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FY24 Consolidated Financial Results [JGAAP]

November 4, 2025

Company Name: Insource Co., Ltd.

Stock Exchange Listing: Tokyo

Code number: 6200

URL: <https://www.insource.co.jp/index.html>

Representative: Takayuki Funahashi, Representative Director, President and CEO

Contact: Shigeo Fujimoto, Director, Executive Officer and CFO

TEL. +81-3-5577-2283

Scheduled date of the ordinary general meeting of shareholders: December 18, 2025

Scheduled date to commence dividend payments: December 19, 2025

Scheduled date to submit annual securities report: December 16, 2025

Preparation of supplementary materials on financial results: Yes

Financial results briefing: Yes (for analysts)

(Amounts are rounded down to the nearest million yen)

1. FY24 Consolidated Financial Results (October 1, 2024 – September 30, 2025)

(1) Consolidated Financial Results

(% indicates changes from the previous year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	mil yen	%	mil yen	%	mil yen	%	mil yen	%
FY24	14,510	16.3	5,978	21.1	5,997	21.4	4,130	23.1
FY23	12,474	15.7	4,937	25.3	4,940	25.5	3,355	25.4

(Note) Comprehensive income: FY24 4,155 million yen (23.9%) FY23 3,354 million yen (25.0%)

	Earnings per share	Fully diluted earnings per share	Return on equity	Return on Assets	Operating profit to sales ratio
	yen sen	yen sen	%	%	%
FY24	49.20	—	36.8	40.9	41.2
FY23	39.98	—	37.6	41.2	39.6

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	mil yen	mil yen	%	yen sen
FY24	16,149	12,487	77.3	148.70
FY23	13,177	9,935	75.4	118.41

(Reference) Shareholders' equity: FY24 12,487 million yen FY23 9,935 million yen

(3) Consolidated Cash Flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of period
	mil yen	mil yen	mil yen	mil yen
FY24	4,395	(231)	(1,678)	8,191
FY23	4,032	(447)	(1,394)	5,705

2. Dividends

	Annual cash dividends per share					Total dividend	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total			
	yen sen	yen sen	yen sen	yen sen	yen sen	mil yen	%	%
FY23 Full-year	—	0.00	—	20.00	20.00	1,678	50.0	18.8
FY24 Full-year	—	0.00	—	25.00	25.00	2,099	50.8	18.7
FY25 (forecast)	—	0.00	—	29.50	29.50		53.5	

3. Consolidated Financial Forecast for FY25 (October 1, 2025 – September 30, 2026)

(% indicates changes from the previous year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	mil yen	%	mil yen	%	mil yen	%	mil yen	%	yen sen
2Q FY25 (Cumulative)	8,010	14.1	3,180	8.1	3,180	7.5	2,170	10.3	25.85
FY25 Full-year	16,800	15.8	6,800	13.7	6,800	13.4	4,630	12.1	55.15

* Notes

(1) Significant changes in the scope of consolidation during the current fiscal year : None

(2) Changes in accounting policies, estimates and restatements

- (i) Changes in accounting policies due to the revision of accounting standards : None
- (ii) Changes in accounting policies other than (2)-(i) : None
- (iii) Changes in accounting estimates : None
- (iv) Restatements : None

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

(i) Total number of issued shares at the end of the period (including treasury shares)	FY24	85,243,000 shares	FY23	85,243,000 shares
(ii) Total number of treasury shares at the end of the period	FY24	1,269,169 shares	FY23	1,332,369 shares
(iii) Average number of shares during the period	FY24	83,947,385 shares	FY23	83,938,783 shares

* These consolidated financial results are outside the scope of review by certified public accountants and audit firm

* Explanation for the appropriate use of financial forecasts and other special notes:

(Cautionary note on forward-looking statement)

The statements regarding the forecast of financial results in this report are based on the information that is available to the Company, as well as certain assumptions that are deemed to be reasonable by management, and they are not meant to be a commitment by the Company. Therefore, there might be cases in which actual results differ materially from forecast figures due to various factors.

(How to obtain supplementary explanatory materials for financial results)

Supplementary materials for financial results are disclosed via TDnet on the same day.

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1. Overview of Business Performance and Other Key Indicators

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

i. Business Results for the Current Fiscal Year

During the current consolidated fiscal year (From October 1, 2024 to September 30, 2025), the needs of the career training market are strong because the market continued to show resilient demand, supported by growing momentum for enhancing corporate value through human capital management. In addition, DX (digital) training market expanded rapidly with the advancement of human resource development through the use of data.

Under these circumstances, we strengthened our lineup of Generative AI utilization training and e-Learning content by industry and job category with the aim of expanding digital content. We also implemented three main measures to increase sales.

First, in October 2024 we launched a 5-headquarters sales system, and each division implemented measures based on its own unique strategy. This resulted in an increase in the proposed amount and an increase in net sales per organization. Second, in February 2025, we opened new seminar classrooms in Yurakucho and Shinjuku (both in Tokyo), and by expanding the floor space of the existing seminar classroom in Osaka, we strengthened the promotional strategy for Open Seminars. Third, we launched “Insource ENERGY Partner,” our first client loyalty initiative, and strengthened promotional activities, such as direct mail and telephone calls, for organizations eligible for the award. In September 2025, we introduced a domain system as one of our medium-to long-term growth strategies. We have assigned leaders to each domain to conduct business and market analysis by domain, and we have begun product development and sales promotion activities.

Regarding the On-Site Training Business, face-to-face training increased in both private companies and government agencies. Throughout the year, highly profitable DX-related training increased, particularly among private companies. As a result, the number of trainings conducted increased by 19.7% YoY.

In the Open Seminars Business, the number of attendees increased 15.9% YoY due to optimization of course settings and concerted company-wide sales promotion activities. In particular, the number of attendees for DX related training increased by 22.7% YoY.

In the IT Services segment, the total number of active “Leaf” users (HR support system, LMS *1) increased by 23.3% YoY, exceeding 5 million. The number of paid subscribers increased to 860 organizations (+119, +16.1% YoY). Leaf’s monthly subscription fees (MRR (*2)) increased steadily, and ARR (*3) grew 24.2% YoY to 1,457 million yen.

In Other Businesses, e-Learning's Video Production Solution was strong, and the number of titles produced increased 91.6% in YoY to 435. The number of video rental viewers also increased by 23.3% in YoY to 21,296.

Total personnel expenses rose 12.1% YoY as SG&A expenses rose. However, higher sales resulted in a 21.2% increase in operating profit, marking a new record high.

As a result of the above, consolidated financial results for the current consolidated fiscal year are as follows; net sales were 14,510,945 thousand yen (+16.3% YoY), operating profit was 5,978,600 thousand yen (+21.1% YoY), ordinary profit was 5,997,897 thousand yen (+21.4% YoY), profit attributable to owners of parent was 4,130,091 thousand yen (+23.1% YoY), having achieved a record high.

*1: LMS (Learning Management System): A system necessary for implementing e-Learning.

*2: MRR: Monthly Recurring Revenue

*3: ARR: Annual Recurring Revenue. Calculated by multiplying the MRR of the last month of each term by 12.

■Net sales by business (cumulative)

(Unit: thousand yen)

Business	The 22nd consolidated fiscal year (Oct.1, 2023 – Sep.30, 2024)	YoY (%)	The 23rd consolidated fiscal year (Oct.1, 2024 – Sep.30, 2025)	YoY (%)
On-Site Training	5,884,813	111.6	6,914,664	117.5
Open Seminars	3,060,065	116.9	3,579,759	117.0
IT Services	1,822,044	139.7	1,929,551	105.9
Other Businesses	1,707,738	107.6	2,086,970	122.2
Total	12,474,662	115.7	14,510,945	116.3

(Note) Since the Group has a single business segment, which is the education service business, the information herein is presented by business category instead of segment.

ii. Future Outlook

The career training market and The DX (Digital Transformation) training market are expected to continue their steady growth in the following consolidated fiscal year (from October 1, 2025 to September 30, 2026), supported by advancements in data-driven human resource development.

In response to these needs, our Group will maximize the use of our contents IP, boasting one of the largest lineups in Japan, and provide optimal solutions to each client at the optimal timing. In Generative AI field in particular, in addition to technical support for organizational consulting, database-building, etc., we will further strengthen support for human resource development to continuously utilize them. We also established “Group Human Resource Development Department” with the aim of enhancing the performance of the entire Group by improving the skills and abilities of our employees. In FY24, the number of new employees increased, and we will further enhance our educational system to strengthen product knowledge and share in-house knowledge, which will lead to sales growth. Furthermore, under the domain system introduced in September 2025, each leader will conduct detailed market analyses and formulate product development and sales promotion strategies, thereby enabling speedy responses and aiming to enter new markets and increase market share.

In Training Business, we expect the percentage of online training to decline and face-to-face training to increase further. In addition, due to the high level of interest in DX promotion and Generative AI utilization, career development education demand is expected to grow, and the number of trainings conducted and attendees are expected to increase. We will strengthen our relationships with client and thoroughly propose cross-selling to further increase sales per organization.

In IT Services, we will leverage our stable operations, affordable pricing, and multi-functional capabilities to strengthen sales promotions, particularly in the EB market. “Leaf Lightning,” our flagship product, is an LMS with more than 176 standardized functions aligned with Japan’s detailed educational control system. In addition to its extensive functionality, it features a robust security system recognized by central government agencies and financial institutions, making it highly competitive.

In Other Businesses, we aim to grow net sales by strengthening product development and sales promotions across consulting services, video and e-learning services, regional revitalization initiatives, online seminar support services, BPO support, and staffing services. Our goal is to develop this segment into a core business alongside our Training Business and IT Services Business.

As a result, the Group estimate the net sales of 16,800 million yen, operating profit of 6,800 million yen, ordinary profit of 6,800 million yen, and net profit attributable to owners of parent of 4,630 million yen.

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

i. Situation of the assets, liabilities and net assets

(Current Assets)

Current assets at the end of the current consolidated fiscal year increased by 2,795,198 thousand yen compared to the end of the previous consolidated fiscal year to 10,200,841 thousand yen (+37.7% compared to the previous consolidated fiscal year). This was mainly due to an increase of 2,485,889 thousand yen in cash and deposits.

(Non-current assets)

Non-current assets at the end of the current consolidated fiscal year increased by 176,394 thousand yen compared to the end of the previous consolidated fiscal year to 5,948,600 thousand yen (+3.1%). This was mainly due to a 162,037 thousand yen increase in lease and guarantee deposits.

(Current liabilities)

Current liabilities at the end of the current consolidated fiscal year increased by 393,370 thousand yen compared to the end of the previous consolidated fiscal year to 3,592,701 thousand yen (+12.3%). This was mainly due to an increase of 227,701 thousand yen in income taxes payable.

(Non-current liabilities)

Non-current liabilities at the end of the current consolidated fiscal year increased by 26,628 thousand yen compared to the end of the previous consolidated fiscal year to 69,666 thousand yen (+61.9%). This was mainly due to a increase of 26,628 thousand yen in asset retirement obligation.

(Net assets)

Net assets at the end of the current consolidated fiscal year increased by 2,551,594 thousand yen compared to the end of the previous consolidated fiscal year to 12,487,074 thousand yen (+25.7%). This was mainly due to an increase of 2,451,878 thousand yen in retained earnings.

ii. Overview of Cash Flows

Cash and cash equivalents increased by 2,485,889 thousand yen during the current consolidated fiscal year, and amounted to 8,191,258 thousand yen at the end of the current consolidated fiscal year. The status of each cash flow and its factors at the end of the current consolidated fiscal year are as follows.

(Cash flow from operating activities)

In the current consolidated fiscal year, cash flow from operating activities resulted in a cash inflow of 4,395,202 thousand yen (a cash inflow of 4,032,447 thousand yen in the previous consolidated fiscal year). This was mainly due to the profit before income taxes of 5,889,305 thousand yen.

(Cash flow from investing activities)

Cash flow from investing activities for the current consolidated fiscal year resulted in a cash outflow of 231,097 thousand yen (a cash outflow of 447,594 thousand yen in the previous consolidated fiscal year). This was mainly due to payments for lease and guarantee deposits of 173,884 thousand yen.

(Cash flow from financing activities)

In the current consolidated fiscal year, cash flow from financing activities resulted in a cash outflow of 1,678,212 thousand yen (a cash outflow of 1,394,974 thousand yen in the previous consolidated fiscal year). This was mainly due to the payment of 1,678,212 thousand yen in dividends.

(3) Profits Distribution Policy and Current Dividend Payment

Starting from July 22, 2024, the Company has adopted a shareholder return policy that incorporates a capital efficiency perspective as our basic dividend policy, aiming for a “dividend payout ratio of 50% and a dividend on equity (DOE) of 18%.” In consideration of the full-year consolidated results for FY24, we have revised the forecast for FY24, which was announced on November 5, 2024, from 23.50 yen per share to 25 yen 00 sen per share (50.8% of the normal payout ratio and 18.7% of the DOE).

(4) Business Risks

Of the matters concerning the status of business and accounting described in this report, the followings are matters that may have a significant impact on the decisions of investors. Acknowledging the possibility of these risks, the Group’s policy is to avoid their occurrence and, if they do occur, to take measures to minimize the impact of such risks; however, the Group believe that investment decisions regarding our company's shares need to be made after carefully considering the following business and other risks, as well as other matters described in this section.

The forward-looking statements in this report are based on the judgment of the Group as of the date of submission of this report.

i. Business environment

The services provided by the Group are related to the human resources development of companies and organizations, and therefore tend to be susceptible to economic trends and profits of companies and organizations. If the economic environment deteriorates and the budget for education and training of our clients is reduced, this could affect our business performance. In order to respond to these changes in the economic environment, our Group will provide a variety of high-value-added services by developing innovative services utilizing AI and digital technologies, providing flexible training styles that combine online and offline, and designing highly customized training programs to meet client needs. While the expansion of the generative AI market presents new growth opportunities for our Group, failure to appropriately respond to rapid technological innovation, evolving educational needs, and legal challenges such as copyright and data usage may adversely affect our business and profitability. In order to respond quickly to these changes in the business environment, we assigned at least one Generative AI representative to each department, and are speedily promoting improvements in internal operations. We also established a system to quickly commercialize successful improvement cases and accurately grasp client demand as a diverse content lineup.

Furthermore, we will strive to maintain and improve profitability by aggressively entering new markets, including Generative AI utilization consulting and technical support, in addition to the education field.

ii. About the Group's business

(System)

a. System Failures

The services provided by the Group and the internal operations that support these services make full use of computer and Internet technologies, and are highly dependent on telecommunications network services operated by telecommunications carriers. As a result, if communication networks and servers become unavailable due to unanticipated problems or other factors, it may become difficult for our group to provide services.

In the event of such a situation, it could result in claims for damages from client or other parties and a loss of public confidence, which could have a significant impact on our business and results of operations.

b. Cyber Security

Our group takes various security measures to prevent system failures and information leaks due to cyberattacks. However, with the advanced and complexity of recent cyberattacks, the risk of business interruptions and data encryption due to ransomware, as well as the leakage of personal and confidential information through unauthorized access, is increasing. Should such incidents occur, they could disrupt the Group's business operations and potentially result in claims for damages from clients and other parties, as well as a loss of public trust in the Group, which could have a significant impact on the Group's business and business performance.

c. Development system for in-house standardization

By aggressively promoting in-house standardization, the Group has been able to maintain price competitiveness by minimizing the increase in personnel costs even in the midst of business expansion. However, in the future, if the progress of system development is delayed due to difficulties in securing human resources or other reasons, the efficient promotion of in-house standardization may be hindered, which may affect the business performance of the Group.

(Products and services)

If the Group fails to maintain its competitive advantage — either in developing a diverse range of new content, which has been a key source of its strength, or in providing support services focused on human resources and general affairs — its business performance may be adversely affected.

(Sales activities using the web)

In the course of our sales activities, the Group is expanding our web pages in order to increase the effectiveness of sales promotion. Increased use of Generative AI may reduce access to our existing websites (number of web page sessions). This may reduce the sales promotion effect of our group. To cope with these risks, we are rapidly designing an AI-friendly information-structure. Specifically, we have developed a format that enables us to effectively respond to client inquiries. We also disclose our own primary data, which is differentiated from other companies. In addition, we clearly present the latest numerical data in a format optimized for AI-generated responses. As described so far, we will strengthen our sales activities through Web even in new areas called LLMO (Large Language Model Optimization).

(Intellectual Property Rights)

In the Group's business, the Group believes that it is important to secure intellectual property such as copyrights and trademarks due to our strength in providing training with original content. However, there is a possibility that imitation of our services by malicious third parties could hinder our business development and affect our business performance.

We take meticulous care to avoid infringing upon intellectual property rights held by third parties, including conducting prior investigations into rights-related matters. In the event of infringement, our Group may suffer reputational damage and incur losses from compensation claims, which could adversely affect our business performance.

(Securing trainers)

One of the most important factors that determine successful training is the quality of the trainer. It is essential to secure trainers with the right skills, knowledge, and experience in order to conduct high-quality training.

Our Group will continue working to ensure these trainers. In the future, if we are unable to secure trainers that enable us to provide training with the skills, knowledge/experience that our Group requires on appropriate contract terms, there may be a serious hindrance to the implementation of training by our Group, which could affect the Group's business performance.

(Mergers and Acquisitions)

The Group believes that it is possible to complement and strengthen the Group's business by conducting M&A (acquisition of subsidiaries, transfer of business, capital participation, etc.) and actively promoting M&A. In doing so, the Group strives to avoid risks as much as possible by conducting detailed due diligence on the target company and its business, as well as on financial, tax, legal, labor, and other issues, and by gathering information, examining investment efficiency, and conducting other studies that the Group consider necessary and sufficient for decision-making.

However, if, after the M&A, problems that the Group is not aware of are revealed, or if for some reason business development does not proceed as planned, there is a possibility that we may need to recognize impairment losses on the equity value of the target company or the acquired assets, which could have an impact on our Group's business performance and financial condition.

iii. Competitors

In the field of education and training for working adults, many companies have entered the market, including other training companies, consulting companies, and think tank training companies. However, in the future, if companies in fields different from the training business enter the market with business models that cause a paradigm shift in training, the Group's sales activities may be hindered and the Group's business performance may be affected.

iv. Risks related to Sustainability

From a medium to long-term perspective, the Group has identified five sustainability-related risks: "human rights violations," "damage to business sites and servers due to large-scale natural disasters," "bribery and corruption," "decline in competitiveness due to delays in the use of Generative AI," and "cost increases due to changes in the external environment." We will regularly monitor these risks and work to avoid them occurring and to respond to them if they do occur.

Priority	Risks related to sustainability	Financial impact
1	Human rights violations	Significant
2	Damage to business sites and servers due to large-scale natural disasters	Moderate
2	Bribery and corruption	Moderate
2	Decline in competitiveness due to delays in the use of Generative AI	Minimal
3	Cost increases due to changes in the external environment	Minimal

v. Compliance Violations and Misconduct

The Group considers compliance to be one of the key management priorities, and we ensure that each officer and employee maintains a strong awareness of compliance in their daily work. However, it is challenging to completely eliminate the risk of misconduct such as embezzlement or breach of trust by officers or employees, violations of laws and regulations such as insider trading restrictions, human rights violations such as harassment, or corrupt practices including bribery. Should any of these incidents occur, they could lead to a loss of social trust in our Group, claims for damages, or administrative sanctions, potentially having a significant impact on the Group's performance. To minimize these risks, the Group is committed to continuously improving our compliance system by enhancing compliance education, organizing internal reporting systems, and strengthening internal audits.

(5) Others

i. Personal Information and Confidential Information

Due to the nature of the business operations, the Group holds a large amount of personal information and confidential information of related parties, and the “Act on the Protection of Personal Information” applies to the handling of personal information by the Group. For this reason, the Group have acquired the Privacy Mark as proof that the Group have established a system for appropriately handling personal information.

In the event of a security breach by a third party, hacking, or intentional or negligent misuse by an employee of personal or confidential information held by the Group, the Group may be held liable for damages to clients and other parties, and may be ordered by the authorities to improve its operations. This could have a negative impact on the Group's business, business performance, and social credibility.

ii. Risks of misconduct, rumors, etc. of trainers and e-Learning performers

If a trainer or e-Learning performer causes or is involved in an accident, incident, scandal, etc., or significantly damages public reputation by spreading rumors, etc., the Group may need to take measures such as suspending the trainer's training sessions or the use of e-Learning, etc., in which the performer appears. The Group's business performance may be affected. In addition, regardless of the Group's response to these incidents, if the incidents were to spread to investors, the mass media, the Internet, or society in general in a way that had a negative impact on the Group, social trust in the Group would be damaged, and the Group's business performance could be affected.

2. Overview of Group's Activities

As of the end of the current consolidated fiscal year, the Group consists of the Company and eight subsidiaries. The overview of consolidated subsidiaries is as follows;

Name	Address	Business
Mitemo Co., Ltd	Chiyoda-ku, Tokyo	<ul style="list-style-type: none"> • Regional Revitalization Business • Workshops/ Consulting Business • e-Learning Business • Production of Training Materials Business
Rashiku Corporation	Chiyoda-ku, Tokyo	<ul style="list-style-type: none"> • Recruitment Support Business
Insource Digital Academy Corporation	Chiyoda-ku, Tokyo	<ul style="list-style-type: none"> • IT-related On-Site Training and Open Seminars
Insource Marketing Design Corporation	Chiyoda-ku, Tokyo	<ul style="list-style-type: none"> • Website Promotion • Homepage Creation • System Development
Insource Business Rep Corporation	Chiyoda-ku, Tokyo	<ul style="list-style-type: none"> • Call center Service • Setup Service • IT Support Service
Insource Consulting Corporation	Chiyoda-ku, Tokyo	<ul style="list-style-type: none"> • Human resources strategy • Consulting • Training of specialized personnel
Insource Creative Solutions Corporation	Chiyoda-ku, Tokyo	<ul style="list-style-type: none"> • Training content and video production • Homepage Creation • Consulting
Insource Research Institute Corporation	Chiyoda-ku, Tokyo	<ul style="list-style-type: none"> • Survey, research • Consulting • Industry-academia collaboration projects

The Group has a single business segment, which is the education service business.

(Note) In the current fiscal year, Insource Research Institute Corporation was included in the scope of consolidation following the establishment of the company.

3. Basic Approach in Choosing Accounting Standard

Since most of the Group's stakeholders are domestic shareholders, creditors, business partners, etc., there is little need to raise funds from overseas, the Group applies Japanese GAAP for accounting standards.

4. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

(unit: thousand yen)

	FY23 (As of Sep.30, 2024)	FY24 (As of Sep.30, 2025)
Assets		
Current assets		
Cash and deposits	5,705,369	8,191,258
Notes receivable - trade	2,461	—
Accounts receivable - trade	1,540,922	1,877,534
Merchandise	14,836	10,367
Work in process	42,184	29,684
Prepaid expenses	66,726	73,339
Other	34,475	20,153
Allowance for doubtful accounts	-1,333	-1,497
Total current assets	7,405,642	10,200,841
Non-current assets		
Property, plant and equipment		
Buildings	1,842,197	1,923,702
Accumulated depreciation	-265,014	-349,205
Buildings, net	1,577,183	1,574,497
Tools, furniture and fixtures	107,243	115,564
Accumulated depreciation	-54,017	-69,834
Tools, furniture and fixtures, net	53,226	45,729
Land	1,974,413	1,974,413
Total property, plant and equipment	3,604,822	3,594,640
Intangible assets		
Leasehold interests in land	769,778	769,778
Goodwill	13,631	5,841
Software	149,228	161,198
Other	346	3,183
Total intangible assets	932,984	940,002
Investments and other assets		
Investment securities	169,326	96,648
Long-term prepaid expenses	24,323	40,926
Leasehold and guarantee deposits	727,582	889,620
Deferred tax assets	312,381	385,797
Other	784	964
Total investments and other assets	1,234,398	1,413,957
Total non-current assets	5,772,205	5,948,600
Total assets	13,177,848	16,149,441

(unit: thousand yen)

	FY23 (As of Sep.30, 2024)	FY24 (As of Sep.30, 2025)
Liabilities		
Current liabilities		
Accounts payable - trade	206,445	217,941
Accounts payable - other	660,444	681,408
Income taxes payable	935,222	1,162,924
Accrued consumption taxes	337,987	317,188
Advances received	948,134	1,097,267
Deposits received	87,232	90,957
Other	23,863	25,012
Total current liabilities	3,199,330	3,592,701
Non-current liabilities		
Asset retirement obligations	43,037	69,666
Total non-current liabilities	43,037	69,666
Total liabilities	3,242,368	3,662,367
Net assets		
Shareholders' equity		
Share capital	800,623	800,623
Capital surplus	904,576	941,782
Retained earnings	8,927,868	11,379,746
Treasury shares	-708,300	-670,710
Total shareholders' equity	9,924,767	12,451,441
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,712	35,632
Total accumulated other comprehensive income	10,712	35,632
Total net assets	9,935,479	12,487,074
Total liabilities and net assets	13,177,848	16,149,441

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

(unit: thousand yen)

	FY23 (Oct.1, 2023- Jun.30, 2024)	FY24 (Oct.1, 2024- Jun.30, 2025)
Net sales	12,474,662	14,510,945
Cost of sales	2,860,722	3,352,095
Gross profit	9,613,939	11,158,849
Selling, general and administrative expenses	4,676,848	5,180,249
Operating profit	4,937,091	5,978,600
Non-operating income		
Interest income	380	8,433
Dividend income	713	857
Gain on sale of investment securities	—	10,419
Subsidies for employment adjustment	1,449	1,218
Income from base station installation	2,008	2,008
Surrender value of insurance policies	1,447	549
Other	2,164	1,652
Total non-operating income	8,164	25,140
Non-operating expenses		
Foreign exchange losses	24	3
Commission for purchase of treasury shares	899	—
Loss on extinguishment of stock-based compensation expenses	3,211	4,717
Consumption tax difference	189	1,121
Total non-operating expenses	4,325	5,842
Ordinary profit	4,940,930	5,997,897
Extraordinary losses		
Loss on valuation of investment securities	153,554	108,591
Loss on retirement of non-current assets	32	—
Total extraordinary losses	153,586	108,591
Profit before income taxes	4,787,343	5,889,305
Income taxes - current	1,366,970	1,843,630
Income taxes - deferred	64,495	-84,415
Total income taxes	1,431,465	1,759,214
Profit	3,355,877	4,130,091
Profit attributable to owners of parent	3,355,877	4,130,091

(Quarterly Consolidated Statements of Comprehensive Income)
(For the nine months ended June 30, 2025)

	(unit: thousand yen)	
	FY23 (Oct.1, 2023- Jun.30, 2024)	FY24 (Oct.1, 2024- Jun.30, 2025)
Profit	3,355,877	4,130,091
Other comprehensive income		
Valuation difference on available-for-sale securities	-1,059	24,920
Total other comprehensive income	-1,059	24,920
Comprehensive income	3,354,817	4,155,011
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,354,817	4,155,011
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statement of Changes in Equity
FY23 (October 1, 2023 to September 30, 2024)

(Thousands of yen)

	Shareholders' equity					Accumulated other comprehensive income		Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of period	800,623	893,072	6,666,433	-442,399	7,917,728	11,772	11,772	7,929,500
Restated balance								
Changes during period			-1,094,442		-1,094,442			-1,094,442
Dividends of surplus			3,355,877		3,355,877			3,355,877
Profit attributable to owners of parent				-299,952	-299,952			-299,952
Purchase of treasury shares		11,504		34,052	45,556			45,556
Disposal of treasury shares						-1,059	-1,059	-1,059
Net changes in items other than shareholders' equity	—	11,504	2,261,435	-265,900	2,007,038	-1,059	-1,059	2,005,978
Total changes during period	800,623	904,576	8,927,868	-708,300	9,924,767	10,712	10,712	9,935,479

FY24 (October 1, 2024 to September 30, 2025)

(Thousands of yen)

	Shareholders' equity					Accumulated other comprehensive income		Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of period	800,623	904,576	8,927,868	-708,300	9,924,767	10,712	10,712	9,935,479
Restated balance								
Changes during period			-1,678,212		-1,678,212			-1,678,212
Dividends of surplus			4,130,091		4,130,091			4,130,091
Profit attributable to owners of parent					—			—
Purchase of treasury shares		37,205		37,589	74,795			74,795
Disposal of treasury shares						24,920	24,920	24,920
Net changes in items other than shareholders' equity	—	37,205	2,451,878	37,589	2,526,673	24,920	24,920	2,551,594
Total changes during period	800,623	941,782	11,379,746	-670,710	12,451,441	35,632	35,632	12,487,074

(4) Consolidated Statements of Cash Flows

(unit: thousand yen)

	FY23 (Oct.1, 2023- Jun.30, 2024)	FY24 (Oct.1, 2024- Jun.30, 2025)
Cash flows from operating activities		
Profit before income taxes	4,787,343	5,889,305
Depreciation	177,515	180,366
Amortization of goodwill	7,789	7,789
Share-based payment expenses	88,675	41,328
Loss on retirement of non-current assets	32	—
Loss (gain) on valuation of investment securities	153,554	108,591
Increase (decrease) in allowance for doubtful accounts	-269	164
Interest and dividend income	-1,094	-9,291
Foreign exchange losses (gains)	24	3
Decrease (increase) in trade receivables	-154,282	-334,150
Decrease (increase) in inventories	17,635	16,962
Increase (decrease) in trade payables	13,012	11,496
Other, net	176,177	80,690
Subtotal	5,266,115	5,993,257
Interest and dividends received	1,094	9,291
Income taxes paid	-1,234,762	-1,607,345
Net cash provided by (used in) operating activities	4,032,447	4,395,202
Cash flows from investing activities		
Purchase of investment securities	-122	-122
Proceeds from sale of investment securities	—	10,547
Purchase of property, plant and equipment	-307,924	-79,265
Payments of leasehold and guarantee deposits	-163,883	-173,884
Proceeds from refund of leasehold and guarantee deposits	27,406	11,847
Loan advances	-1,470	-2,925
Proceeds from collection of loans receivable	340	2,705
Other, net	-1,941	—
Net cash provided by (used in) investing activities	-447,594	-231,097
Cash flows from financing activities		
Purchase of treasury shares	-300,852	—
Proceeds from disposal of treasury shares	320	—
Dividends paid	-1,094,442	-1,678,212
Net cash provided by (used in) financing activities	-1,394,974	-1,678,212
Effect of exchange rate change on cash and cash equivalents	-24	-3
Net increase (decrease) in cash and cash equivalents	2,189,852	2,485,889
Cash and cash equivalents at beginning of period	3,515,516	5,705,369
Cash and cash equivalents at end of period	5,705,369	8,191,258

(5) Notes to Consolidated Financial Statements
 (Notes Regarding to the Going Concern Assumption)
 No applicable matters.

(Segment Information, etc.)

This information is omitted because the Group operates in a single segment of the education service business.

This information is omitted as the Group operates in a single business segment, namely the education services business.

(Per share information)

	Previous fiscal year (Oct. 1, 2023 - Sep. 30, 2024)	Current fiscal year (Oct. 1, 2024 - Sep. 30, 2025)
Net assets per share	118.41 yen	148.70 yen
Earnings per share	39.98 yen	49.20 yen
Fully diluted earnings per share	—	—

The basis for calculating earnings per share and diluted earnings per share is as follows:

	The previous consolidated fiscal year (Oct. 1, 2023 - Sep. 30, 2024)	The current consolidated fiscal year (Oct. 1, 2024 - Sep. 30, 2025)
Earnings per Share		
Profit attributable to owners of parent (thousand yen)	3,355,877	4,130,091
Amount not attributable to common shareholders (thousand yen)	—	—
Profit attributable to owners of parent attributable to common stock (thousand yen)	3,355,877	4,130,091
Average number of shares during the period (shares)	83,938,783	83,947,385
Diluted Earnings per Share		
Adjusted profit attributable to owners of parent (thousand yen)	—	—
Increase in the number of common stocks (shares)	—	—
(of which, stock acquisition rights (shares))	(—)	(—)
Summary of potential shares excluded from the calculation of diluted earnings per share due to lack of dilutive effect	—	—

(Significant Subsequent Events)
 No applicable matters.