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Consolidated Financial Results for the Three Months Ended June 30, 2025 (IFRS)

August 4, 2025

Company name: CUC Inc.
Stock exchange: Tokyo Stock Exchange
Code number: 9158
URL: <https://www.cuc-jpn.com/en/>
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Availability of supplementary materials on financial results: Available
Schedule of financial results briefing session: Not Scheduled

(Amounts are rounded to the nearest million yen)

1. Consolidated financial results for the three months ended June 30, 2025

(1) Consolidated operating results

(% indicates changes from the previous corresponding period.)

	Revenue		Operating profit		Profit before taxes		Net income		Net income attributable to CUC shareholders		Total comprehensive income	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2025	12,996	22.6	744	(44.5)	595	(62.5)	183	(80.2)	208	(78.4)	(223)	-
June 30, 2024	10,597	38.3	1,341	60.9	1,586	100.0	926	95.5	966	100.5	1,094	80.1

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	7.10	7.10
June 30, 2024	32.94	32.94

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to CUC shareholders	Ratio of equity attributable to CUC shareholders
	Million yen	Million yen	Million yen	%
As of June 30, 2025	86,173	30,101	29,542	34.3
As of March 31, 2025	85,167	30,286	29,678	34.8

2. Dividends

	Dividends per share				
	First quarter	Second quarter	Third quarter	Fourth quarter	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)		0.00	-	0.00	0.00

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

3. Consolidated financial results forecast for the fiscal year ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(% indicates changes from the previous corresponding period.)

	Revenue		Operating profit		Profit before taxes		Net income		Net income attributable to CUC shareholders		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	58,250	23.8	5,500	2.9	5,000	(4.7)	2,880	(6.4)	2,880	(8.0)	98.24

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

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies and accounting estimates

- 1) Changes in accounting policies required by IFRS: None
- 2) Changes in accounting policies other than item 1) above: None
- 3) Changes in accounting estimates: None

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

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

June 30, 2025: 29,990,400 shares

March 31, 2025: 29,990,400 shares

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

June 30, 2025: 675,091 shares

March 31, 2025: 675,091 shares

3) Average number of shares during the period:

Three months ended June 30, 2025: 29,315,309 shares

Three months ended June 30, 2024: 29,315,352 shares

* Quarterly consolidated financial statements are outside the scope of review by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecast and other notes

The forward-looking statements in this report including the forecast of financial results are based on the information that is currently available, as well as certain assumptions that are deemed to be reasonable by CUC. These forward-looking statements do not represent any guarantee of achievement. Therefore, there might be cases in which actual results differ materially from the forecast due to various factors.

1. Qualitative information on financial results

(1) Explanation of operating results

The group's mission is "Creating Hope through Healthcare". Under this mission, CUC group provides various services, aiming to create an environment where patient-centered healthcare is provided for as many people as possible, to develop a workplace required by local communities in which all healthcare workers are proud and motivated, and to build sound and sustainable society by solving healthcare issues.

Medical Institution segment mainly provides comprehensive management support services to domestic medical institutions such as strategic and business management support, marketing support, HR/recruiting support, IT support, accounting support, and general affairs support. It also provides strategic support for M&A transactions, PMIs hospital bed conversion and the launch of new clinics. Those medical institutions include hospitals, in-home care clinics, dialysis clinics and outpatient clinics in Japan. The segment operates podiatry and varicose vein clinics in the United States and provides management support services in Southeast Asia.

Hospice segment provides nursing and care services for patients with cancer and intractable diseases who live in hospice facilities, prioritizing the quality of services. The segment has increased the number of patients at existing hospices and launched hospices in the area which is in lack of terminal care.

In-home Nursing segment provides nursing services for patients at their home, prioritizing the quality of services. The segment has increased the number of users for existing in-home nursing stations and launched in-home nursing stations in new areas.

Medical Care Residence segment operates nursing homes and provides regular on-demand in-home care and in-home nursing care for patients in facilities and day care services for rehabilitation, prioritizing the quality of services. The segment aims to improve its occupancy rate in the existing facilities, open new facilities in areas which has high demand for care services and accept patients with high medical and care dependencies.

The following table presents operating results for the three months ended June 30, 2025 and the previous corresponding period. Medical Care Residence segment has been newly established from the third quarter of the previous fiscal year. Therefore, no year-on-year comparison is provided.

The definition of EBITDA is as follows.

EBITDA = operating profit + depreciation and amortization expenses \pm other income and expenses

Consolidated operating results

(Million yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025	Changes	
Revenue	10,597	12,996	+ 2,399	+ 22.6%
Operating profit	1,341	744	(597)	(44.5%)
Profit before taxes	1,586	595	(991)	(62.5%)
Net income attributable to CUC shareholders	966	208	(757)	(78.4%)
EBITDA	1,921	1,736	(185)	(9.6%)

Operating results by segment

(Million yen)

		Three months ended June 30, 2024	Three months ended June 30, 2025	Changes	
Medical Institution	Revenue	4,403	4,133	(269)	(6.1%)
	Segment profit	1,121	765	(356)	(31.8%)
	EBITDA	1,361	944	(418)	(30.7%)
Hospice	Revenue	3,268	3,834	+565	+17.3%
	Segment profit	301	(31)	(332)	-
	EBITDA	517	298	(219)	(42.4%)
In-home Nursing	Revenue	2,947	3,229	+281	+9.5%
	Segment profit	143	343	+200	+139.8%
	EBITDA	264	439	+174	+65.8%
Medical Care Residence	Revenue	-	1,894	+1,894	-
	Segment profit	-	(104)	(104)	-
	EBITDA	-	284	+284	-
Others	Revenue	52	18	(34)	(64.8%)
	Segment profit	4	0	(3)	(94.1%)
	EBITDA	5	2	(4)	(68.2%)
Adjustment	Revenue	(74)	(112)	(39)	-
	Segment profit	(227)	(229)	(2)	-
Total	Revenue	10,597	12,996	+2,399	+22.6%
	Segment profit	1,341	744	(597)	(44.5%)
	EBITDA	1,921	1,736	(185)	(9.6%)

1) Medical Institution

Revenue, operating profit and EBITDA from the segment for the three months ended June 30, 2025 amounted to 4,133 million yen (down 6.1% year on year), 765 million yen (down 31.8% year on year) and 944 million yen (down 30.7% year on year) respectively. This is primarily due to a decrease in domestic revenue, which was attributable to a temporary slowdown as some of the client medical institutions experienced a decline in their profitability, as well as a reactionary drop following the concentration of M&A advisory fees in the first quarter of the previous fiscal year. On the other hand, overseas revenue increased due to the steady performance of the US podiatry business and the growing number of patients at varicose vein clinics.

2) Hospice

Revenue from the segment for the three months ended June 30, 2025 amounted to 3,834 million yen (up 17.3% year on year) primarily due to an increase in occupancy rates of existing hospice facilities and the revenue contribution from the new facilities opened in the previous fiscal year.

Operating loss and EBITDA from the segment amounted to 31 million yen (operating profit of 301 million yen for the previous corresponding period) and 298 million yen (down 42.4% year on year) respectively. This is primarily due to the initial losses from nine new facilities opened in and after the third quarter of the previous fiscal year and a decline in revenue per patient at certain existing facilities.

3) In-home Nursing

Total care hours (Note) for the three months ended June 30, 2025 were 317 thousand hours (up 7.7% year on year) due to an increase in the number of users and care hours per user. As a result, revenue from the segment for the three months ended June 30, 2025 amounted to 3,229 million yen (up 9.5% year on year).

Operating profit and EBITDA from the segment amounted to 343 million yen (up 139.8% year on year) and 439 million yen (up 65.8% year on year) respectively. This is primarily due to the improvement in employee utilization rate for nurses and therapists.

(Note) Total number of hours of services provided by the segment's nurses and therapists to users. Therapists mean physical therapists, occupational therapists, and speech therapists.

4) Medical Care Residence

CUC acquired Noah Konzer in the third quarter of the previous fiscal year and established this new segment. Revenue from the segment for the three months ended June 30, 2025 amounted to 1,894 million yen.

Operating loss and EBITDA from the segment amounted to 104 million yen and 284 million yen, respectively. This is primarily due to the upfront investment costs incurred for initiatives such as the recruitment of care workers and nurses, aiming to improve occupancy rates and revenue per patient.

As a result of the above, the group recorded revenue of 12,996 million yen (up 22.6% year on year), operating profit of 744 million yen (down 44.5% year on year), EBITDA of 1,736 million yen (down 9.6% year on year).

With the reactionary fall from foreign exchange gains of 360 million yen related to the repayment of loans to the U.S. subsidiary recorded in the previous fiscal year, the group recorded profit before taxes of 595 million yen (down 62.5% year on year) and net income attributable to CUC shareholders of 208 million yen (down 78.4% year on year).

(2) Explanation of financial position

Total assets as of June 30, 2025 amounted to 86,173 million yen, an increase of 1,005 million yen compared with the balance as of March 31, 2025. Current assets as of June 30, 2025 amounted to 20,470 million yen, a decrease of 51 million yen compared with the balance as of March 31, 2025. This was primarily due to a decrease in cash and cash equivalents. Non-current assets as of June 30, 2025 amounted to 65,703 million yen, an increase of 1,056 million yen compared with the balance as of March 31, 2025. This was primarily due to an increase in property, plant and equipment of 1,488 million yen mainly arising from an increase in hospice facilities and a decrease in goodwill in the United States by 308 million yen due to foreign currency translation.

Total liabilities as of June 30, 2025 amounted to 56,072 million yen, an increase of 1,191 million yen compared with the balance as of March 31, 2025. This was primarily due to an increase in short-term borrowings of 2,500 million yen through financing and a decrease in long-term borrowings of 700 million yen due to loan repayments and decrease in income taxes payable of 856 million yen.

Total equity as of June 30, 2025 amounted to 30,101 million yen, a decrease of 185 million yen compared with the balance as of March 31, 2025. This was primarily due to an increase in retained earnings of 208 million yen arising from the recording of net income attributable to CUC shareholders and a decrease in exchange differences on translation of foreign operations of 385 million yen.

(3) Explanation of forward-looking information such as consolidated financial results forecast

CUC has decided to leave its consolidated forecasts unchanged from those announced on April 28, 2025.

2. Consolidated financial statements

(1) Consolidated statement of financial position

(Million yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and cash equivalents	7,533	7,041
Trade and other receivables	12,151	12,395
Inventories	160	176
Other financial assets	94	125
Other current assets	582	733
Total current assets	20,520	20,470
Non-current assets		
Property, plant and equipment	18,830	20,318
Right-of-use assets	19,401	19,408
Goodwill	13,665	13,357
Intangible assets	4,306	4,167
Investment property	4,327	4,284
Deferred tax assets	893	915
Other financial assets	3,167	3,198
Other non-current assets	57	55
Total non-current assets	64,647	65,703
Total assets	85,167	86,173

(Million yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	4,314	4,016
Borrowings	2,812	5,312
Lease liabilities	2,769	2,802
Deposits received	692	762
Income taxes payable	1,233	376
Contract liabilities	3	7
Other current liabilities	1,622	1,947
Total current liabilities	13,446	15,223
Non-current liabilities		
Borrowings	20,653	19,956
Lease liabilities	17,310	17,293
Retirement benefit liability	268	295
Deferred tax liabilities	1,478	1,529
Other financial liabilities	893	864
Other non-current liabilities	833	912
Total non-current liabilities	41,435	40,849
Total liabilities	54,881	56,072
Equity		
Share capital	7,669	7,669
Capital surplus	7,820	7,820
Retained earnings	13,457	13,665
Treasury shares	0	0
Other components of equity	732	387
Equity attributable to CUC shareholders	29,678	29,542
Non-controlling interests	608	559
Total equity	30,286	30,101
Total liabilities and equity	85,167	86,173

(2) Consolidated statement of income and comprehensive income

Consolidated statement of income

(Million yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Revenue	10,597	12,996
Cost of sales	5,529	7,089
Gross profit	5,068	5,907
Selling, general and administrative expenses	3,739	5,307
Other income	16	165
Other expenses	3	21
Operating profit	1,341	744
Finance income	365	10
Finance costs	121	160
Profit before taxes	1,586	595
Income tax expense	660	412
Net income	926	183
Net income attributable to		
CUC shareholders	966	208
Non-controlling interests	(40)	(25)
Net income	926	183
Earnings per share		
Basic earnings per share	32.94	7.10
Diluted earnings per share	32.94	7.10

Consolidated statement of comprehensive income

(Million yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net income	926	183
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(208)	2
Total of items that will not be reclassified to profit or loss	(208)	2
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	376	(409)
Total of items that may be reclassified to profit or loss	376	(409)
Other comprehensive income, net of tax	168	(406)
Comprehensive income	1,094	(223)
Comprehensive income attributable to		
CUC shareholders	1,149	(174)
Non-controlling interests	(55)	(49)
Comprehensive income	1,094	(223)

(3) Consolidated statement of changes in equity
(Three months ended June 30, 2024)

(Million yen)

	Equity attributable to CUC shareholders					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Exchange differences on translation of foreign operations	Share acquisition rights
As of April 1, 2024	7,669	7,761	10,307	(0)	589	80
Net income	-	-	966	-	-	-
Other comprehensive income	-	-	-	-	392	-
Comprehensive income	-	-	966	-	392	-
Share-based payment transactions	-	-	-	-	-	21
Total transactions with shareholders	-	-	-	-	-	21
As of June 30, 2024	7,669	7,761	11,273	(0)	981	101

	Equity attributable to CUC shareholders				
	Other components of equity		Total	Non-controlling interests	Total equity
	Financial assets measured at fair value through other comprehensive income	Total			
As of April 1, 2024	909	1,578	27,316	689	28,005
Net income	-	-	966	(40)	926
Other comprehensive income	(208)	184	184	(16)	168
Comprehensive income	(208)	184	1,149	(55)	1,094
Share-based payment transactions	-	21	21	-	21
Total transactions with shareholders	-	21	21	-	21
As of June 30, 2024	701	1,783	28,486	633	29,120

(Three months ended June 30, 2025)

(Million yen)

	Equity attributable to CUC shareholders					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Exchange differences on translation of foreign operations	Share acquisition rights
As of April 1, 2025	7,669	7,820	13,457	(0)	(35)	172
Net income	-	-	208	-	-	-
Other comprehensive income	-	-	—	-	(385)	-
Comprehensive income	-	-	208	-	(385)	-
Share-based payment transactions	-	-	-	-	-	38
Total transactions with shareholders	-	-	-	-	-	38
As of June 30, 2025	7,669	7,820	13,665	(0)	(420)	210

	Equity attributable to CUC shareholders				
	Other components of equity		Total	Non-controlling interests	Total equity
	Financial assets measured at fair value through other comprehensive income	Total			
As of April 1, 2025	595	732	29,678	608	30,286
Net income	-	-	208	(25)	183
Other comprehensive income	2	(382)	(382)	(24)	(406)
Comprehensive income	2	(382)	(174)	(49)	(223)
Share-based payment transactions	-	38	38	-	38
Total transactions with shareholders	-	38	38	-	38
As of June 30, 2025	597	387	29,542	559	30,101

3. Segment information

(1) Overview of reportable segment

CUC group's reportable segments are components for which separate financial information is available and regularly reviewed by the board of directors to make decisions about allocation of resources to the segments and evaluate their performance.

CUC group has four reportable segments of "Medical Institution", "Hospice", "In-home Nursing" and "Medical Care Residence".

Medical Institution segment mainly provides comprehensive management support services to medical institutions in Japan and operates podiatry and varicose vein clinics in the United States and provides management support services in Southeast Asia.

Hospice segment provides nursing and care services for patients who live in hospice facilities.

In-home Nursing segment provides nursing services for patients at their home.

Medical Care Residence segment operates nursing homes and provides regular on-demand in-home care and in-home nursing care for patients in facilities and day care services for rehabilitation, prioritizing the quality of services.

(2) Information about reportable segment

Revenue, profit, and other items by reportable segments are as follows.

Intersegment transaction pricing is determined based on prevailing market prices.

(Three months ended June 30, 2024)

(Million yen)

	Reportable segment					Others (Note 1)	Total	Adjustment (Note 2)	Consolidated
	Medical Institution	Hospice	In-home Nursing	Medical Care Residence	Total				
Revenue									
To outside customers	4,329	3,268	2,947	-	10,545	52	10,597	-	10,597
Inter-segment revenue	74	-	-	-	74	-	74	(74)	-
Total	4,403	3,268	2,947	-	10,618	52	10,671	(74)	10,597
Segment profit (Note 3)	1,121	301	143	-	1,565	4	1,569	(227)	1,341
Finance income	-	-	-	-	-	-	-	-	365
Finance costs	-	-	-	-	-	-	-	-	121
Profit before taxes	-	-	-	-	-	-	-	-	1,586
Net income	-	-	-	-	-	-	-	-	926
Others									
Depreciation and amortization	245	223	123	-	590	2	592	-	592

(Note) 1. "Others" is a business segment which is not attributable to reportable segments and includes dispensing pharmacy services and sales of ophthalmology materials and eyeglass supplies, etc.

2. "Adjustment" of (227) million yen is primarily general and administrative expense that is not attributable to reportable segments.

3. Consolidated segment profit is correspondent with operating profit in the condensed quarterly consolidated statement of income.

(Three months ended June 30, 2025)

(Million yen)

	Reportable segment					Others (Note 1)	Total	Adjustment (Note 2)	Consolidated
	Medical Institution	Hospice	In-home Nursing	Medical Care Residence	Total				
Revenue									
To outside customers	4,022	3,834	3,228	1,894	12,977	18	12,996	-	12,996
Inter-segment revenue	112	-	1	-	112	-	112	(112)	-
Total	4,133	3,834	3,229	1,894	13,090	18	13,108	(112)	12,996
Segment profit (Note 3)	765	(31)	343	(104)	973	0	973	(229)	744
Finance income	-	-	-	-	-	-	-	-	10
Finance costs	-	-	-	-	-	-	-	-	160
Profit before taxes	-	-	-	-	-	-	-	-	595
Net income	-	-	-	-	-	-	-	-	183
Others									
Depreciation and amortization	257	345	125	408	1,135	2	1,136	-	1,136

(Note) 1. “Others” is a business segment which is not attributable to reportable segments and includes sales of ophthalmology materials and eyeglass supplies, etc.

2. “Adjustment” of (229) million yen is primarily general and administrative expense that is not attributable to reportable segments.

3. Consolidated segment profit and loss is correspondent with operating profit in the condensed quarterly consolidated statement of income.