

October 9, 2025

Consolidated Financial Results for the Six Months Ended August 31, 2025 (Under Japanese GAAP)

Company name: RISO KYOIKU GROUP CORPORATION.
 Listing: Tokyo Stock Exchange
 Securities code: 4714
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 Scheduled date to file semi-annual securities report: October 10, 2025
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the six months ended August 31, 2025 (from March 1, 2025 to August 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended August 31, 2025	16,762	1.1	779	(46.6)	800	(45.1)	552	(38.2)
August 31, 2024	16,587	4.1	1,458	39.9	1,456	37.7	893	10.2

Note: Comprehensive income For the six months ended August 31, 2025: ¥556 million [(35.8)%]
 For the six months ended August 31, 2024: ¥867 million [2.4%]

	Basic earnings per share	Diluted earnings per share
Six months ended August 31, 2025	3.24	3.24
August 31, 2024	5.50	5.48

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of August 31, 2025	21,396	10,938	50.8
February 28, 2025	22,109	12,034	54.1

Reference: Equity
 As of August 31, 2025: ¥10,863 million
 As of February 28, 2025: ¥11,958 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended February 28, 2025	0.00	0.00	0.00	10.00	10.00
Fiscal year ending February 28, 2026	0.00	0.00			
Fiscal year ending February 28, 2026 (Forecast)			0.00	10.00	10.00

Note: Revisions to the forecast of cash dividends most recently announced: None

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending February 28, 2026	36,000	7.8	3,145	7.2	3,140	6.8	2,000	14.7	11.76

Note: Revisions to the earnings forecasts most recently announced: None

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

Note: For details, see "2. Interim Consolidated Financial Statements and Main Notes (4) Notes on Interim Consolidated Financial Statements (Notes on Changes in Accounting Policy)"

(4) Number of issued shares (common shares)

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

As of August 31, 2025	171,806,159 shares
As of February 28, 2025	171,806,159 shares

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

As of August 31, 2025	1,504,479 shares
As of February 28, 2025	1,722,779 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended August 31, 2025	170,145,074 shares
Six months ended August 31, 2024	162,563,280 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The forecasts expressed in this material are based on information available at the time of publication, and are not intended to be a promise by the Company to achieve them. In addition, actual results may differ from forecasts due to changes in business conditions and other factors. For matters related to consolidated earnings forecasts, please refer to "1. Summary of Operating Results, etc. (4) Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts."

1. Overview of Operating Results and Financial Position

(1) Overview of Operating Results for the Interim Period

During the current interim consolidated accounting period, the Japanese economy maintained a mild recovery trend, supported by improvements in the employment and income environment, sustained expansion of inbound demand, and solid personal consumption. However, the business environment remains uncertain; specifically, the deepening labor shortage is leading to rising personnel costs that affect corporate management, which, coupled with persistent inflation, presents an unpredictable situation.

In the Tutoring School industry, which is our Group's core business, the changing economic climate, declining birthrates, and the diversification of entrance exam methods (including the Common Test for University Admissions) have intensified the demand for personalized and diversified educational needs. This makes the provision of high-quality educational services tailored to individual needs increasingly critical.

Under these circumstances, our Group—whose business model is adapted to the declining birthrate—is guided by the philosophy, "Devoting Everything To Giving Children A Bright Future." Our basic management policy is to become a leading, one-of-a-kind company in Japan through a thorough differentiation strategy based on providing high-quality, "authentic" educational services.

We have strived to meet the expectations of diverse customer segments by developing services across a wide age range, including the specialized individual tutoring school "TOMAS", the private tutor dispatch service "Meimonkai", and the early childhood education program "Shingakai". Furthermore, we are strengthening our competitiveness by flexibly responding to market changes and continually offering unique value through services like "School TOMAS" (deepening collaboration with school corporations) and "Plus One Kyoiku" (supporting children's character formation and emotional education through experiential programs).

Our collaboration has been further strengthened since joining the HULIC Group. Additionally, the education-focused building "Kodomo Depart," jointly developed by our company, HULIC Co., Ltd., and Konami Sports Co., Ltd., simultaneously opened in Nakano (Tokyo) and Tama Plaza (Kanagawa) in April 2025. This not only promotes our Group's "Encirclement Strategy" starting from age one but also leverages market superiority and mutual synergy in the education sector, enabling us to provide better educational services "Devoting Everything To Giving Children A Bright Future."

We also aim for further growth and development by creating social value through partnerships with various industries, including Shingakai Co., Ltd. and Konami Sports Co., Ltd.; Plus One Kyoiku Co., Ltd. and UNI SOUND Co., Ltd.; and our company with Litpla Inc., and School TOMAS with J.S.B.Network Co., Ltd.

Moreover, the transition to a holding company structure on September 1, 2025, has enabled the holding company (our company) to make strategic decisions for the entire Group, allowing each operating company to focus on business operations. This structure enables us to comprehensively assess risks across the entire business portfolio, optimize the allocation of management resources, and respond flexibly to changes in the business environment to achieve sustainable growth.

For the current interim consolidated accounting period, Net Sales increased from the previous year. However, performance varied by segment: TOMAS, our core business, saw slowed growth as the number of students at the beginning of the period fell below plan; Shingakai recorded decreased revenue due to lower student enrollment in its preparatory examination division, despite strong performance in its nursery and after-school care businesses; while Meimonkai and School TOMAS achieved increased revenue.

Furthermore, expenses increased due to several factors. These include higher fixed costs such as increased rent expenses resulting from rising rents for existing schools and the opening of new schools, and increased personnel and recruitment costs due to base-pay increases aimed at retaining high-quality talent.

Additionally, costs temporarily increased due to strategic investments in DX initiatives aimed at realizing operational efficiency through a unified group customer database, maximizing group synergy, and enhancing customer service value, as well as higher advertising and promotional expenses associated with new school openings.

As a result, Net Sales totaled 16,762 million yen (up 1.1% year-on-year), Operating Income was 779 million yen (down 46.6% year-on-year), Ordinary Income was 800 million yen (down 45.1% year-on-year), and Profit attributable to owners of parent was 552 million yen (down 38.2% year-on-year).

The operating results by segment are as follows:

TOMAS (Tutoring School Business): Providing high-quality education through completely one-on-one personalized tutoring, this segment recorded Net Sales of ¥8,400 million (up 0.1% year-on-year), or ¥8,444 million including inter-segment sales (down 0.1% year-on-year). During this period, we newly opened TOMAS Shonandai School (Kanagawa), TOMAS Sengawa School (Tokyo), TOMAS Shin-Kawasaki School (Kanagawa), and TOMAS Unoki School (Tokyo), and renewed TOMAS Kunitachi School (Tokyo), TOMAS Monzen-Nakacho School (Tokyo), TOMAS Nakano School (Tokyo), TOMAS Matsudo School (Chiba), and TOMAS Oizumi Gakuen School (Tokyo).

Meimonkai (Private Tutoring Dispatch Business): This segment provides educational guidance exclusively by professional adult instructors and is expanding its business nationwide, recording Net Sales of ¥2,370 million (up 4.4% year-on-year). MEDIC Meimonkai Kyoto Ekimae School (Kyoto) was newly opened, and Meimonkai Hoshigaoka Ekimae School (Aichi) was renewed.

Shingakai (Early Childhood Education Business): This segment focuses on enhancing its two brands: the existing "Shingakai," which boasts top-class acceptance rates at prestigious kindergartens and elementary schools, and "Shinga's Club," a long-hour, entrance exam-focused elite childcare service. The segment recorded Net Sales of ¥3,095 million (down 0.8% year-on-year), or ¥3,119 million including inter-segment sales (down 0.8% year-on-year). We newly opened Shingakai Kodomo Depart Tama Plaza School (Kanagawa), Shinga's Club Nursery Kodomo Depart Tama Plaza School (Kanagawa), Shinga's Club After-School Kodomo Depart Tama Plaza School (Kanagawa), Shinga's Club After-School Kodomo Depart Nakano School (Tokyo), and Shinga's Club Nursery Kichijoji School (Tokyo).

School TOMAS (In-School Private Tutoring Business): This segment promotes the expansion of "School TOMAS," an in-school private tutoring service, recording Net Sales of ¥1,839 million (up 7.9% year-on-year).

Plus One Kyoiku (Character and Emotional Development Camp Education Business): This segment provides diverse experiential learning services focused on emotional development, recording Net Sales of ¥1,045 million (down 4.4% year-on-year), or ¥1,051 million including inter-segment sales (down 4.4% year-on-year). TOMAS Gymnastics School Meguro (Tokyo) was renewed.

Other Businesses: This segment recorded Net Sales of ¥11 million (up 19.1% year-on-year), or ¥74 million including inter-segment sales (up 6.5% year-on-year).

(2) Overview of Financial Condition for the Interim Period

As of the end of the current interim consolidated accounting period, Total Assets decreased by ¥713 million from the end of the previous fiscal year, totaling ¥21,396 million. This decrease was primarily due to a decline in Cash and Deposits, which offset increases in Accounts Receivable - Operating, Prepaid Expenses, Property, Plant and Equipment, Intangible Assets, Deferred Tax Assets, and Lease and Guarantee Deposits.

Total Liabilities increased by ¥382 million from the end of the previous fiscal year, totaling ¥10,457 million. This was driven mainly by increases in Accounts Payable, Allowance for Bonuses, Liabilities for Retirement Benefits, Asset Retirement Obligations, and Other Non-Current Liabilities (Lease Obligations), which outweighed a decrease in Income Taxes Payable.

Net Assets decreased by ¥1,095 million from the end of the previous fiscal year, totaling ¥10,938 million, primarily due to a decrease in Retained Earnings.

(3) Overview of Cash Flows for the Interim Period

Cash and Cash Equivalents (referred to as "Funds") at the end of the current interim consolidated accounting period totaled ¥6,225 million (compared to ¥8,952 million at the end of the previous fiscal year), representing a decrease of ¥2,727 million from the end of the previous fiscal year.

The status and primary factors for each cash flow category in the current interim consolidated accounting period are as follows:

Cash Flows from Operating Activities resulted in a net cash inflow of ¥21 million (compared to an inflow of ¥3,248 million in the same period of the previous year). This was mainly attributable to: Profit Before Income Taxes of ¥823 million, Depreciation and Amortization of ¥316 million, an increase in Liabilities for Retirement Benefits of ¥76 million, an increase in Trade Receivables of △¥1,013 million, an increase in Prepaid Expenses of △¥161 million, an increase in Accounts Payable of ¥502 million, and Income Taxes Paid of △¥493 million.

Cash Flows from Investing Activities resulted in a net cash outflow of ¥1,041 million (compared to an outflow of ¥378 million in the same period of the previous year). This was mainly due to: Payments for acquisition of property, plant and equipment of △¥756 million, payments for acquisition of intangible assets of △¥278 million, payments for acquisition of investment securities of △¥80 million, proceeds from sale of investment securities of ¥97 million, and payments for lease and guarantee deposits of △¥80 million.

Cash Flows from Financing Activities resulted in a net cash outflow of ¥1,707 million (compared to an inflow of ¥1,845 million in the same period of the previous year). This was primarily due to Payments of dividends of △¥1,695 million.

(4) Explanation of Future Forecasts, Including Consolidated Earnings Forecasts

Since the operating results for the current interim consolidated accounting period have generally been in line with the plan, there is no change to the full-year earnings forecast announced on April 18, 2025, at this time.

Please note that the earnings forecast is based on information currently available to the Company and determined by our management. Actual results may differ from these forecasts due to various factors.

Semi-annual consolidated balance sheet

(Thousands of yen)

	As of February 28, 2025	As of August 31, 2025
Assets		
Current assets		
Cash and deposits	8,952,594	6,225,412
Trade accounts receivable	2,904,137	3,917,646
Inventories	214,251	201,805
Prepaid expenses	595,273	756,799
Other	26,218	80,697
Allowance for doubtful accounts	(6,267)	(10,022)
Total current assets	12,686,208	11,172,338
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,161,628	4,745,614
Accumulated depreciation	(2,046,377)	(2,166,395)
Buildings and structures, net	2,115,250	2,579,219
Tools, furniture and fixtures	2,260,329	2,471,014
Accumulated depreciation	(1,095,264)	(1,178,721)
Tools, furniture and fixtures, net	1,165,065	1,292,292
Land	395,039	395,039
Construction in progress	32,667	7,789
Other	35,868	35,868
Accumulated depreciation	(11,853)	(15,827)
Other, net	24,014	20,041
Total property, plant and equipment	3,732,038	4,294,382
Intangible assets		
Other	478,048	667,209
Total intangible assets	478,048	667,209
Investments and other assets		
Investment securities	82,650	80,040
Deferred tax assets	1,666,192	1,703,635
Leaschold and guarantee deposits	3,168,566	3,190,073
Other	302,115	288,848
Allowance for doubtful accounts	(6,072)	-
Total investments and other assets	5,213,452	5,262,597
Total non-current assets	9,423,539	10,224,189
Total assets	22,109,747	21,396,527

	As of February 28, 2025	As of August 31, 2025
Liabilities		
Current liabilities		
Accounts payable - other	1,251,226	1,629,489
Income taxes payable	596,743	392,707
Contract liabilities	2,558,048	2,567,118
Provision for bonuses	327,046	358,578
Asset retirement obligations	36,830	11,425
Other	1,095,172	1,058,371
Total current liabilities	5,865,068	6,017,689
Non-current liabilities		
Retirement benefit liability	2,907,317	2,983,445
Asset retirement obligations	1,295,019	1,373,554
Other	8,268	83,087
Total non-current liabilities	4,210,605	4,440,087
Total liabilities	10,075,673	10,457,777
Net assets		
Shareholders' equity		
Share capital	4,590,415	4,590,415
Capital surplus	4,331,411	4,335,122
Retained earnings	3,530,585	2,381,848
Treasury shares	(355,814)	(310,626)
Total shareholders' equity	12,096,598	10,996,760
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,252	-
Remeasurements of defined benefit plans	(156,895)	(133,129)
Total accumulated other comprehensive income	(137,642)	(133,129)
Share acquisition rights	75,118	75,118
Total net assets	12,034,074	10,938,750
Total liabilities and net assets	22,109,747	21,396,527

Semi-annual consolidated statement of income

(Thousands of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Net sales	16,587,852	16,762,522
Cost of sales	12,012,099	12,634,131
Gross profit	4,575,753	4,128,391
Selling, general and administrative expenses	3,117,483	3,349,173
Operating profit	1,458,269	779,218
Non-operating income		
Interest income	231	3,519
Dividend income	2,819	4,750
Gain on forfeiture of unclaimed dividends	3,354	4,992
Subsidy income	2,664	731
Photo sales profit	2,196	-
Return gains of deposit	-	3,636
Other	4,195	4,238
Total non-operating income	15,460	21,868
Non-operating expenses		
Interest expenses	69	-
Share issuance costs	16,017	-
Commission expenses	-	324
Penalty loss	-	180
Other	1,422	392
Total non-operating expenses	17,509	896
Ordinary profit	1,456,221	800,190
Extraordinary income		
Gain on sale of non-current assets	-	175
Gain on sale of investment securities	-	43,100
Gain on sales of parent company's stocks	44,409	-
Other	55	1,100
Total extraordinary income	44,465	44,375
Extraordinary losses		
Loss on retirement of non-current assets	37,909	8,188
Impairment losses	3,458	5,058
Relocation expenses	4,068	8,067
Tender offer related expenses	95,977	-
Total extraordinary losses	141,414	21,315
Profit before income taxes	1,359,271	823,250
Income taxes	465,873	271,152
Profit	893,398	552,097
Profit attributable to owners of parent	893,398	552,097

Semi-annual consolidated statement of comprehensive income

(Thousands of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Profit	893,398	552,097
Other comprehensive income		
Valuation difference on available-for-sale securities	(38,618)	(19,252)
Remeasurements of defined benefit plans, net of tax	12,248	23,766
Total other comprehensive income	(26,370)	4,513
Comprehensive income	867,027	556,610
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	867,027	556,610
Comprehensive income attributable to non-controlling interests	-	-

Semi-annual consolidated statement of cash flows

(Thousands of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Cash flows from operating activities		
Profit before income taxes	1,359,271	823,250
Depreciation	246,766	316,995
Impairment losses	3,458	5,058
Increase (decrease) in allowance for doubtful accounts	2,775	(2,316)
Increase (decrease) in provision for bonuses	(74,134)	31,532
Increase (decrease) in retirement benefit liability	94,472	76,127
Increase (decrease) in remeasurements of defined benefit plans	12,248	23,766
Interest and dividend income	(3,050)	(8,270)
Interest expenses	69	-
Subsidy income	(2,664)	(731)
Share issuance costs	16,017	-
Loss (gain) on sale of investment securities	-	(43,100)
Gain on sales of parent company's stocks -OpeCF	(44,409)	-
Gain on sale of non-current assets	-	(175)
Loss on retirement of non-current assets	37,909	8,188
Tender offer-related expenses	95,977	-
Decrease (increase) in trade receivables	1,567,297	(1,013,508)
Decrease (increase) in inventories	(55,333)	12,446
Decrease (increase) in prepaid expenses	-	(161,526)
Increase (decrease) in accounts payable - other	542,326	502,439
Increase (decrease) in contract liabilities	186,611	9,069
Other, net	(31,432)	(73,316)
Subtotal	3,954,176	505,930
Interest and dividends received	3,050	8,270
Interest paid	(69)	-
Subsidies received	2,664	731
Tender Offer-Related Expenses paid	(95,977)	-
Income taxes paid	(615,089)	(493,708)
Income taxes refund	61	506
Net cash provided by (used in) operating activities	3,248,818	21,729

(Thousands of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Cash flows from investing activities		
Purchase of property, plant and equipment	(309,956)	(756,708)
Proceeds from sale of property, plant and equipment	-	22,900
Purchase of intangible assets	(75,796)	(278,899)
Purchase of investment securities	-	(80,040)
Proceeds from sale of investment securities	-	97,698
Proceeds from sale of shares of parent	149,266	-
Payments of leasehold and guarantee deposits	(112,905)	(80,813)
Proceeds from refund of leasehold and guarantee deposits	31,047	52,820
Other, net	(60,330)	(18,557)
Net cash provided by (used in) investing activities	(378,674)	(1,041,599)
Cash flows from financing activities		
Proceeds from short-term borrowings	500,000	-
Repayments of short-term borrowings	(500,000)	-
Repayments of lease liabilities	-	(11,467)
Proceeds from issuance of shares	3,383,982	-
Dividends paid	(1,538,898)	(1,695,845)
Proceeds from exercise of employee share options	123	-
Purchase of treasury shares	(73)	(10)
Proceeds from disposal of treasury shares	17	10
Net cash provided by (used in) financing activities	1,845,150	(1,707,312)
Net increase (decrease) in cash and cash equivalents	4,715,294	(2,727,182)
Cash and cash equivalents at beginning of period	5,460,988	8,952,594
Cash and cash equivalents at end of period	10,176,282	6,225,412

(Notes on segment information, etc.)

I. Previous interim consolidated accounting period (March 1, 2024 to August 31, 2024)

1. Information on sales and the amount of profit or loss for each reported segment, as well as information on the breakdown of revenues

(Thousands of yen)

	Reportable segments						Other (Note) 1	Total	Adjustment amount (Note) 2	Interim Consolidated Statements of Income (Note)3
	Juku Business	Private Tutor Dispatch Business	Early Childhood Education Business	Tutoring Business In School	Personality enrichment camp education business	Total				
Sales										
Goods or services to be transferred at a single point in time	142	-	132,309	-	149	132,601	9,693	142,295	-	142,295
Goods or services that are transferred over a period of time	8,389,553	2,271,130	2,987,052	1,704,442	1,093,378	16,445,557	-	16,445,557	-	16,445,557
Revenue generated from customer contracts	8,389,695	2,271,130	3,119,361	1,704,442	1,093,528	16,578,158	9,693	16,587,852	-	16,587,852
Other Earnings	-	-	-	-	-	-	-	-	-	-
Revenues from external customers	8,389,695	2,271,130	3,119,361	1,704,442	1,093,528	16,578,158	9,693	16,587,852	-	16,587,852
Transactions with other segments	60,470	-	26,758	-	6,003	93,232	59,878	153,110	(153,110)	-
Total	8,450,166	2,271,130	3,146,119	1,704,442	1,099,531	16,671,390	69,571	16,740,962	(153,110)	16,587,852
Segment Profit	328,878	46,309	496,954	264,451	83,314	1,219,909	7,725	1,227,634	230,634	1,458,269

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

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

3. Segment profit is adjusted to operating income in the interim consolidated statements of income.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

(Significant impairment loss on fixed assets)

It is omitted because it is not important.

(Significant fluctuations in the amount of goodwill)

Not applicable.

(Significant Negative Goodwill Accrual)

Not applicable.

II. Interim Consolidated Accounting Period (March 1, 2025 to August 31, 2025)

1. Information on sales and the amount of profit or loss for each reported segment, as well as information on the breakdown of revenues

(Thousands of yen)

	Reportable segments						Other (Note) 1	Total	Adjustment amount (Note) 2	Interim Consolidated Statements of Income (Note)3
	Juku Business	Private Tutor Dispatch Business	Early Childhood Education Business	Tutoring Business In School	Personality enrichment camp education business	Total				
Sales										
Goods or services to be transferred at a single point in time	2,146	-	127,836	-	124	130,107	11,549	141,657	-	141,657
Goods or services that are transferred over a period of time	8,397,946	2,370,962	2,967,281	1,839,366	1,045,309	16,620,865	-	16,620,865	-	16,620,865
Revenue generated from customer contracts	8,400,093	2,370,962	3,095,117	1,839,366	1,045,434	16,750,973	11,549	16,762,522	-	16,762,522
Other Earnings	-	-	-	-	-	-	-	-	-	-
Revenues from external customers	8,400,093	2,370,962	3,095,117	1,839,366	1,045,434	16,750,973	11,549	16,762,522	-	16,762,522
Transactions with other segments	44,465	-	24,467	-	6,003	74,935	62,560	137,496	(137,496)	-
Total	8,444,558	2,370,962	3,119,584	1,839,366	1,051,437	16,825,909	74,110	16,900,019	(137,496)	16,762,522
Segment profit	(117,087)	115,141	232,056	246,844	76,847	553,803	11,318	565,121	214,096	779,218

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

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

3. Segment profit or loss (loss) is adjusted for operating income in the interim consolidated statements of income.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

(Significant impairment loss on fixed assets)

It is omitted because it is not important.

(Significant fluctuations in the amount of goodwill)

Not applicable.

(Significant Negative Goodwill Accrual)

Not applicable.

Notes to Consolidated Interim Financial Statements

(Notes Regarding Significant Changes in the Amount of Shareholders' Equity)

(Decrease in Capital Reserve)

Based on the resolution passed at the Ordinary General Meeting of Shareholders held on May 23, 2025, and in accordance with the provisions of Article 448, Paragraph 1 of the Companies Act, the Company decreased Capital Reserve by ¥1,375,255 thousand and transferred this amount to Other Capital Surplus during the current interim consolidated accounting period. The total amount of shareholders' equity remains unaffected by this transfer.

(Disposal of Treasury Stock as Restricted Stock Compensation)

Based on a resolution of the Board of Directors held on June 12, 2025, the Company disposed of 218,300 shares of Treasury Stock on July 11, 2025, as restricted stock compensation. As a result, Other Capital Surplus increased by ¥3,711 thousand, and Treasury Stock decreased by ¥45,188 thousand.

Due to these and other transactions, during the current interim consolidated accounting period, Capital Surplus increased by ¥3,711 thousand and Treasury Stock decreased by ¥45,188 thousand. As of the end of the current interim consolidated accounting period, Capital Surplus amounted to ¥4,335,122 thousand and Treasury Stock amounted to ¥310,626 thousand.

(Notes Regarding Going Concern Assumption)

There are no applicable items.

(Notes Regarding Important Subsequent Events)

(Transition to a Holding Company Structure through Company Split)

The Company resolved at a meeting of the Board of Directors held on April 18, 2025, to transition to a holding company structure with an effective date of September 1, 2025. This transition was executed through an absorption-type company split, where the Company was the splitting company. The businesses operated by the Company—namely the Tutoring School business, English school business, and student recruitment and solicitation business—were succeeded by TOMAS Co., Ltd. ("TOMAS"), a wholly-owned subsidiary of the Company. Concurrently, the Company changed its trade name from "RISO Kyoiku Co., Ltd." to "RISO KYOIKU GROUP CORPORATION." on the same effective date.

1. Outline of the Company Split

(1) Businesses Subject to the Company Split:

Tutoring School business, English school business, and student recruitment and solicitation business.

(2) Date of the Company Split:

September 1, 2025

(3) Legal Form of the Company Split:

An absorption-type company split, with the Company as the splitting company and TOMAS (a wholly-owned subsidiary) as the successor company.

(4) Names of Companies After the Split:

Splitting Company: RISO KYOIKU GROUP CORPORATION.

Successor Company: TOMAS Co., Ltd.

(5) Purpose of the Company Split:

The educational environment surrounding our core Tutoring School business is constantly changing, driven by reforms to the university entrance examination system and the digitalization of education. Although the Company has achieved continuous growth by providing genuine individualized tutoring services with proprietary learning curricula tailored to each student's "individuality" (utilizing the declining birthrate as a tailwind), further consolidation and potential restructuring of the industry are anticipated due to a further decrease in the birthrate, diversification of values, and changes in the social environment. To flexibly respond to such changes in the management environment and achieve sustainable growth, we determined it necessary to restructure the Group organization for enhanced management efficiency. Consequently, we have transitioned to a holding company structure with the Company acting as the parent company.

2. Overview of Accounting Treatment to be Implemented

The transaction will be accounted for as a transaction under common control, based on the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, issued January 16, 2019) and the "Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, issued January 16, 2019).