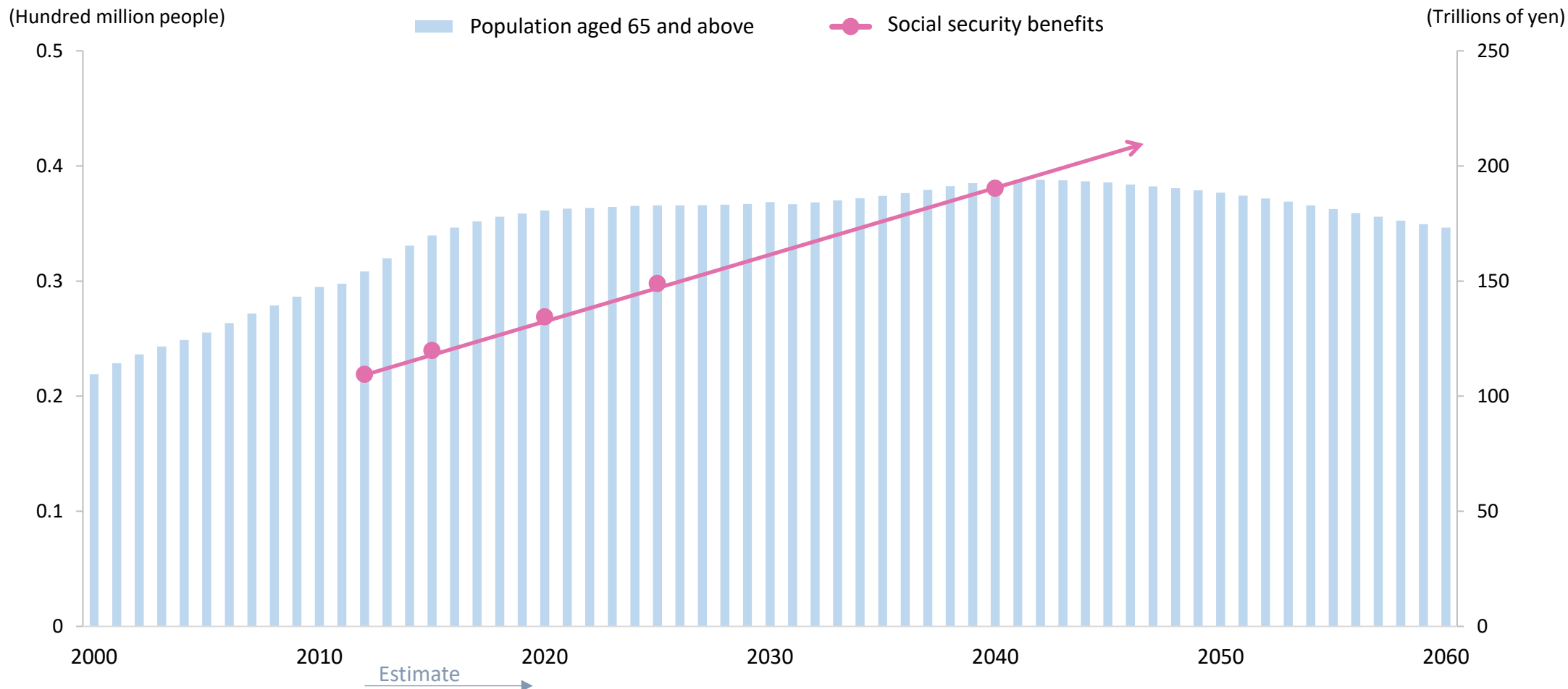


Elderly Care



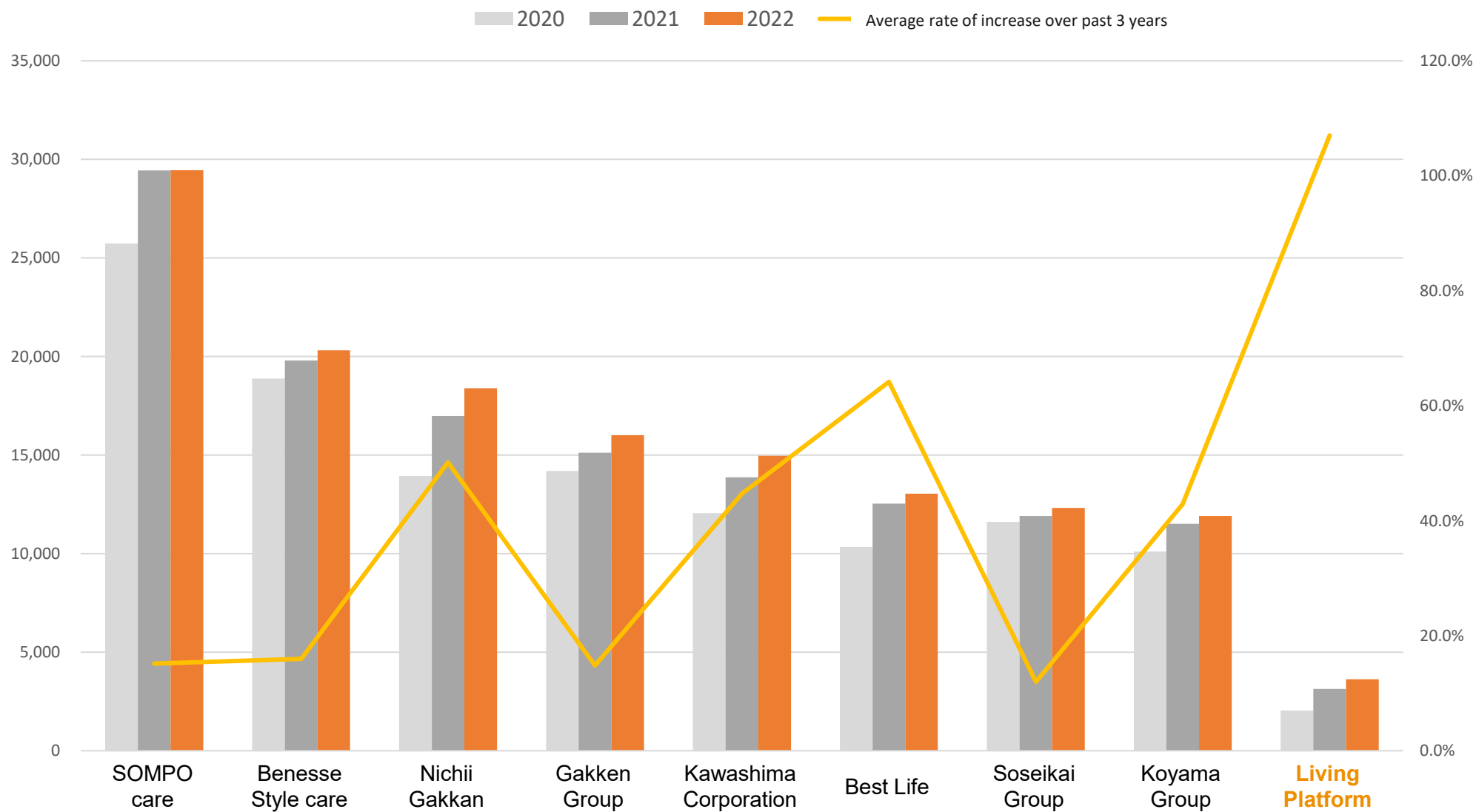
For the “Sustainable Social Security System”

Build a sustainable system by expanding services offered by the private sector, before the government fully establishes a system that utilizes more subsidies, etc. and thus commanding high financial costs.



Source: Population estimate materials (“Population Estimates of Japan” and “Annual Report of Population Estimates”) by Population Census Division, Statistical Survey Department, Statistics Bureau, Ministry of Internal Affairs and Communications, and “Future Outlook of Social Security Towards 2040 ” by Cabinet Secretariat, Cabinet Office, Ministry of Finance and Ministry of Health, Labour and Welfare

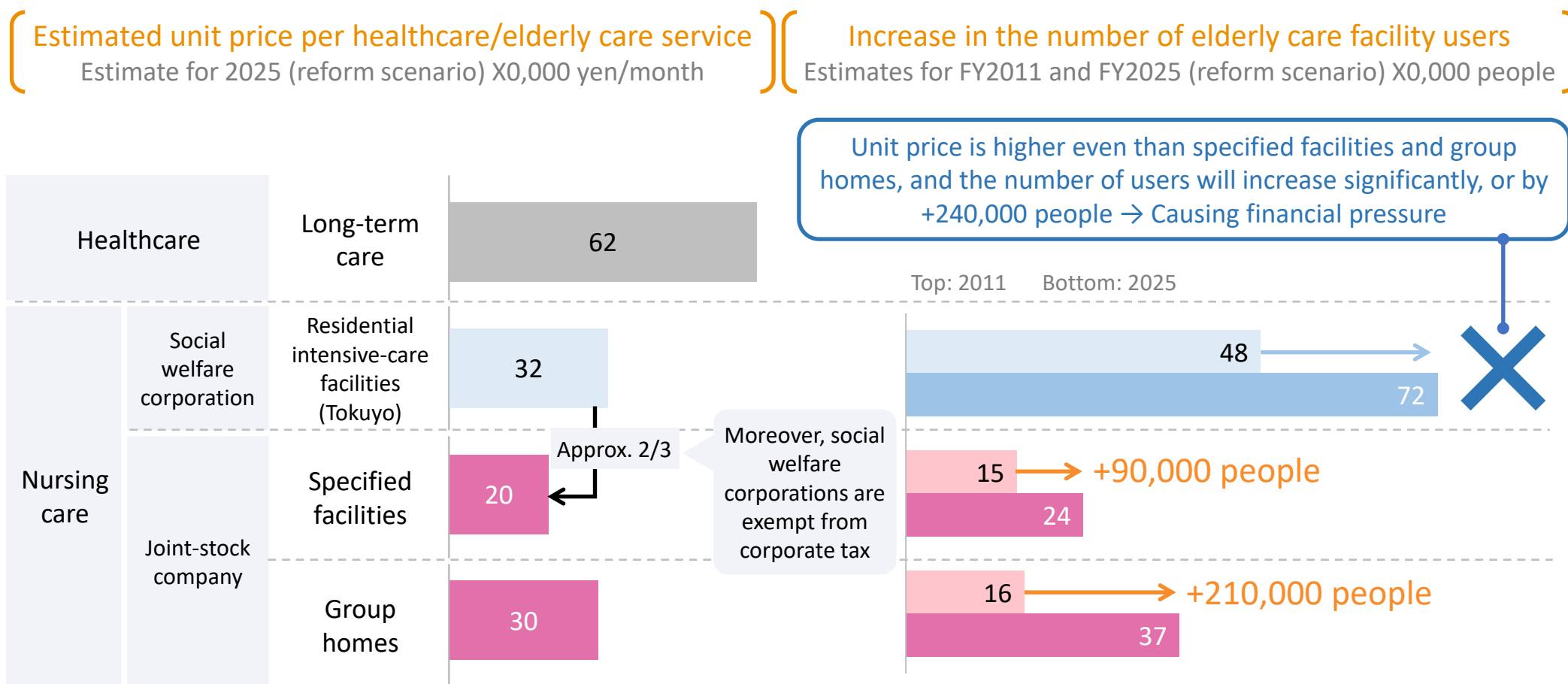
Number of Rooms and Rate of increase among Top operators



Taking on the Challenges Faced by the Elderly Care Industry

Reduce financial burdens by shifting the weight from healthcare to elderly care and from social welfare corporations to joint-stock companies, with an aim to help develop a sustainable elderly care market

An increase in the number institutional healthcare and cure facilities and residential intensive-care facilities (Tokuyo), which command higher unit price (larger social security burdens) in the facility care services will result in larger financial burdens. We will work to expand sound facility operations by joint-stock companies so as to let the private sector become the major players in the elderly care market, and achieve sustainable development.



Source: Long-term estimates on healthcare and elderly care in “Estimates of Future Social Security Benefits, etc. (reference materials for the 10th meeting of the Intensive Study Council on Social Security Reform held on June 2, 2011)” by the Ministry of Health, Labour and Welfare

Elderly Care: Our Business Domain

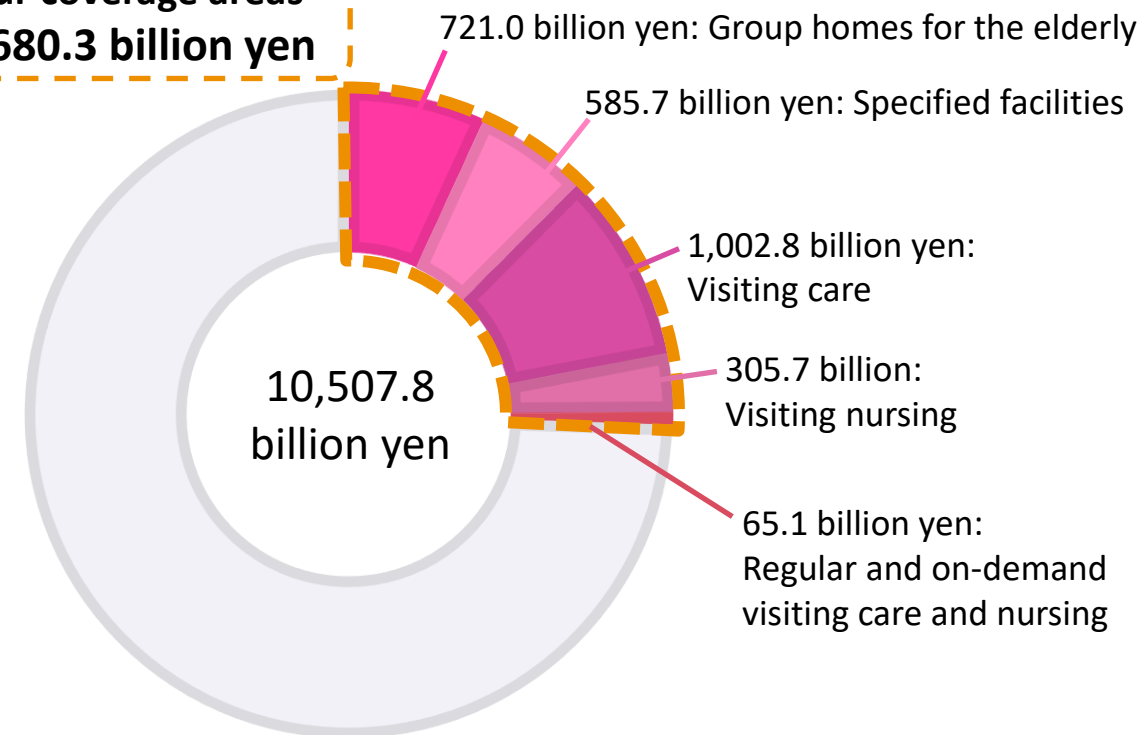
- Facility care is an efficient way to develop an elderly care infrastructure under financial restrictions
- Facility care also has a relative advantage over home care in terms of staff recruitment
- Facility care can lead to creation of new communities and contribute to better health

Our coverage areas in the entire elderly care market

Facility care	Care and cure
	Healthcare facilities for the elderly (Roken)
	Residential intensive-care facilities (Tokuyo)
	Group homes for the elderly
Home care	Residential care facilities
	Others
	Visiting care
	Visiting nursing
	Support for bathing
	Support for rehabilitation
	Regular and on-demand visiting care and nursing
	Day care at home*
	Day care at facilities
	Others

Cumulative costs by type of elderly care services (FY2020)

Our coverage areas
2,680.3 billion yen



* Home care conducted by the Company is offered at residential care facilities, etc., which are thus facility care in practice.

Source: "Overview of Actual Statistics on Nursing Care Benefit Expenses, etc. FY2020" by the Ministry of Health, Labour and Welfare

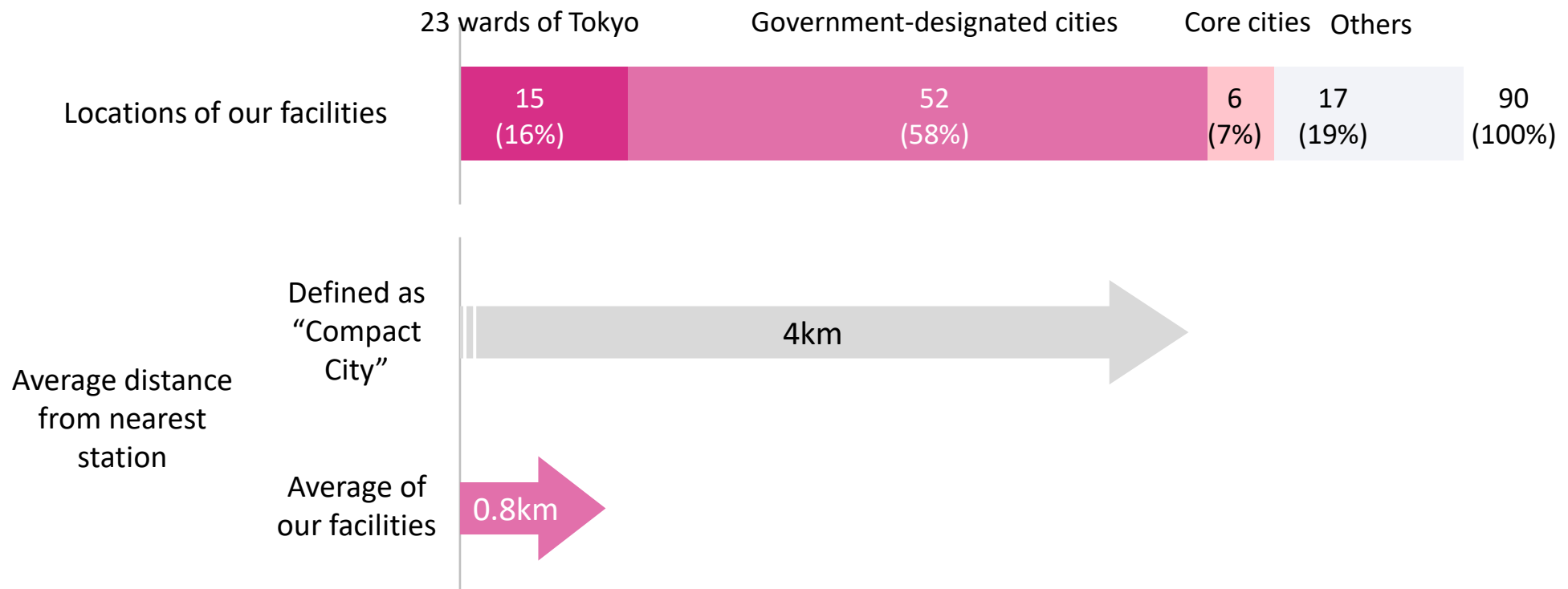
Remarks: Residential care facilities are divided into "specified facilities (with care)" and "serviced care residences/assisted living residences." "Serviced care residences/assisted living residences" include part of the services of visiting care, visiting nursing, regular and on-demand visiting care and nursing, and home care support.



Elderly Care: Our Strengths

Focus on locations near stations in large cities

Secure facility residents and staff preferably by focusing on locations near stations in the 23 wards of Tokyo, government-designated cities, core cities and surrounding cities



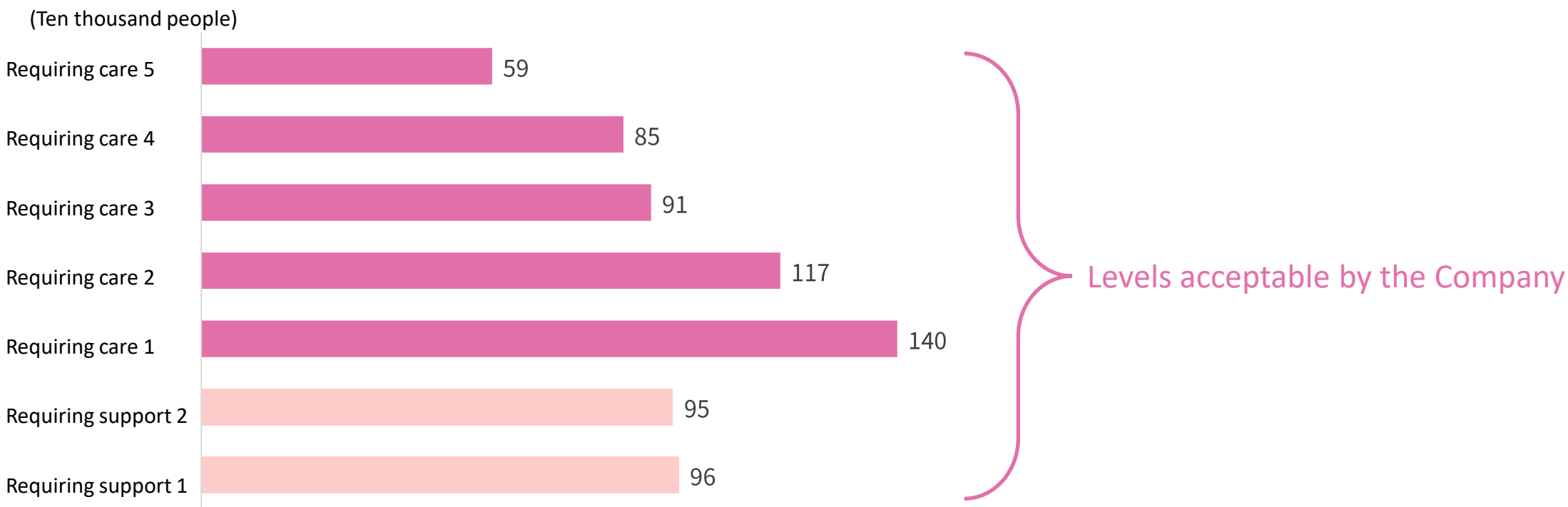
Sources: Internal data; "Report on Long-Term Care Insurance Program for Fiscal 2017" by the Ministry of Health, Labour and Welfare, and "Introduction of Compact City and Urban Policy" by The Japan Economic Research Institute



Elderly Care: Our Strengths

Accepting a wide range of people

Can accept a wide range of users and obtain high unit price per customer, as we can accept facility residents with a high medical dependency and provide end-of-life care by closely coordinating with medical institutions and assigning nurses to all facilities

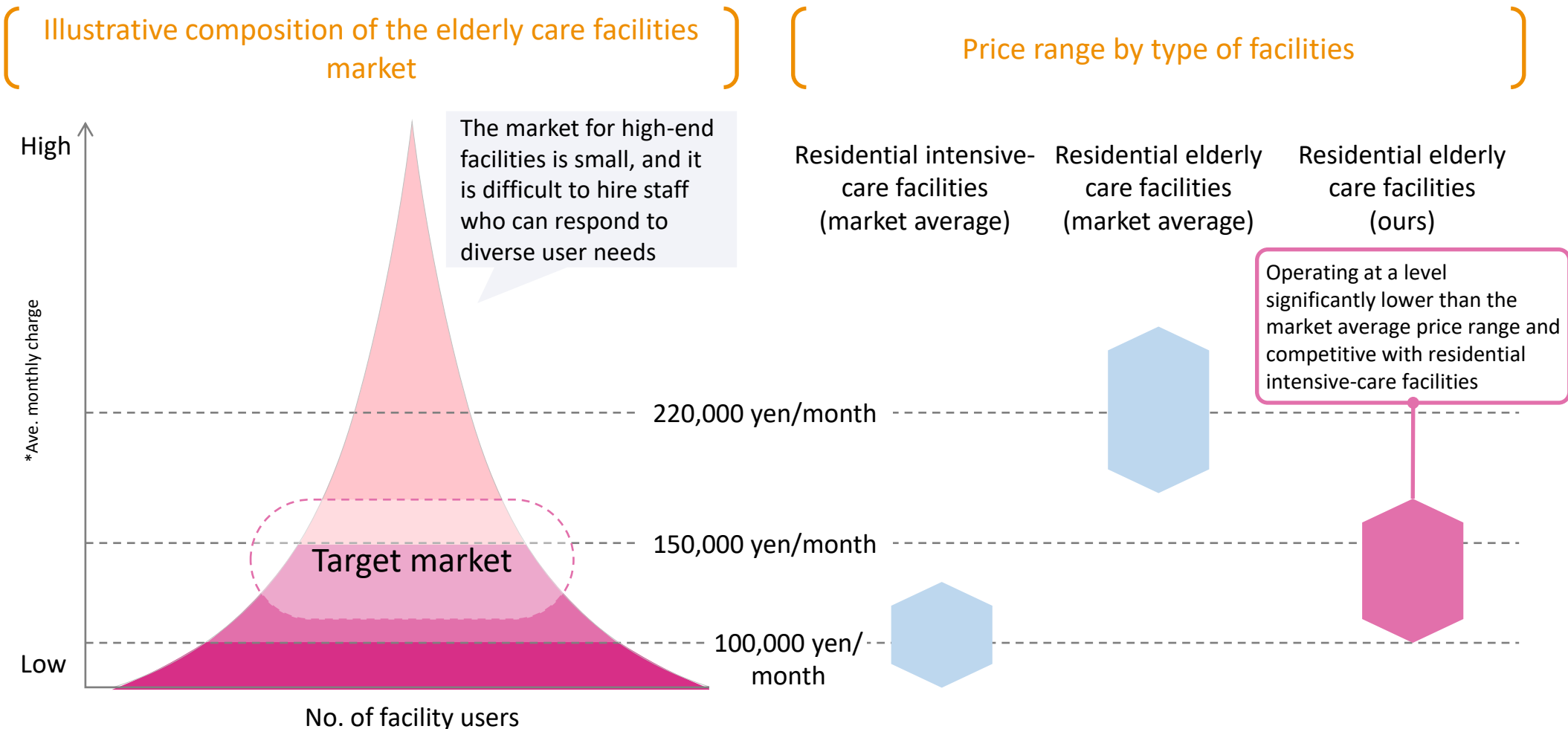


Sources: Internal data; “Report on Long-Term Care Insurance Program for Fiscal 2021” by the Ministry of Health, Labour and Welfare, and “Introduction of Compact City and Urban Policy” by The Japan Economic Research Institute

Elderly Care: Assumed Market Price • Demand and Competition

Pursue business scale and high occupancy rates, focusing on the market of 150,000 yen or less, which is a volume zone.

Expanding business in the price ranges that are close to those of residential intensive-care facilities (Tokuyo).



Source: Internal data and Minna-no Kaigo website *Includes rent, utilities expenses and meals. The prices are examples of facilities in local core cities.

Facility Design

Create a higher-quality environment compared with similarly priced facilities

- Achieve both comfort of facility users and a high level of exterior design quality
- Designed for high operational efficiency

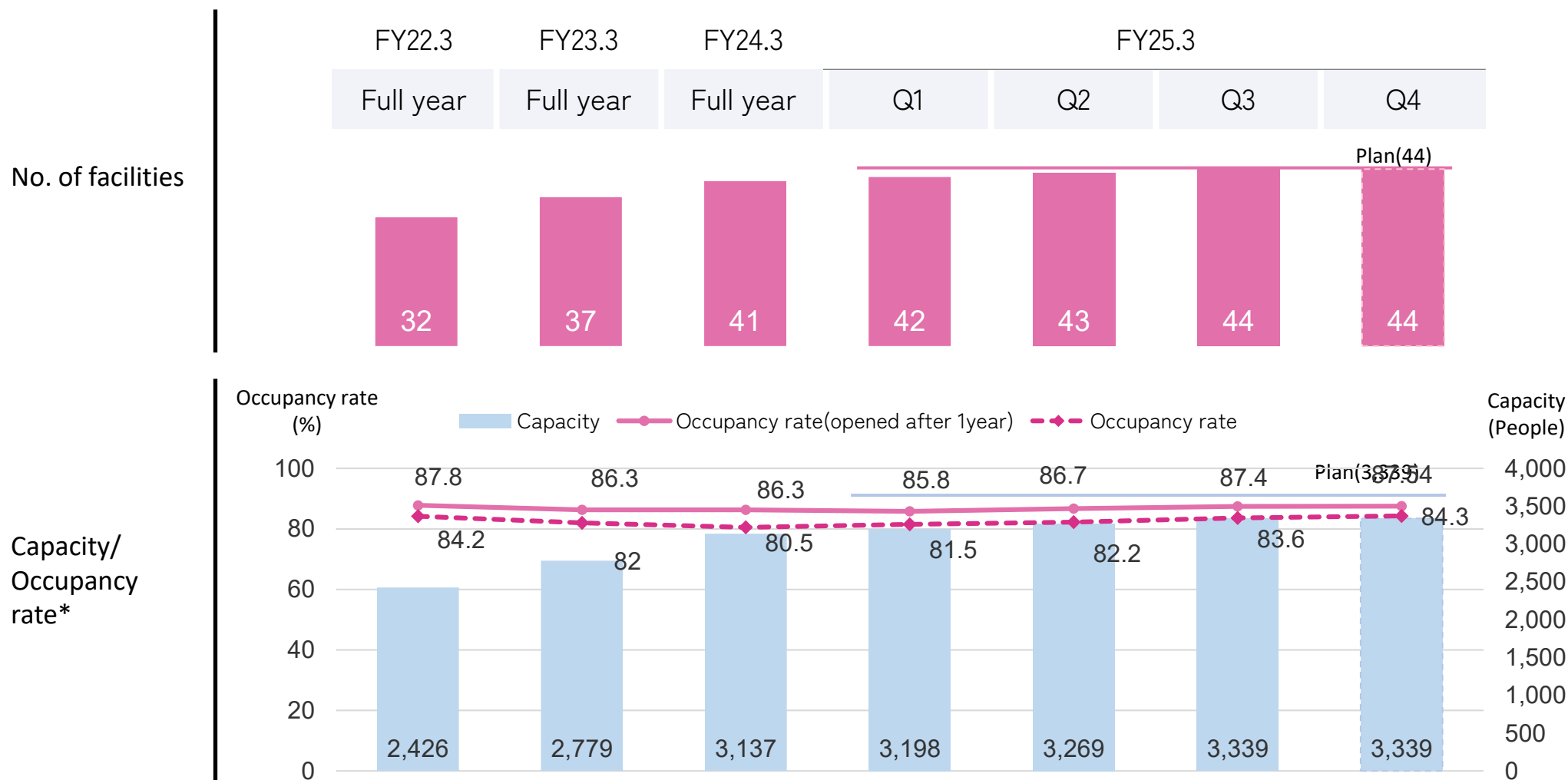




Number of Facilities, Their Capacity and Occupancy Rate

Elderly care: Residential care facilities, etc.

- ✓ Number of residents are constantly increasing



*Occupancy rate is calculated at the end of each period using the formula to the right.
(For short-term admission for daily life care, the number of facility residents shall be the average number of users obtained by dividing the total number of users by business days.)

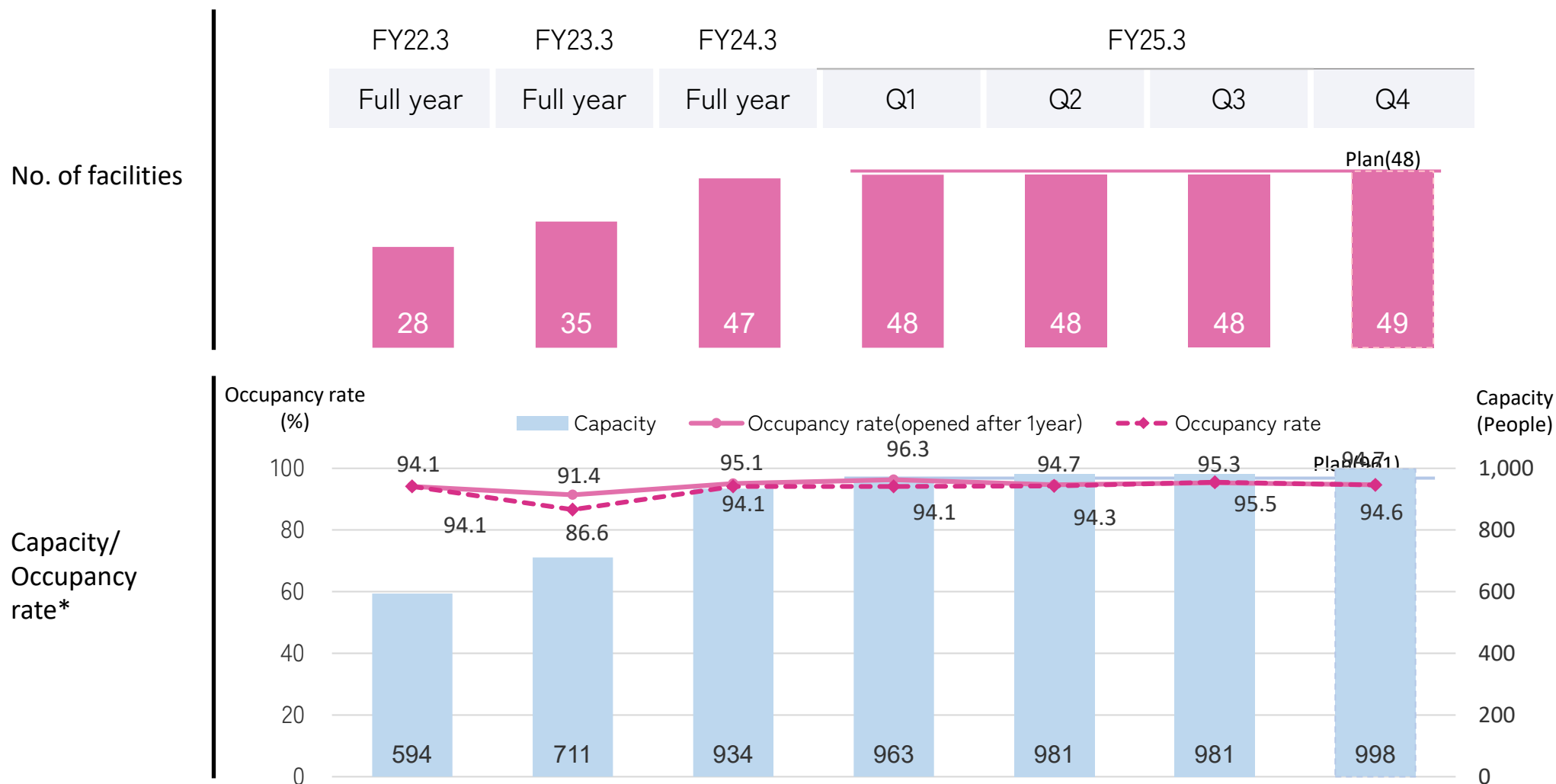
$$\text{Occupancy rate} = \frac{\text{Sum of residents of each facility at end of each month}}{\text{Sum of capacity of each facility}}$$



Number of Facilities, Their Capacity and Occupancy Rate

Elderly care: Group homes

- ✓ Occupancy rates including new facilities opened within 1 year are going robust



*Occupancy rate is calculated at the end of each period using the formula to the right.
(For short-term admission for daily life care, the number of facility residents shall be the average number of users obtained by dividing the total number of users by business days.)

$$\text{Occupancy rate} = \frac{\text{Sum of residents of each facility at end of each month}}{\text{Sum of capacity of each facility}}$$

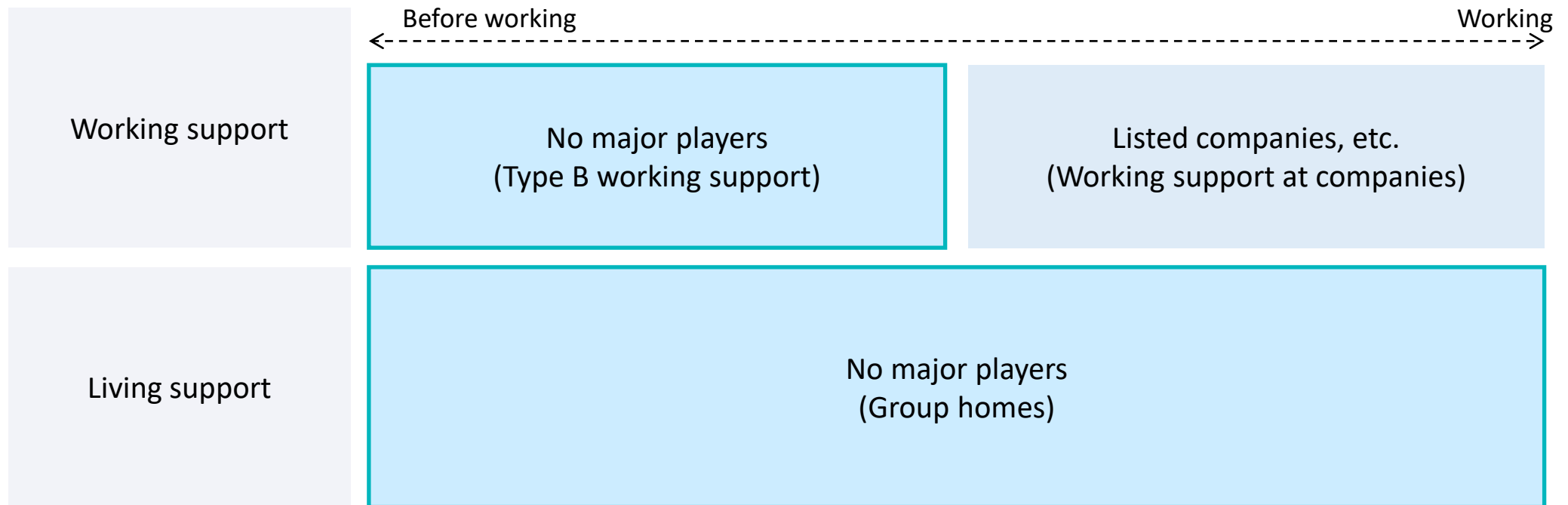


Disabilities Support

Taking on the Challenges Faced by the Disabilities Support Industry

While there are major players, such as listed companies, that provide “working support,” there are few entities that provide “living support.”

In addition, there are few dominant players that provide services (type B working support) for those in the initial stage of social adjustment rather than for working support at companies.



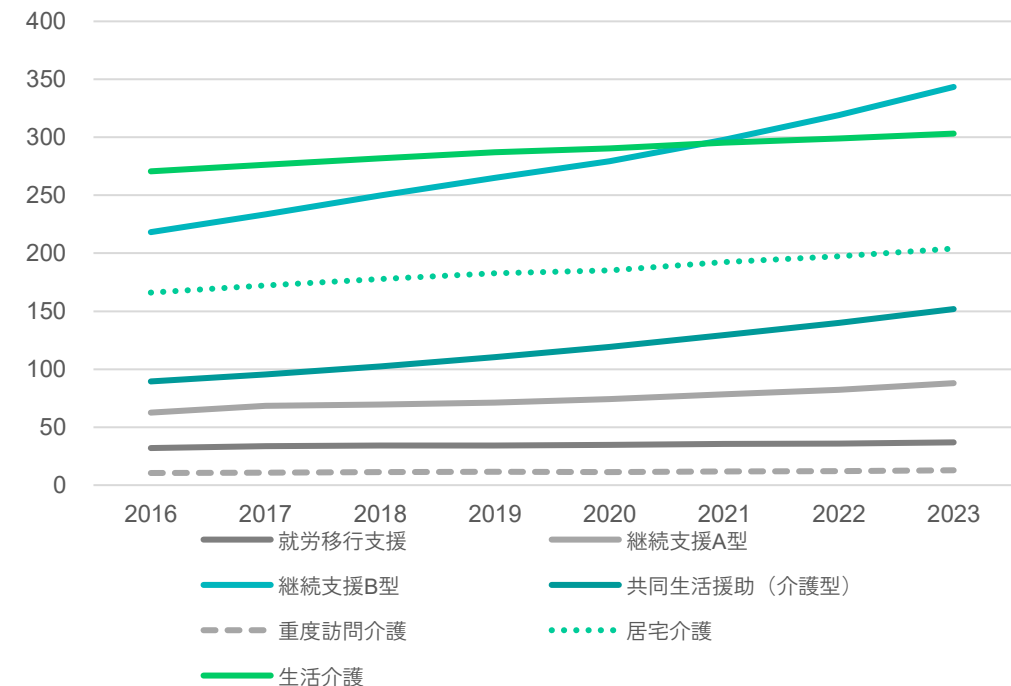
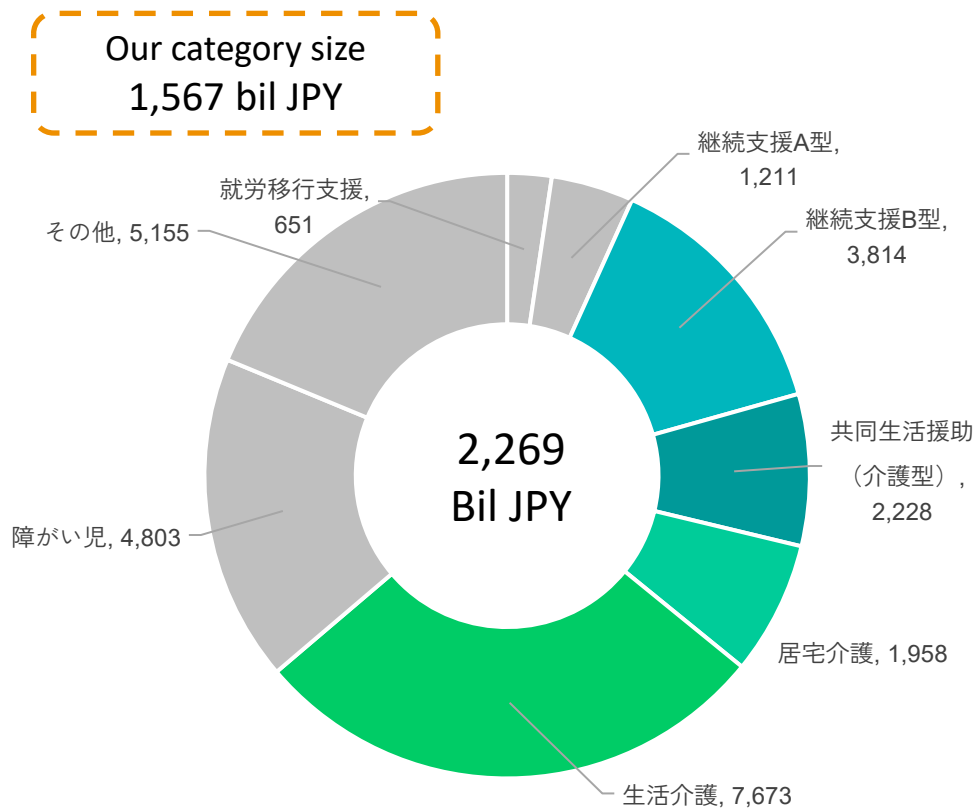


Expanding business category of disabilities support

- Restart new opening of “support to work type B” as the business condition has been improved since 2024
- Expand the business category towards “living assistance” and its related daily services
- Will open residential elderly care facility for disabilities in accordance with their ageing

Market size in 2020

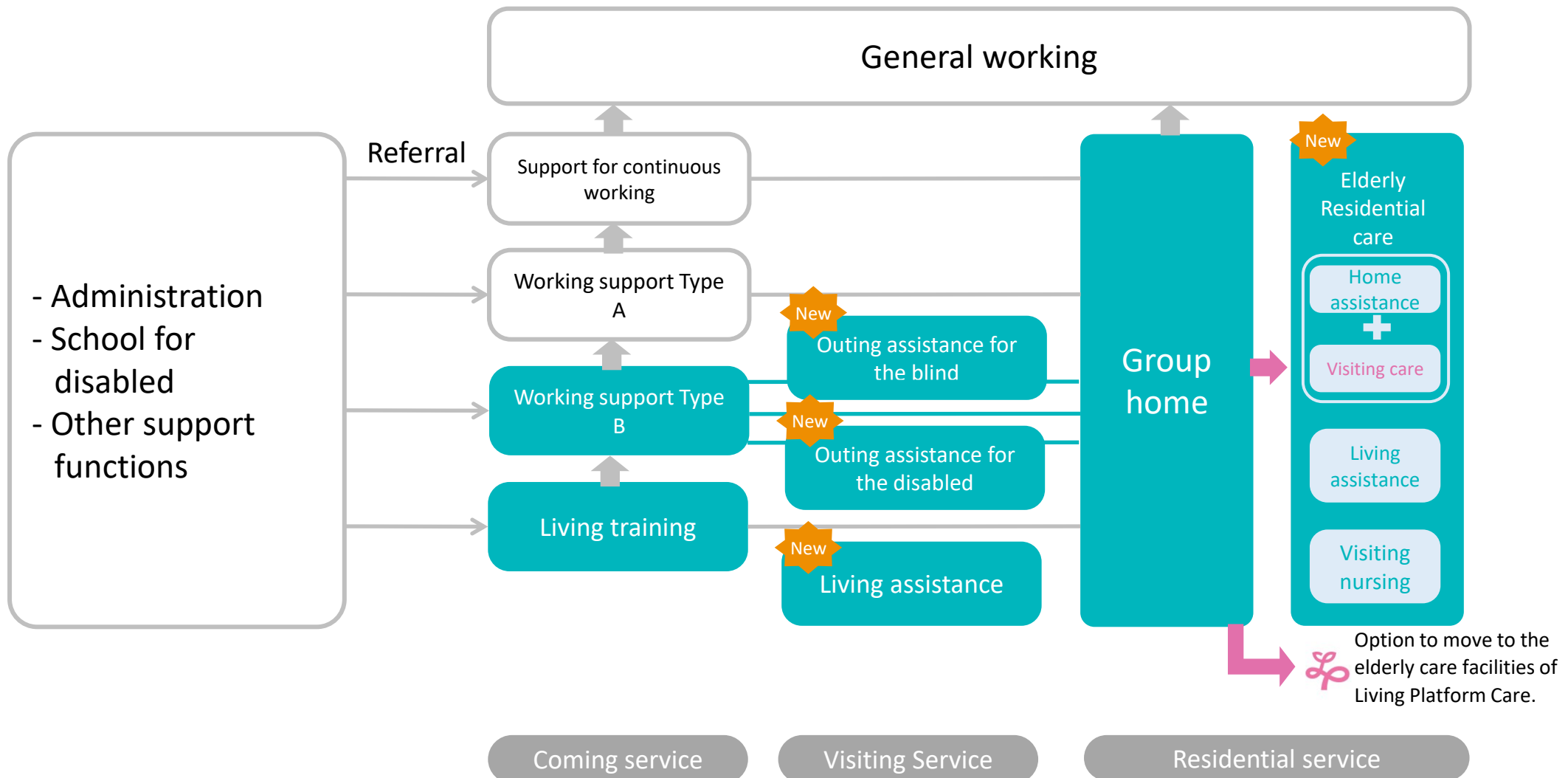
Trend of number of users





Expanding business category of disabilities support

- Start wide range of services in accordance with expanding demanding for disabilities
- Will open residential facility for elder disabilities

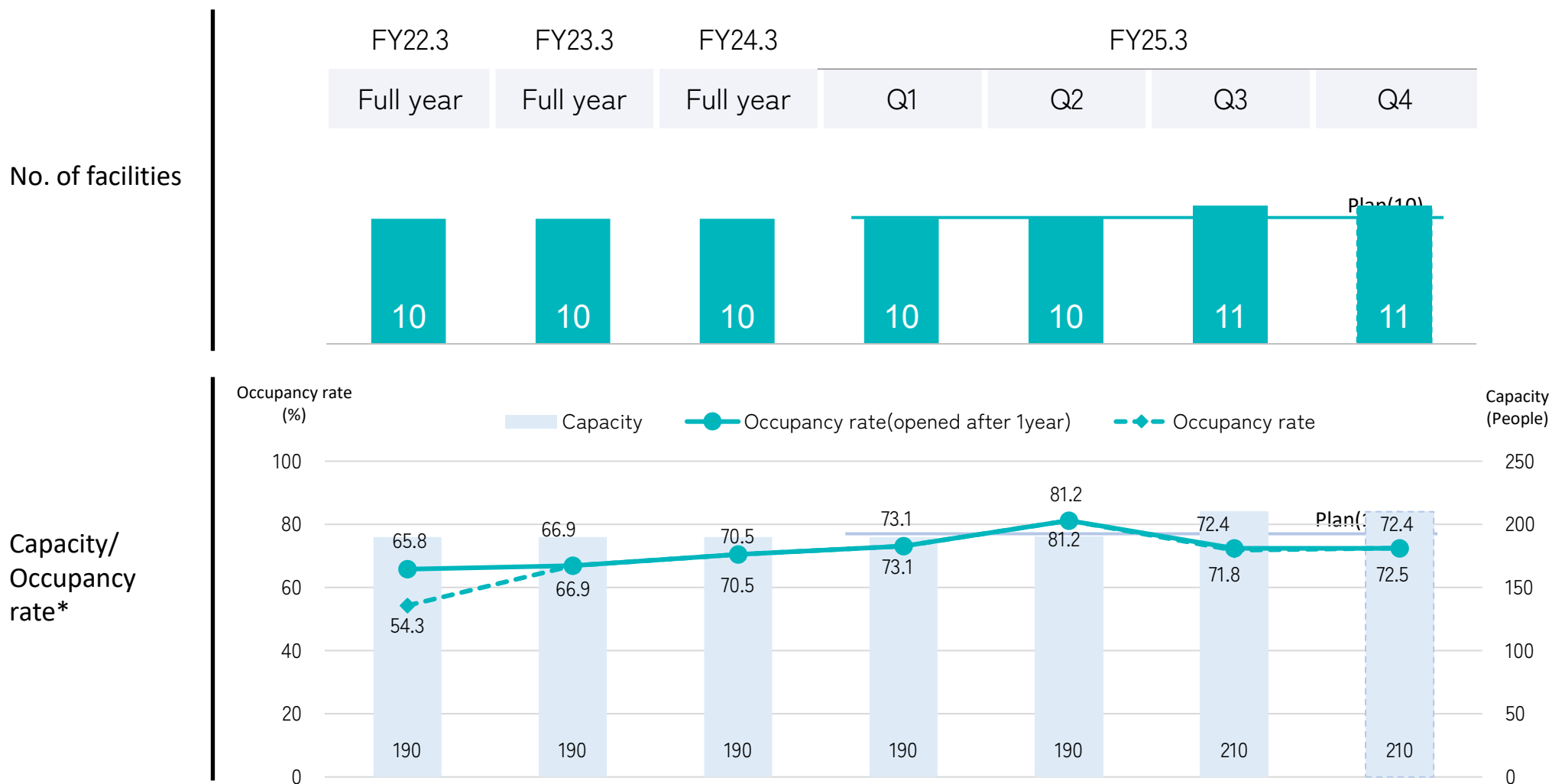




Number of Facilities, Their Capacity and Occupancy Rate

Disabilities support: Type B working support facilities

- ✓ Restart the development because of the market demand and the changes in the working fee



*Occupancy rate is calculated at the end of each period using the formula to the right.
(For short-term admission for daily life care, the number of facility residents shall be the average number of users obtained by dividing the total number of users by business days.)

$$\text{Occupancy rate} = \frac{\text{Sum of residents of each facility at end of each month}}{\text{Sum of capacity of each facility}}$$

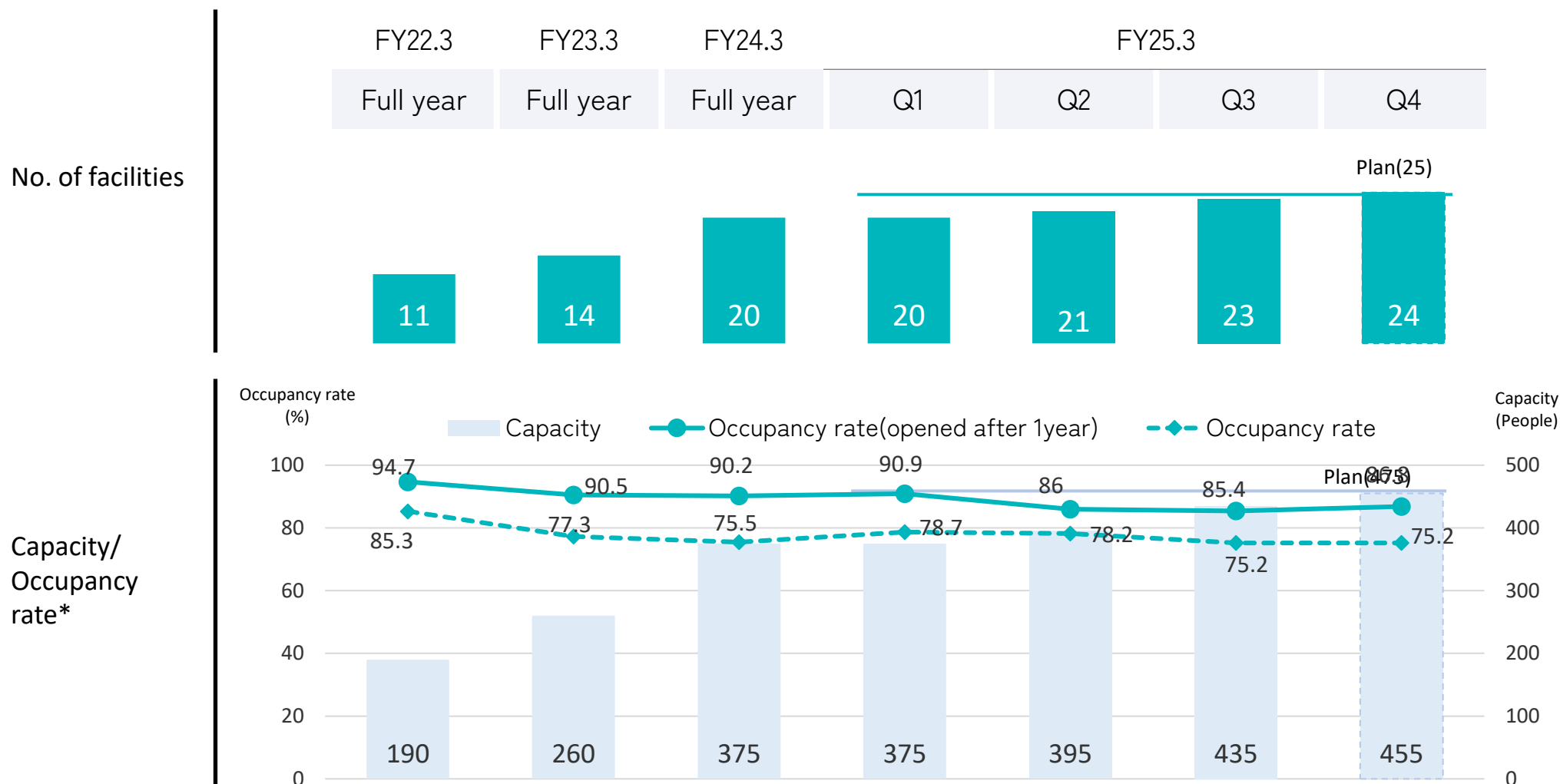
40



Number of Facilities, Their Capacity and Occupancy Rate

Disabilities support: Group homes

- ✓ The occupancy rate is going down due to continuous new development, however the figures for existing facilities are improving



*Occupancy rate is calculated at the end of each period using the formula to the right.
(For short-term admission for daily life care, the number of facility residents shall be the average number of users obtained by dividing the total number of users by business days.)

$$\text{Occupancy rate} = \frac{\text{Sum of residents of each facility at end of each month}}{\text{Sum of capacity of each facility}}$$



Childcare

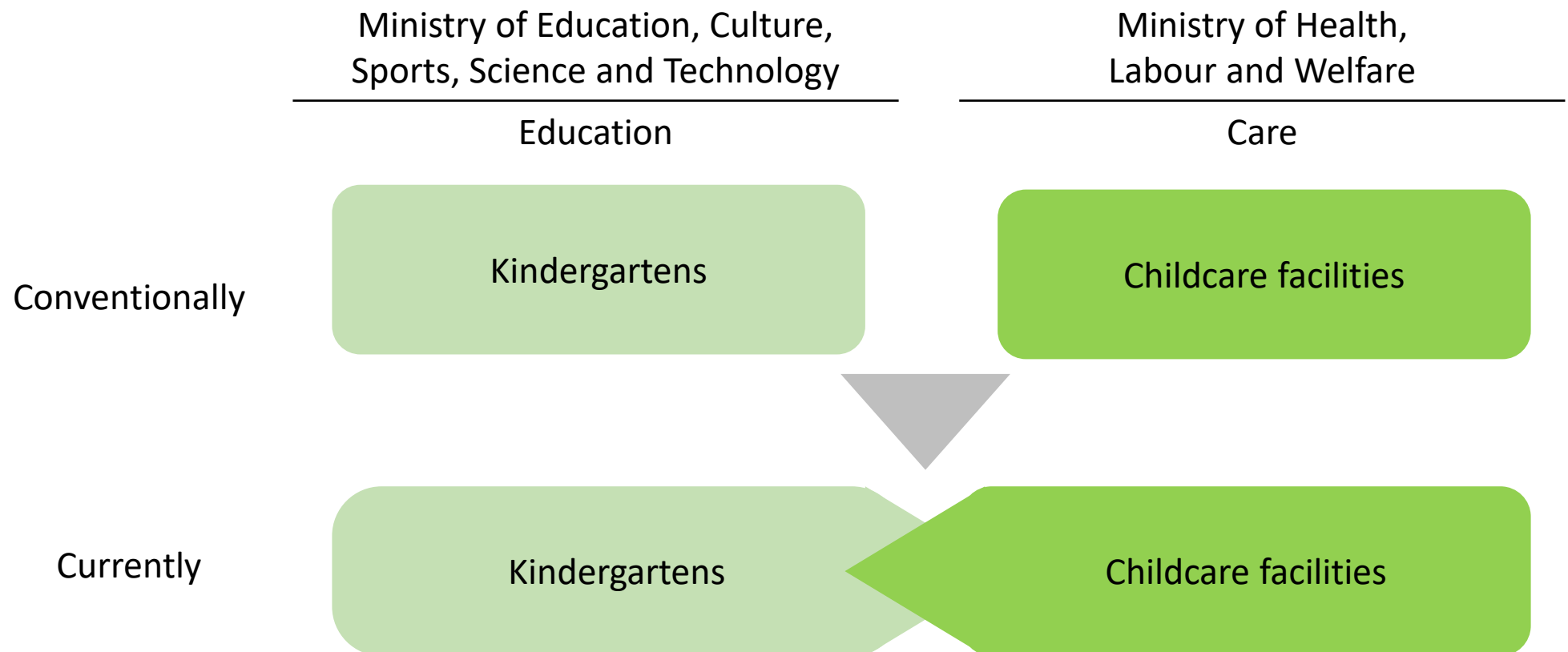


Taking on the Challenges Faced by the Childcare Business

Conventionally, there was a clear division of roles between kindergartens and childcare facilities, as the Ministry of Education, Culture, Sports, Science and Technology was in charge of education while the Ministry of Health, Labour and Welfare was responsible for caring. In recent years, however, their roles have expanded mutually.

Meanwhile, childcare facilities in high demand may not emphasize the function of education, depending on the operators.

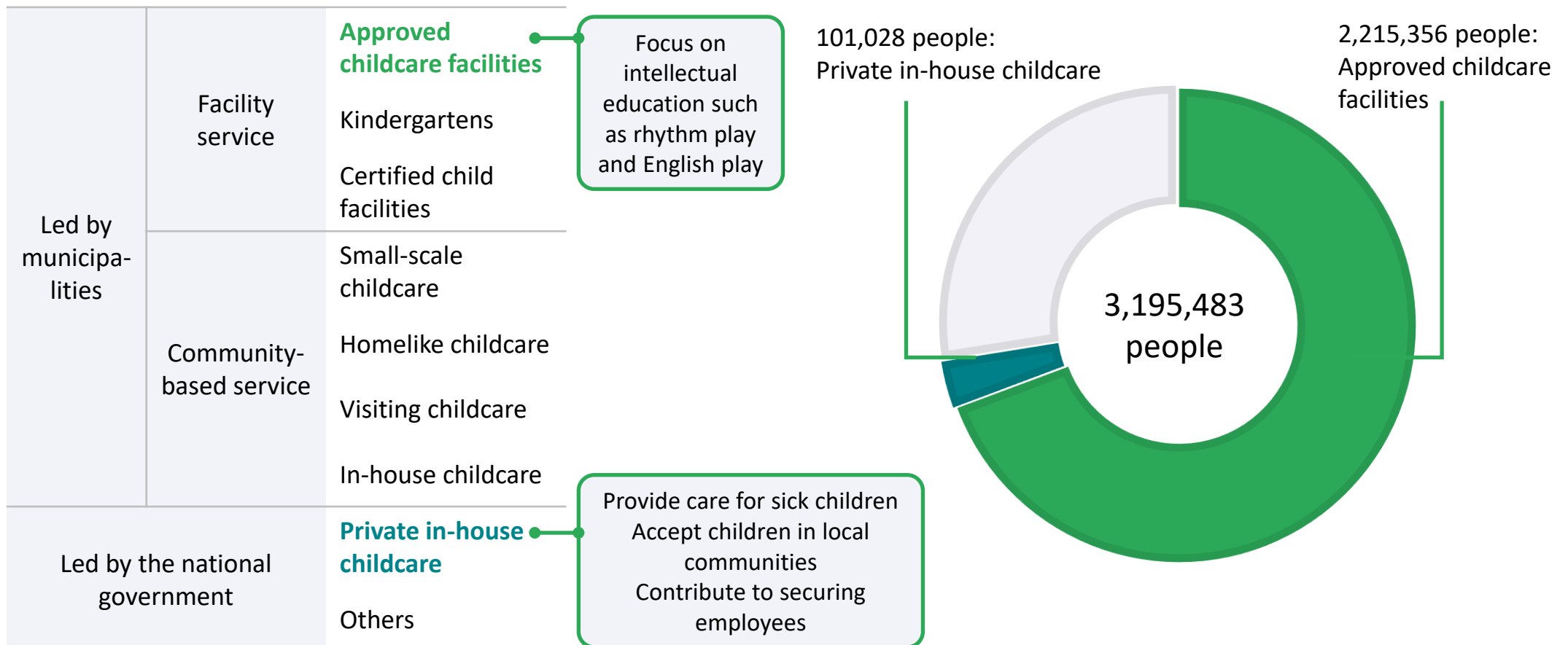
There is a need to improve staff satisfaction and enhance what is provided in childcare services.



Childcare: Our Business Domain

- Conduct childcare business mainly by operating approved childcare facilities
- Provide private in-house childcare services as a complementary business

Our coverage areas in the entire childcare market
Available capacity for childcare (April 1, 2021)

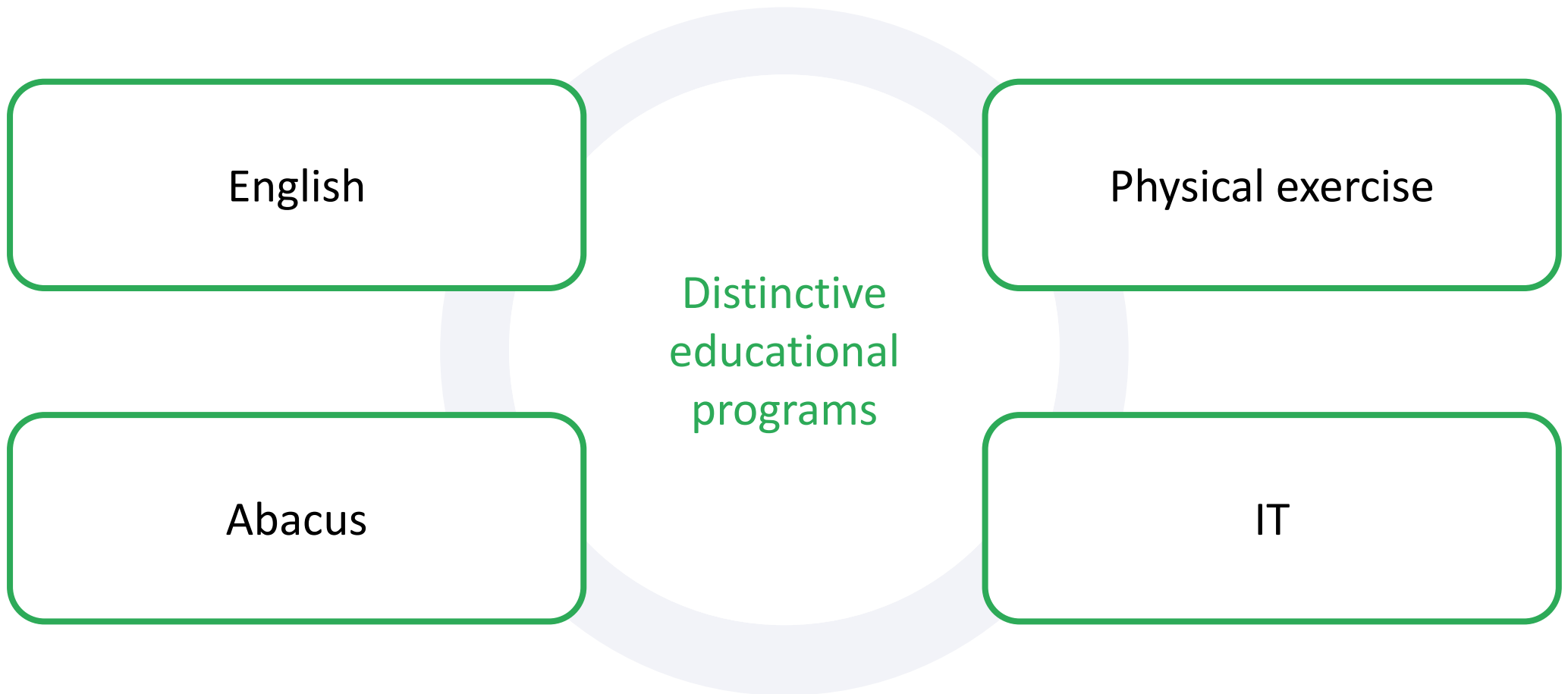


Source: “Materials for the 20th meeting of the Remuneration Revision Study Team for Welfare Services for People with Disabilities by the Remuneration Revision Study Team for Welfare Services for People with Disabilities,” by the Ministry of Health, Labour and Welfare



Childcare: Our Strengths

- Education is emphasized at our approved childcare facilities to attract long-term demand for the enrollment of applicants
- Distinctive programs help recruit childcare workers

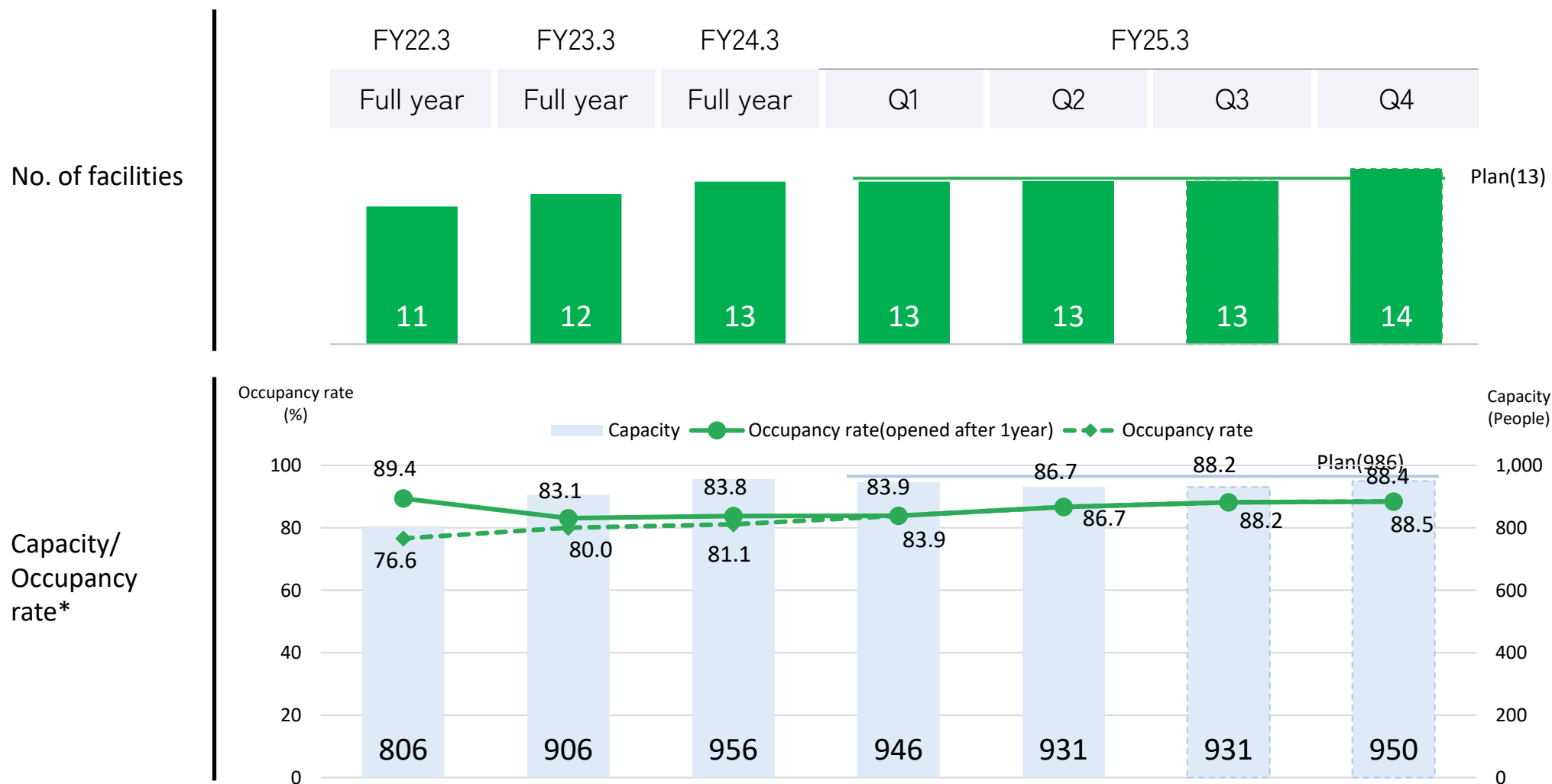




Number of Facilities, Their Capacity and Occupancy Rate

Childcare: Approved childcare facilities

- ✓ Occupancy of the entire facilities is steadily on an upward trend. Will aim to improve the occupancy rate continuously



*Occupancy rate is calculated at the end of each period using the formula to the right.
(For short-term admission for daily life care, the number of facility residents shall be the average number of users obtained by dividing the total number of users by business days.)

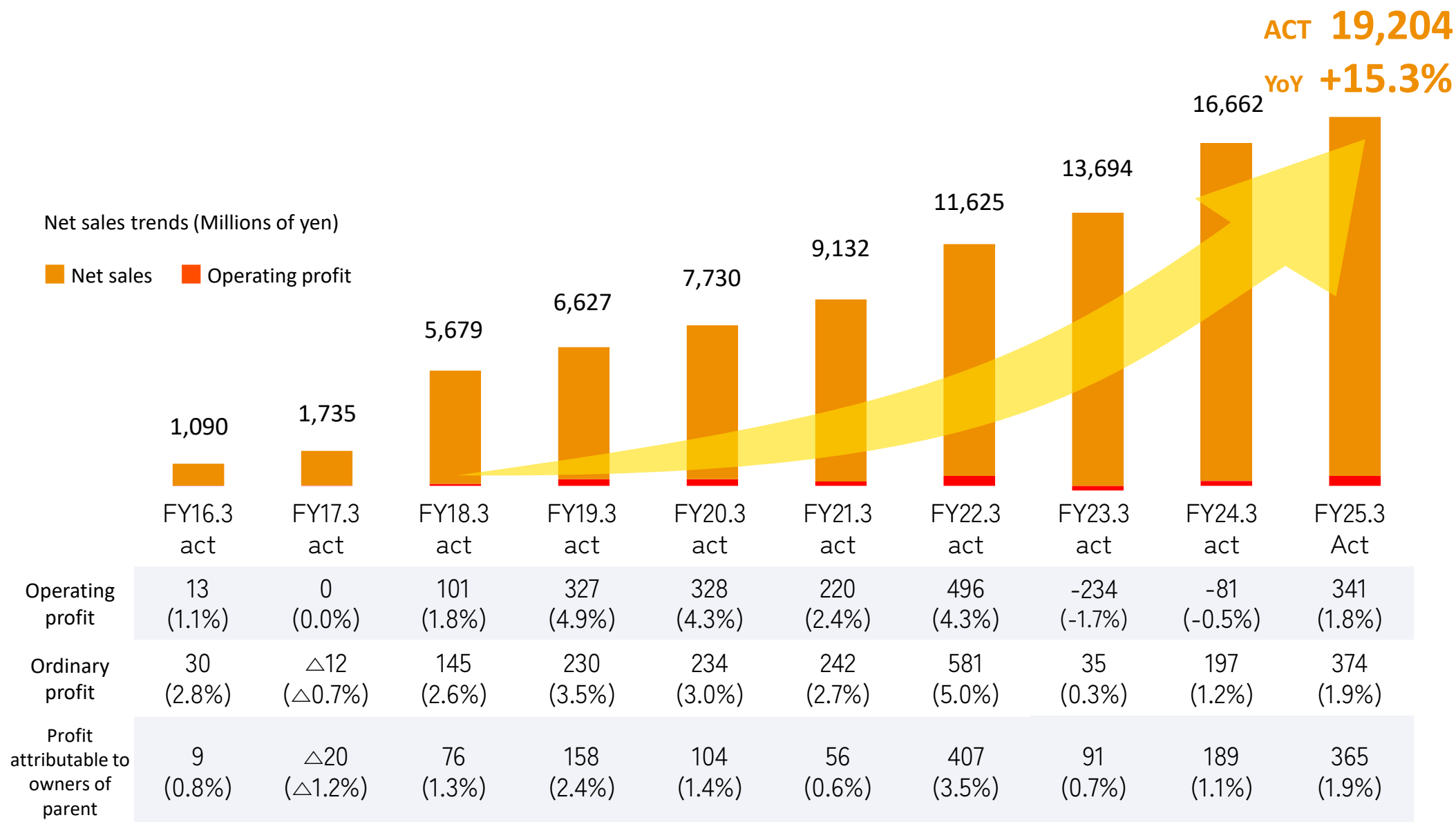
$$\text{Occupancy rate} = \frac{\text{Sum of residents of each facility at end of each month}}{\text{Sum of capacity of each facility}}$$



Sources of Competitiveness



Trends in Net Sales, Operating Profit, Ordinary Profit, Profit Before Income Taxes and Profit

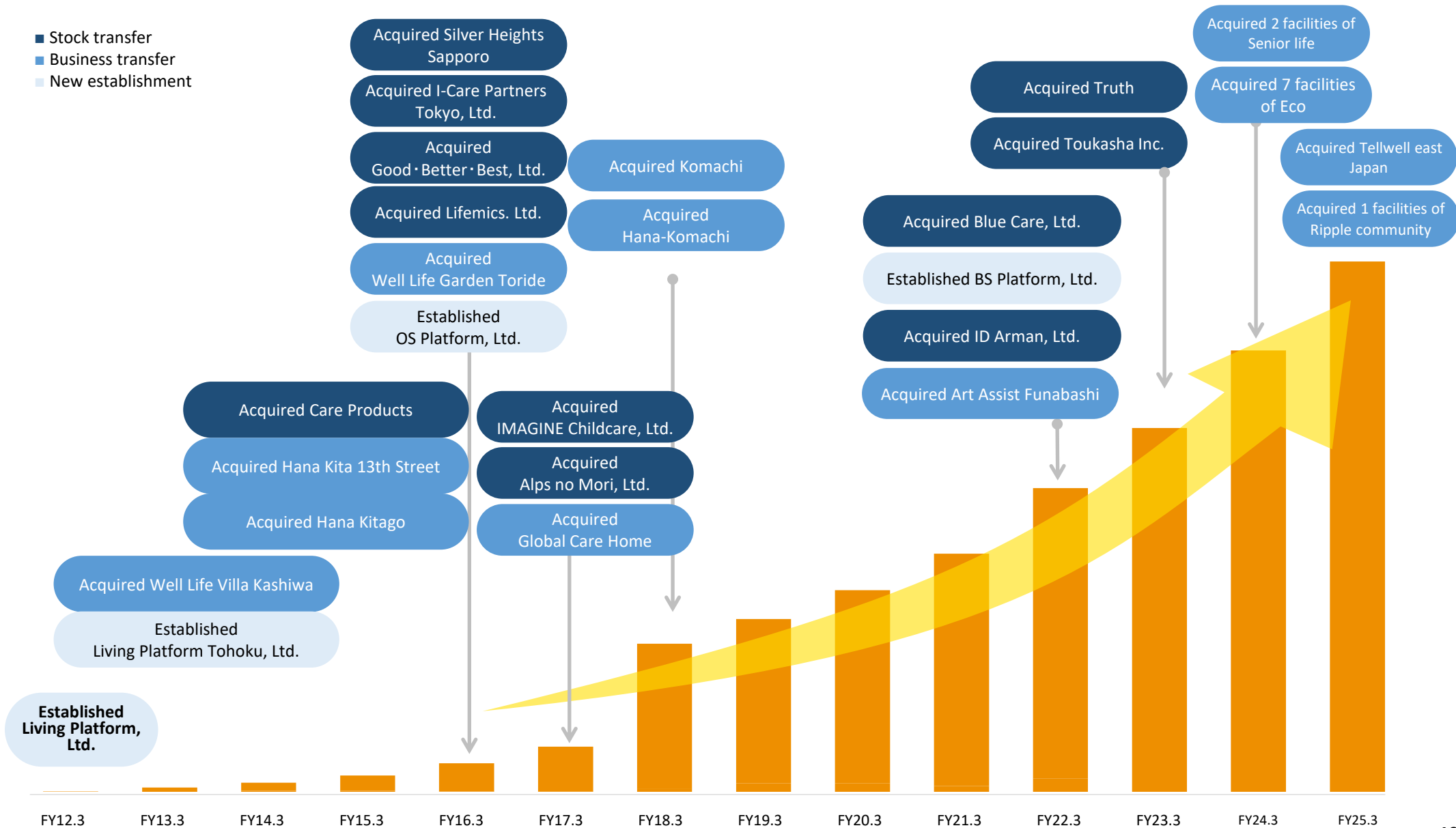


Note: Unconsolidated basis for FY2012 through FY2017 and consolidated basis for FY2018 and thereafter



Expansion through Proactive M&As

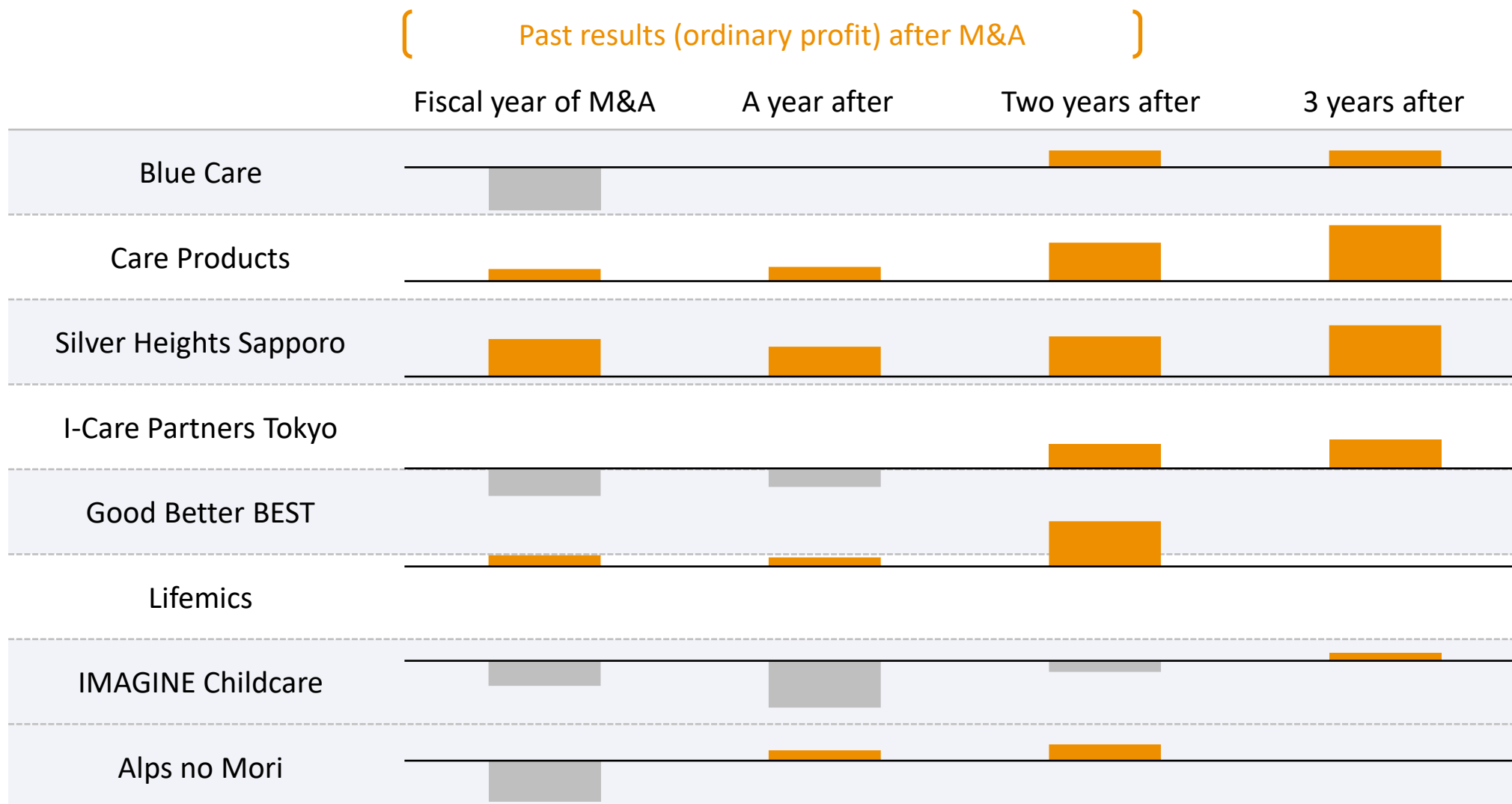
✓ Through in-house development and M&As, have expanded sales





Sources of Growth: Capability for Business Revitalization

Our high capability for business revitalization ensures profitability after M&A.



Source: Internal data *As of March 31, 2024 (excluding those agreed upon but not yet executed)

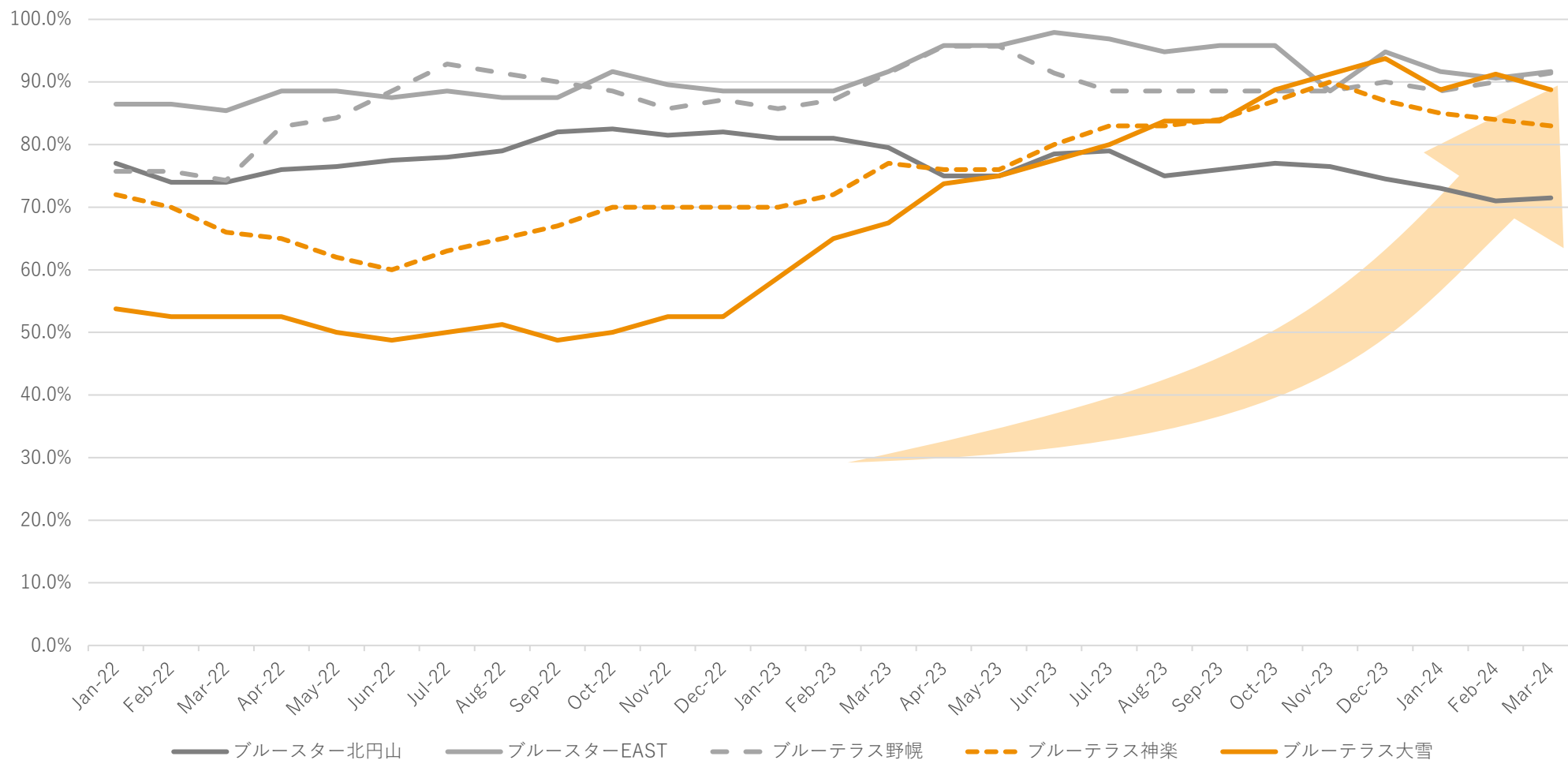
Supplement: In calculating ordinary profit as past results after M&A, indirect costs, sale-and-leaseback effects, etc. were taken into account to make comparisons possible. For those with a short period left in the fiscal year of M&A, the next fiscal year was set as the year of M&A.



M&A後の稼働率改善の例

ブルーケア（2021年10月M&A）

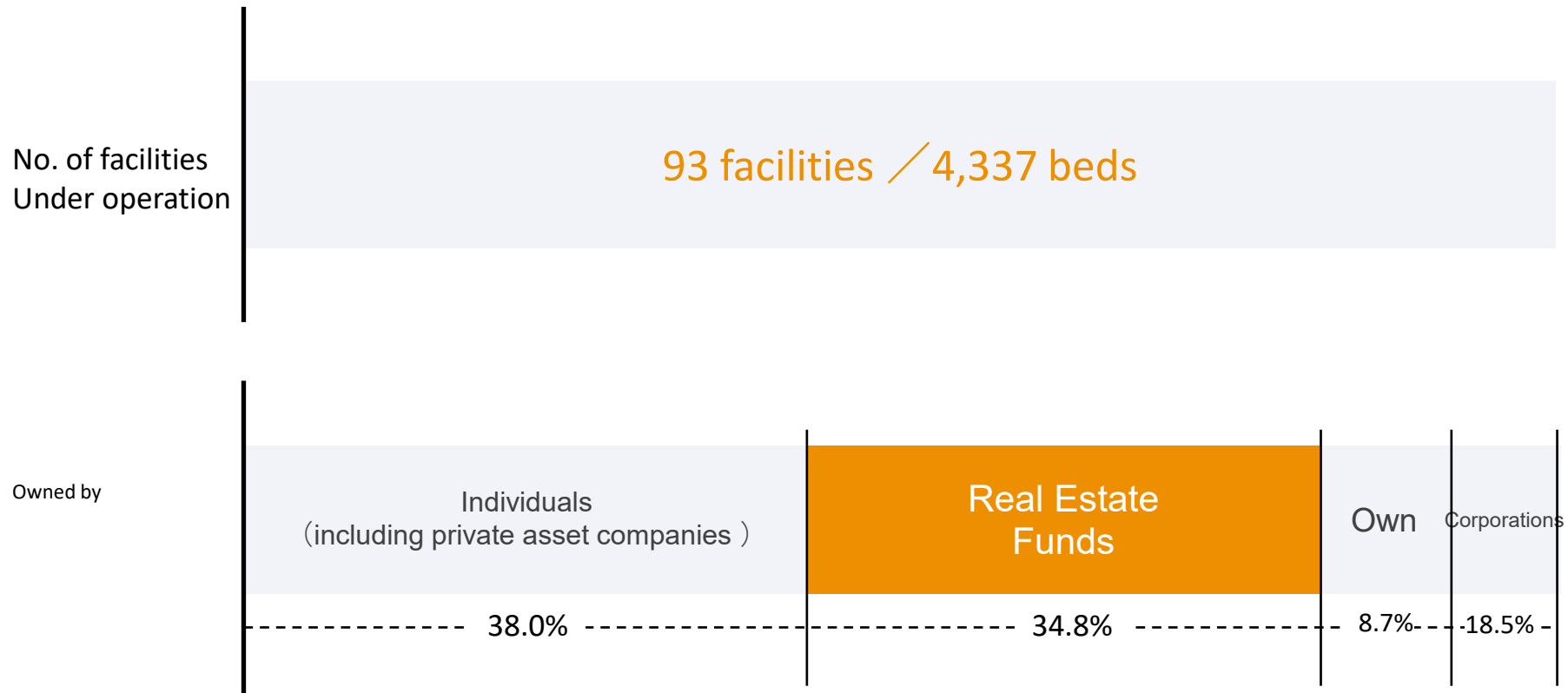
稼働率の推移





Sources of Growth: Proactive Use of Finance

Utilize funds procured from the financial market, etc. to speedily conduct business operations, while also proactively promoting the Company's ownership of facilities depending on the situation.



※2022年5月末時点



Sources of Growth: Securing and Developing Human Resources

Salary	Salary system at a higher level than competitors
Evaluation	Quarterly evaluation conducted
Holidays	Public holidays/paid holidays and consecutive holidays (5 consecutive holidays are recommended)
Location	Located near train stations for the convenience of commuting
Normal retirement age	<ul style="list-style-type: none">• Raise normal retirement age (to 70)• No salary reduction due to retirement age• No reduction in retirement benefits due to timing of retirement
Qualification training	<ul style="list-style-type: none">• Training for beginner elderly care staff• Training for practitioners as certified care workers
Diversity	Active recruitment of any nationality, such as the specified skilled foreign workers



Business Plans



Medium-Term Business Plan 2027

Theme	Resilience Adaptation to change
Management Policies	<ol style="list-style-type: none">1. Building a high-profit business model that responds to inflation From temporary measure to driving structural change2. Promoting retention of diverse talent From recruiting talent to fostering retention3. Utilizing databases From building databases to utilizing them effectively4. Branding From marketing to branding5. Creating sustainability Contributing to the SDGs through our business activities
KPIs	<ol style="list-style-type: none">1. Growth : Sales growth ratio 10%2. Profitability : Operation margin 8%3. Profitability : EBITDA 2,000 mil JPY4. Stability : Capital ratio 20%

Building a high-profit business model that responds to inflation

In response to inflation, we have previously addressed the issue by passing on costs through price increases. However, in order to minimize the impact of such external environmental factors on our business, we plan to expand our business into areas with higher unit prices and profit margins. In addition, since food costs account for 6% of total operating expenses and are particularly susceptible to inflation, we are considering entering the agricultural sector to establish an in-house supply system.

Medical Insurance

Not only will the provision of home-visit nursing care increase revenue, but by enabling early detection of illnesses and avoidance of hospitalization through specialized medical home-visit nursing, it is also expected to facilitate continued care at the facility. This will help avoid the loss of profit that would result from residents leaving the facility.

Expansion of Disability Support services

We are expanding our business into high-demand areas such as daily living care and related services, including behavioral and attendant support. By leveraging our expertise in the nursing care business, we aim to develop fee-based nursing homes where people with disabilities can continue living without having to relocate, even as they age.

Consideration of Entering the Agriculture sector

In the operation of residential facilities, we are considering entering the agriculture sector to produce rice in-house, as rice is particularly difficult to substitute with alternative ingredients. By doing so, we aim to establish a structure that is not affected by inflation.



Promoting retention of diverse talent

Specified Skilled Foreign workers now account for about 9% of our full-time staff, and we are also making progress in hiring new graduates, people with disabilities, and senior workers. However, high turnover rates remain an industry-wide challenge, and there is a constant shortage of personnel. We will continue to actively recruit diverse human resources and support employees in obtaining necessary qualifications to further expand our potential hiring pool. In addition, we will implement measures to maintain motivation in order to reduce the turnover rate.

Specified Skilled Foreign Workers

The turnover rate is 9.2%, which is lower than the industry average of approximately 15%, making our efforts effective in securing personnel. In addition to supporting the acquisition of the certified care worker qualification, we will further promote support for obtaining nursing qualifications within Japan

Career Transition

Although the employment of Specified Skilled Foreign workers is not permitted in the childcare business, we are promoting initiatives to train retired athletes as childcare workers as part of their career transition after retiring from sports.

eNPS

In order to reduce the turnover rate, we will address issues identified through employee satisfaction surveys. By doing so, we aim to lower the turnover rate, improve employee retention, and provide higher quality services.

Utilizing databases

By the end of FY25.3, the recruitment and employee database had been largely completed. Although our recruitment costs have already been among the lowest in the industry, this will enable even more efficient hiring. By implementing talent management, we aim to provide appropriate training, foster development, and optimize staff placement, thereby reducing turnover and improving retention. We are also developing our customer database, which will contribute to better marketing and service quality.

Talent Management

By assessing employees' abilities and providing training programs tailored to those abilities, we aim to maintain their motivation and foster their development.

Recruitment Optimization

By monitoring the number of applications and hires for each recruitment channel, and focusing on the more efficient channels, we aim to further optimize recruitment costs.

Customer Database

We are building a database that allows us to seamlessly track each customer's status before and after moving in. This will help us improve customer satisfaction and propose appropriate services tailored to each customer's needs.



Branding

Based on data captured from our customer database, analysis of our own website, and third-party research, we aim to effectively communicate our strength—high-quality service—to the mainstream market segment we are targeting. By delivering a consistent message across all touchpoints, we will strengthen our branding and strive to become the top-of-mind group in the area.

Branding

We will consistently promote our core strength—high-quality service—to the target customers in the mainstream segment. In addition, by thoroughly implementing our six behavioral guidelines, we aim to create a unified brand image across all touchpoints

Utilization of Official Website

We will increase traffic to our website through online advertising in order to boost the contract rate for deals that do not involve referral fees. Communication via the social media accounts launched by each facility since 2022 has contributed to both new resident acquisitions and recruitment, and we will continue to actively use these channels.

Customer Database

We are building a customer database starting from the inquiry stage, allowing us to understand the channels through which customers reach us and the key factors in their decision to move in. By leveraging this information, we will develop data-driven marketing strategies.

KPI Status

Growth

Sales growth ratio

10%

FY2025.3 act
15.3%

FY2028.3 fct
13.0%

Profitability

Operating margin

8%

FY2025.3 act
1.8%

FY2028.3 fct
7.2%

Profitability

EBITDA

2,000
mil JPY

FY2025.3 act
775_{mil JPY}

FY2028.3 fct
2,412_{mil JPY}

Stability

Capital ratio

20%

FY2025.3 act
16.7%

FY2028.3 fct
29.3%



Medium-term Business Plan

Balance sheet

- ✓ In anticipation of interest rate hikes, we are working to establish a system that allows us to repay borrowings at any time. To achieve this, we are focused on rapidly accumulating profits so that the combined value of our land, buildings, and cash and deposits exceeds our outstanding borrowings

	FY26.3			FY27.3			FY28.3		
	Previous Plan (2024.05)	Updated Plan	Difference	Previous Plan (2024.05)	Updated Plan	Difference	Previous Plan (2024.05)	Updated Plan	Difference
Current assets	5,369	4,339	△ 1,030	6,452	5,501	△ 951	-	7,847	-
(Cash and cash equivalents)	2,281	1,169	△ 1,112	3,211	1,924	△ 1,287	-	3,858	-
Non-current assets	8,072	8,726	654	7,931	8,336	405	-	7,959	-
(Land and buildings)	2,813	4,817	2,004	2,864	4,672	1,808	-	4,525	-
Total assets	13,441	13,065	△ 376	14,383	13,837	△ 546	-	15,806	-
Current liabilities	4,975	3,263	△ 1,712	5,108	3,805	△ 1,303	-	4,330	-
Non-current liabilities	5,260	7,455	2,195	4,661	6,890	2,229	-	6,810	-
Total liabilities	10,235	10,718	483	9,768	10,696	928	-	11,140	-
Shareholders' Equity	3,206	2,346	△ 860	4,615	3,141	△ 1,474	-	4,665	-
Total liabilities and shareholders' equity	13,441	13,065	△ 376	14,383	13,837	△ 546	-	15,806	-
			0			0			
Capital ratio	23.9%	17.7%	△ 0	32.1%	22.5%	△ 0	-	29.3%	-
Long / short Term borrowings	3,518	5,895	2,377	2,885	5,135	2,250	-	4,826	-



Medium-term Business Plan

PROFIT AND LOSS STATEMENT

For FY26.3, the delay in improving existing businesses in the nursing care and disability support sectors is causing a significant downward pressure on profits for the full year.

For FY27.3, we are positioning it as the inaugural year for developing a new business model for the disability support business that can withstand rising construction and other costs, and we anticipate a significant downward revision of profits compared to previously announced forecasts.

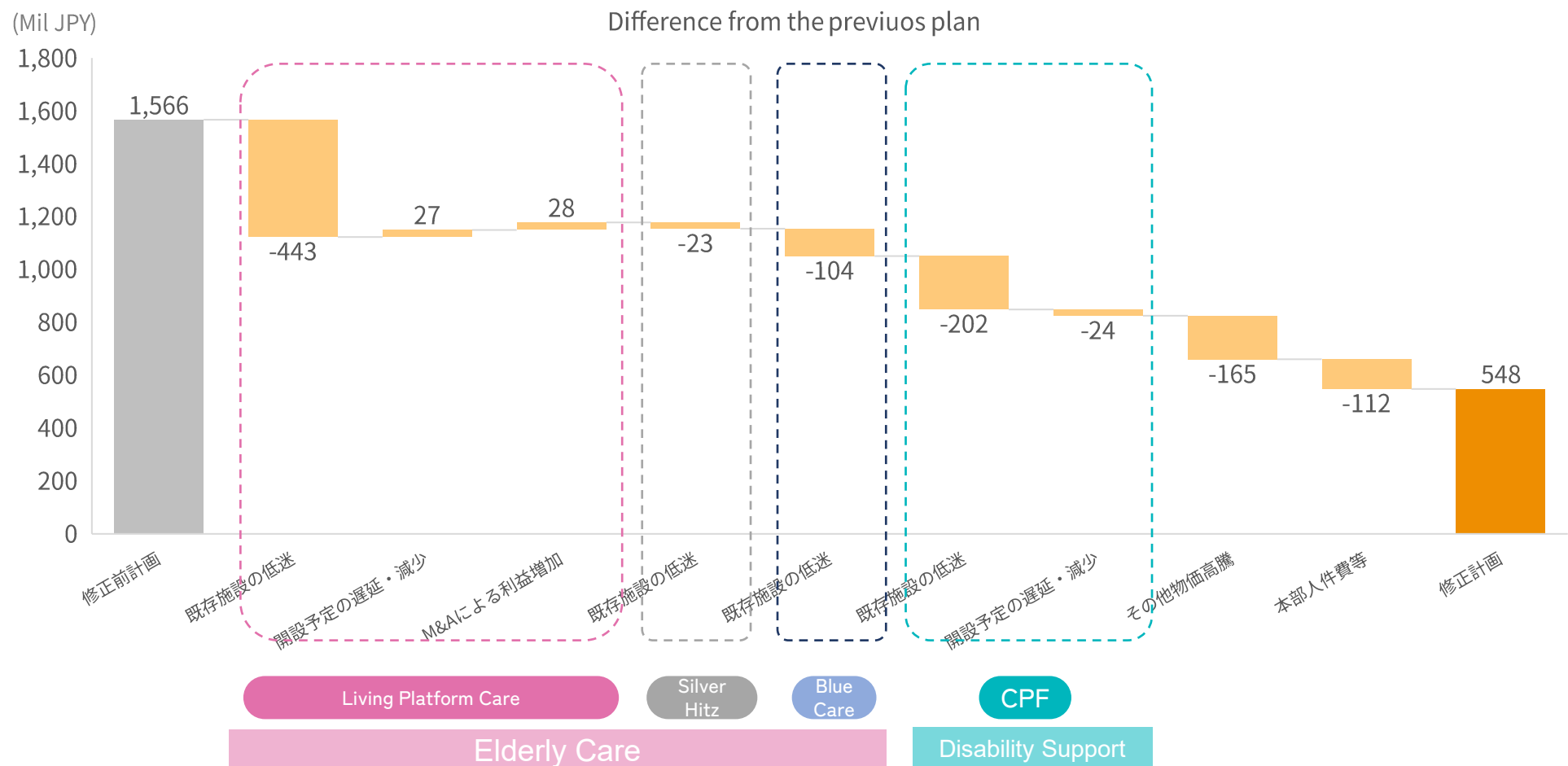
For FY28.3, we expect contributions to profits from the disability support business developed in the previous year and anticipate that profits will double.

	FY26.3			FY27.3			FY28.3		
	Previous Plan (2024.05)	Updated Plan	Difference	Previous Plan (2024.05)	Updated Plan	Difference	Previous Plan (2024.05)	Updated Plan	Difference
Sales	21,496	21,495	△ 1	23,660	24,307	647	-	27,466	-
Operating Income	1,566	547	△ 1,019	2,041	1,084	△ 957	-	1,978	-
%	7.3%	2.5%		8.60%	4.5%			7.2%	
Ordinary profit	1,571	488	△ 1,083	2,034	1,120	△ 914	-	2,026	-
%	7.3%	2.3%		8.6%	4.6%			7.4%	
Profit before income tax	1,562	488	△ 1,074	2,034	1,120	△ 914	-	2,026	-
%	7.3%	2.3%		8.6%	4.6%			7.4%	
Net Income attributable to owners of parent	1,117	318	△ 799	1,408	722	△ 686	-	1,452	-
%	5.2%	1.5%		6.0%	3.0%			5.3%	



Factors behind the decrease in operating profit : FY26.3

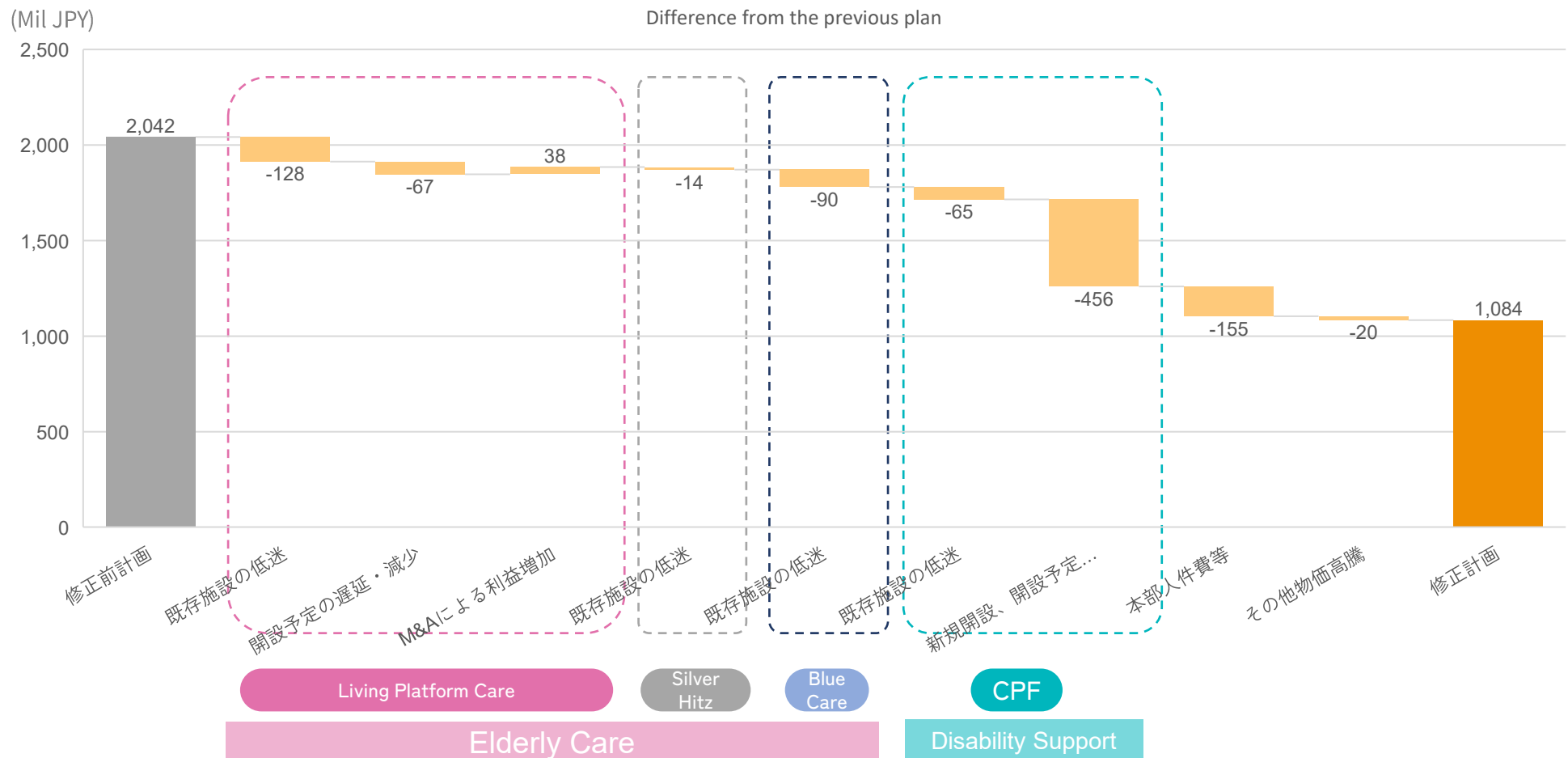
- ✓ Some large new facilities are taking longer than expected to stabilize, but we expect them to turn profitable within this fiscal year.
- ✓ Utility and food costs have been estimated conservatively; if there are significant increases, we plan to offset them through price adjustments.
- ✓ Price adjustments for rising food costs are scheduled after May 2025, but these have not been factored into the current business plan.





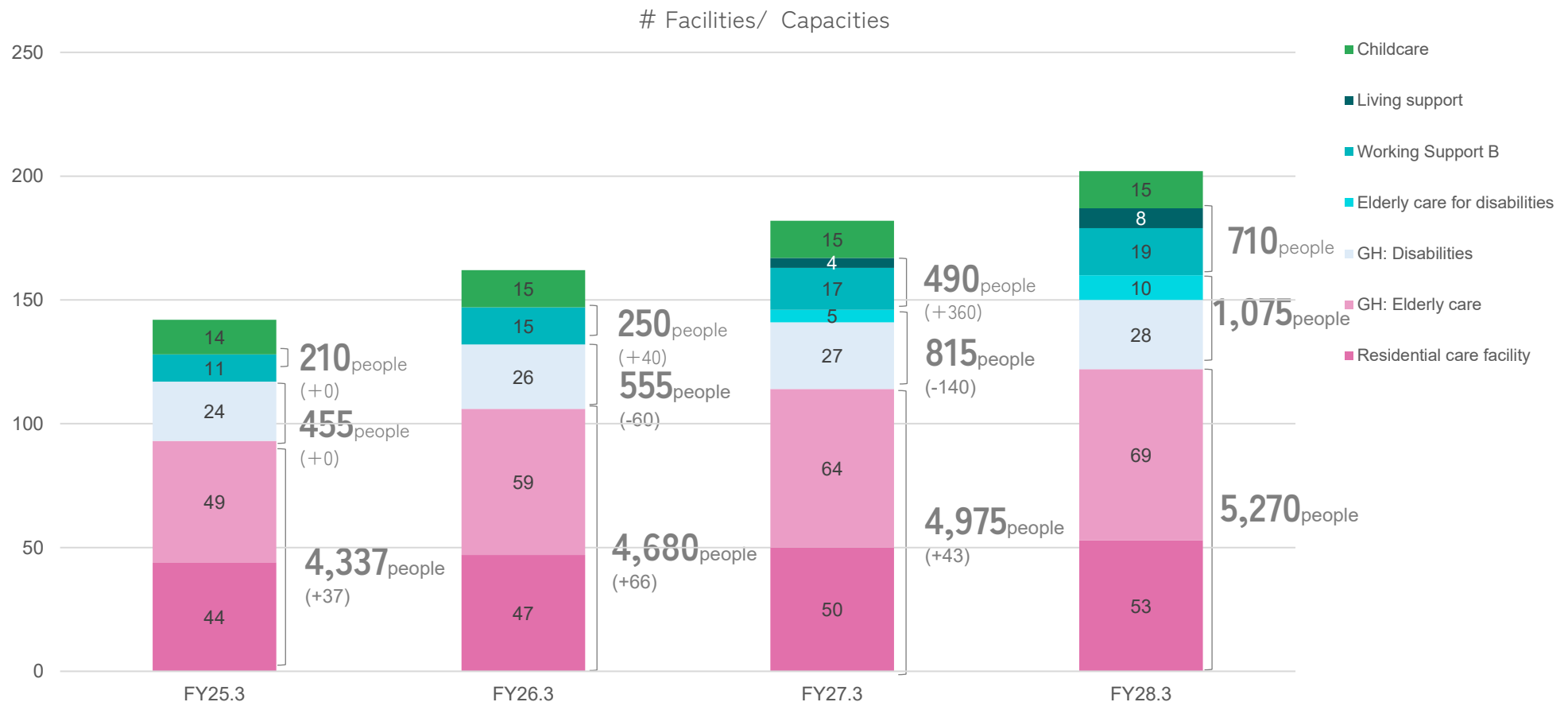
Factors behind the decrease in operating profit : FY27.3

- ✓ As we have decided to launch a new business (fee-based nursing homes) within our disability support operations, construction costs for five facilities will be incurred in FY27.3, and these are expected to start contributing to profits from FY28.3 onward
- ✓ While the underperformance of existing facilities will continue to have some impact, we expect them to gradually stabilize in FY27.3



Development Plan

- ✓ Elderly care: Add 29 facilities with 933 capacities by the end of FY28.3, **+21.5%**(vs FY25.3)
- ✓ Disabilities support: Add 30 facilities with 1,120 capacities by the end of FY28.3, **+168.0%**(vs FY25.3)
- ✓ Child care: No plan for new development, focus on improving programs and raising eNPS



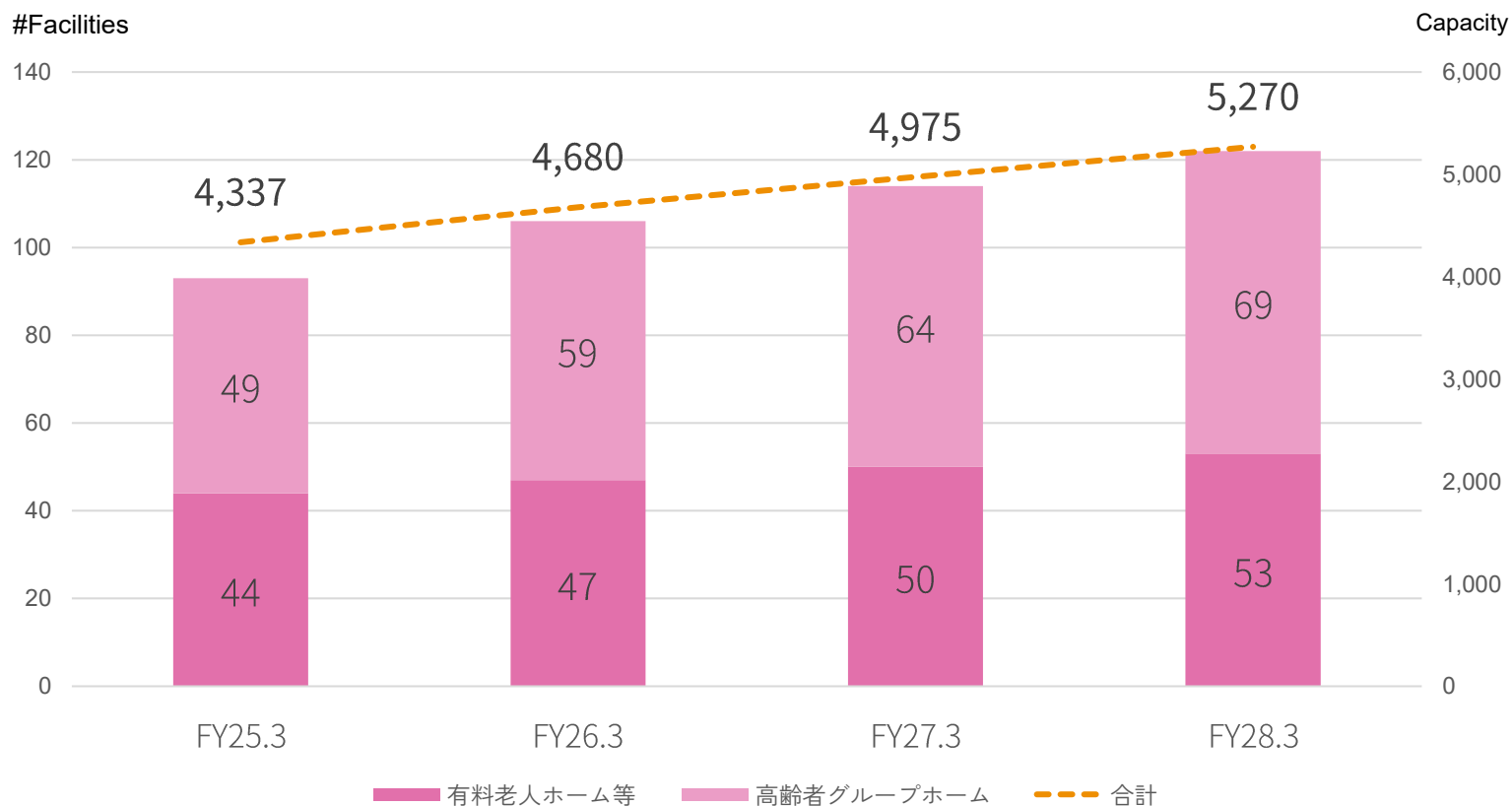


Elderly Care : Development Plan

Directions

Due to rising construction costs, we plan to limit the opening of new facilities and instead pursue growth through M&A, although this is not reflected in the business plan. In addition, starting from FY26.3, we will begin providing home nursing services covered by medical insurance and partially internalize medical home nursing operations.

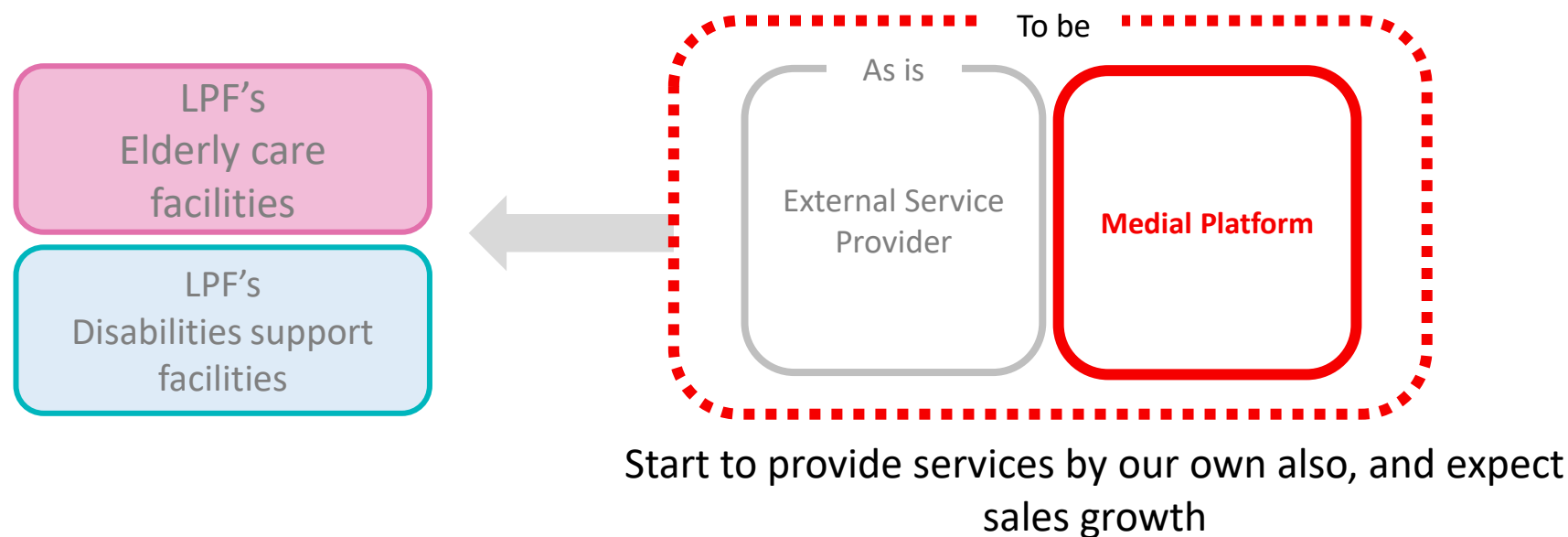
Act. / Plan





Start of home nursing care with medical insurance

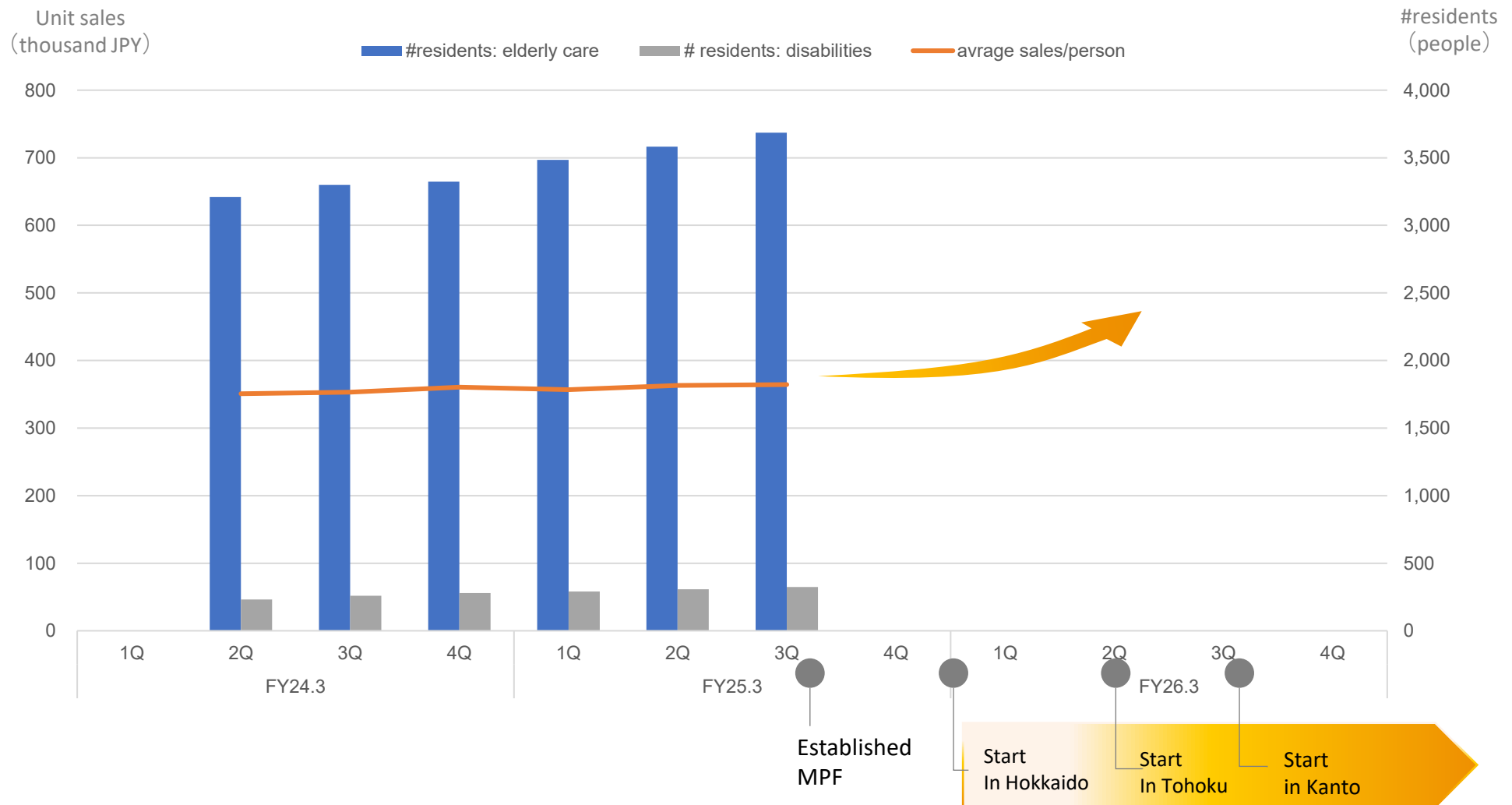
- ✓ Established a subsidiary Medical Platform specializing in medical care in November 2024. The home nursing service covered by medical insurance has so far been provided by an external service, but the company will also provide its own service.
- ✓ Services will be provided sequentially from January 2025 onward. It will convey not only increasing in sales but also avoiding leaving such as early detection of illnesses and avoidance of hospitalization in the event of acute deterioration.





Start of home nursing care with medical insurance

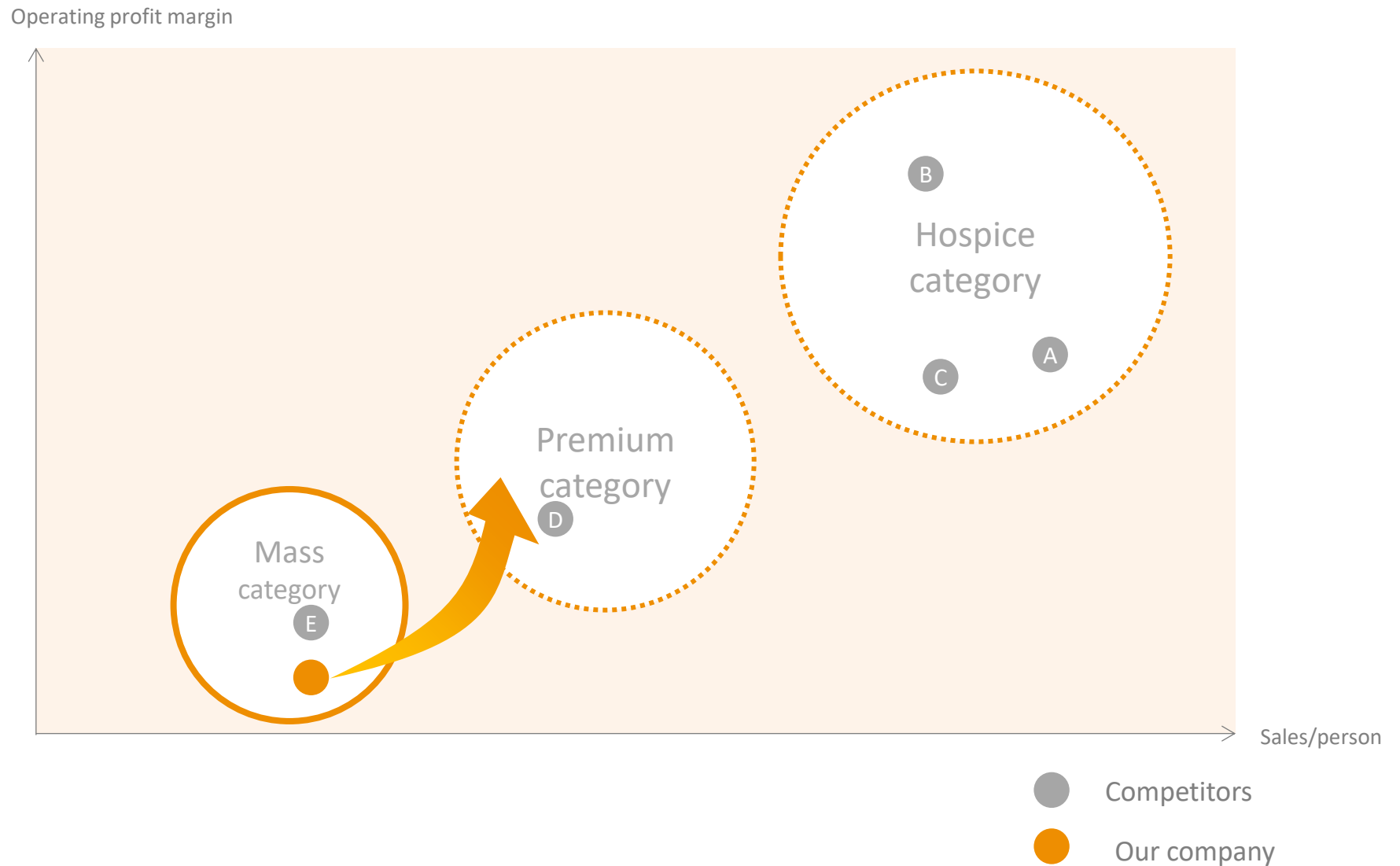
- ✓ 20% of all residents are expected to be eligible for the home nursing service for medical support by making it an in-house service provision.





home nursing care with medical insurance

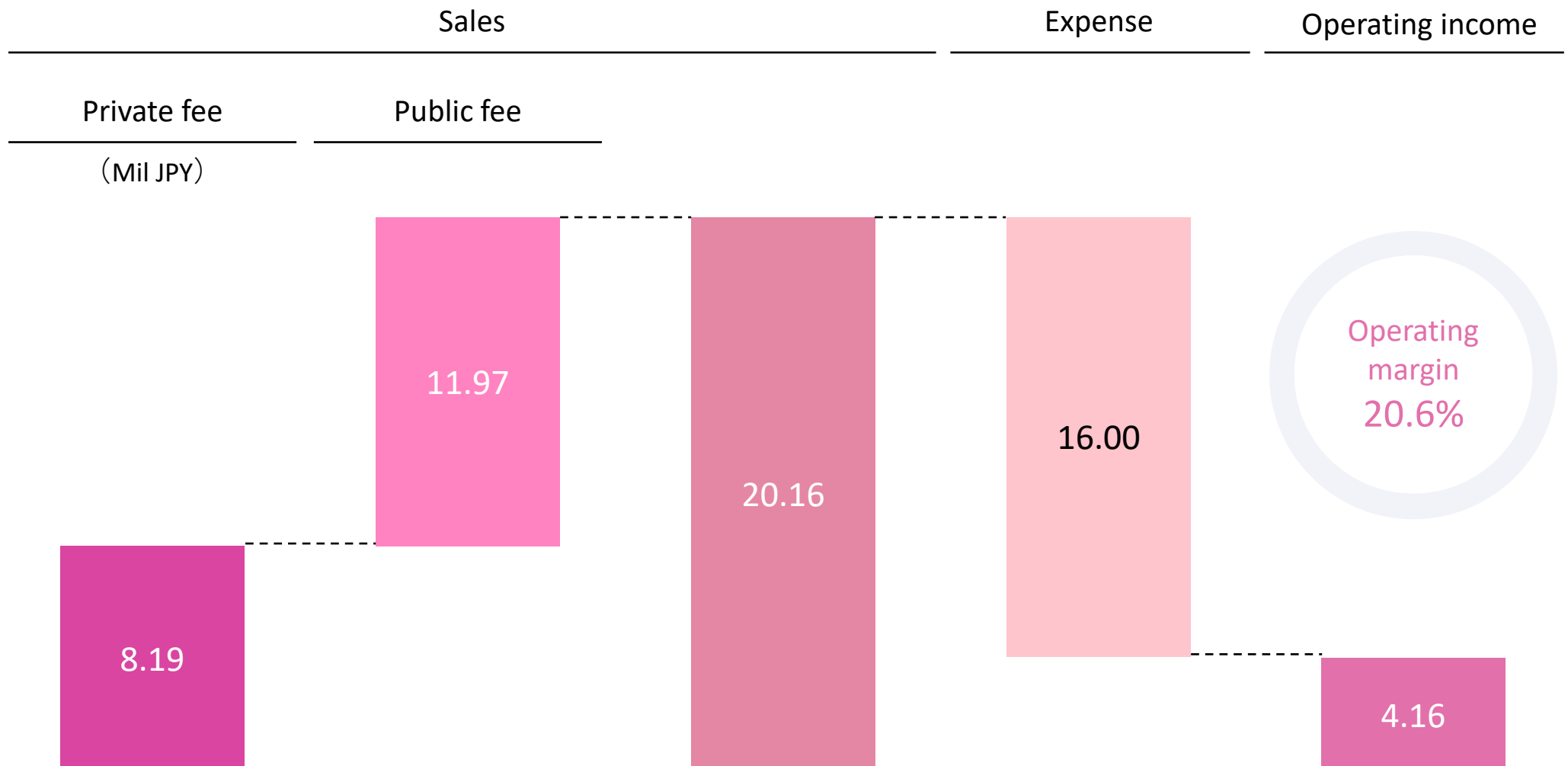
- ✓ The amount of sales/person and the operating profit margin are expected to be raised with the start of Medical Platform business.





Profit Model : Elderly Care

Tokutei (In case of 90% occupancy of 70 capacity facility, Monthly)

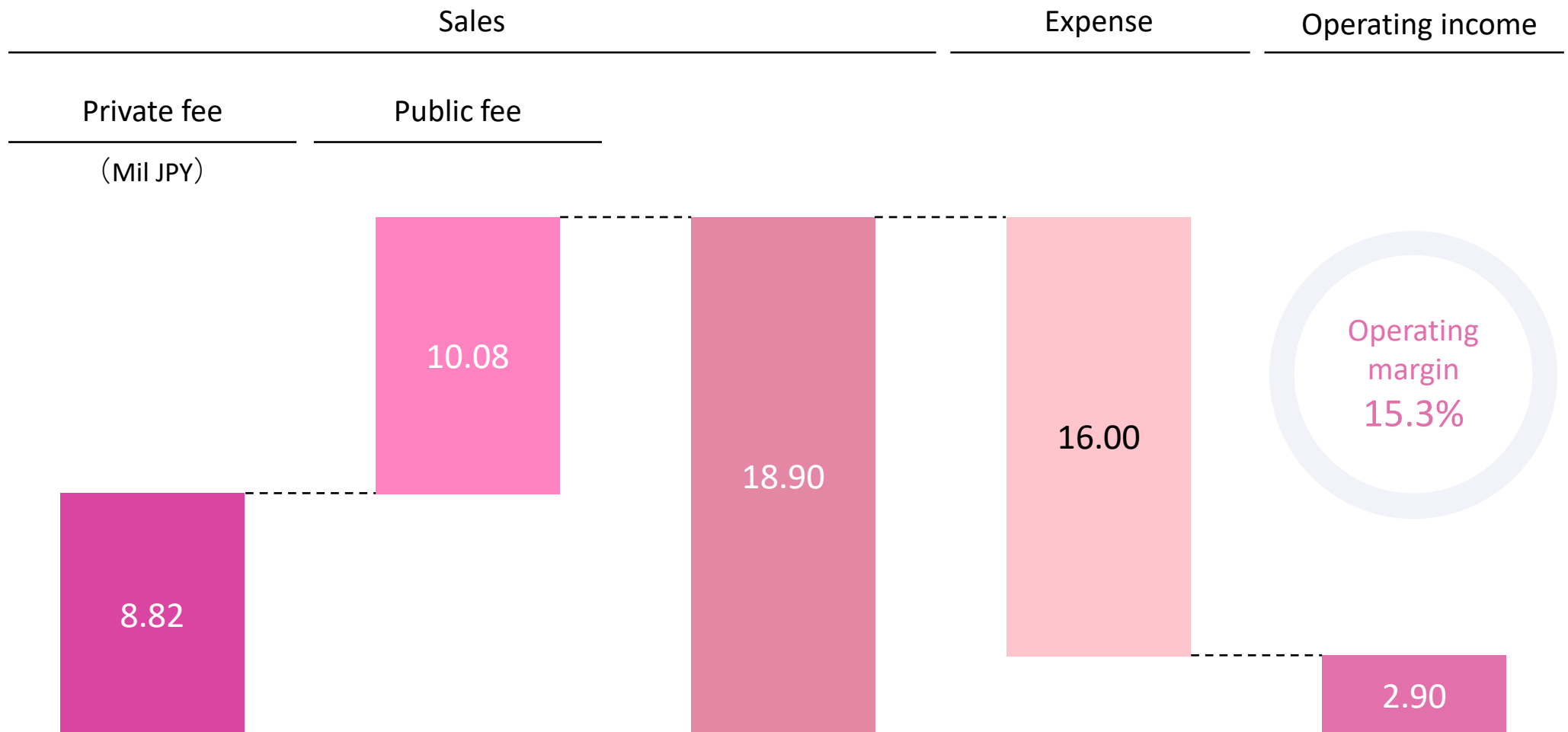


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Profit Model : Elderly Care

Residential care (In case of 90% occupancy of 70 capacity facility, Monthly)

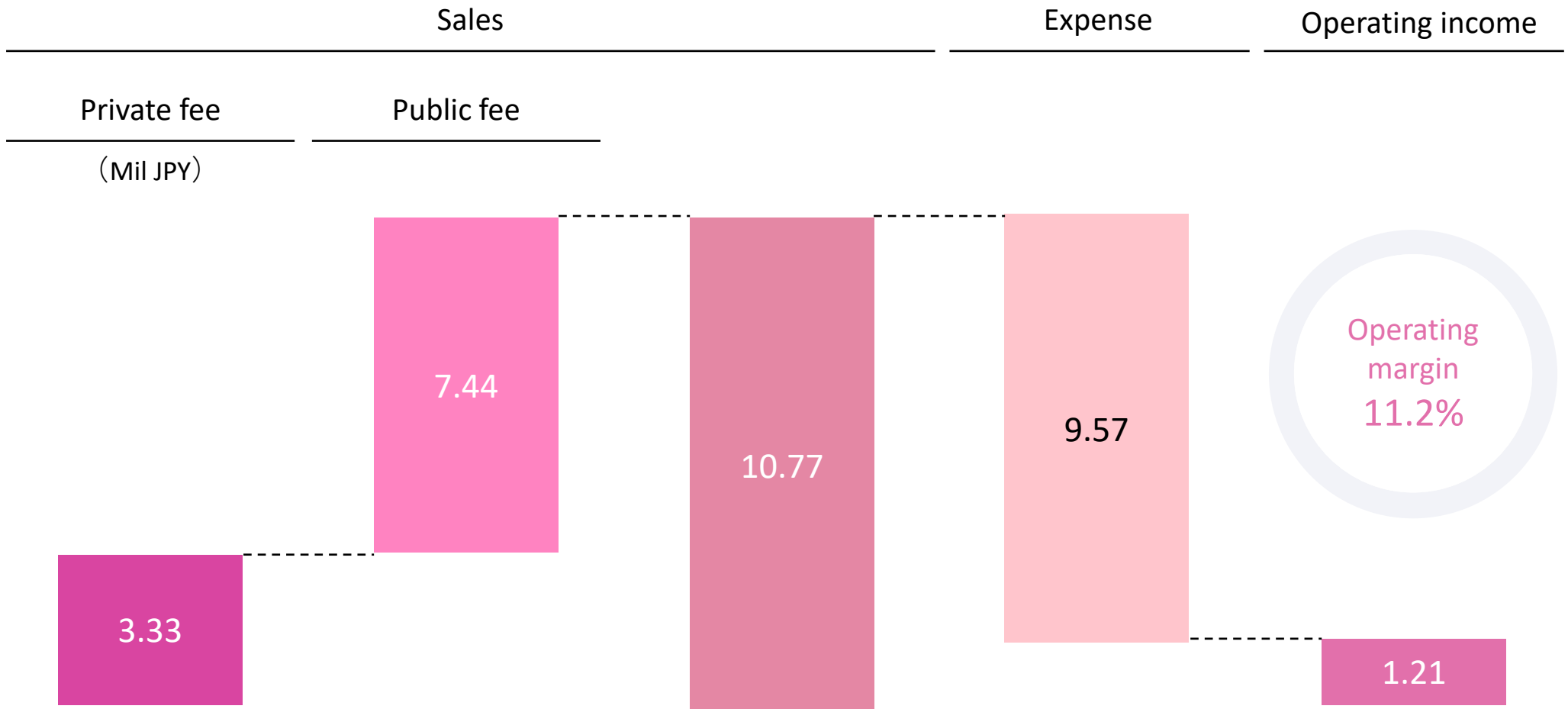


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Profit Model : Elderly Care

Group home (In case of 95% occupancy of 27 capacity facility, Monthly)



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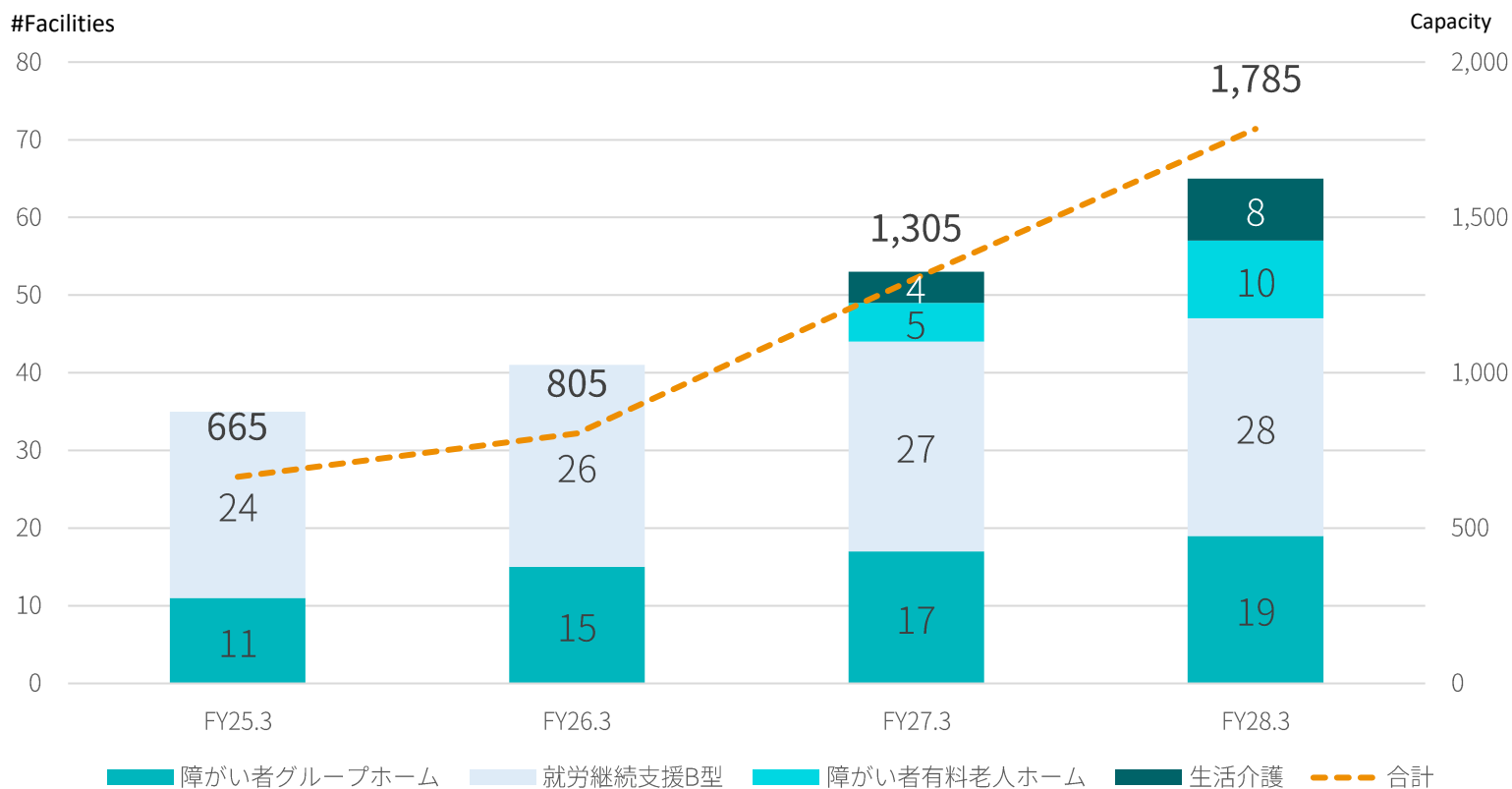


Disability Support : Development Plan

Directions

While continuing to develop existing group homes and working support Type B, we will launch fee-based nursing homes and daily life care services as new business formats from FY27.3 onward.

Act. / Plan



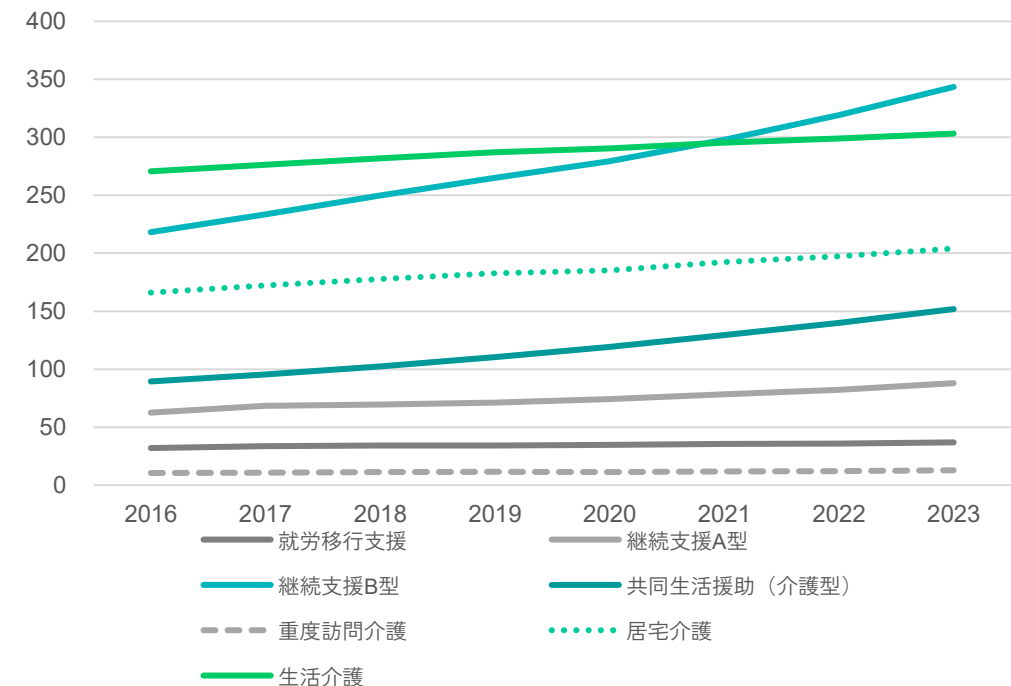
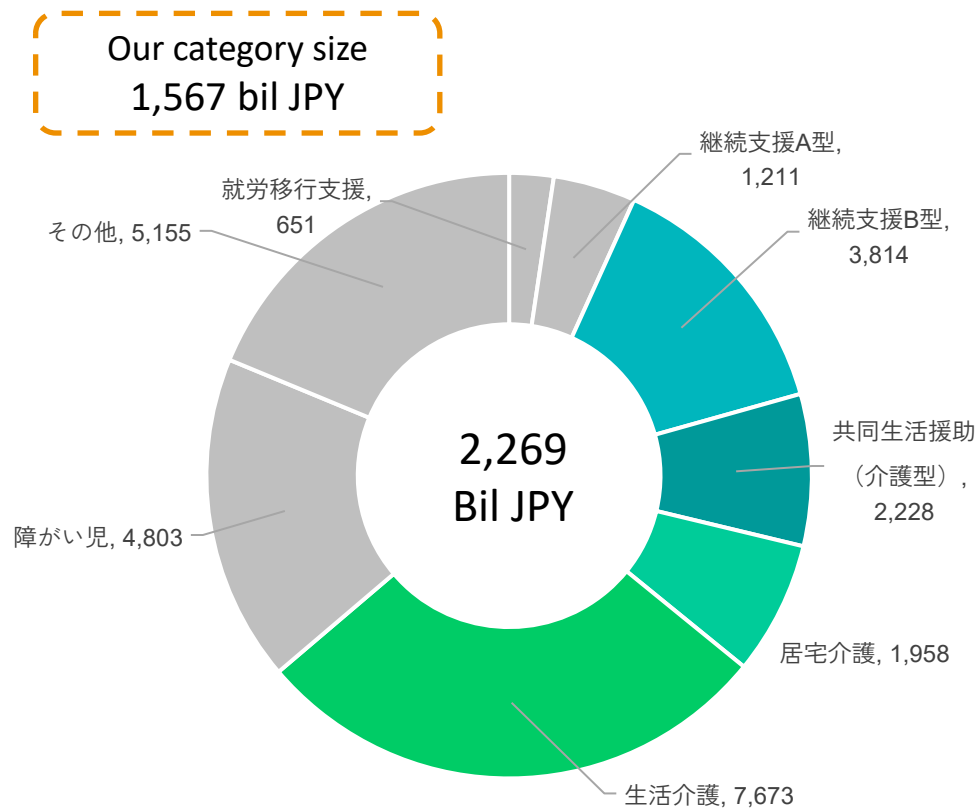


Expanding business category of disabilities support

- Restart new opening of “support to work type B” as the business condition has been improved since 2024
- Expand the business category towards “living assistance” and its related daily services
- Will open residential elderly care facility for disabilities in accordance with their ageing

Market size in 2020

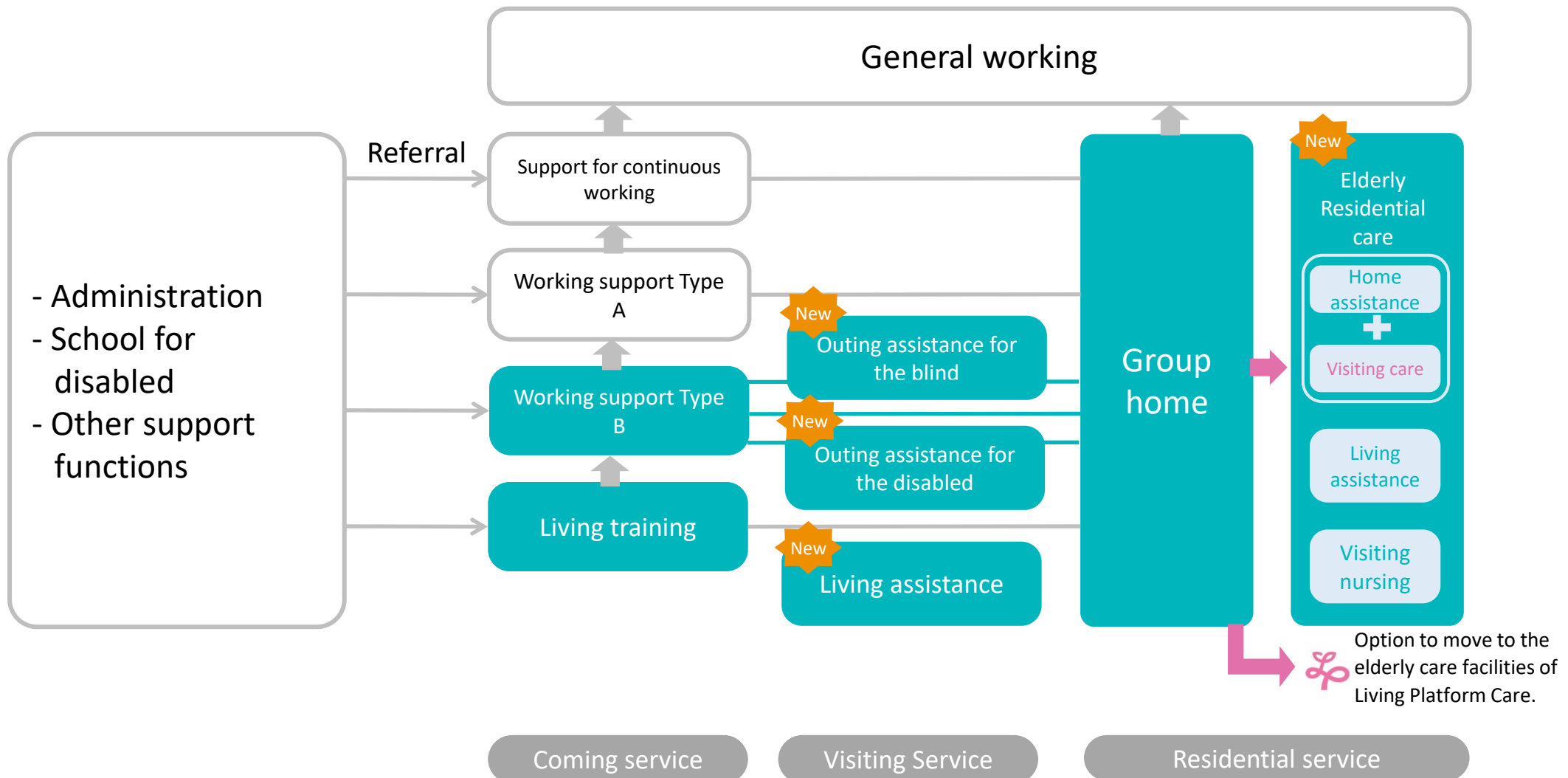
Trend of number of users





Expanding business category of disabilities support

- Start wide range of services in accordance with expanding demanding for disabilities
- Will open residential facility for elder disabilities





Refference : descriptions of services

Visiting

Daily assistance at home

Provide assistance with bathing, toileting, meals, etc.

Intensive daily assistance at home

For people with severe limb disabilities or severe intellectual or mental disabilities who have significant difficulties in their daily activities and require constant care, we provide comprehensive care at home, including bathing, toileting, meal assistance, transportation assistance when going out, and support during hospitalization.

Outing assistance for the blind

Provide assistance to the blinds who have strong difficulties for outing

Outing assistance for the disabled

Provide assistance to those who lack the decision-making ability to avoid dangerous situations.

Counseling

Consultations regarding difficulties in daily life for people with disabilities, and propose appropriate support measures for all aspects of daily life.

Day-time Services

Living Assistance

Providing daytime care such as bathing, toileting, and feeding to people who require constant care, as well as opportunities for creative and productive activities.

Facility

Assistance at facilities

Provide bathing, toileting, meals during night and weekends.

Living Support

Home assistance

In order to supplement the understanding and life skills necessary for living alone, we provide support for daily life through regular home visits and ad hoc assistance.

Group home

Provide residence and daily care services including counseling, bating, toileting, feeding, etc.

Training / Working Support

Functional training

Conduct training necessary for maintaining and improving physical functions for a certain period of time so that patients can live independently in their daily and social lives.

Life training

Provide support and training necessary for maintaining and improving physical functions for a certain period of time so that patients can live independently in their daily and social lives.

Working support at companies

Provide training necessary to improve the knowledge and skills required for employment to those who wish to work in general companies, etc., for a certain period of time.

Type A working support

Providing employment opportunities to people who have difficulty finding work in general companies, etc., and conducting training necessary for improving their abilities, etc.

Type B working support

Providing employment opportunities to people who have difficulty finding work in general companies, etc., and conducting training necessary for improving their abilities, etc.

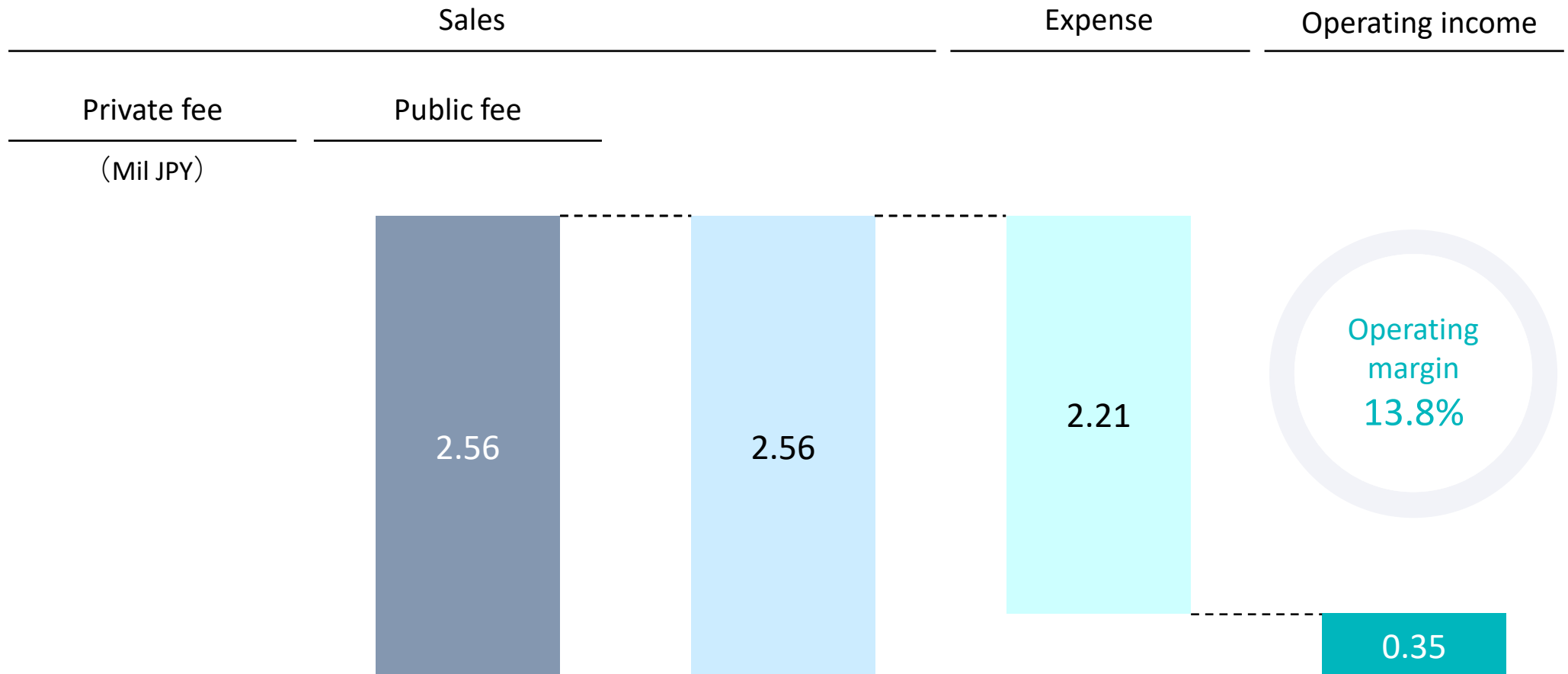
Support for continuous working

Provide support to people who have transitioned to regular employment to help them deal with lifestyle issues related to their work.



Profit Model : Disabilities Support

Support to work, Type B (In case of 80% occupancy of 20 capacity facility)

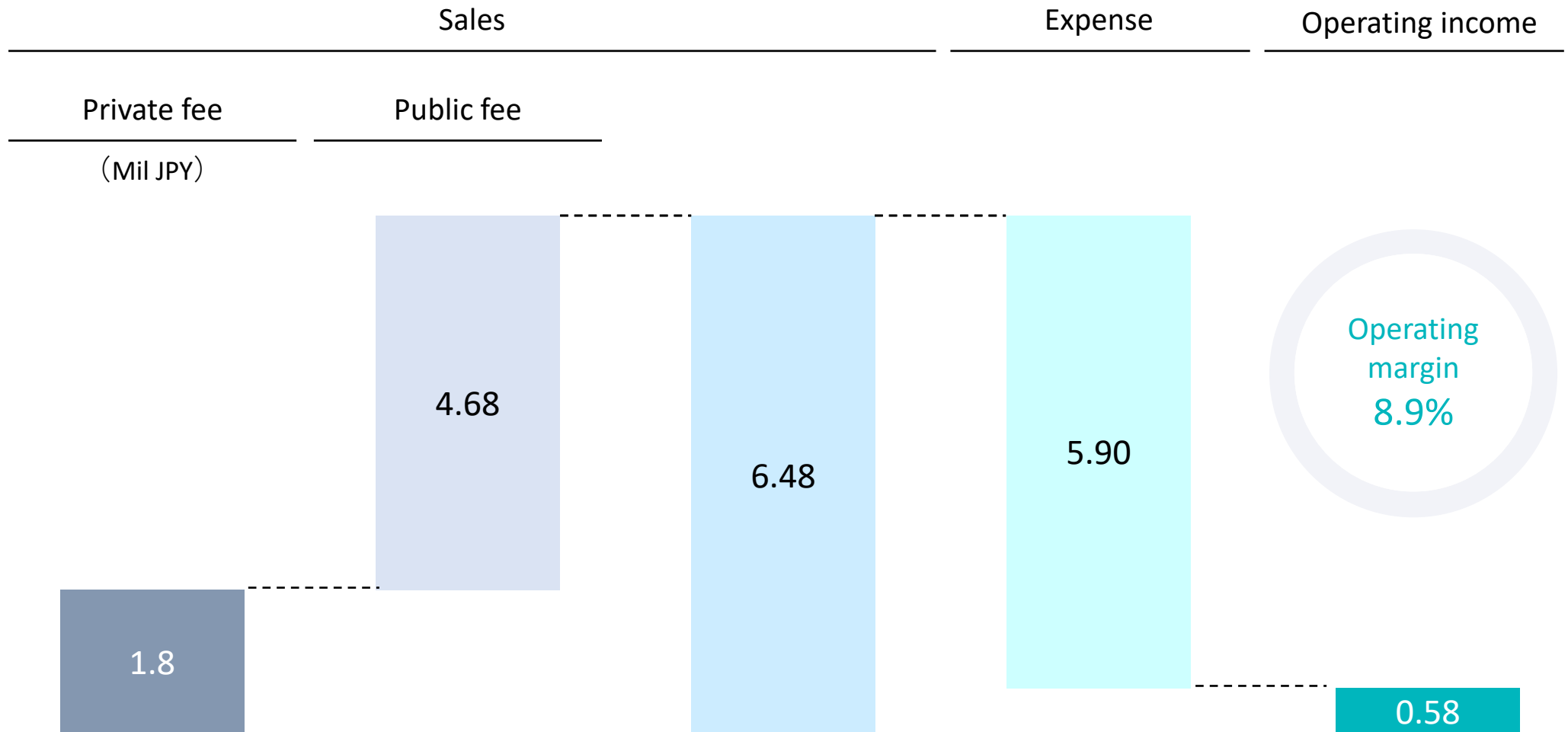


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Profit Model : Disabilities Support

Group home(In case of 90% occupancy of 20 capacity facility)

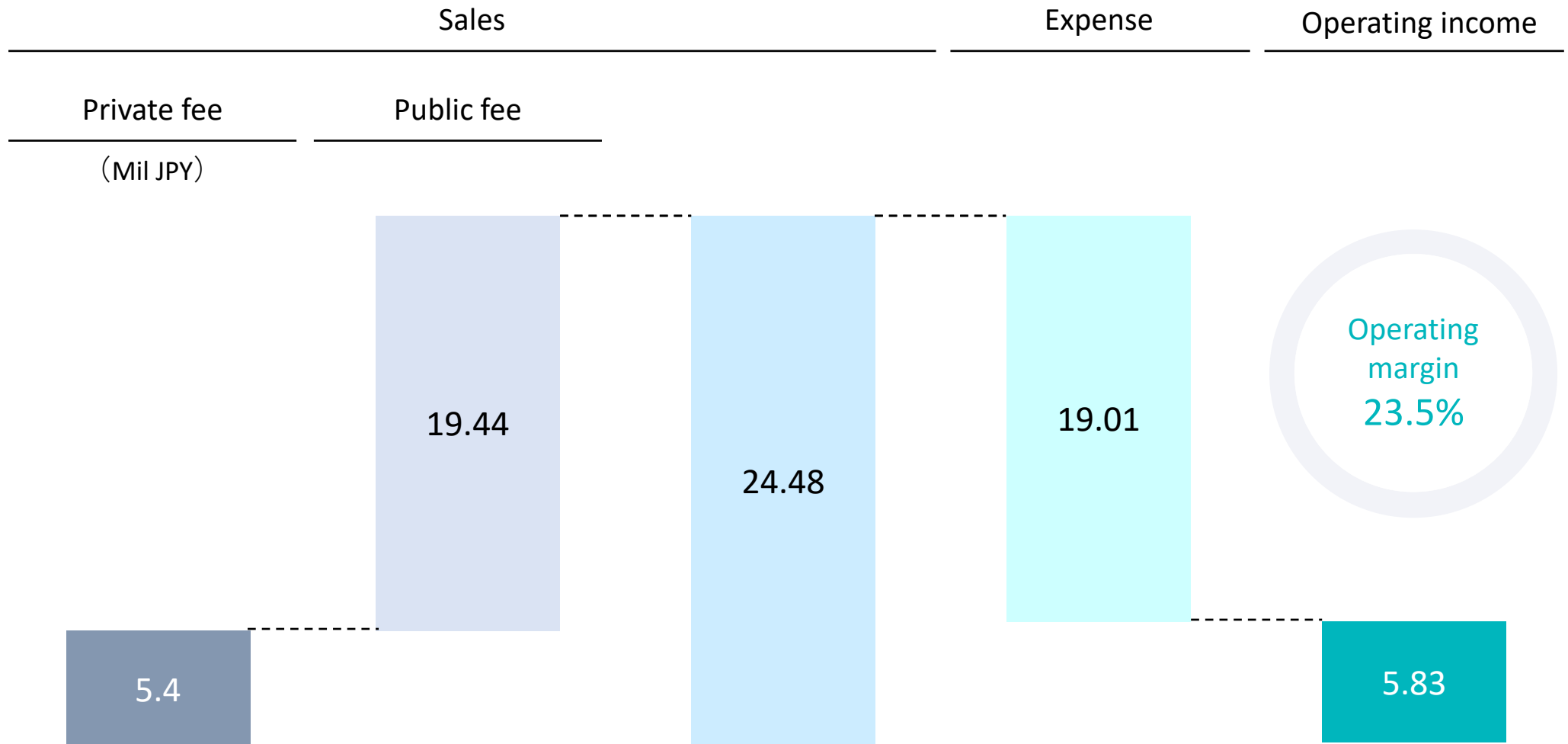


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Profit Model : Disabilities Support

Elderly Residential Care (In case of 90% occupancy of 60 capacity facility)

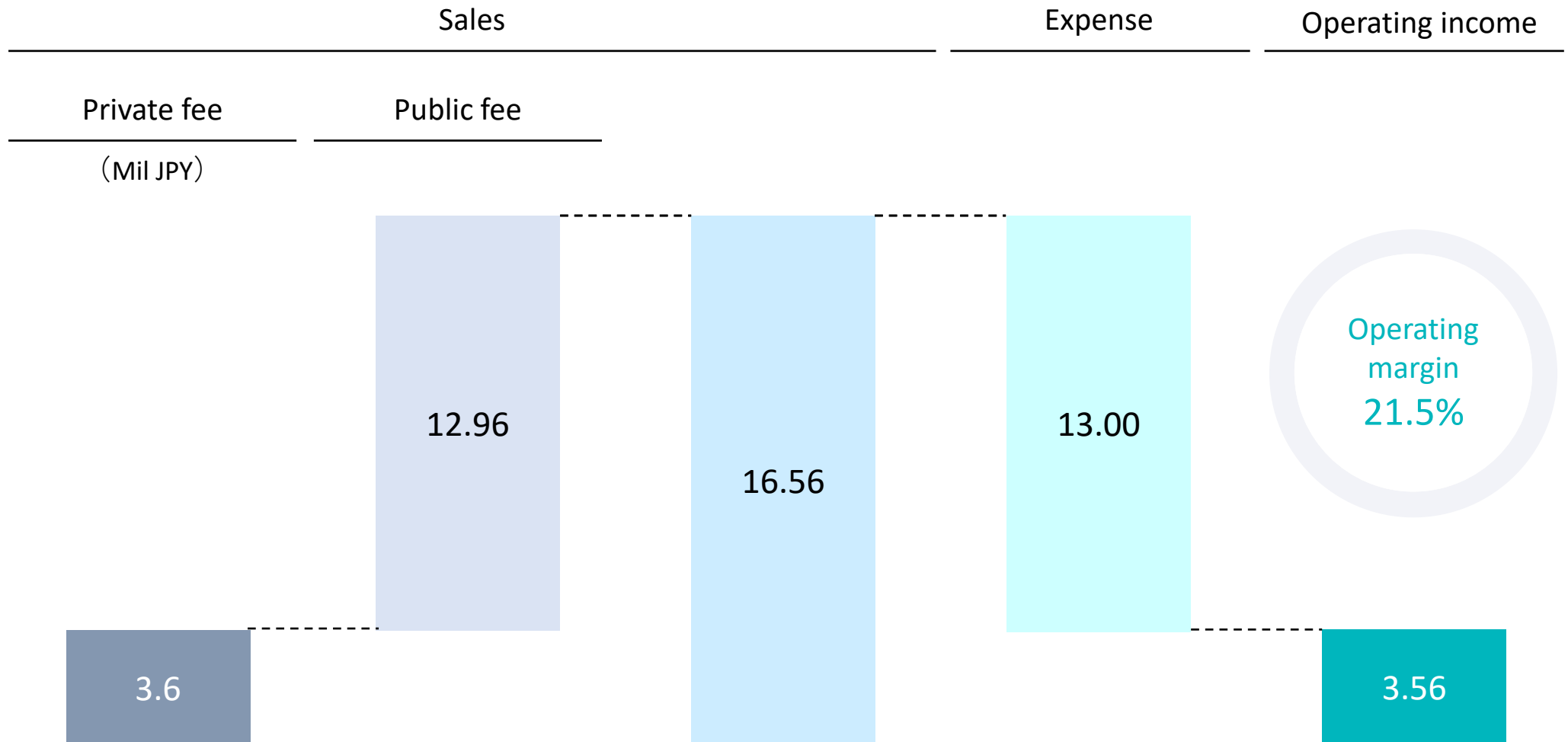


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Profit Model : Disabilities Support

Elderly Residential Care (In case of 90% occupancy of 40 capacity facility)



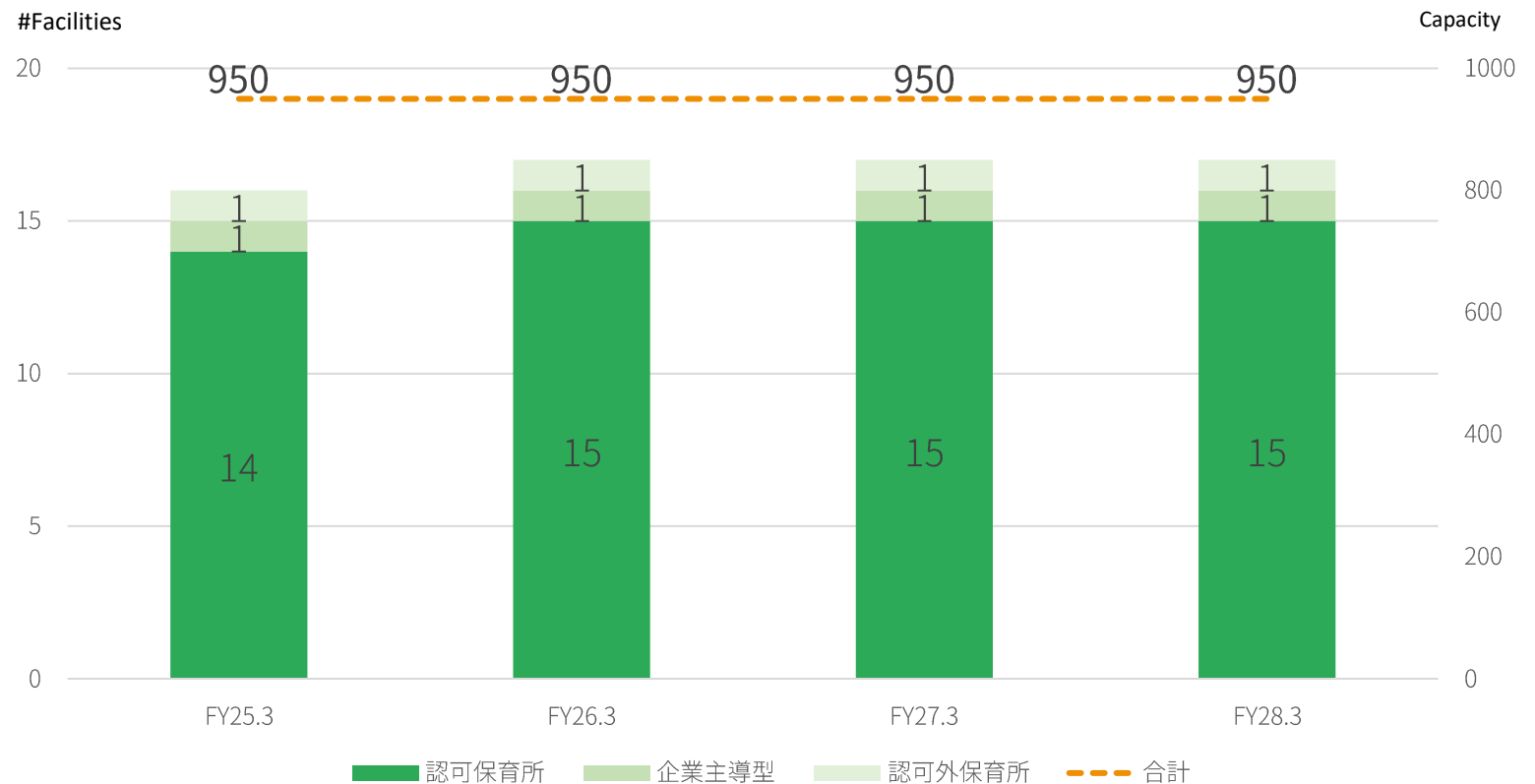
Data : Internal data

Childcare : Development Plan

Directions

Regarding the childcare business, we do not plan to undertake new developments and are considering growth through M&As, though this is not included in the business plan. We are focusing on improving our own programs and enhancing staff satisfaction and quality.

Act. / Plan





Profit Model : Childcare

Approved care (In case of 98% occupancy of 80 capacity facility)



Data : Internal data



Risk Information



Major Risks and Countermeasures

Item	Major risks	Possibility	Time	Impact	Countermeasure
Soaring energy prices	Since utilities costs account for approx. 5% of the cost of sales, soaring energy prices associated with the global situation, and delays in the restart of nuclear power plants may affect our group's business development and performance	Medium	At any time	Large	In order to secure stable energy, we will work to curb the impact of electricity rates and secure operating income by installing solar panels at large facilities
Securing staff	We need to secure staff in accordance with future business expansion, as our services are mainly provided by staff. If it becomes difficult to secure sufficient staff or if existing staff leaves the Company, the Group's business development and operating results may be impacted.	Medium	At any time	Medium	Review compensations based on ability, qualification and experiences and strictly adhere to compliance-based work styles in order to secure and retain staff, while promoting enhancement of welfare programs and career development support in effort to increase the staff retention rate.
Opening of new facilities	We will systematically promote opening residential facilities for the elderly, childcare facilities and disabilities support facilities. However, if we are unable to secure facilities in favorable locations, or if there is a significant deviation from our business plan for opening new facilities due to changes in the business environment, such as total volume control by municipalities, soaring prices rising prices of materials and other economic factors, as well as the Group's operating results, may be impacted.	Medium	Unknown	Large	Continue endeavors to increase pipelines for facilities and, even if development of new facilities stalls, promote M&As, which are another driving force of growth, in attempt to achieve continuous business expansion. For elderly care, if regulations on group homes and residential elderly care facilities that are subject to administrative approvals are tightened, we would work to promote business operations such as assisted living residences that are less susceptible to total volume control. For disabilities support, if approvals cannot be obtained for group homes that are subject to administrative approvals, develop business in the format of welfare homes. For childcare facilities, we intend to scale back development in Japan as the current market is expected to peak out, therefore the difference compared with plans is not significant even if facility development is delayed.
Occupancy/utilization rate of facilities	Our business is affected by the number of our elderly care/disabilities support/childcare facilities, and if we fail to secure the planned number of users, the occupancy/utilization rate of our facilities will decrease, which may impact the Group's operating results.	Medium	At any time	Medium	Endeavor to maintain and enhance our competitiveness by focusing on locations close to railway stations, continuing to set lower charges than neighboring competitors, maintaining and improving the quality of our services through cooperation with excellent medical institutions and employee training, and conducting appropriate public relations activities among other efforts.
Impairment accounting	The Group has applied the Accounting Standard for Impairment of Fixed Assets. In the future, if the profitability of facilities declines and losses continue to be recorded due to deterioration in asset utilization and cash flows, we need to recognize impairment losses, which could impact the Group's operating results.	Small	Unknown	Small	The impact is expected to be small, as the Group's facilities, which occupy the largest ratio of its fixed assets, are leased in principle, and it intends to sell owned facilities as a rule after their operations start.
M&As	If we fail to satisfy initially-assumed results, the Group's operating results financial condition may be impacted due to accrual of impairment losses and other factors.	Medium	Unknown	Large	Implement measures to reduce risks by analyzing the corporate value, future profitability, and risks of the target companies through external due diligence by specialists and, if possible, undergoing management consultation before conducting M&As, etc.

*For other risks, please refer to "Business and Other Risks" in the securities report.

Disclaimer and Disclosure Policy

This document contains forward-looking statements, expectations, judgement, plans and strategies for the future.

These statements include such risks and uncertainty factors as fluctuations in business demand, fluctuations in business development schedules, changes in various systems, changes in the guidelines by municipalities, and performance of affiliate companies.

These statements should not be construed as a guarantee of achieving future results, either. Note that actual operating results may differ in substance from the Company's current expectations.

Such a difference may be caused by a number of factors and risks. Please refer to the descriptions on such factors and risks presented in the Company's continuous disclosure and timely disclosure materials.

The next update/disclosure of this document is scheduled to be made by the end of June 2026, after the Company has announced its financial results for the current fiscal year.

Contact

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