



JP HOLDINGS GROUP
<https://www.jp-holdings.co.jp/>

Prime Market (2749)

JP-HOLDINGS, INC.

Financial Results for Fiscal Year ending March 2025



May 2025

1 FY 3/25 Results

2 Earnings Forecast for FY 3/26 and the Rolling of the Medium-term Management Plan

3 Policy for Capital Cost

4 APPENDIX



JP HOLDINGS GROUP

Every activity is for children's smiles



JP HOLDINGS
GROUP

Leading company in the child-raising support business

JP Holdings Group is a leading company in the child-raising support business, and operates childcare support facilities, including nursery schools, school clubs, and children's houses.

JP Holdings Group was founded in 1993, and started childcare business by establishing a day-care center for children of our employees so that they can work without worry. As joint-stock corporations were allowed to do nursery business in 2000, we first spread safe, reliable childcare services nationwide, while being supported by various people.

Group companies include Japan Nursery Service Inc., which operates childcare support facilities such as nursery schools, school clubs, and children's houses nationwide, J Kitchen Inc., which cooks meals for nursery schools, Japan Nursery Institute for General Research Inc., which offers classes in English, gymnastics, and eurhythmics for childcare support facilities, plans and sells childcare-related goods, conducts training and research about childcare and support for development and support business by visiting nursery schools, and operates the child-rearing assistance platform "codomel," Kosodate Support Realty Inc., which rents real estate and offers consulting services, and One's Will Co., Ltd., which engages in the employment placement business. These subsidiaries are managed and supervised by JP Holdings, Inc.

Outline of the Business of JP-Holdings

Supporting business in an integrated manner.

Employment placement business
for specialized personnel inside
and outside Japan



One's Will

Employment placement business for
specialized personnel inside and
outside Japan



Japan Nursery Service

Operation of nursery
schools, school clubs,
and children's houses

Operation of nursery schools, school clubs,
and children's houses
Operating 345 facilities around Japan
(※on April 1, 2025)

Realty
Brokerage, lease,
management
Consulting



**Kosodate Support
Realty**

Brokerage, rental,
management, and
consultancy of
real estate

Group purchase
Sale of childcare
goods
Development of
group facilities



**Japan Nursery Institute
for General Research**

Sale of
childcare goods

Development and operation of early
childhood learning programs
English, exercise, eurhythmics, dance
Support for development



**Japan Nursery Institute
for General Research**

Development
of programs
for children

JP-Holdings

Childcare support business
taking full advantage of synergy
among group companies

Business administration /development



J Kitchen

Cooking of
lunches and
advisory

Cooking of lunches
(Our company and
other companies)
Advisory



**Japan Nursery Institute
for General Research**

Training and
research

Training business
BPO service
Support business by
visiting nursery
schools



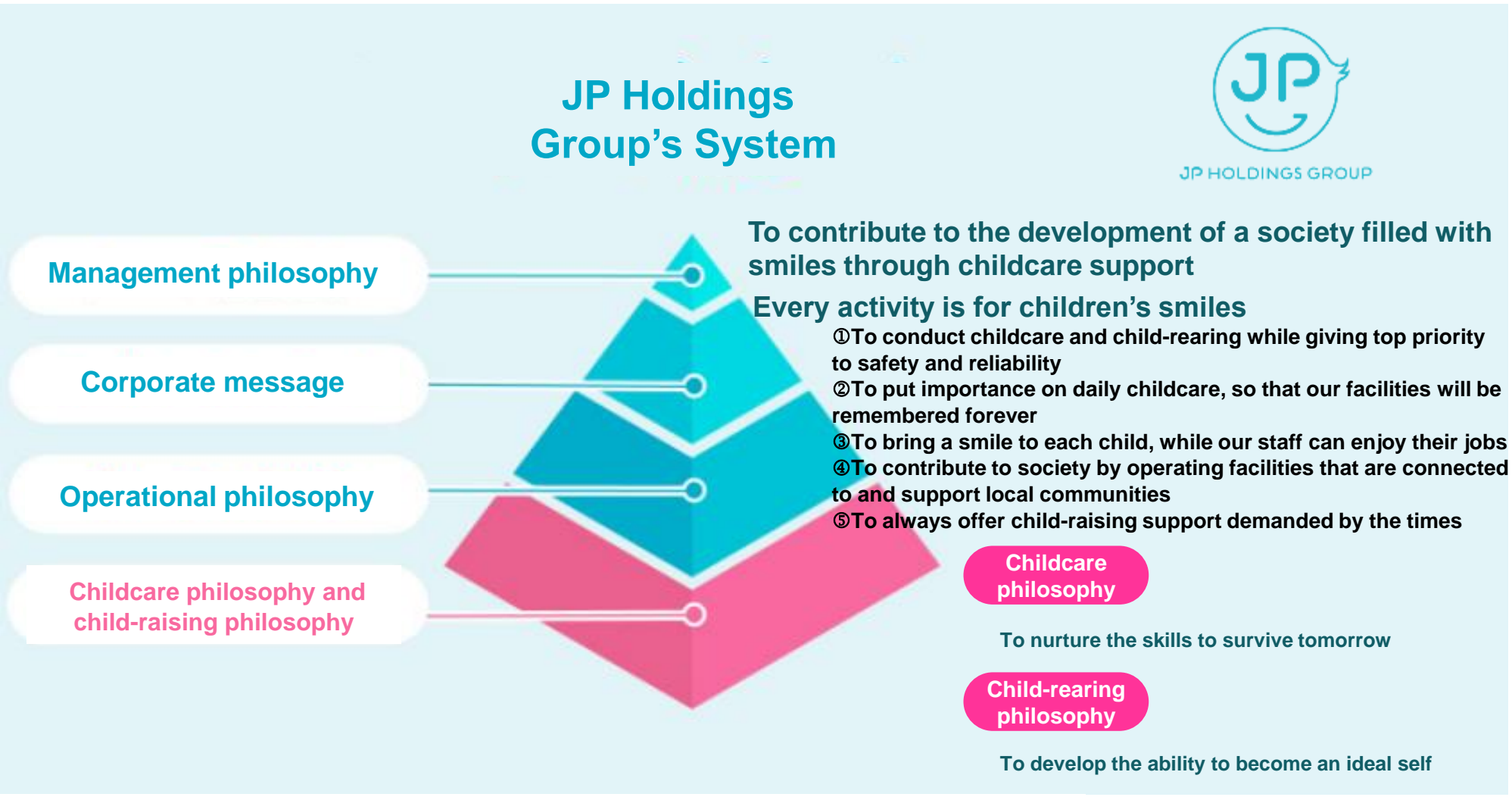
**Japan Nursery Institute
for General Research**

Platform

Platform business
Overseas business

Our Management Philosophy and Corporate Message

- To renew our management philosophy and operational philosophy, and produce a new corporate message
- Under the new philosophies, we will improve our child-raising support business based on the cooperation with local communities.





JP HOLDINGS GROUP

1

FY 3/25 Results



Summary of Business Results for FY 3/2

As we opened new facilities, undertook the operation of new facilities, and the drastic countermeasures against declining birthrate were implemented, sales and profit grew, hitting a record high.

Net sales: Increased 8.7% year on year, because we opened new facilities and undertook the operation of new facilities, the number of children increased during the fiscal year, the government implemented the revision of the number of children per nursery staff and significantly increased subsidies associated with improved treatment of childcare workers as the drastic countermeasures against declining birthrate.

Operating income: Grew 26.7% year on year, as the number of children increased and the number of children per nursery staff was revised, despite a decrease in subsidies to combat rising prices and other issues, augmented personnel expenses due to the improvement in treatment, expenditures related to corporate hometown tax donations aimed at childcare support business, and YoY increased expenses related to the shareholder benefit program.

Net income: Grew considerably by 33.9% year on year, due to the posting of compensation related to the relocation of the head office for the redevelopment of the region where the head office is relocated as an extraordinary income as well as the above factors in increasing sales and profit.

Unit: million yen	FY/24	FY3/25					
	Results	Results	Revised earnings forecast ratio	Initial performance forecast	Initial performance forecast ratio	Revised earnings forecast	Y/y growth rate
Net sales	37,856	41,147	8.7%	38,528	6.8%	40,940	0.5%
Gross profit	7,191	8,686	20.8%				
Gross profit margin	19.0%	21.1%	2.1%				
SG&A	2,607	2,877	10.4%				
SG&A ratio	6.9%	7.0%	0.1%				
Operating income	4,584	5,809	26.7%	4,751	22.3%	5,700	1.9%
Operating income margin	12.1%	14.1%	2.0%	12.3%	1.8%	13.9%	0.2%
Ordinary income	4,523	5,858	29.5%	4,778	22.6%	5,743	2.0%
Ordinary income margin	11.9%	14.2%	2.3%	12.4%	1.8%	14.0%	0.2%
Extraordinary income	25	217	763.9%				
Extraordinary loss	42	5	-86.3%				
Net income	2,929	3,920	33.9%	3,106	26.2%	3,912	0.2%
Net income margin	7.7%	9.5%	1.8%	8.1%	1.4%	9.6%	-0.1%

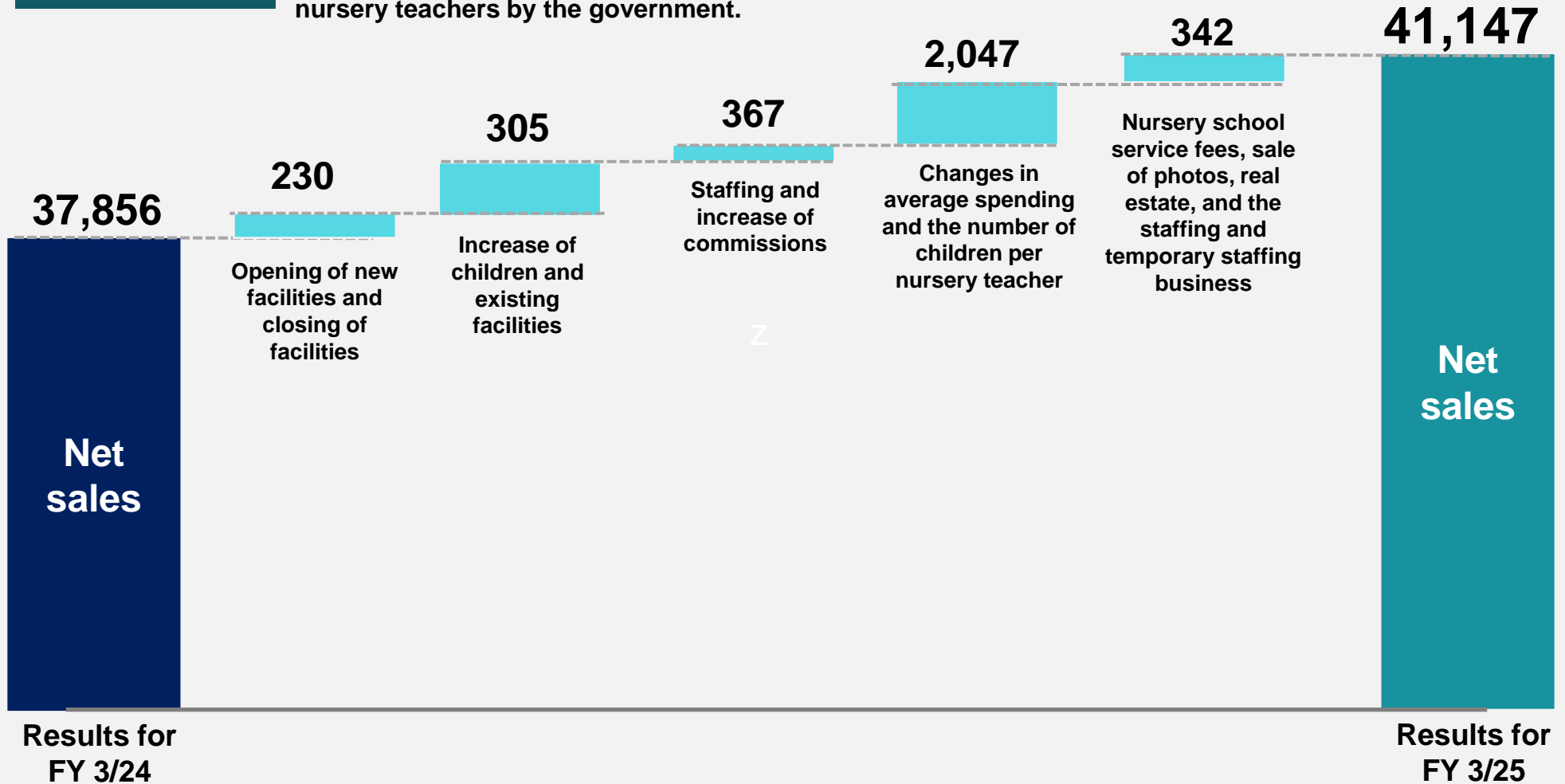
*1: Net income represents "Net income attributable to owners of parent."

*2: The figures were rounded off to the nearest million yen.

FY3/25 Factors for Changes in Net Sales

Net sales

Sales increased, hitting a record high, as the number of children increased during the period thanks to various efforts to create “facilities that would continue to be selected by customers,” including the enrichment of new early childhood learning programs, to open new facilities and undertake the operation of facilities, the change in the number of children per nursery teacher (4 or 5 years old) following the drastic countermeasures against declining birthrate, and the considerable improvement in treatment of nursery teachers by the government.

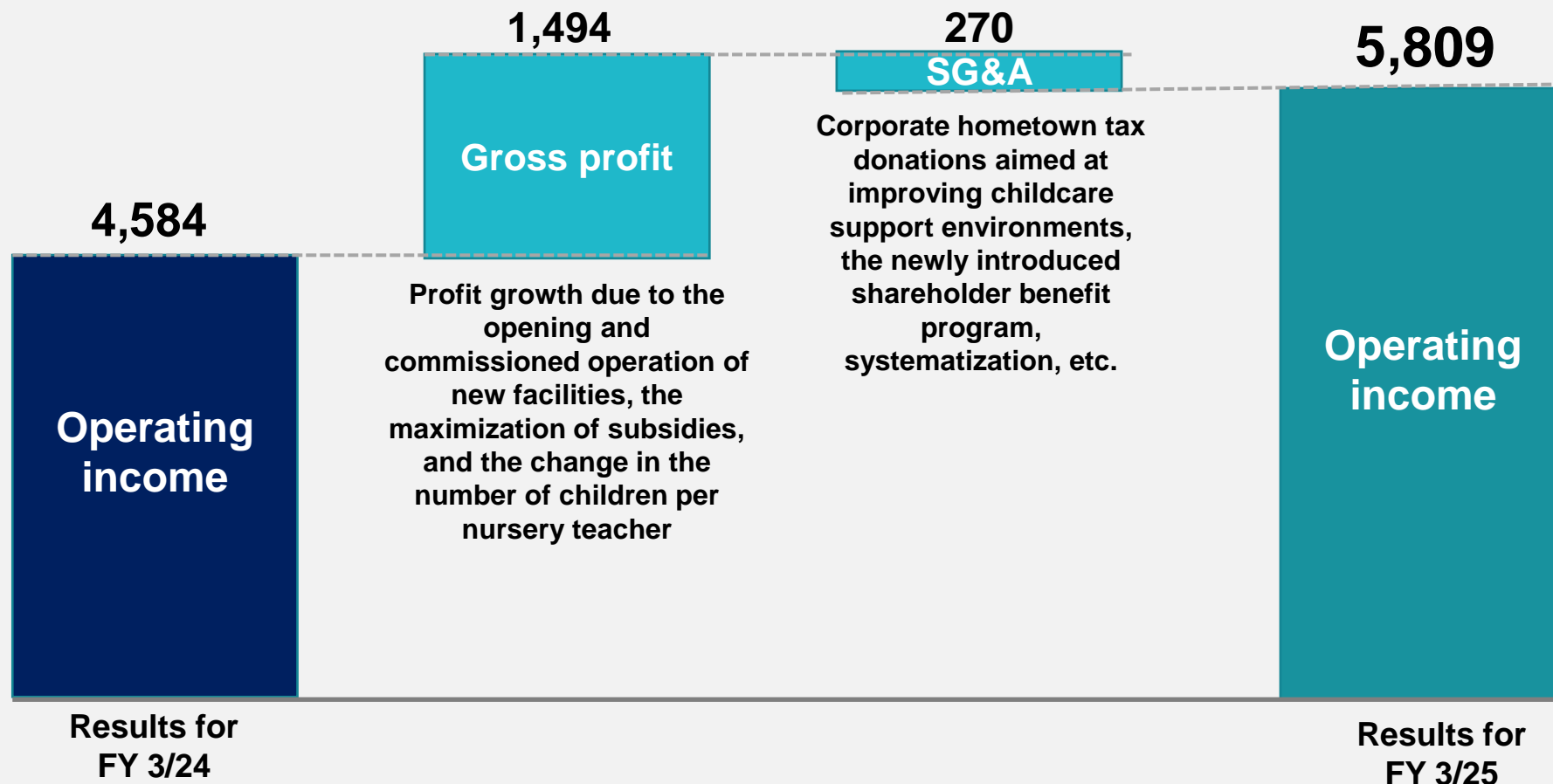


(Unit: million yen/Rounded down to the nearest million yen.)

FY3/25 Factors for Changes in Operating Income

Operating income

Operating income rose significantly year on year, hitting a record high, thanks to the increased revenue by the increase of children during the period, opening of new facilities, commissioned operation of facilities, and the change in the number of children per nursery teacher, despite the decrease in revenues from subsidies for coping with the skyrocketing of commodity prices, the augmentation of personnel expenses due to the improvement of treatments, corporate hometown tax donations aimed at improving childcare support environments, and increased expenses related to the newly introduced shareholder benefit program.

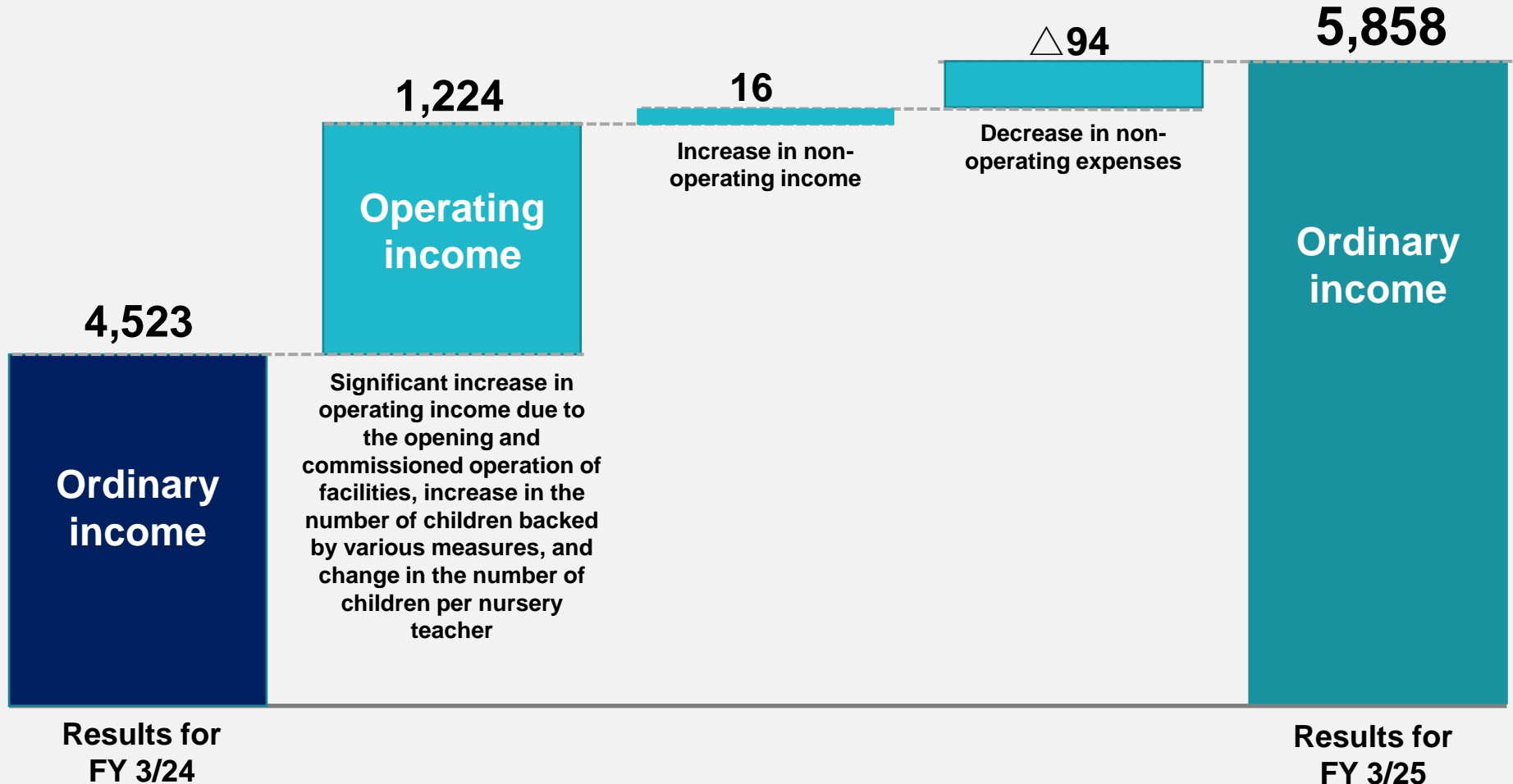


(Unit: million yen/Rounded down to the nearest million yen.)

FY3/25 Factors for Changes in Ordinary Income

Ordinary income

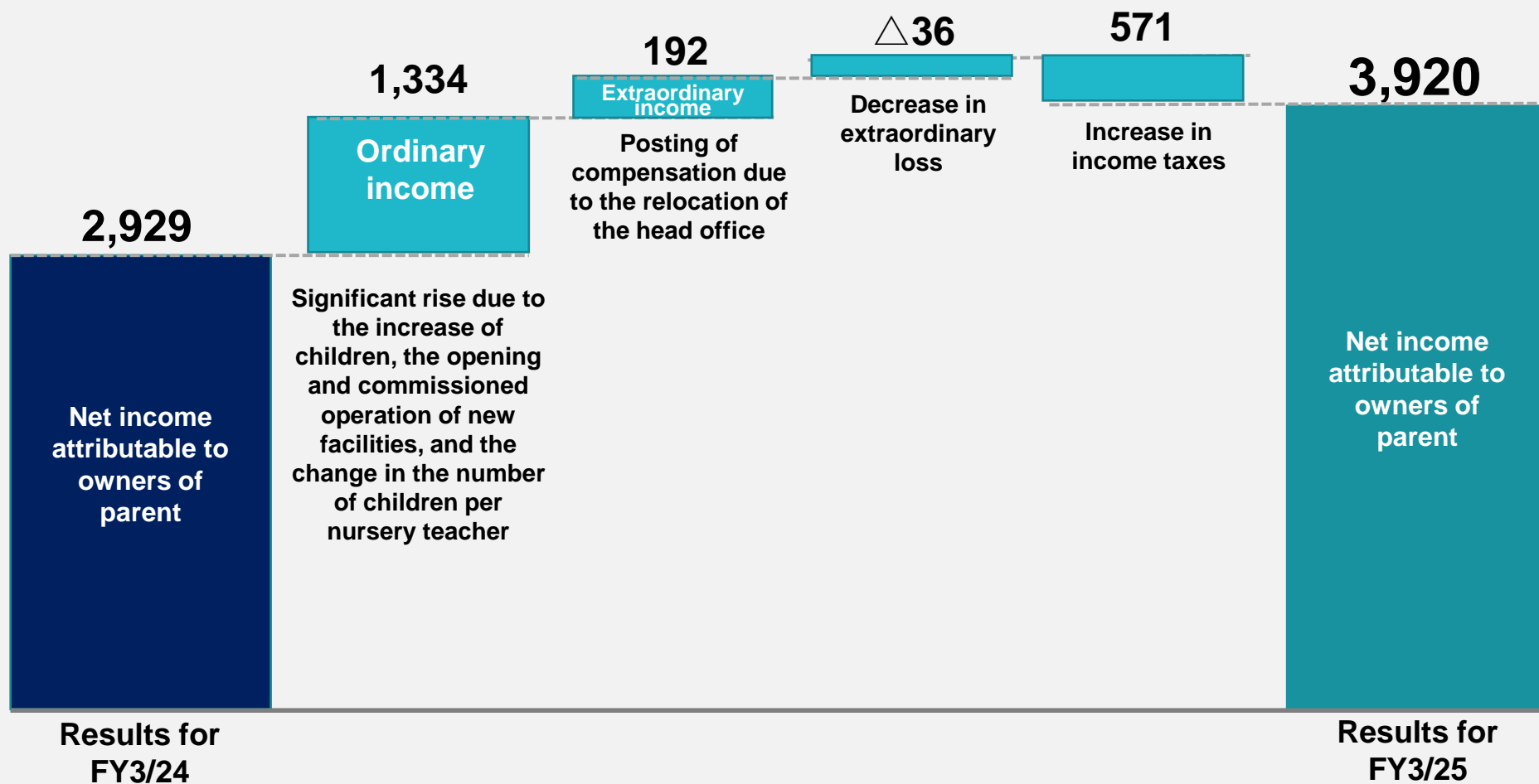
Ordinary income grew significantly year on year, hitting a record high, thanks to the increased revenue by the increase of children during the period and the change in the number of children per nursery teacher, despite the decrease in revenues from subsidies for coping with the skyrocketing of commodity prices, the augmentation of the personnel expenses due to the improvement of treatments, and higher expenses year on year such as corporate hometown tax donations aimed at improving childcare support environments and the newly introduced shareholder benefit program.



(Unit: million yen/Rounded down to the nearest million yen.)

Net income
attributable to
owners of
parent

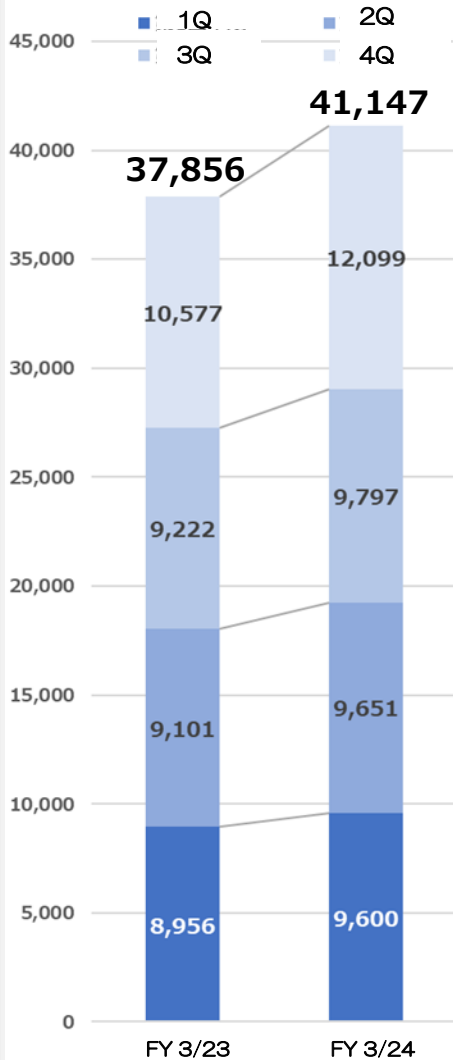
Net income grew considerably, hitting a record high, as sale increased, an efficient business operation structure was established and profit increased thanks to the change in the number of children per nursery teacher in addition to the posting of compensation related to the relocation of the head office for the redevelopment of the region where the head office is relocated as an extraordinary income, despite the augmentation of personnel expenses due to the improvement of treatments compared with the previous term, and higher expenses year on year such as corporate hometown tax donations and the newly introduced shareholder benefit program.



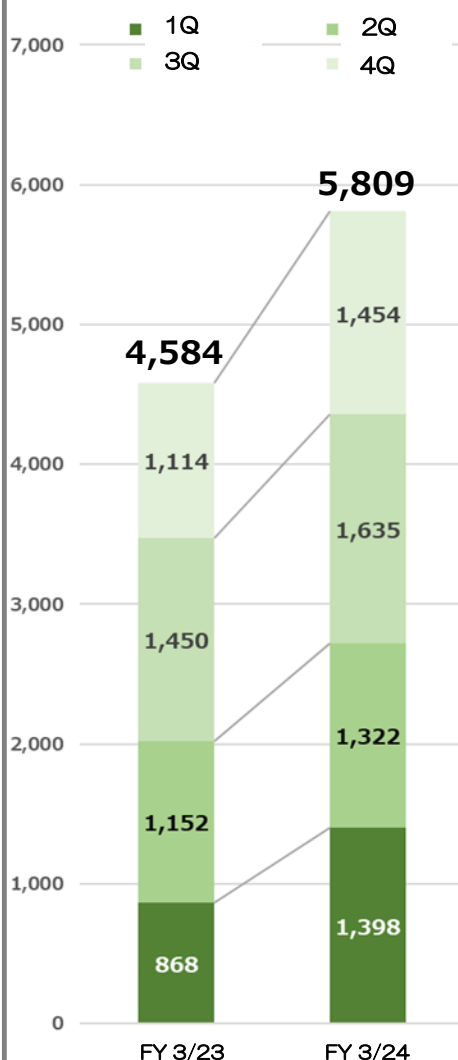
(Unit: million yen/Rounded down to the nearest million yen.)

Quarterly Results in FY 3/25

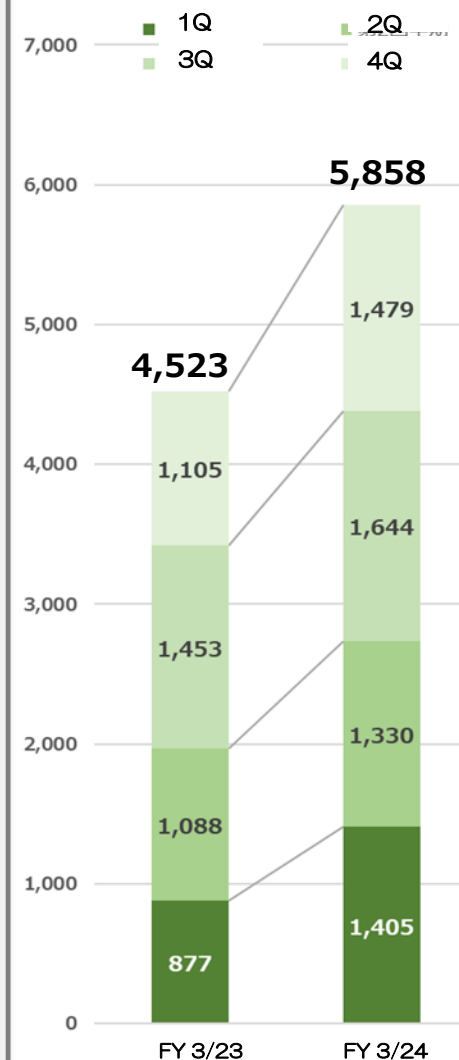
Net sales



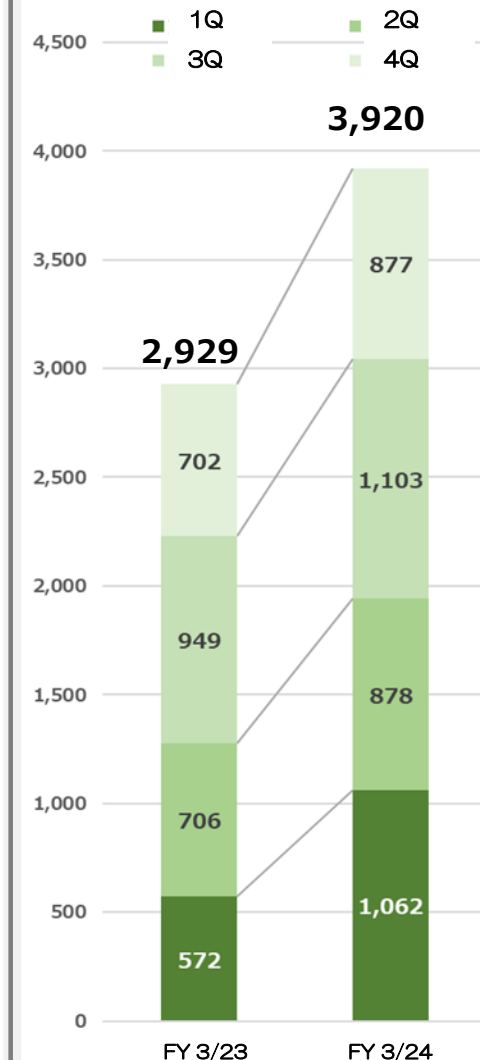
Operating income



Ordinary income



Net income



(Unit: million yen/Rounded down to the nearest million yen.)

FY3/25 Factors for Changes in Balance Sheet

Increase in equity ratio due to the decline in long-term loans-payable and increase of profit

Financial condition

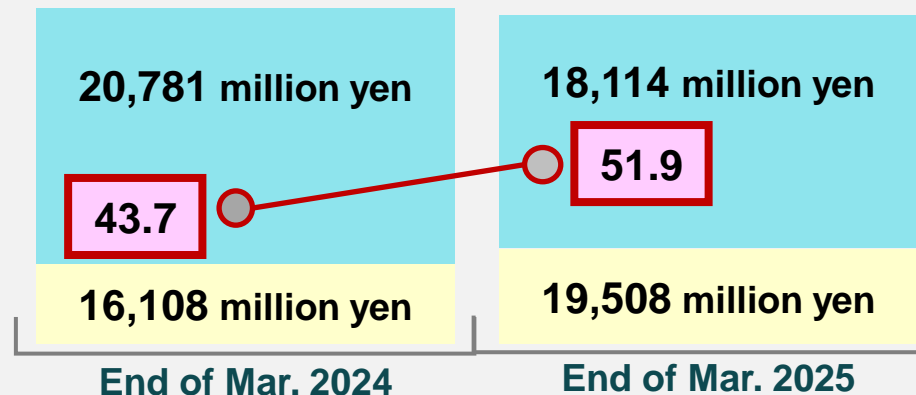
End of March 2025 *() = Difference with the end of March 2024

Assets 37,622 million yen (+733 million yen)	Liabilities 18,114 million yen (-2,667 million yen)
	Net assets 19,508 million yen (+3,400 million yen)

million yen	End of Mar. 2024	End of Mar. 2025
Current assets	25,374	26,862
Fixed assets	11,515	10,760
Total assets	36,889	37,622
Current liabilities	10,409	11,175
Fixed liabilities	10,372	6,938
Total liabilities	20,781	18,114
Total net assets	16,108	19,508

Liabilities, Net Assets, Shareholders Equity Ratio

■ Liabilities ■ Net assets ○ — ¥ — Equity Ratio (%)



Cash and deposits 20,743 million yen
Inventory assets 45 million yen
Accounts receivable-other 5,204 million yen
Buildings and structures 12,195 million yen

Current portion of long-term loans-payable 3,460 million yen
Accounts payable 3,069 million yen
Income taxes payable 1,319 million yen
Long-term loans payable 5,300 million yen

Retained earnings 17,078 million yen
Accumulated other comprehensive income -45 million yen

(Figures are rounded down to the nearest million yen, and the equity ratio is rounded off to the nearest first decimal point place.)

FY3/25 Balance Sheet

	End of Mar. 2023 (million yen)	End of Mar. 2024 (million yen)	Change (million yen)
Total current assets	25,374	26,862	1,488
(Cash and deposits)	20,944	20,743	△201
(Accounts receivable-other)	3,453	5,204	1,750
Total fixed assets	11,515	10,760	△755
(Total tangible fixed assets)	4,666	4,208	△457
(Total intangible fixed assets)	105	67	△38
(Total investments and other assets)	6,743	6,484	△259
Total assets	36,889	37,622	733
Total current liabilities	10,409	11,175	766
(Current portion of long-term loans-payable)	3,657	3,460	△196
(Accounts payable)	2,893	3,069	175
Total fixed liabilities	10,372	6,938	△3,434
(Long-term loans-payable)	8,761	5,300	△3,460
Total liabilities	20,781	18,114	△2,667
Total net assets	16,108	19,508	3,400
Total liabilities and net assets	36,889	37,622	733

(Unit: million yen/Rounded down to the nearest million yen.)

FY3/25 Statement of Cash Flows

Operating CF: Net income before income taxes, accounts payable, accrued expenses, rise in depreciation, etc.

Investing CF: Collection of long-term loans and acquisition of property, plant and equipment

Financing CF: Repayment of long-term loans-payable, etc.

Unit: million yen	FY 3/24	FY 3/25	Change
Cash flows from operating activities	5,598	4,205	△1,392
Cash flows from investing activities	△6	△162	△156
Free cash flow	5,592	4,043	△1,549
Cash flows from financing activities	△3,978	△4,243	△265
Cash and cash equivalents at end of period	20,944	20,743	△201

(Unit: million yen/Rounded down to the nearest million yen.)

**No. of New Openings
on April 1, 2025**

Nursery School: 2

(One school is a former childcare facility licensed by the Tokyo Metropolitan Government.)

School clubs and children's houses: 17

Communication centers: 2

Certified childcare centers: 4

(Former certified nursery schools)

Bilingual Nursery Schools: 5

(Former childcare facilities licensed by the Tokyo Metropolitan Government)

New Openings for FY 3/25

Total: 20

Other tasks entrusted to us

**Coordination of the business of after-school
childcare facilities of Shibuya City**

*On the last day of March 2024, we closed "Asc Bilingual Nursery School Eifuku," which is a nursery school licensed by the Tokyo Metropolitan Government. In addition, on the last day of March 2024, we withdrew from the operation of some school clubs: "Purely Toyomi," "After-school Classroom of Taisho Elementary School," "Wakuwaku Yanagida Hiroba/Yanagida Midori Club No. 1," and "Wakuwaku Yanagida Hiroba/Yanagida Midori Club No. 2" due to the expiration of contract periods.

*On April 1, 2024, "Asc Nishikokubunji Nursery School" was transformed from a nursery school licensed by the Tokyo Metropolitan Government to a licensed nursery school.

**No. of Facilities Operated as of the End
of March 2025**

Childcare centers: 4

School Clubs: 96

Children's houses: 13

Communication centers: 2

Total: 320

Tokyo • Kanagawa

5 Bilingual Nursery School

***Former nursery schools licensed by the Tokyo
Metropolitan Government**

- Asc Bilingual Nursery School Ningyochoekimae
- Asc Bilingual Nursery School Yakumo
- Asc Bilingual Nursery School Takatsu
- Asc Bilingual Nursery School Kamikodanaka
- Asc Bilingual Nursery School Mukaigawara

4 Authorized Childcare centers

***Former licensed nursery schools**

- Asc Kozurushinden Childcare Center
- Asc Nagamachi-minami Childcare Center
- Asc Gotenhama Childcare Center
- Asc Wani Childcare Center

Tokyo

2 communication centers

- Nezu Communication Center
- Meziodai Communication Center

Tokyo

2 licensed nursery school

- Appy Azabu
- Asc Nishikokubunji Nursery School (which became an licensed nursery school)

Tokyo

17 school clubs and children's houses

- Ukima Elementary School Clubs No. 1, No. 2, No. 3, and No. 4
- Koto Kids' Club Edakawa
- Negishi After-school Children Classroom
- Negishi Kids' Club
- Matsuba Elementary School After-school Children Classroom
- Nezu Childcare Room
- Meziodai Childcare Room No. 2
- Ichisho After-school Childcare Facilities A and B
- Kitano Elementary School After-school Childcare Facilities A and B
- Kitano Elementary School suboffice
- Nezu Children's House
- Meziodai Children's House No. 2

No. of Facilities Operated as of the End of March 2024

No. of Facilities Operated by Region

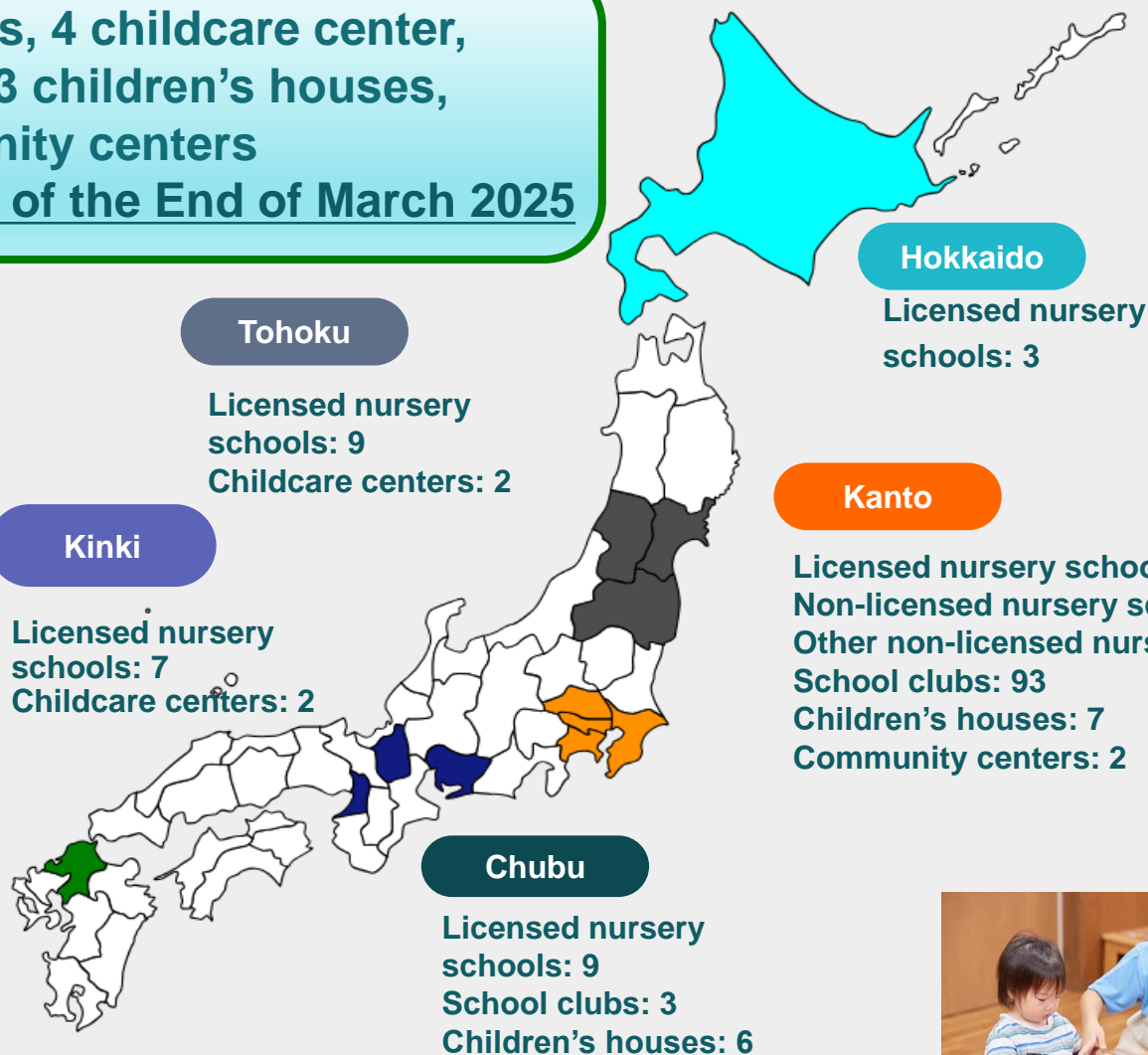
205 nursery schools, 4 childcare center,
96 school clubs, 13 children's houses,
2 Community centers

Operate 320 facilities as of the End of March 2025



Kyushu Okinawa

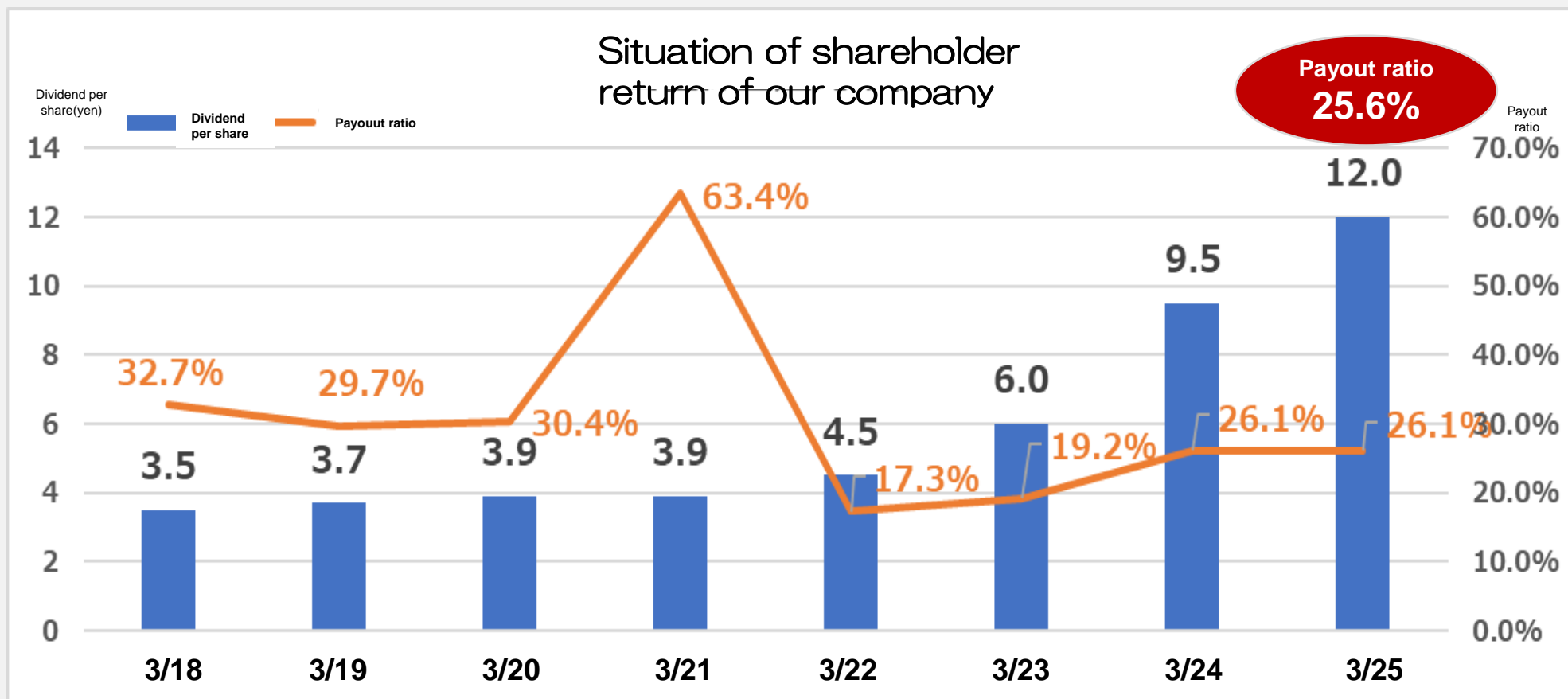
Licensed nursery
schools: 5
Company-led
nursery school: 1



Dividend Policy

• Regarding profit sharing, our company pays dividends while securing internal reserve required for future business and fortification of our management structure.

● The year-end dividend for FY 3/25 has been revised to 12.0 yen/share, up 4.0 yen/share from the year-end dividend for the previous fiscal year (8.0 yen/share) or up 2.5 yen/share from the initial forecast (9.5 yen/share).





JP HOLDINGS GROUP

2

Earnings Forecast for FY 3/26 and the Rolling of the Medium-term Management Plan





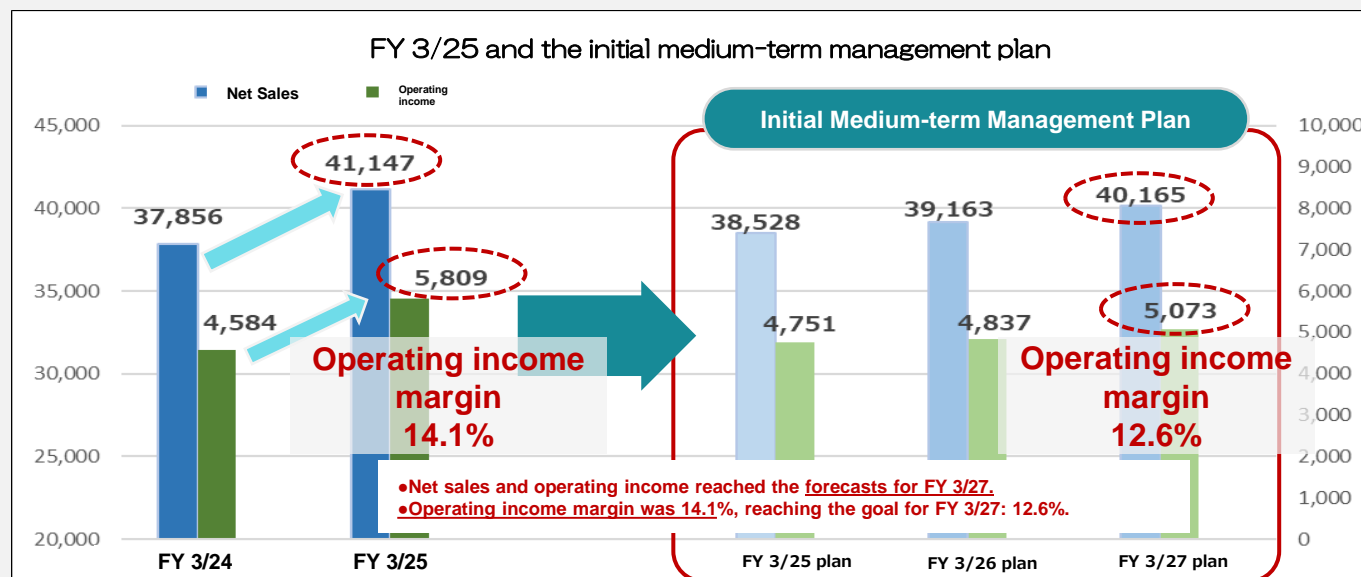
JP HOLDINGS GROUP

Earnings Forecast for FY 3/26 and the Medium-term Management Plan

Assumptions for the Earnings Forecast for FY 3/26 and the Medium-term Management Plan

In FY 3/25, sales and profit grew, achieving the goals in the medium-term management plan 3 years earlier than expected, as we opened new facilities, undertook the operation of new facilities, the number of children increased, and the government implemented drastic countermeasures against declining birthrate, which were not initially forecast.

Unit: million yen	Results in FY 3/25			Initial medium-term Management Plan		
	Results	Compared with the initial forecast	Y/y growth rate	FY 3/25	FY 3/26	FY 3/27
Net sales	41,147	8.7%	6.8%	38,528	39,163	40,165
Operating income	5,809	26.7%	22.3%	4,751	4,837	5,073
Operating income margin	14.1%	2.0%	1.8%	12.3%	12.4%	12.6%
Ordinary income	5,858	29.5%	22.6%	4,778		
Ordinary income margin	14.2%	2.3%	1.8%	12.4%		
Net income	3,920	33.9%	26.2%	3,106		
Net income margin	9.5%	1.8%	1.4%	8.1%		



Factors in increasing operating income and our initiatives

↑	Profit grew as we opened new facilities and undertook the operation of facilities.
↑	Initiatives for maximizing the subsidy amount
↑	Increase of enrolled children during the term
↑	Profit growth thanks to the drastic countermeasures against declining birthrate
↑	Change in procurement in response to the skyrocketing of commodity prices

Our Policy for the Earnings Forecast for FY 3/26 and the Medium-term Management Plan

In FY 3/26, which is considered as the year for “establishing a foothold” for completing the newly formulated medium-term management plan, we will produce, promote, and invest in various plans, with the aim of expanding revenue in FY 3/28.

Expansion of the existing businesses

① To undertake after-school childcare licensed by the Tokyo Metropolitan Government

(1) While being entrusted by local governments with the operation of such facilities, we aim to open 10 new facilities per year.

(2) The cost for investing in new facilities is small thanks to subsidies.

② Opening of high-quality facilities, which are highly demanded by parents/guardians (new business)

(1) We plan to open an international preschool as a non-licensed facility in 2026.

(2) To utilize non-Japanese lecturers in cooperation with the overseas business section

Promotion of new businesses

① To strengthen the overseas business

(1) Operation of facilities in Southeast Asia (in cooperation with local enterprises)

(2) Assistant language teacher (ALT) business

(3) Language schools

(4) Language-learning programs

(5) Cooperation with the staffing and temporary staffing business

② Business operation in cooperation with local governments

(1) Regional revitalization, childcare-related business, etc.

・To cooperate with local enterprises and governments

Active promotion of M&A in existing and related businesses

Development of our management base

① Systematization for streamlining management and operations and sophisticating business administration

・Strengthening of systems for human resources, financial affairs, and security

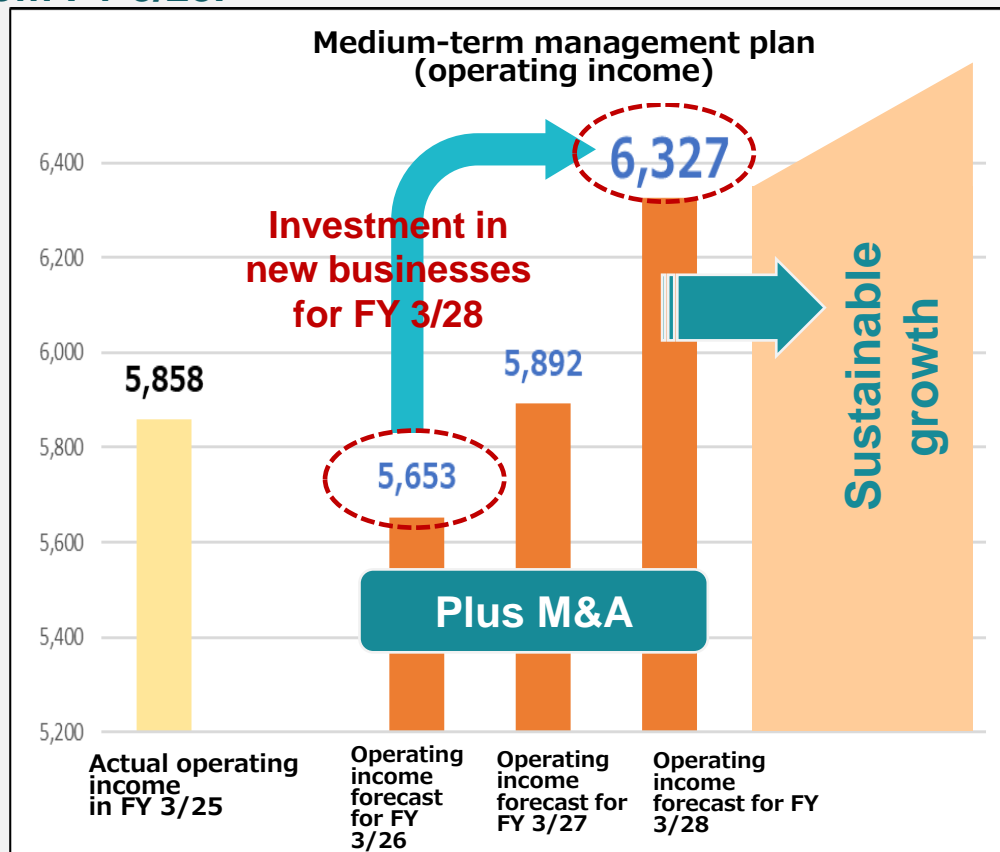
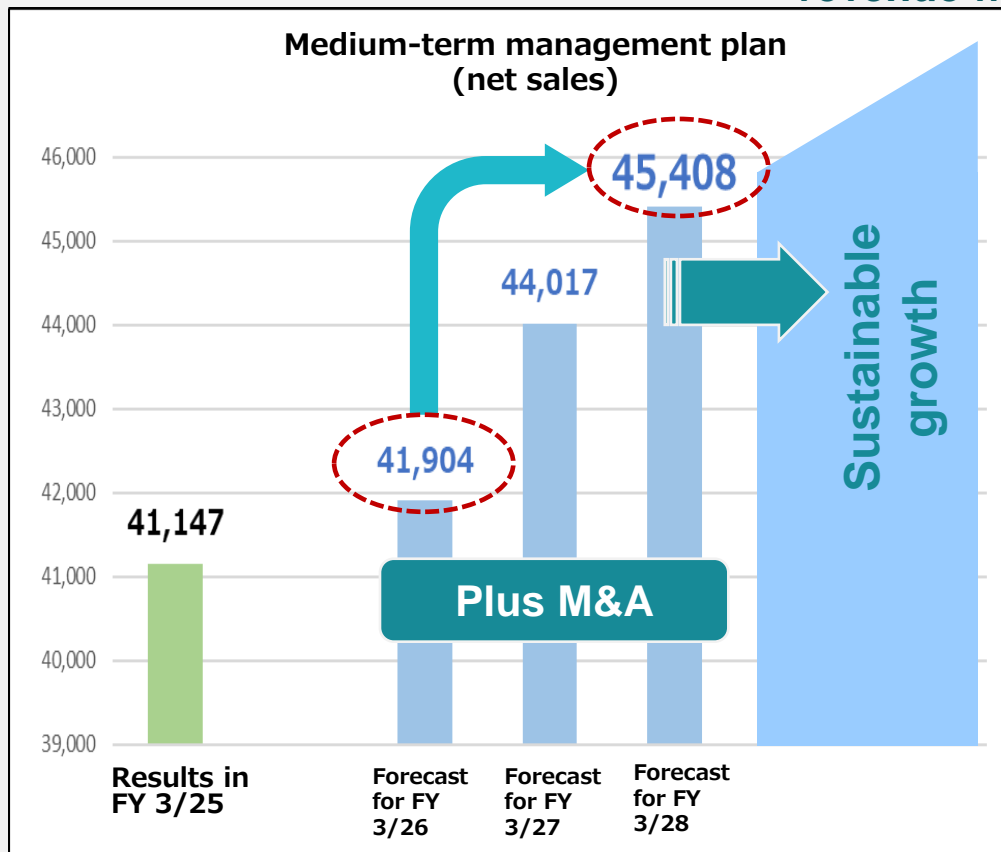
② Personnel development and securing of specialized staff for globalization and business expansion

・Enhancement of development of personnel, mainly management staff, and securing of specialized staff (global business)

In FY 3/26, which is considered as the year for change, we will establish a foothold for completing the medium-term management plan.

Rolling of the Medium-term Management Plan

In FY 3/26, profit will decline temporarily due to upfront investment in new businesses, but we will develop the second business pillar following the existing businesses, in order to expand our revenue from FY 3/28.



Sales of new businesses in FY 3/25: 723 million yen

Sales of new businesses in FY 3/28: 3,178 million yen

Investment in new businesses and management base development in FY 3/26: 1,600 million yen (excluding M&A)

[Positive factors]

- We will undertake the operation of 25 more facilities (school clubs and children's houses).
- Implementation of Tokyo Sukuwaku Program, resulting in the increase of eligible facilities
- The number of children is projected to be almost unchanged from the previous fiscal year, while considering the declining birthrate, etc.

[Negative factors]

- Drop in subsidies for coping with the skyrocketing of commodity prices, etc.
- Soaring of prices of rice and foodstuffs
- Costs for investment for business expansion from FY 3/28, shareholder benefits, etc. will augment year on year.
- Decline in extraordinary income (compensation for the relocation of the head office)

Unit: million yen	Resultis in FY 3/25		Full-year forecast for FY 3/26	
	Resultis	Y/y growth rate	Forecast	Compared with forecast in the previous year
Net sales	41,147	8.7%	41,904	1.8%
Operating income	5,809	26.7%	5,653	-2.7%
Operating income margin	14.1%	2.0%	13.5%	-0.6%
Ordinary income	5,858	29.5%	5,703	-2.6%
Ordinary income margin	14.2%	2.3%	13.6%	-0.6%
Net income	3,920	36.6%	3,745	-6.4%
Net income margin	9.5%	2.0%	8.9%	-0.8%

*Net income represents "Net income attributable to owners of parent."

FY 3/26 Forecast

	Results for FY 3/25	Full-year forecast for FY 3/26	Change	Rate of change (%)
Net sales (million yen)	41,147	41,904	757	1.8
Operating income (million yen)	5,809	5,653	△156	△2.7
Ordinary income (million yen)	5,858	5,703	△155	△2.6
Net income attributable to owners of parent (million yen)	3,920	3,745	△175	△6.4
Net income per share (yen)	45.91	43.78	△2.13	—
Dividend per share (yen)	12.0	12.0	0	—
Dividend payout ratio (%)	26.1	27.4	1.3	—
Expected opening of nursery school (school)	1	0	△1	—
Expected undertaking of children's club, children's house, etc.(facility)	19	25	6	—

Rolling of the Medium-term Management Plan

Earning forecast・Plan

Periodic review and revision of the medium-term management plan (FY 3/26 to FY 3/28)

In FY 3/26, profit will decline due to upfront investment, but they are for business expansion from FY 3/27 onwards.

Unit: million yen	Initial medium-term Management Plan					
	FY 3/25		FY 3/26		FY 3/27	
	Forecast	Y/y growth rate	Forecast	Compared with forecast in the previous year	Forecast	Compared with forecast in the previous year
Net sales	38,528	1.8%	39,163	1.6%	40,165	2.6%
Operating income	4,751	3.6%	4,837	1.8%	5,073	4.9%
Operating income margin	12.3%	0.2%	12.4%	0.1%	12.6%	2.3%
Ordinary income	4,778	5.6%				
Ordinary income margin	12.4%	0.5%				
Net income	3,106	6.0%				
Net income margin	8.1%	0.3%				

Unit: million yen	Result in FY 3/25			Revised medium-term Management Plan					
				FY 3/26		FY 3/27		FY 3/18	
	Result	Y/y growth rate	Compared with the initial forecast	Forecast	Compared with forecast in the previous year	Forecast	Compared with forecast in the previous year	Forecast	Compared with forecast in the previous year
Net sales	41,147	8.7%	6.8%	41,904	1.8%	44,017	5.0%	45,408	3.2%
Operating income	5,809	26.7%	22.3%	5,653	-2.7%	5,892	4.2%	6,327	7.4%
Operating income margin	14.1%	2.0%	1.8%	13.5%	-0.6%	13.4%	-0.1%	13.9%	0.5%
Ordinary income	5,858	29.5%	22.6%	5,703	-2.6%				
Ordinary income margin	14.2%	2.3%	1.8%	13.6%	-0.6%				
Net income	3,920	33.9%	26.2%	3,745	-4.5%				
Net income margin	9.5%	1.8%	1.4%	8.9%	-0.6%				

*Net income represents “Net income attributable to owners of parent.”

Cash Allocation

- As we strove to enhance our earning capacity, our capacity for generating cash improved.
- For sustainable growth, we will make investments for business expansion, which will generate future cash flows, and enrich shareholder return.

FY 3/26 to FY 3/28 (cumulative total in 3 years)

Operating cash flow 13.6 billion yen	New business and model/system 2.9 billion yen	Cumulative investment in 3 years 9.3 to 10.3 billion yen	Investment in new businesses and systems ·Operation of overseas facilities ·ALT Business and language-related business ·International preschools, etc.
	M&A 3-4 billion yen		M&A ·Childcare and education-related businesses
	Dividend 3.4 billion yen		Shareholder return policy ·We aim to achieve a payout ratio of 30%.
	3.3-4.3 billion yen		·While monitoring the situation, we will conduct further investment or return profit to shareholders.

Shareholder Return in FY 3/26

● Regarding the sharing of profit, we will pay dividends to return profit to shareholders while securing internal reserve for future business operation and fortification of our management structure.

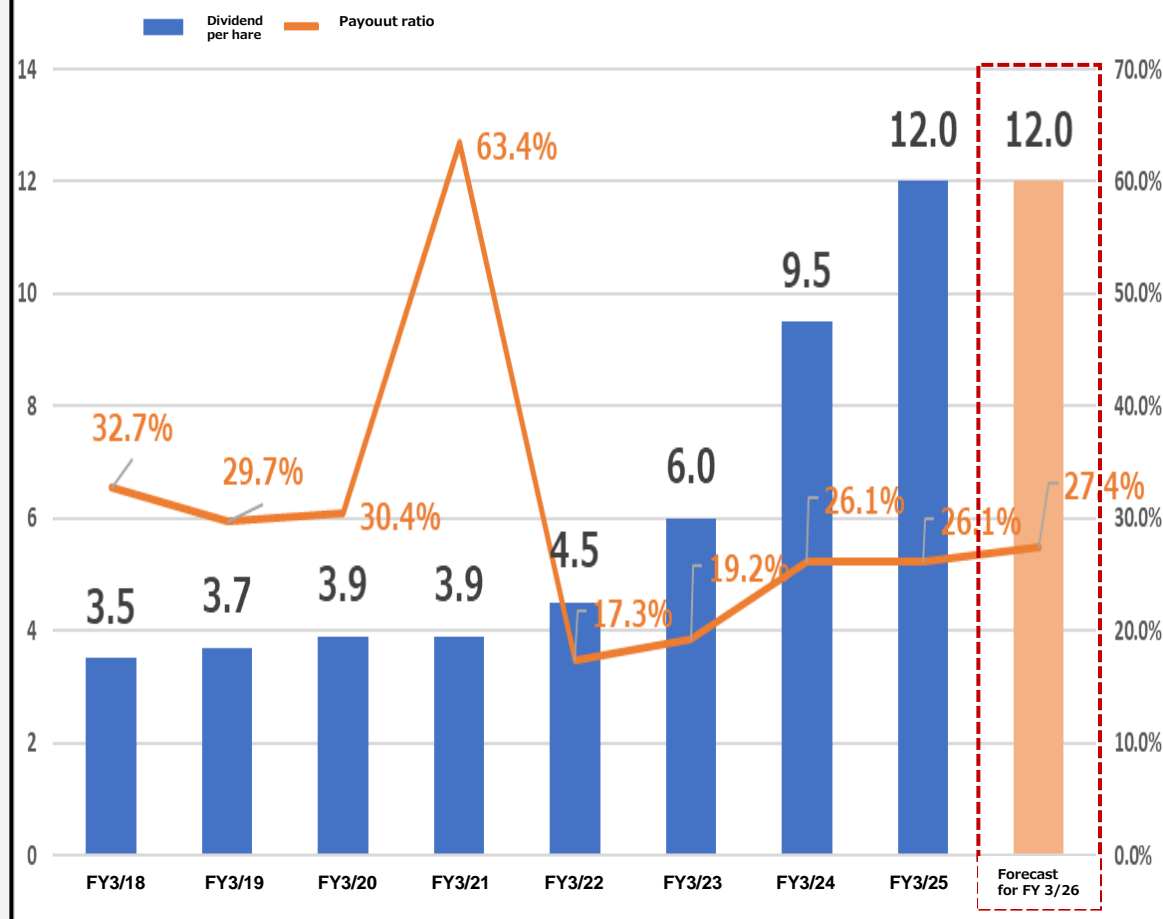
■ Dividend Policy

- To return profit to shareholders with the aim of achieving a payout ratio of 30%
 - In FY 3/26, we will pay a dividend of 12 yen/share, unchanged from the previous fiscal year, with a payout ratio being 27.4%.
 - Regarding dividends, we will revise them when necessary while considering the trend of our business performance.
- *In parallel with the improvement in performance, we have raised the dividend amount every fiscal year.

■ Shareholder benefit program

- In March 2025, we adopted a shareholder benefit program (twice a year, at the end of March and the end of September).
 - Quo cards worth 20,000 yen per year (under the condition that shares have been held continuously)
 - Measures for popularizing our company and facilities as brand development activities (increase of individual shareholders)
- To increase children and improve reliability

Dividend per share and payout ratio



Number of Newly Opened Facilities and Number of Facilities Whose Operation Has Been Entrusted to Us as of April 1, 2025

**No. of New Openings
on April 1, 2025**

**School clubs and children's
houses : 25**

Certified childcare centers: 2
(Former certified nursery schools)

Bilingual nursery schools: 5
(Former certified nursery schools)

Sports nursery schools: 2
(Former certified nursery schools)

**No. of New Openings
on April 1, 2025**
Total: 25

2 Authorized Childcare Centers
***Former licensed nursery schools**
•Asc Kokuba Childcare Center
•Asc Maezato Childcare Center

**No. of Facilities Operated as of
the End of April 2025**

Nursery Schools : 203
Childcare centers : 6
School Clubs : 118
Children's houses : 16
Communication halls: 2
Total: 345

Tokyo and Kanagawa
5 bilingual nursery schools (certified)
***Former childcare facilities/nursery schools licensed
by the Tokyo Metropolitan Government**
•Asc Bilingual Nursery School Toyosu
•Asc Bilingual Nursery School Kamimeguro
•Asc Bilingual Nursery School Kitashinjuku
•Asc Bilingual Nursery School Yakuoji
•Asc Bilingual Nursery School Yumemirai

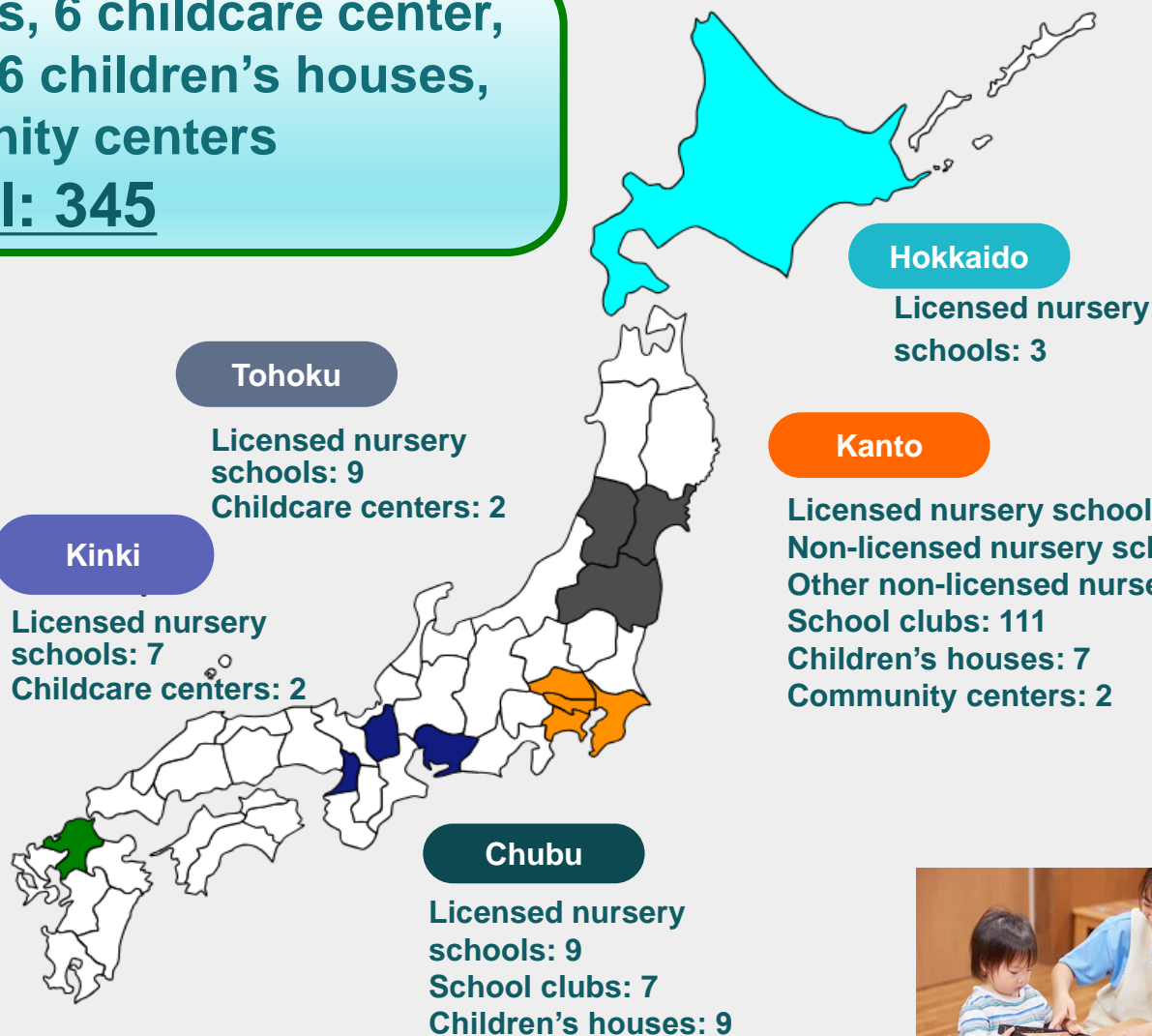
Chiba and Kanagawa
2 sports nursery schools (certified)
***Former certified nursery schools**
•Asc Sports Nursery School Kobuuchi
•Asc Sports Nursery School Kajigaya

Tokyo • Aichi

25 school clubs and children's houses

•Ichi-sho School Club C, Mitaka Municipal Ichi-sho Smile Club, Chofu
Municipal Takizaka School Club No. 1 and 2, Matsubara Children's Club
No. 2 B, Taito Ikuei Elementary School After-school Kids' Club, Sakura
School Club No. 1, Juntoku School Club, Yumegaoka-sho School Club,
Nagayato Elementary School After-school Club, Sarugaku Elementary
School After-school Club, Nerima Municipal Hashido-sho Nerikko Hiroba,
Nerima Municipal Hashido-sho Nerikko School Club, Teramae Elementary
School Student Club, Daiichi Elementary School Student Club, Koganei
Municipal Maehara School Club No. 1 and 2, Koganei Municipal Maehara
Provisional School Club No. 3, Toyoake Municipal Seibu Children's Club,
Toyoake Municipal Yakata Elementary School After-school Kids' Club,
Toyoake Municipal Nanbu Children's Club, Toyoake Municipal Toyoake
Elementary School After-school Kids' Club, Toyoake Municipal Himawari
Children's House, Toyoake Municipal Seibu Children's House, and
Toyoake Municipal Nanbu Children's House

203 nursery schools, 6 childcare center,
118 school clubs, 16 children's houses,
2 Community centers
Total: 345



**Kyushu
Okinawa**

Licensed nursery
schools: 3
Childcare centers: 2
Company-led nursery
school: 1





JP HOLDINGS GROUP

Long-Term Management Vision /Medium-term Management Plan

Evaluation of the Medium-term Management Plan Produced at the Beginning of the Fiscal Year

Results exceeded the initial forecasts significantly, due to the drastic countermeasures against declining birthrate (changing the number of children per nursery staff), which was not assumed at the beginning of the fiscal year, the maximization of the subsidy amount, the undertaking of operation of new facilities, etc.

Item	Outline	Evaluation	
Managerial goal	Restructuring, business reform, and creation of new services and value “Developing nursery schools and facilities that would continue to be selected”	●	·Increase of children thanks to the learning programs offered in the existing businesses and the enrichment of the “My Nursery School System” ·Cost reduction through the streamlining of business operations and the elimination of wasteful operations at the head office and workplaces
Goals set in the Medium-term Management Plan for FY 3/25	To reach the earnings forecast (performance indicators and single-year/medium-term management plan) Operating income margin: 13% or higher (as of the end of March 2027) ROE: Over 20% Turnover rate: 10% or less (as of the end of March 2027) To monetize new businesses (to earn profit in FY 3/26)	●	·Net sales were up 6.8% from the initial earnings forecast for FY 3/25. Operating income, ordinary income, and net income were larger than the earnings forecast by double digits . ·Operating income margin was 14.1% and operating income was 5,809 million yen, we have already achieved the goals for FY 3/27 in the medium-term management plan . ·Turnover rate for nursery teachers was below 10%.
Initiatives for solving priority issues	① To secure growth potential and advantages ·To create and monetize new businesses ·Strategy for differentiating existing businesses ·To promote M&A actively	●	① To ensure growth potential and advantages <<Promotion of the differentiation program>> ·To secure competitive advantages in each region by transforming facilities into bilingual nursery schools, Montessori method-based nursery schools, and childcare centers ·To enrich learning programs and extracurricular activities ·To acquire One’s Will as a subsidiary and launch the business of dispatching nursery staff members and others ·To work on overseas business operation (operating facilities and establishing the ALT Business) ·To cement the cooperation with local governments (concluding agreements and forming business alliances)
Managerial goal	② To reform our revenue structure ·To streamline business administration, reduce costs, and reform existing businesses (systematization, elimination of wasteful operations, and a compact head office)	●	② To reform our revenue structure ·Reduction of cost ratio, maximization of subsidies and adoption of HR systems
Goals set in the Medium-term Management Plan for FY 3/25	③ To reform our management base ·To develop human resources, improve our corporate culture, advance business administration, improve our environment and realize a self-contained system	●	③ To reform our management base ·Mobilization of personnel through organizational restructuring, and enrichment of our educational system

FY
3/26

- ① Early operation and monetization of new businesses (dispatch business/overseas business (facility operation and establishment of the ALT Business)), and further promotion of M&A
- ② Structural reform of the childcare support business to maintain revenue and new opening of certified childcare centers under the childcare support system certified by the Tokyo Metropolitan Government
- ③ Considering verification to maintain measures for our stock price (shareholder benefit program) and review of revenue

Position of our Company

Our company ensured outstanding profitability in the childcare support business.

Net Sales		Unit: million yen
1 st	JP-HOLDINGS	41,147
2 nd	Company A	31,690
3 rd	Company B	30,402
4 th	Company C	26,448
5 th	Company D	17,212
Operating income margin		
1 st	JP-HOLDINGS	14.1%
2 nd	Company B	8.1%
3 rd	Company A	5.0%
4 th	Company D	4.5%
5 th	Company C	3.0%
Ordinary income margin		
1 st	JP-HOLDINGS	14.2%
2 nd	Company D	5.1%
3 rd	Company A	5.0%
4 th	Company C	3.1%
4 th	Company D	2.4%
Market cap		Unit: million yen
1 st	JP-HOLDINGS	54,379
2 nd	Company A	11,460
3 rd	Company D	9,615
4 th	Company C	6,531
5 th	Company F	2,120

1

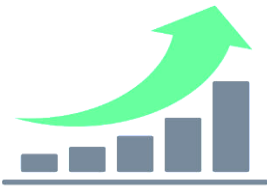
The largest sales in this industry scale

Increase of children and
improvement in utilization rate
thanks to the operation of nursery
schools and facilities that would
continue to be selected
(Enrichment of our early childhood learning
programs and promotion of digitalization)

Net sales: 41,147 million yen

[Future measures]

Expansion of our business domain
and scale through M&A and
business alliance
Overseas business operation
Employment placement business



2

The highest profitability in this industry profitability

Rigorous KPI management
Cost reduction through the
streamlining of management and
operation at the head office
(Staffing and systematization)

Operating income margin:
14.1%

[Future measures]

Marketing and differentiation
measures
To undertake the operation of
more school clubs
Optimization of staffing
Maximization of subsidies



3

The largest market cap in this industry market capitalization

Measures for coping with the
declining birthrate and unique
measures
Rise in share price due to new
businesses
(Contributing to the childcare support business)

Market cap: 54,379 million yen

[Future measures]

To realize stable business
performance
Endeavors as a leading company
(New businesses/settlement of social issues)



Environment Surrounding our Company

Due to the declining birth rate, the number of children enrolled is decreasing. Although the national and local governments implement various measures, the environment surrounding the childcare support business will become harsher through the revision to subsidies, etc.

Economic trends

[Japanese economy]

- Regarding the economic outlook for 2025, the Japanese economy is expected to keep growing gently, thanks to a rise in commodity prices slowing down, the increase of wages, the recovery of capital investment, etc.
- However, the uncertainties in the global economy and negative factors in Japan may hinder the recovery of the Japanese economy.
- The further decrease of children and the escalation of shortage of workers

[Global economy]

- The mutual tariffs announced by the Trump administration of the U.S. are the highest in about 100 years.
- The effective tariff rate of over 20% exceeds the assumption in the financial market considerably, increasing the risk of a global recession.
- Final tariffs will vary according to retaliatory tariffs and tax reduction measures, but the rise in commodity prices and economic downturn in the U.S. and the economic downturn and decline in commodity prices in other countries and regions are unavoidable.

Environment surrounding the childcare support business

[Negative factors]

- Decrease of children on waiting lists (childcare), and further decline in birthrate due to changes in the social environment
- Intensification of competition among childcare facilities in some regions

[Positive factors]

•Drastic governmental countermeasures against a declining birth rate

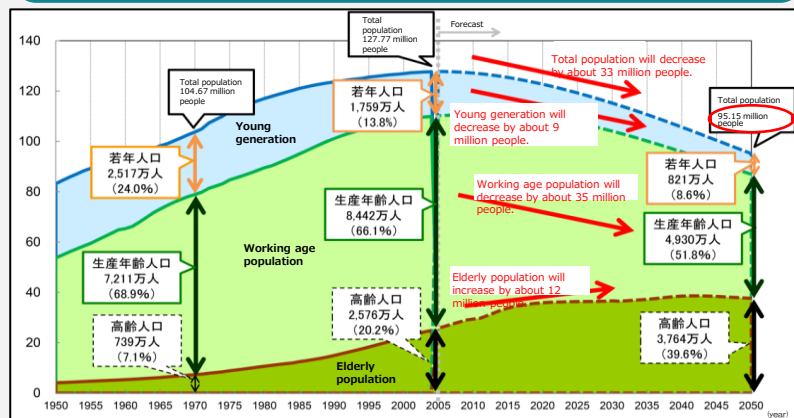
Enhancement of economic support, mainly childcare allowance, subsidies, and revision of regulations

- The number of children (aged 1 year old) per nursery teacher will be changed. (*The impact on revenue is minor.)
- A new system that offers childcare services to all children regardless of parents' employment status where children aged 6 months to 2 years old can be temporarily looked after was implemented, but the impact on revenue is minor.

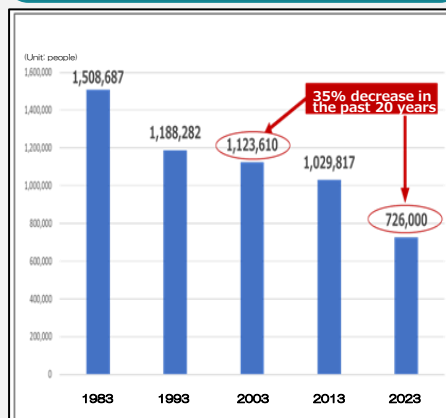
•Measures by the Tokyo Metropolitan Government

- Collection of fees for educational programs from parents and guardians (for extracurricular activities). *This varies among local governments.
- Start of the childcare support system certified by the Tokyo Metropolitan Government
- Tokyo Sukuwaku Program (which was adopted in the previous fiscal year, and will be adopted by all municipalities this fiscal year.)

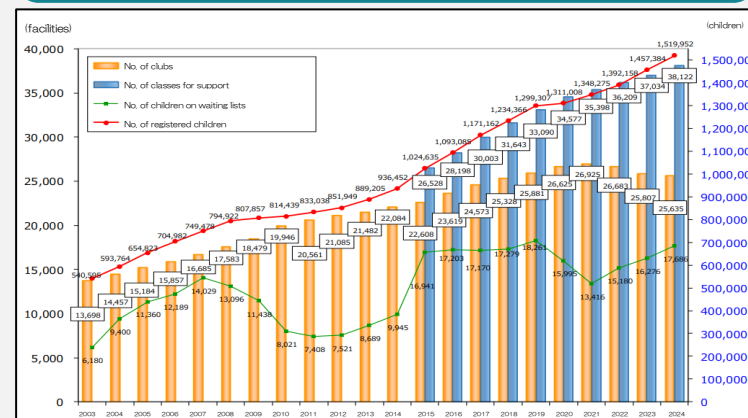
Forecast Japanese population



Birthrate



Variation in the number of children on lists for childcare services



Ideal state and the Positioning of the Medium-term Management Plan 2028

Management philosophy

To contribute to the development of a society filled with smiles through childcare support

- Diversification of values and needs
- Further decrease of children
- Further decline in birthrate
- Enhancement of governmental support for childcare
- Decrease of the workforce
- Skyrocketing of commodity prices

General enterprise offering childcare support

Consolidated net sales: 100 billion yen

Improvement in corporate value through the creation of value for addressing social issues regarding childcare

Ideal state
50 billion yen from existing businesses
50 billion yen from new businesses

Value creation through sustainability-oriented management

Realization of our growth scenario

Two kinds of value
Creation of common value

Value we will obtain

Value society will get

FY 3/28
Establishment of HR business
Establishment of overseas business M&A

- Creation of new businesses and domains
 - High profitability, value creation, and sustainable growth
 - Foray into business fields where we have advantages → Staffing and temporary staffing of workers (inside and outside Japan)
 - Cultivation of new markets → New business utilizing non-Japanese personnel
Operation of facilities outside Japan

FY 3/27
Development phase

- Establishment of a management base
 - Improvement in profitability of the existing businesses, securing of competitive advantages, and streamlining of business operations
- Enhancement of personnel development
- Active promotion of M&A

FY 3/26
Preparation and implementation

Pursuit of differentiation and competitive advantages

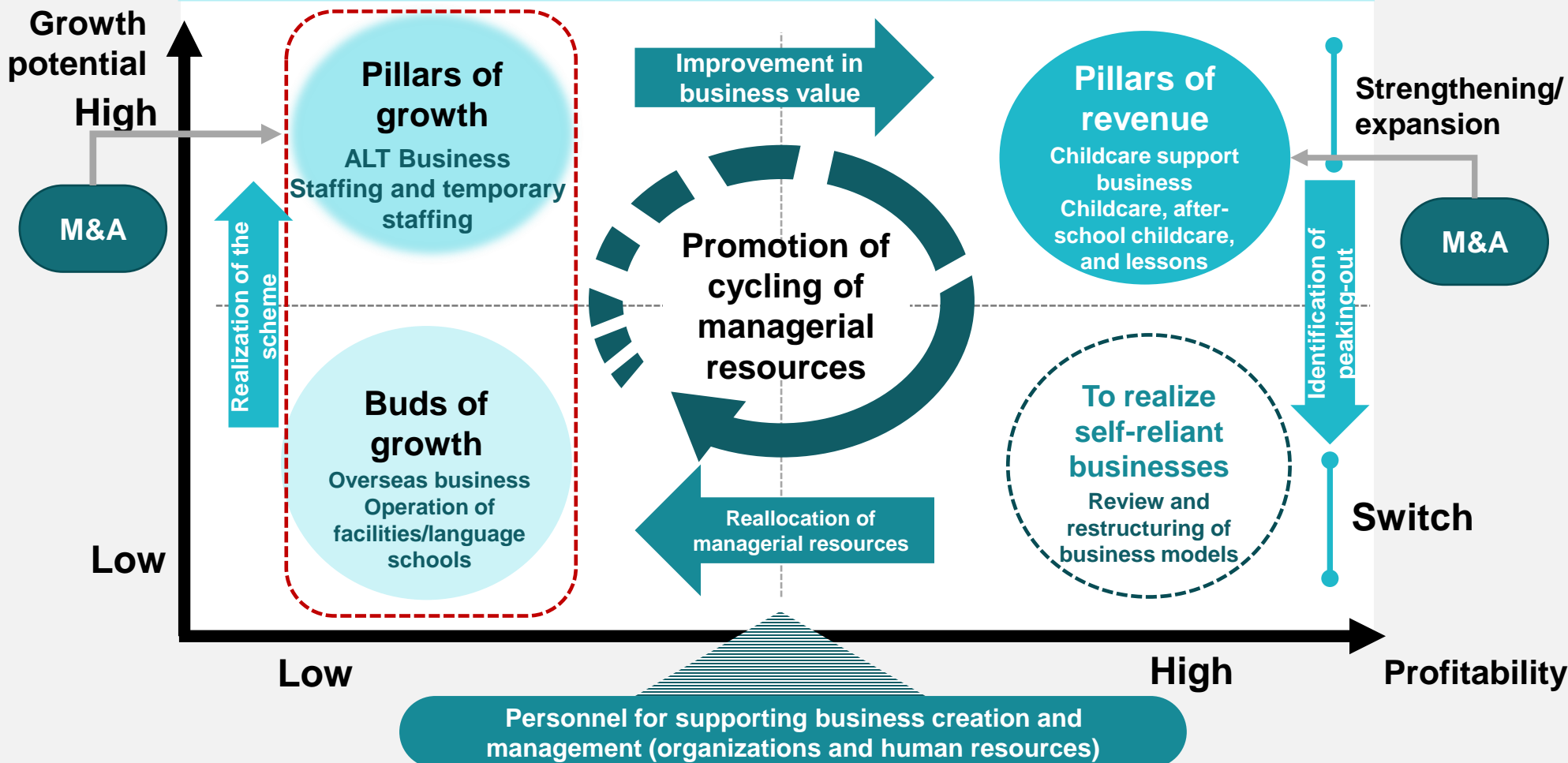
Co-creation, sharing, and pursuit of speed

HR and organization transformation

Policy for Periodically Reviewing and Revising the Medium-term Management Plan

In order to make full use of limited managerial resources (personnel, materials, money, and information), we will concentrate our resources onto “the buds of growth” and “the pillars of growth” based on our cycling growth scheme, while aiming for sustainable growth.

Scheme for maximizing managerial resources and growing our business



Entire Picture of the Medium-term Management Plan

To create new value early in response to changes in society and the environment surrounding the childcare support business

➔ “Speed of business administration”

Improvement in
shareholder value

- Operating income margin: 4%; operating income: 6.3 billion yen in FY 3/28
- ROE: 20% or higher; promotion of business plans and the capital policy

Capital
policy

- Improvement in profitability and the balance sheet
Increase in shareholders' equity, improvement in profit, and decrease in interest-bearing liabilities
- ROE: 20% or higher; PBR: 3 or over
- Shareholder return: We aim to achieve a payout ratio of 30%.

Managerial
strategy

- Growth strategy for creating new businesses
Establishment of a global business (ALT and language schools/facilities) and human resources business
- Fortification of our management base (investment in systems for mission-critical tasks)
- Active promotion of M&A (in the same industry and peripheral businesses)

Governance

- To improve the quality and speed of management judgment
Investment in new businesses/M&A
- Business administration from the viewpoint of shareholders
- Rigorous audit system
Risk control at each workplace and the head office, and our management structure

Speed of business administration

Management Policy and Strategy for FY 3/26

Medium-term Management Plan: Management Policies

Structural reform, business innovation and creation of new services and value

We will actively develop new business for growth, engage in M&A and promote development of infrastructure such as systems through **structural reform and business innovation**. Furthermore, we will establish a solid business foundation to create new services and value and establish a competitive advantage. Through these efforts, we will address parents' needs and concerns as well as social issues through our operations to achieve sustainable growth.

Three Basic Management Policies	1	Realizing growth and competitive advantage
	2	Reforming the revenue structure
	3	Reforming the management foundation

Management Policy for FY 3/26

To improve profitability by reforming our structure and business and monetize new businesses early

Restructuring, business reform, and creation of new businesses

Existing business domain

New business domain

Improvement in profit margin

Sales growth

To brush up and grow (advantages)

- To evolve our business model and improve the value we provide in the mature market
- Measures for increasing children amid the decline in birth rate

[To expand revenues from existing businesses]

- Measures for maximizing subsidies
- To undertake the operation of more school clubs and increase childcare centers certified by the Tokyo Metropolitan Government (25-30 such facilities per year)
- Measures for keeping the number of children
 - 1) My Nursery School System based on regional cooperation
 - 2) Early childhood learning and characteristic childcare
 - 3) Review of multi-functional facilities

[To enrich related businesses]

- To enrich the interactive programs
 - Program for fee-charging services/extracurricular lessons
- Transformation into bilingual, Montessori method-based, and sports nursery schools/childcare centers
- Implementation of new learning programs in cooperation with local governments

To change (restructuring)

- Streamlining of business operations through the reform of business structures, and personnel development based on an independent organizational structure
- Systematization for streamlining and advancing business operations

[To reform our revenue structure]

- Streamlining of business administration and personnel development
 - 1) Systematization and data analysis
HR systems/dealing with subsidies
 - 2) Strengthening of human capital (mobilization of human resources)
 - 3) Lump-sum purchase of ingredients and fixings, policies for business partners

[To reform our management base]

- Personnel development and reform of our corporate culture
- To keep turnover rate 10% or lower
- Personnel development and evaluation linked with personnel systems
- Optimization of human resources, and elimination of wasteful operations through systematization

To create (growth potential)

- Active promotion of new business domains for sustainable growth
- Promotion of M&A as strategic investment

[New businesses]

- Overseas business operation (operation of nursery schools in Southeast Asia)
 - 1) Operation of facilities in cooperation with local enterprises
 - 2) HR and educational businesses in cooperation with local colleges
ALT Business and language schools
- New business developments in cooperation with local governments
- Staffing and temporary staffing business
 - 1) To strengthen and promote the staffing and temporary staffing business of Japanese specialized personnel (nursery staff, nurses, etc.)
Strengthening and promotion of the staffing and temporary staffing business
- Active promotion of M&A
 - 1) Competitors in the same industry → Planning M&A
-To work on M&A early while grasping the decline in birth rate and the decrease of babies under the age of one

To ensure growth potential and advantages

To reform our revenue structure

To reform our management base

Major Management Strategy: “To Expand Revenues from Existing Businesses”

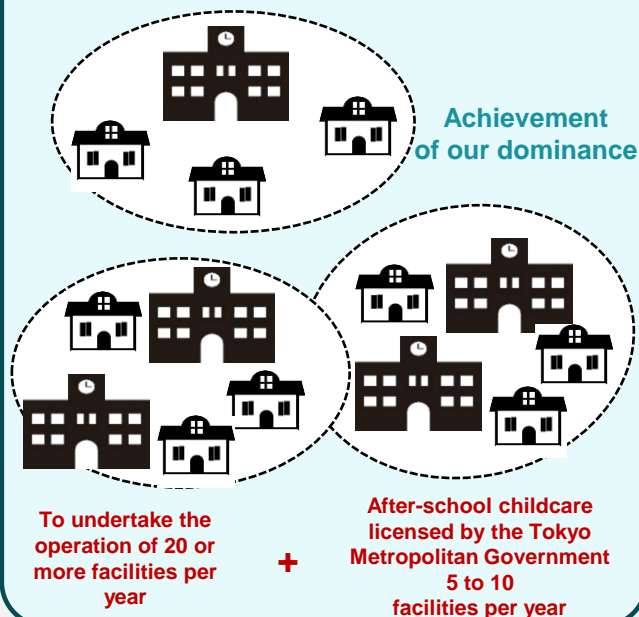
To enrich characteristic childcare facilities and learning programs to cope with the decrease of children due to the declining birthrate
To undertake the operation of new children’s clubs and newly undertake after-school childcare licensed by the Tokyo Metropolitan Government

Dominating strategy

Increase the number of school clubs and children’s houses to 200

To support childcare from babyhood to early childhood to school age in our area

(*To undertake after-school childcare licensed by the Tokyo Metropolitan Government)



Operation of characteristic facilities

15 bilingual nursery schools
7 Montessori method-based nursery schools
2 sports nursery schools
209 nursery schools (as of April 2025)

New business model

International Preschool
(Opening of non-licensed facilities)

Operation of facilities specializing in new education outside the scope of licensed one for meeting the needs of parents/guardians

Development of nursery schools and facilities that would continue to be selected
To increase children through differentiation

- To assess the local environment and needs of parents/guardians, and try to change business models
- To identify new needs of parents/guardians, and develop and adopt unique business models

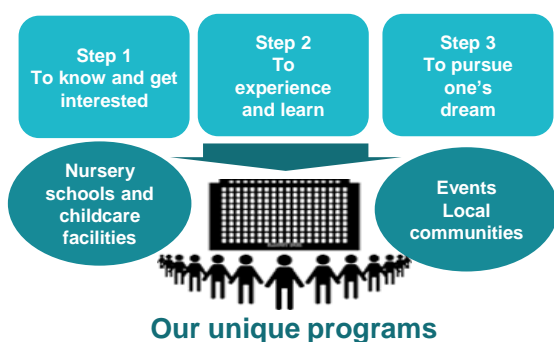
Enrichment of learning programs

English, gymnastics, eurhythmics and dancing
STEAMS childcare programs
Enrichment of existing programs



New programs developed from the viewpoints of parents and guardians in cooperation with enterprises and local governments

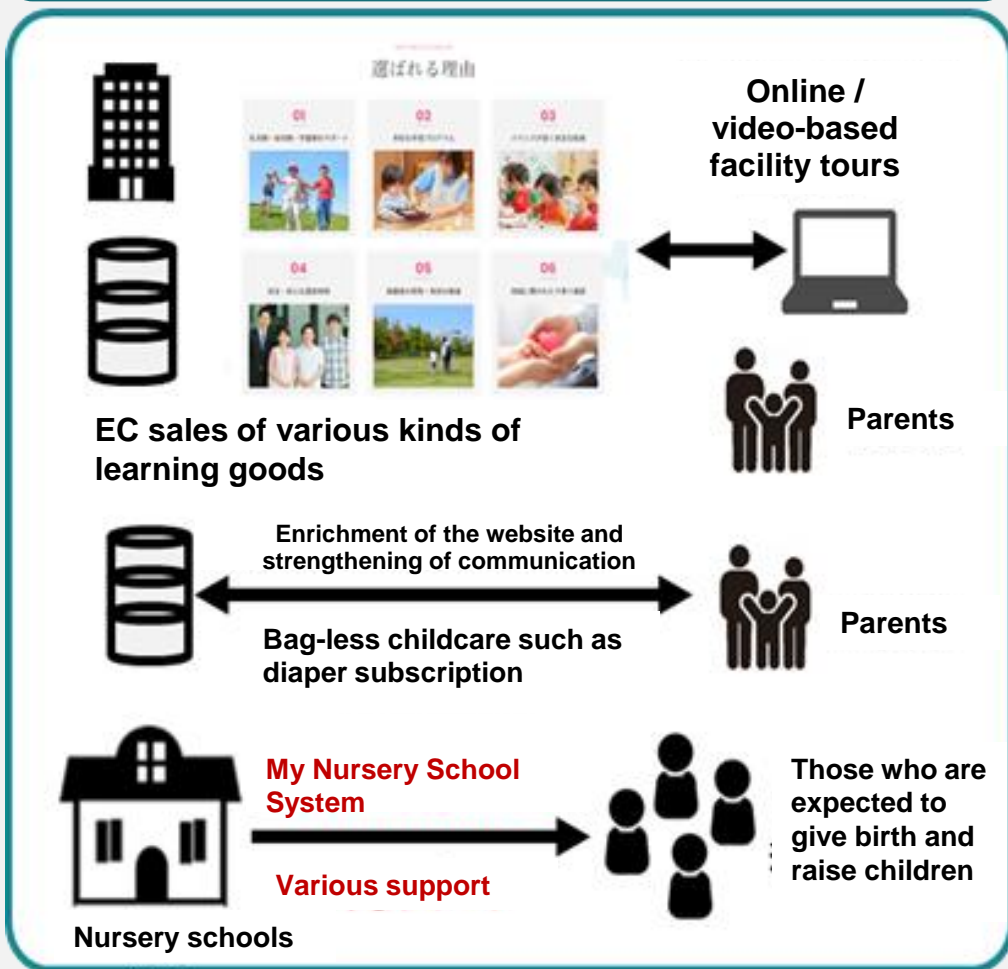
- Programs utilizing extracurricular hours
- Occupational and nature experience programs
- Experience-based learning in each region (nursery school activities anywhere)
- Experience-based English learning programs



Major Management Strategy: “To Secure Competitive Advantages”

Initiatives for developing nursery schools and facilities that would continue to be selected, through effective measures from the viewpoint of parents/guardians and brand development making full use of the communication media

Response from parents' perspective



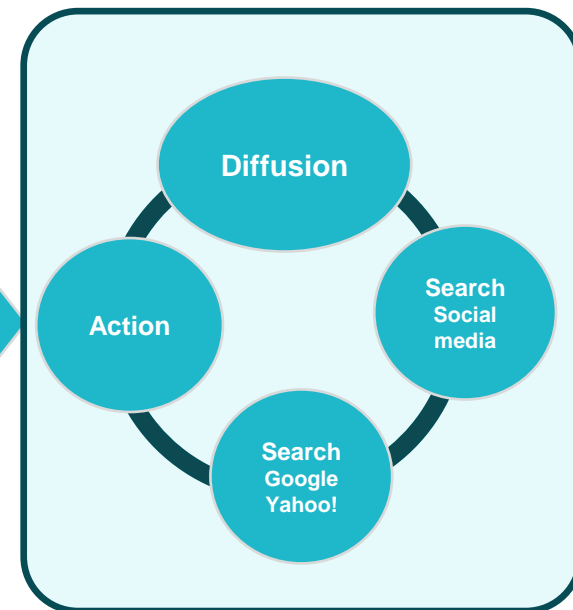
Popularization through the communication media

Distribution of more information from nursery schools and facilities

By utilizing the communication media effectively, we will increase children and develop nursery schools and facilities that would continue to be selected

Social media-based marketing

Popularization
Dissemination of info



As the second business pillar following the existing businesses, we will launch the Assistant Language Teacher (ALT) Business and expand our business by utilizing non-Japanese personnel.

Assistant Language Teacher (ALT) Business

[ALT Business]

- ALT stands for an assistant language teacher, who assists a classroom teacher or an English teacher.
- Previously, most ALTs were from the U.S. or UK.
Currently, most ALTs are from the Philippines, China, and Africa.

[Details of classes] *In the case of elementary school

- English became a mandatory subject in the third and higher grades of elementary school.
- *In some elementary schools, English education starts in the first grade.
- An English class is offered to third and fourth graders about once a week, 35 times a year.
- An English class is offered to fifth and sixth graders about twice a week, 70 times a year.

[Measures in the Philippines]

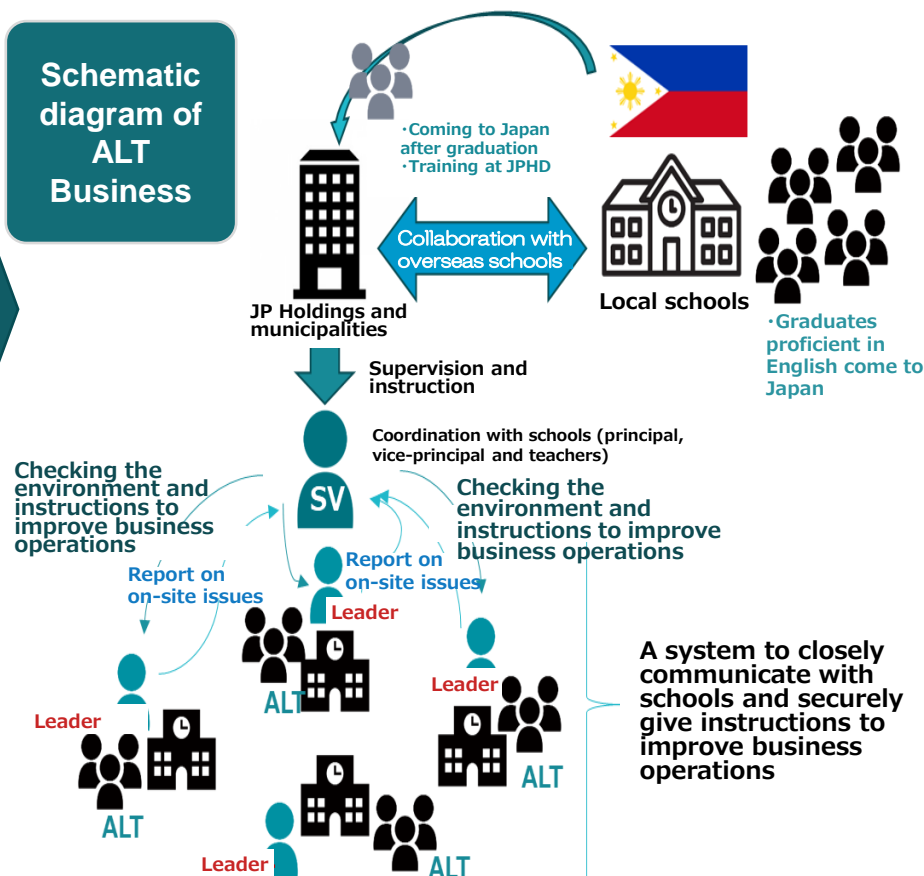
- ① To secure excellent personnel in cooperation with colleges in the Philippines
- ② Mutual introduction of Filipino and Japanese municipalities

[Cultivation of municipalities in Japan]

- To approach Japanese municipalities in advance to secure clients for ALT dispatch
- ➔ Approach to various municipalities

- To establish a system for accepting excellent non-Japanese personnel with a high level of English proficiency
- To establish a system for communicating with each school and giving instructions for improving business operations based on a chain-of-command structure: the headquarters → supervisors (serving as ALTs) → Leaders of ALTs → General ALTs

Schematic diagram of ALT Business



Major Management Strategy: “To Expand Business in Cooperation with Local Governments”

By cementing the cooperation with municipalities around Japan (concluding agreements for childcare), we will increase opportunities to create new businesses and implement new experience-based learning programs.

Prefectures and municipalities	Date of conclusion of an agreement	Details	Corporate hometown tax donations
Sakai Town, Ibaraki Prefecture	September 27, 2024	Conclusion of an agreement for comprehensive cooperation	○
Kasukabe City, Saitama Prefecture	December 10, 2024	Conclusion of an agreement	○
Oyama Town, Shizuoka Prefecture	January 22, 2025	Conclusion of an agreement	○
Izumo City, Shimane Prefecture	February 21, 2025	Conclusion of an agreement	○
Takaoka City, Toyama Prefecture	March 21, 2025	Conclusion of an agreement	○
Mifune Town, Kumamoto Prefecture	April 30, 2025	An agreement	○

Cooperation with municipalities around Japan (childcare support and regional revitalization)

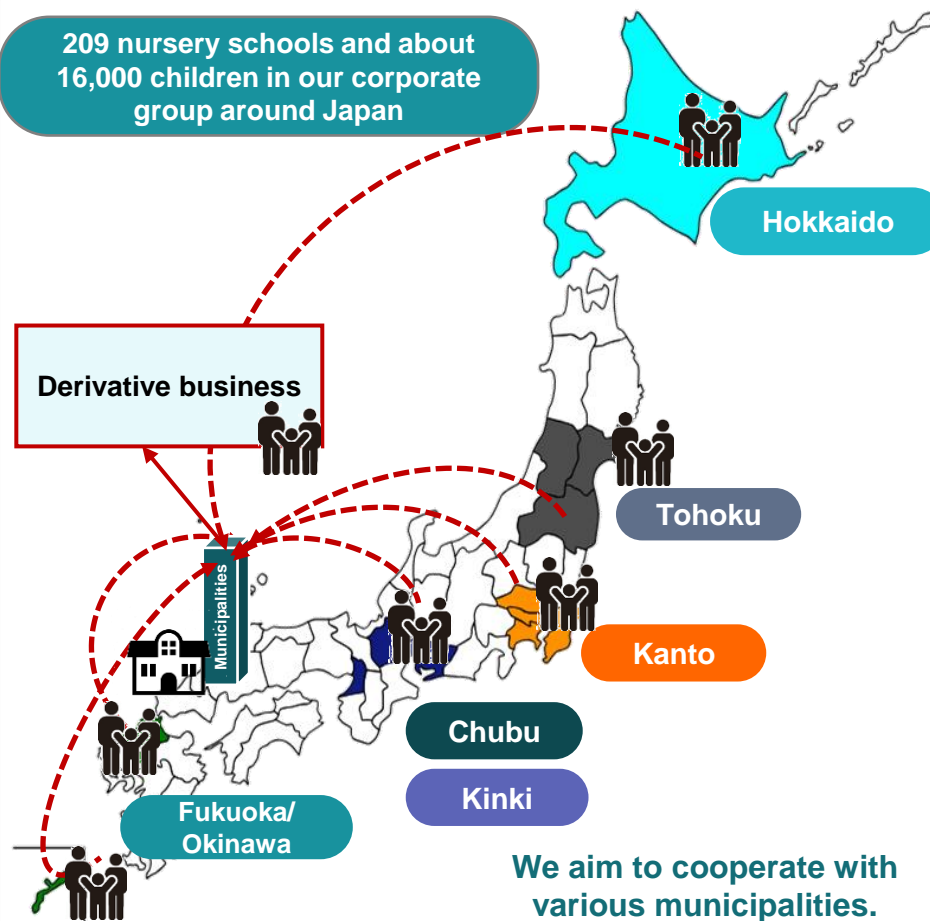
To sign agreements for childcare with local governments to provide experience-based learning, temporary childcare, etc. based on cooperation

To create the ALT Business by collaborating with each municipality, and promote the Childcare Support Business in these municipalities

To solve social issues by enriching childcare support

Cooperation with municipalities (proposal)
“Temporary childcare in each region”/nature experience, etc.
ALT Business and operation of childcare support facilities

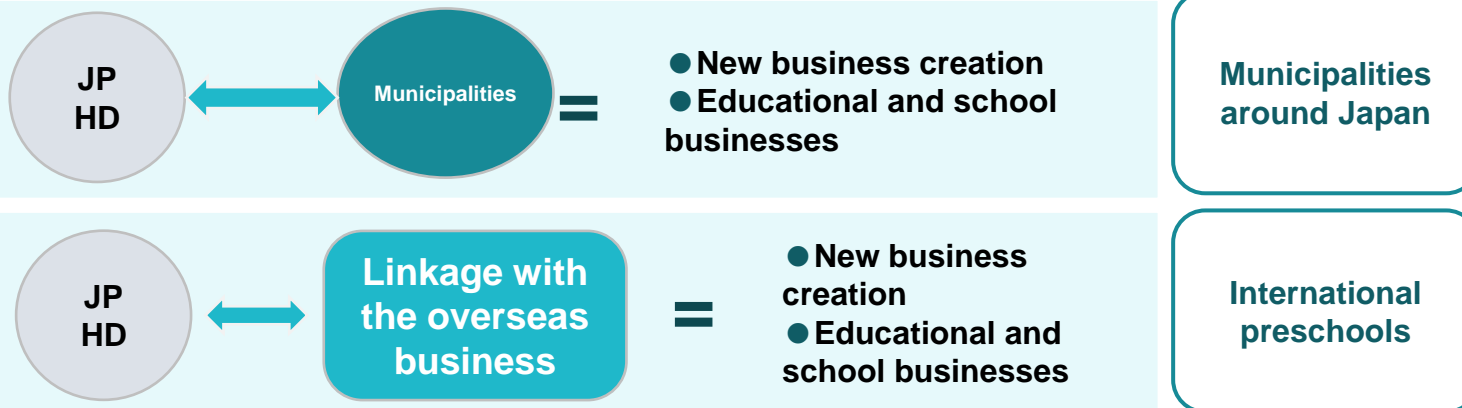
209 nursery schools and about 16,000 children in our corporate group around Japan



Management Strategy: “Growth Strategy” (Outline of Initiatives)

It is indispensable to monetize new businesses for expanding revenue sustainably. In FY 3/26, we will actively expand our business for increasing revenue in accordance with the medium-term management plan while considering competitors, the global trend, locations, and environments, so that **new businesses will be profitable** in addition to the existing businesses.

Domestic strategies for expanding business and revenue



Scale expansion through M&A strategy

M&A of childcare support business

(Indicators)

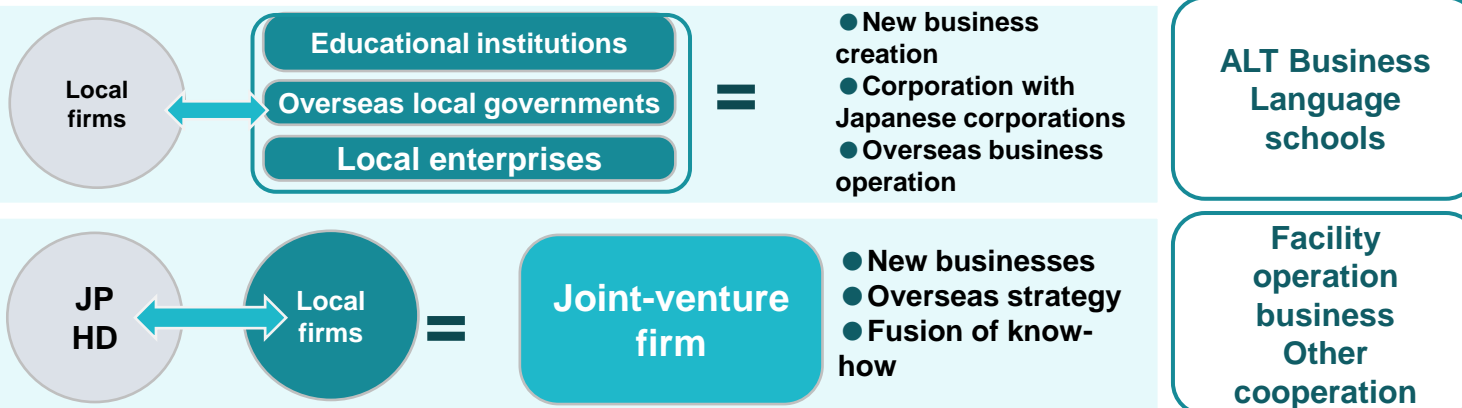
- Sales of 3-5 billion yen
- * Around 2 billion yen
- * Mainly licensed facilities

Enterprises related to our business operation

(Targets)

- Mainly for municipalities
- Platform providers
- ALT Business
- Online education businesses
- To induce synergy
- Consistent with business strategies
- To complement business for expanding revenue

Overseas strategies for expanding business and revenue



Management Strategy: “HR Strategy for Supporting Business Administration”

● To promote the “transformation of organizations and human resources” based on the linkage between business and HR strategies

➔ In FY 3/28, we will continuously produce organizations and human resources that support the creation and management of business and realize a growth scenario.

Medium-term management plan (before periodic review and revision)

- To train individual employees to achieve diversity and independence
- To design a career for each employee
- To enhance the training of management staff
- To empower women

Measures for solving problems and strengthening our company for proceeding to the next stage

- To brush up our organizational capacity
- To nurture the thinking ability to solve problems and inquisitive mind
- Planned staffing and personnel development
- To train management staff

Medium-term management plan

FY 3/26 to FY 3/28

JP Holdings Group’s basic policy for HR strategies

- Diverse personnel who continue their voluntary endeavors and keep growing
- To secure and train personnel while considering global business operation (development of overseas human resources and in-company systems/training of global personnel)
- To enhance management so that individual employees can exert their abilities to the maximum degree
- Swift staffing and selection of personnel in response to changes in the business environment

Ability to create
(promote) business



Management
prowess



Optimization of organizations
and human resources

Training of management staff

Creation of JP Holdings Group’s culture
Enterprise where employees can work comfortably and feel proud of
the company in front of their family members

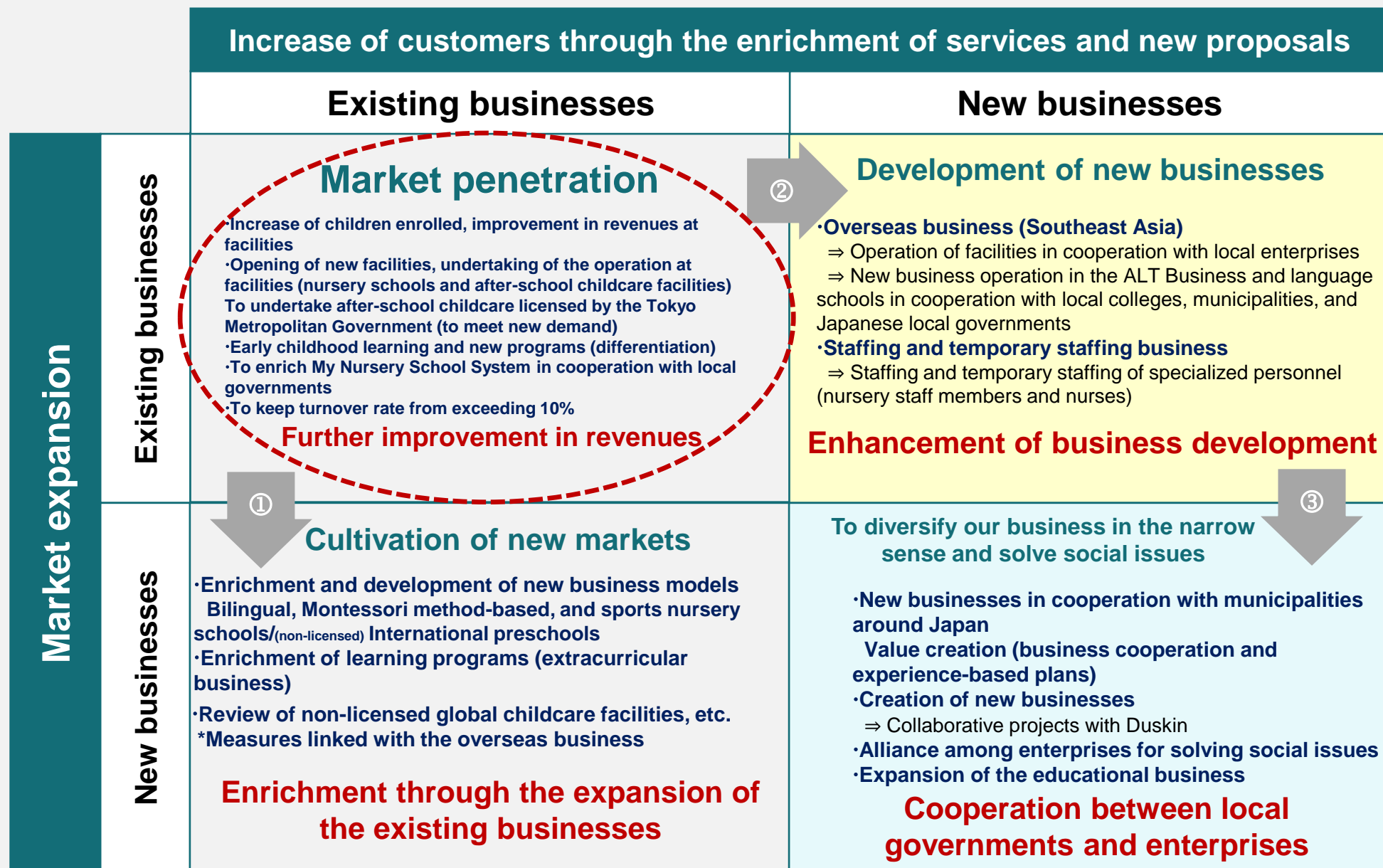
Future

Global enterprise that
keeps creating new
businesses and cultivating
human resources to
support childcare



Genuine leading
company in the field of
childcare support

To bring together all kinds of abilities of the JP Holdings Group





JP HOLDINGS GROUP

3

Policy for Capital Cost

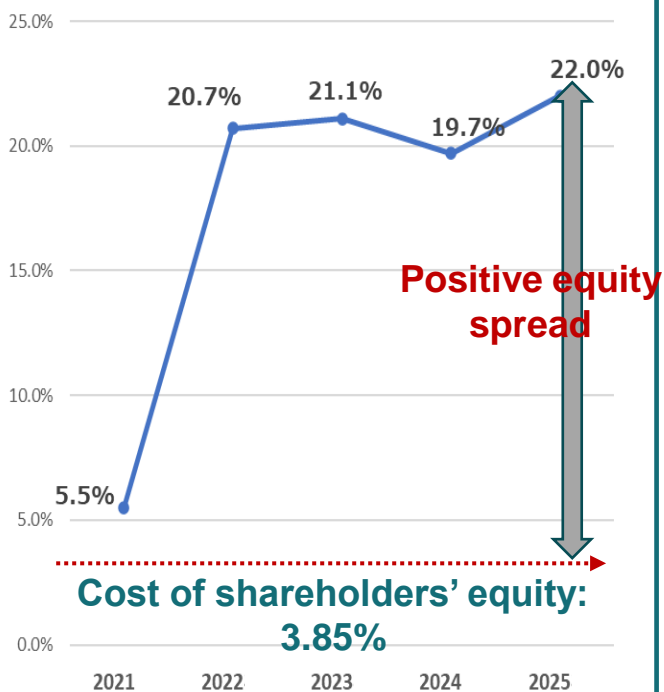


Analysis of the Current Situation, Evaluation, and Goals

- PBR has been over 1. It stood at 3.1 as of the end of March 2024, and is now 2.9. However, the PBR of our company is low compared with competitors'.
- ROE is as high as 22.0%, cost of shareholders' equity is 3.85% or over, and equity spread is positive. Accordingly, corporate value is high.

Target ROE

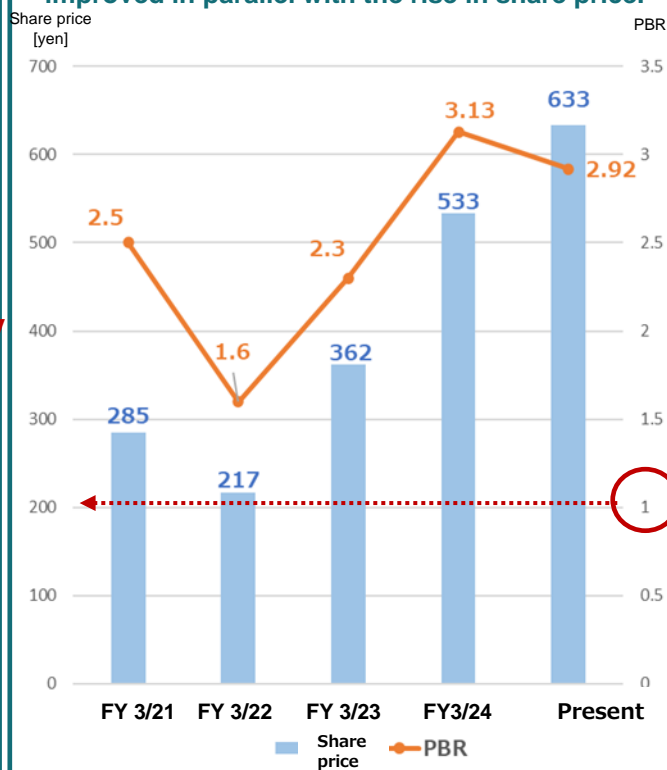
ROE has been over the cost of shareholders' equity.



Establishment of a high revenue system

Target PBR

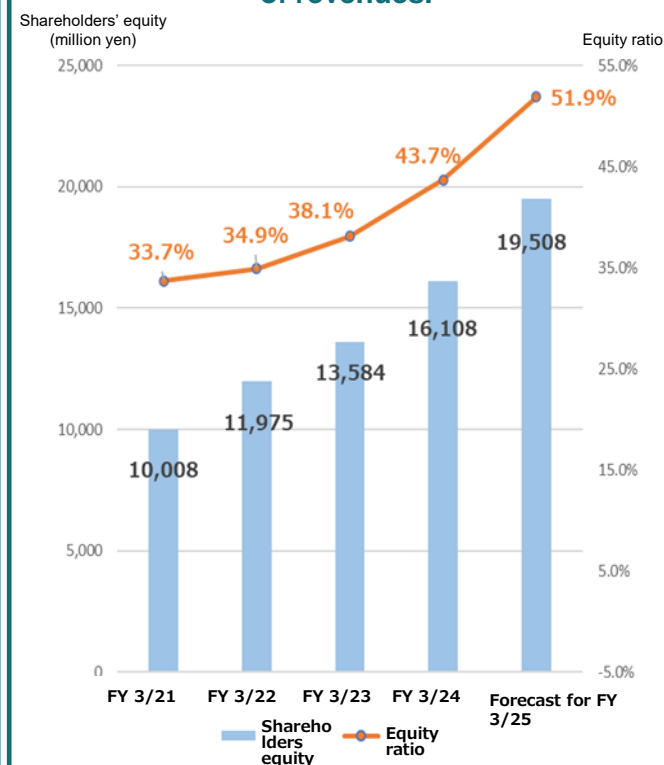
Thanks to healthy business performance, PBR improved in parallel with the rise in share price.



Further improvement with growth strategy

Target equity ratio

Equity ratio rose in parallel with the growth of revenues.



Optimization of our financial standing
Reduction and rationalization of capital costs

*The current share price represents the share price as of March 4, 2025. / The values in other fiscal years are the share prices at the end of each fiscal year.

Analysis of the Current Situation: Annual Changes in PBR, ROE, and PER

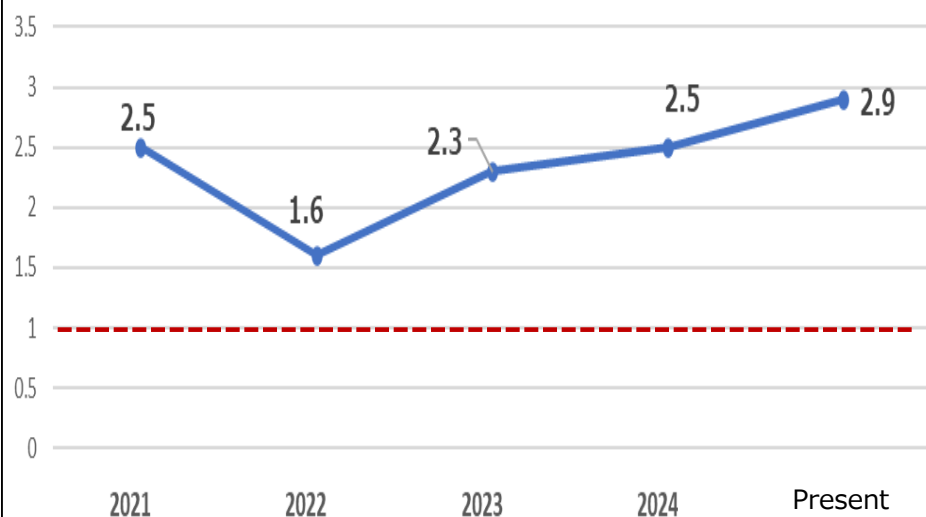
● PBR has been over 1. As of March 4, 2025, the PBR of our company was as healthy as 2.9.

● We recognize the following trend from the annual changes in ROE and PER, which constitute PBR.

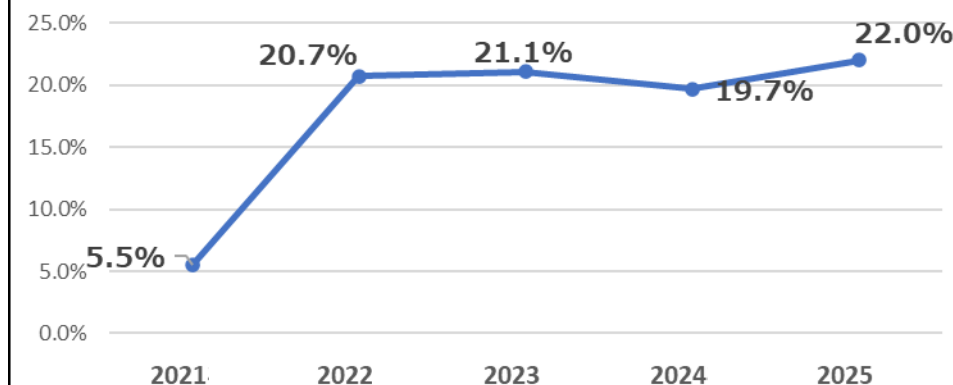
1) ROE has been increasing due to the rise in net income margin, but according to the analysis with the Du Pont system, financial leverage is forecast to decline. Therefore, we will create new businesses as soon as possible, in order to improve profit margin further.

2) The PER of our company is low compared with competitors', so share price is lower than assumed. Therefore, we will enhance measures, including IR activities.

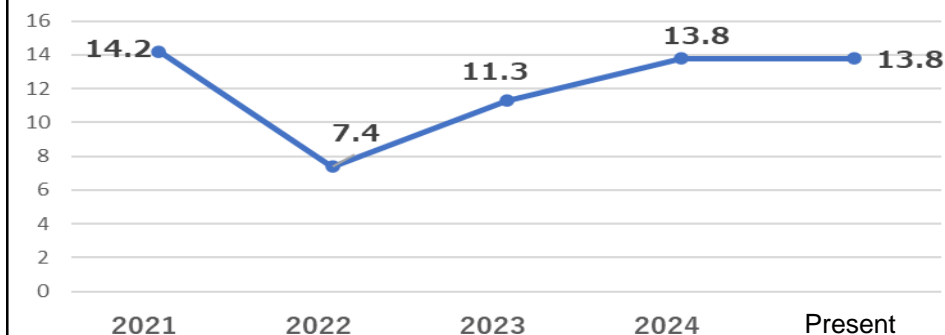
PBR (price book-value ratio)



ROE (return on equity)



PER (price earnings ratio)



*The current value represents the value as of March 4, 2025.

The values in other fiscal years are the values at the end of each fiscal year.

Analysis of the Current Situation: ROE Analysis

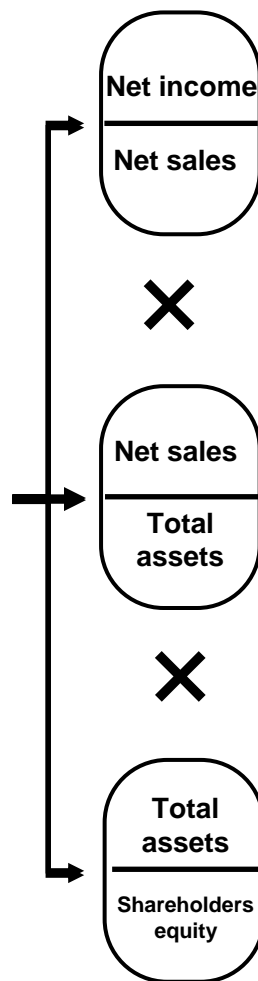
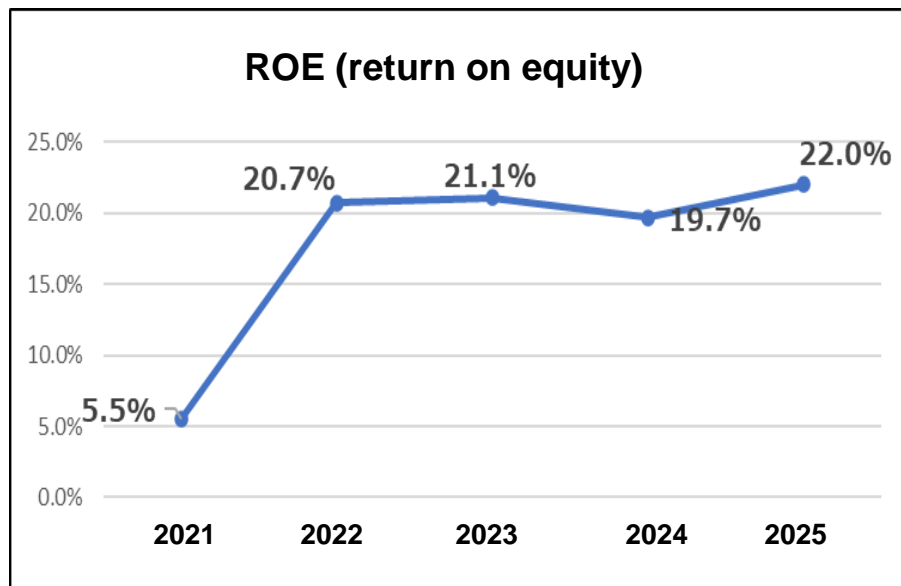
● ROE has been high, and interest-bearing liabilities are projected to decrease through the strengthening of the financial standing, so we aim to improve profitability further.

1) To improve revenues of the existing businesses further (improvement in earning ratio)

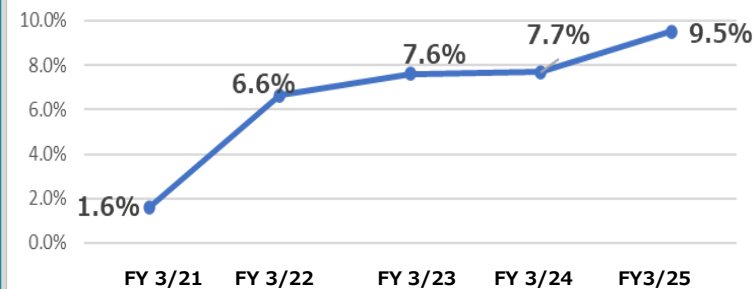
2) To promote high-revenue businesses through the promotion of new businesses

・ALT Business and overseas business

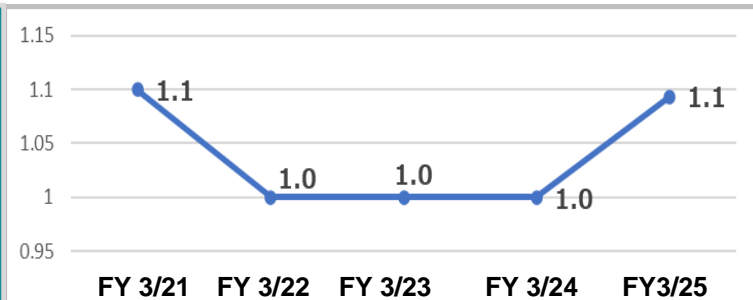
ROE (return on equity)



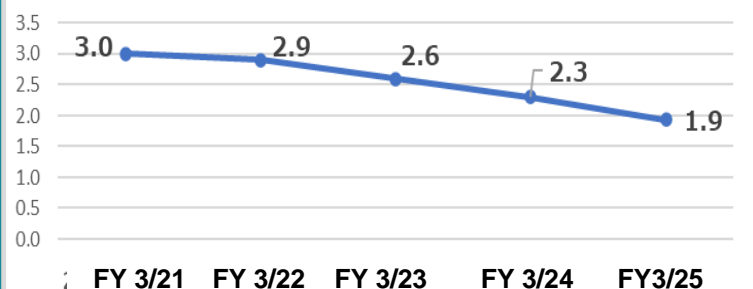
Net income margin



Total asset turnover



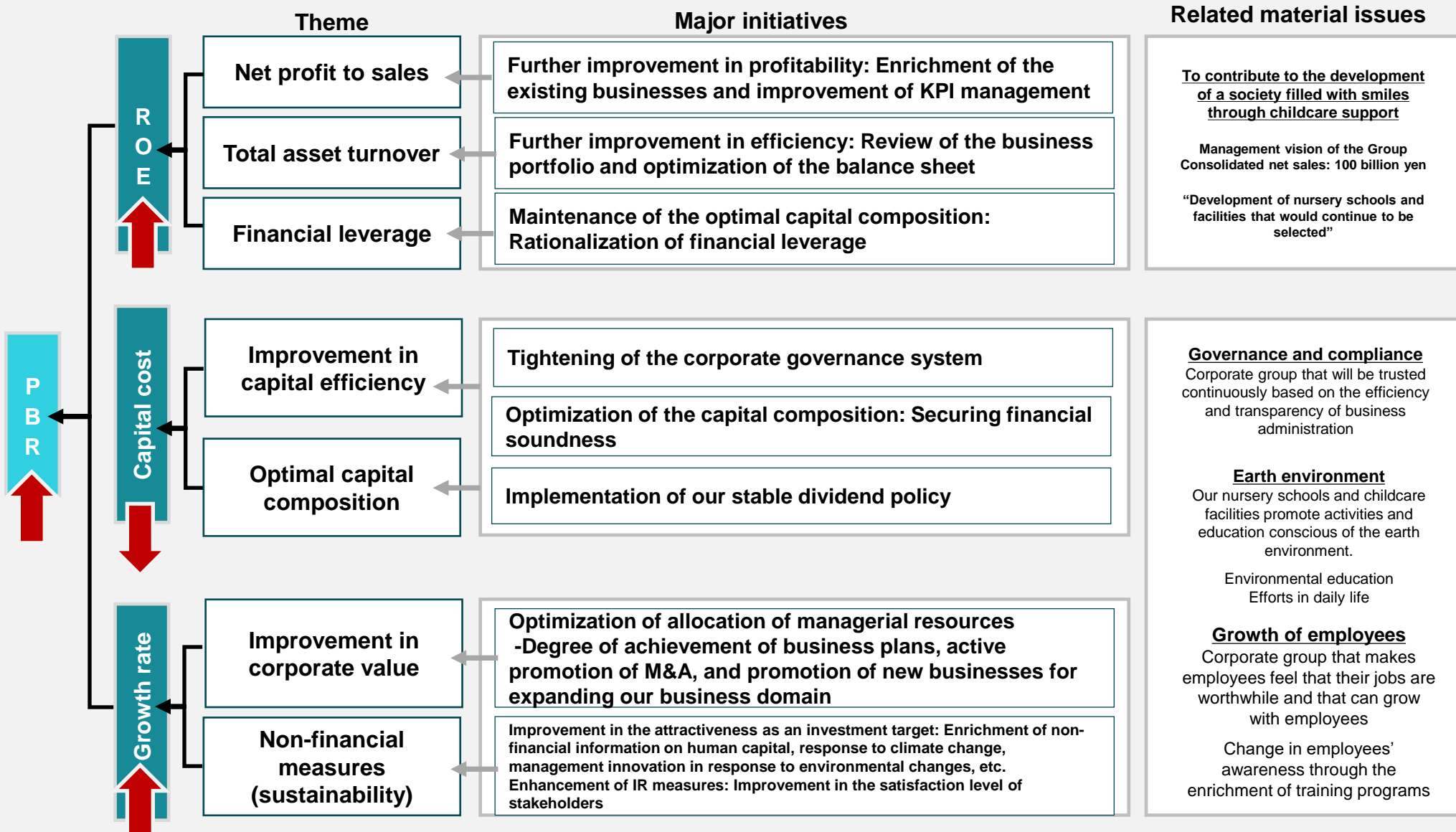
Financial leverage



*Estimated based on the recent results.

Initiatives We Will Implement While Considering PBR and Share Price

To implement measures focused on PBR, while considering identified issues






















JP HOLDINGS GROUP

4

APPENDIX



Social issues to be solved with our business		Related SDGs	Major activities
Childcare support	<p>Improve the quality of childcare support</p> <p>Reduce the number of children on waiting lists</p>	 	<ul style="list-style-type: none"> •Promotion of high quality childcare support •Establishment of new facilities for decreasing the number of children on waiting lists •Development and provision of online childcare while grasping changes in the social environment •Safe, reliable facilities and operation •Provision of nutritious lunch for maintaining health •Enrichment of support for child development
Educational support	<p>Offer high quality early childhood learning</p>	 	<ul style="list-style-type: none"> •Development and enrichment of educational programs (English, exercise, eurhythmics and dancing) •Development and promotion of online education Development of programs for early childhood learning at home in response to changes in the social environment •Provision of early childhood learning opportunities
Partnership	<p>To help solve social issues based on the partnership with stakeholders</p>		

Social issues to be solved with our corporate activities		Related SDGs			Major activities
Personnel development	Improvement in expertise and actualization of independent career development	4 QUALITY EDUCATION 	5 GENDER EQUALITY 	8 DECENT WORK AND ECONOMIC GROWTH 	<ul style="list-style-type: none"> •Promotion of work style reform •Enrichment of training structure •Career paths and job rotation
Empowerment of women	Actualization of diversity minded workplaces		8 DECENT WORK AND ECONOMIC GROWTH 		<ul style="list-style-type: none"> •Workstyles tailored to lifestyles •Systems for childbirth, childcare, and nursing care •Development of a proper business environment
Human rights and D&I*1	Actualization of diverse workstyles		5 GENDER EQUALITY 		<ul style="list-style-type: none"> •Utilization of diverse human resources and sound business administration •Development and production of female leaders
Social contribution to local communities	Creation of a childcare environment	4 QUALITY EDUCATION 	8 DECENT WORK AND ECONOMIC GROWTH 	11 SUSTAINABLE CITIES AND COMMUNITIES 	<ul style="list-style-type: none"> •Promotion of childcare support in local areas •Promotion of employment •Promotion of prevention of abuse
Earth environment	Contribution to a sustainable earth environment	7 AFFORDABLE AND CLEAN ENERGY 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	15 LIFE ON LAND 	<ul style="list-style-type: none"> •Creation of environmentally sound facilities •Reduction of CO₂ emissions by installing LED lighting •Reduction of food loss and waste
×					
Partnership	To help solve social issues based on the partnership with stakeholders				17 PARTNERSHIPS FOR THE GOALS 

*1: Diversity & inclusion (To create something new by utilizing different experiences and accepting differences)

As a mission of an enterprise that operates childcare support business, we will approach impoverished households and take measures for preventing child abuse, which are social problems.

• We will discuss various measures for raising and donating funds, and determine and actively promote “activities” and “initiatives” for the future of children.

(*We conduct “Single Parent Household Support” annually.)

No poverty



Prevention of child abuse



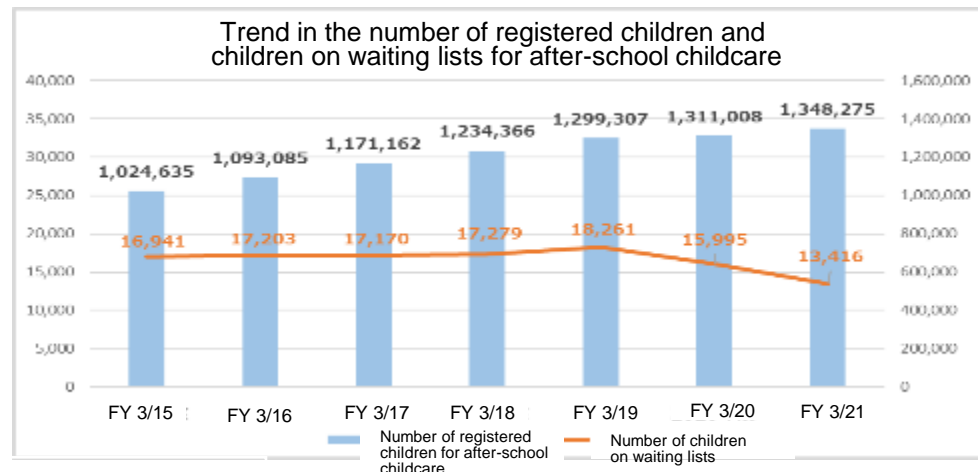
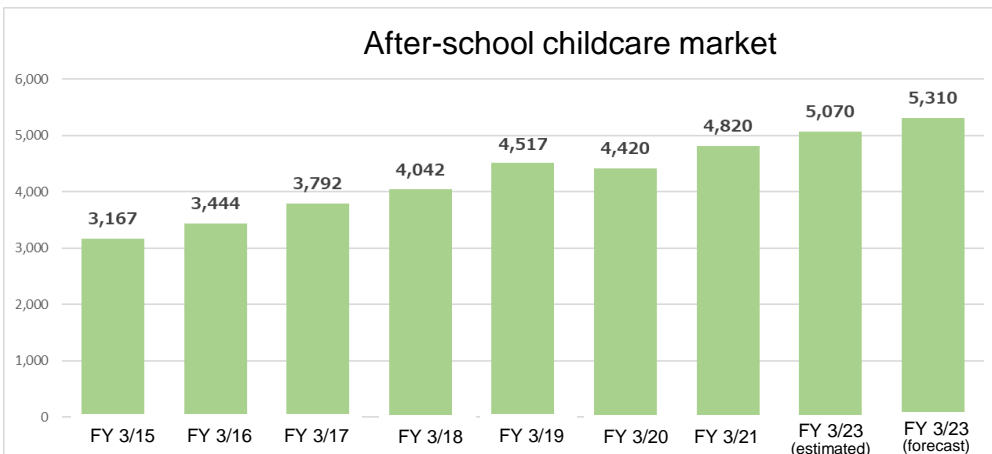
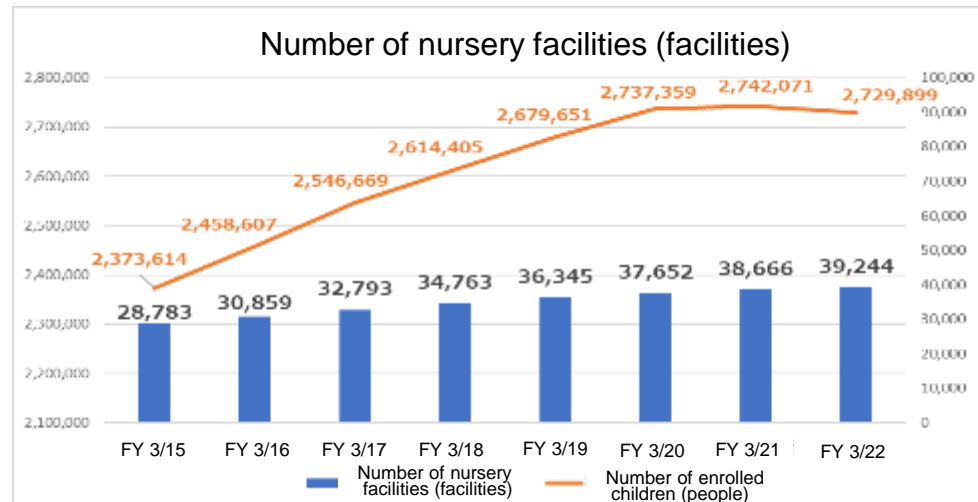
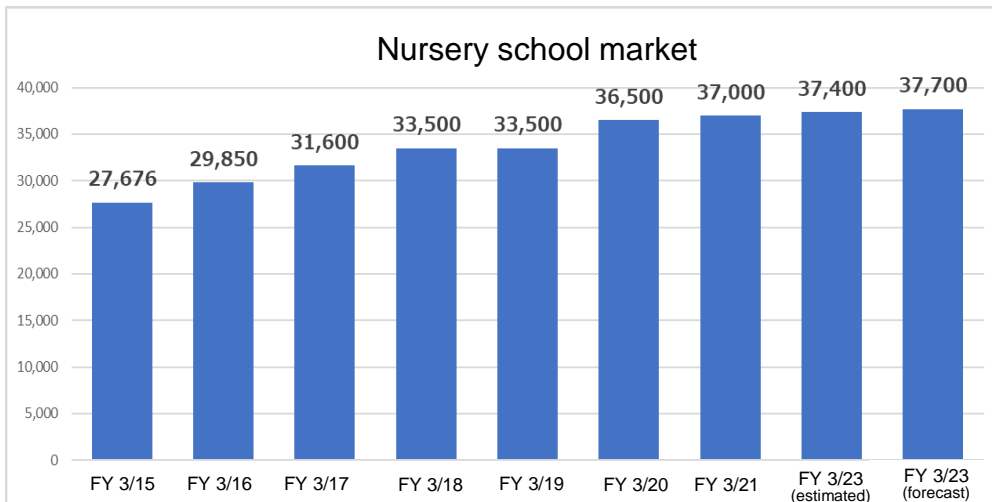
- ◎ To reduce environmental burdens and disposal costs, by thoroughly reusing and recycling necessary products for childcare
- ◎ To support “childcare around the world” by offering inexpensive, high quality, reused childcare goods, which are available only in Japan, to countries and regions in need

Child-rearing assistance platform



Nursery School and After-School Childcare Market

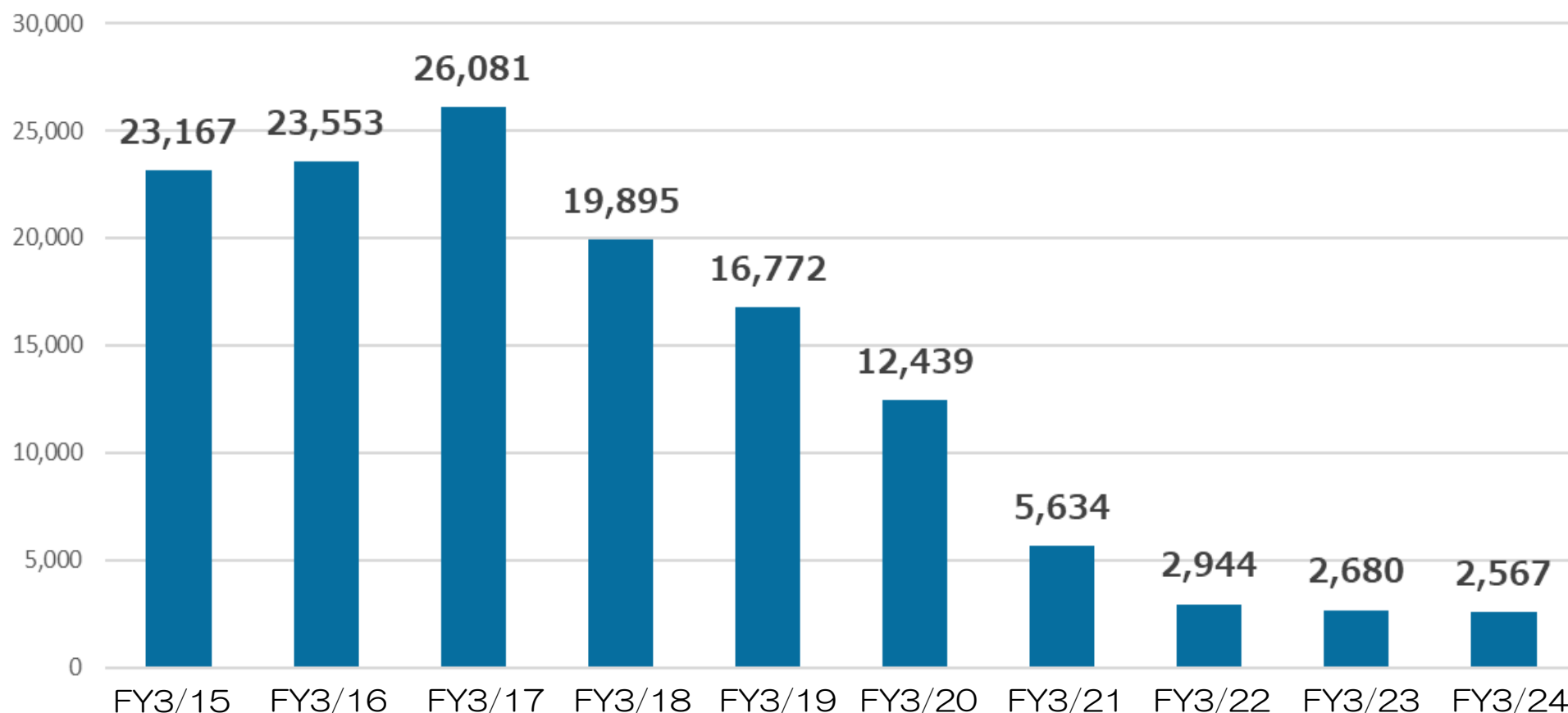
- Although the child population and the number of children on waiting lists are decreasing, the nursery school market is still growing.
- The number of nursery facilities continues to increase year by year, while the number of enrolled children is showing a slight downward trend.
- The after-school childcare market continues to grow year by year, but the number of children on waiting lists has decreased slightly to 13,000.



Source: "Childcare and Early Childhood Education Market Status and Outlook 2023," Yano Research Institute Ltd.

- The number of children on waiting lists in FY 3/24 was 2,567, down 113 from the previous term.
- There are regional disparities, and the number of “hidden waiting list children” is estimated to exceed 60,000.

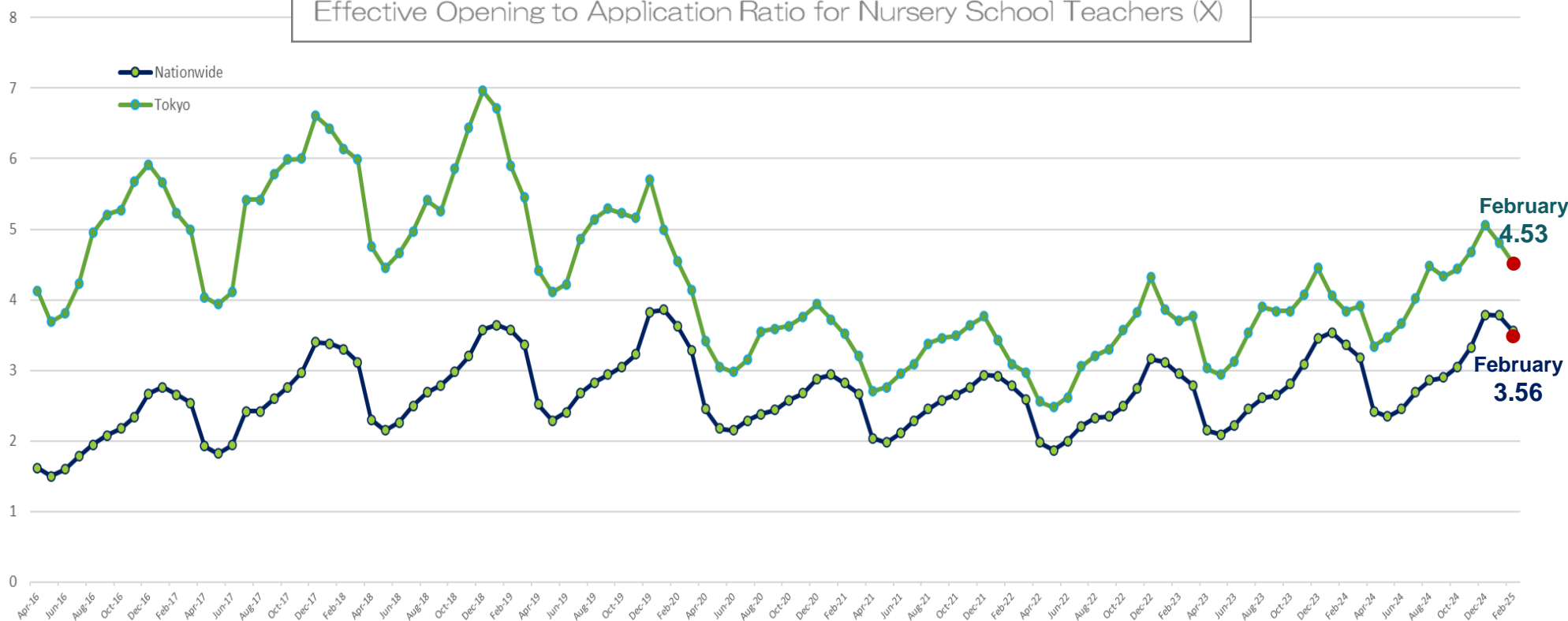
Variations in the number of children on waiting lists




Current Nursery School Teacher Shortage Situation

- ▶ The ratio of job openings to job applicants for nursery school teachers is decreasing. However, there is a continuing shortage of nursery school teachers across Japan. (National average as of February 2025: 3.56 times)
- ▶ The jobs-to-applicants ratio of nursery staff in Tokyo has been decreasing, standing at 4.53.

Effective Opening to Application Ratio for Nursery School Teachers (X)



Source: Ministry of Health, Labour and Welfare Employment Security Bureau's General Job Placements (Report on Employment Service)

(1) Platform name	codomel
(2) Concept of the platform name and logo	<ul style="list-style-type: none"> •Codomel is a word we have coined by combining the word for children in Japanese of “codomo” with the word for product in Latin of “merx.” •We have used the colors of the five initiatives we will attempt to achieve through this service from among the 17 SDGs: “1. No Poverty,” “3. Good Health and Well being,” “7. Affordable and Clean Energy,” “10. Reduced Inequalities” and “16. Peace, Justice and Strong Institutions.” In addition, the circular design made by people linking their hands expresses the “circle for everyone,” which we will create by connecting children, parents and local communities through this service.
(3) Logo	
(4) Overview of the first services	<ul style="list-style-type: none"> •The first services of the codomel child-rearing assistance platform will be a matching service in which users can individually sell and purchase used goods over the Internet focused on childrearing-related supplies (e.g., baby supplies and clothing) mainly for the childrearing generation and a service to provide products highly needed by the childrearing generation and childrearing related information and services. •We will also collect childrearing-related supplies and clothing donated by parents at the nursery schools operated by our group and then provide them as used goods. •We will unroll this service overseas and further expand services after the launch of this service on April 1, 2022.

Recruitment of Nursery School Teachers

		FY 3/17	FY 3/18	FY 3/19	FY /3/20	FY 3/21	FY 3/22	FY 3/23	FY 3/24	FY 3/25 As of the end of Mar.
Nursery School Teacher	New Graduates	247	276	248	182	166	166	175	188	209 (Joined on Apr.1, 2024)
	Mid-career employment	327	325	269	292	226	322	311	303	164 (Joined on Apr.1, 2024)
Non qualified	New graduates	32	46	26	9	7	5	1	3	0

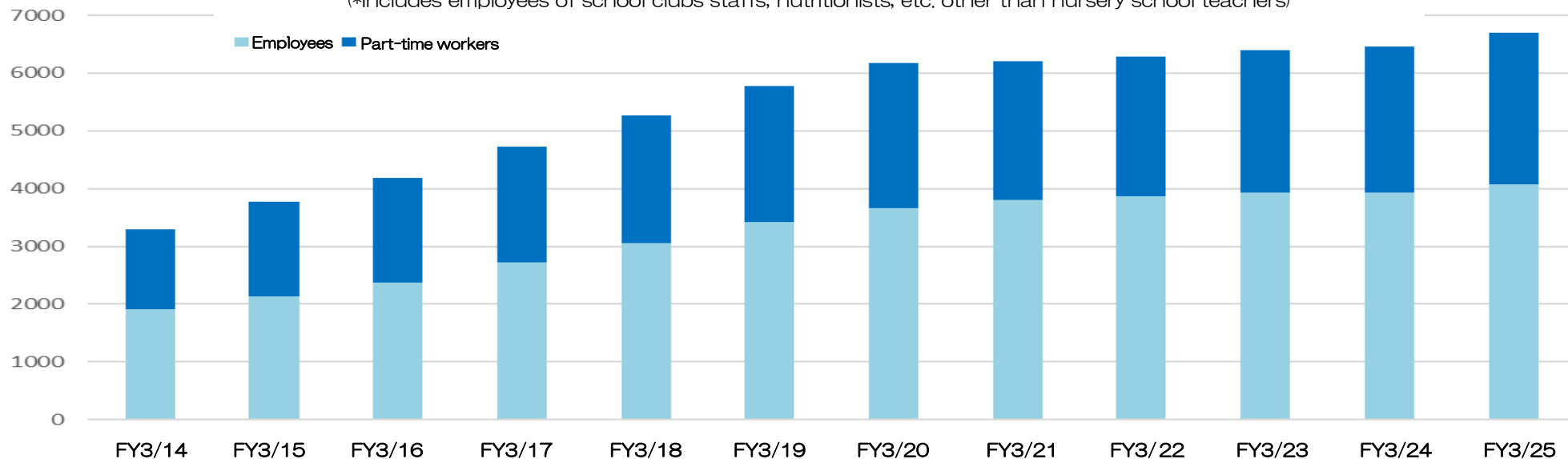
*After joining JPHD, non qualified graduates are expected and assisted to acquire nursery school teacher qualification. Started this recruitment style from FY 2016.

*Includes seconded employees to associated companies

(Persons) **Trend of Employee Numbers in Childcare Support Business**

(*Includes employees of school clubs staffs, nutritionists, etc. other than nursery school teachers)

■ Employees ■ Part-time workers

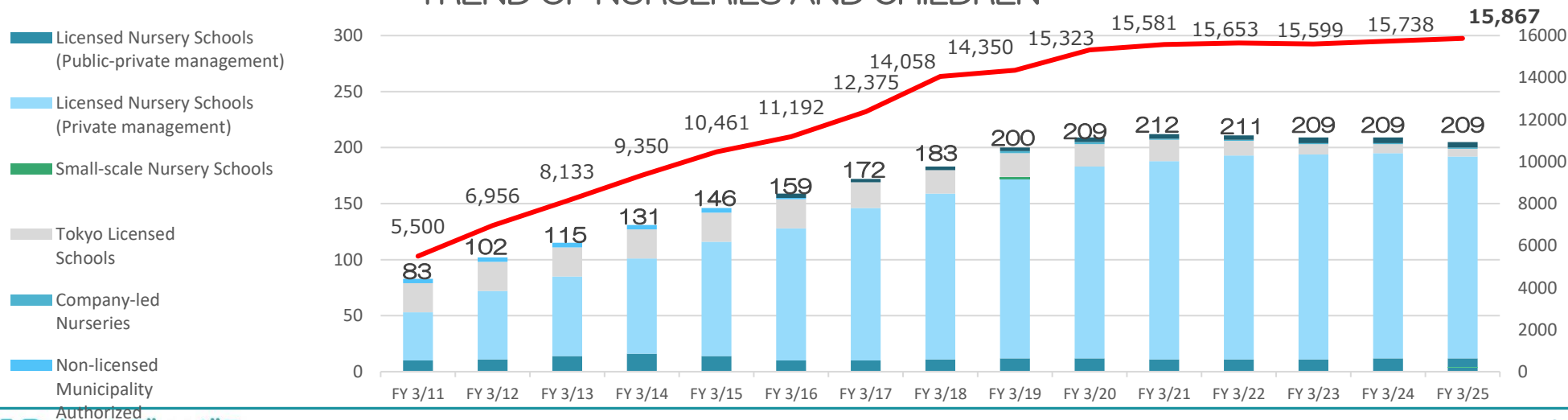


Changes in the Number of Facilities Operated and the Number of Children Accepted to Nursery Schools

	FY 3/12	FY 3/13	FY 3/14	FY 3/15	FY 3/16	FY 3/17	FY 3/18	FY 3/19	FY 3/20	FY 3/21	FY 3/22	FY 3/23	FY 3/24	FY 3/25
Licensed Nursery Schools (Public-private management)	11	14	16	14	10	10	11	12	12	11	11	11	12	12
Licensed Nursery Schools (Private management)	61	71	85	102	118	136	148	160	171	177	182	183	183	181
Small-scale Nursery Schools	0	0	0	0	0	0	0	2	0	0	0	0	0	0
Non-licensed Nursery Schools														
Tokyo Licensed Schools	26	26	26	26	26	23	21	21	20	19	13	9	8	6
Company-led Nurseries	0	0	0	0	0	0	0	2	2	1	1	1	1	1
Non-licensed Municipality Authorized	4	4	4	4	1	0	0	0	0	0	0	0	0	0
Non-licensed Other non-licensed	0	0	0	0	4	3	3	3	4	4	4	5	5	5
Childcare Center	0	0	0	0	0	0	0	0	0	0	0	0	0	4
School Clubs	39	40	43	46	55	63	71	72	72	77	81	89	86	96
Children's Houses	7	8	8	8	10	12	12	11	11	11	11	11	11	13
Private School Clubs	0	0	0	0	0	4	5	5	4	1	0	0	0	0
Community Center	0	0	0	0	0	0	0	0	0	0	0	0	0	2
Kindergartens (Overseas Facility)	0	0	0	0	0	0	1	1	1	0	0	0	0	0
Total	148	163	182	200	224	251	272	289	297	301	303	309	306	320

*We reviewed the count by management structure in the 2Q of FY 3/16 and changed three licensed schools (public-private management) to other non-licensed nursery schools

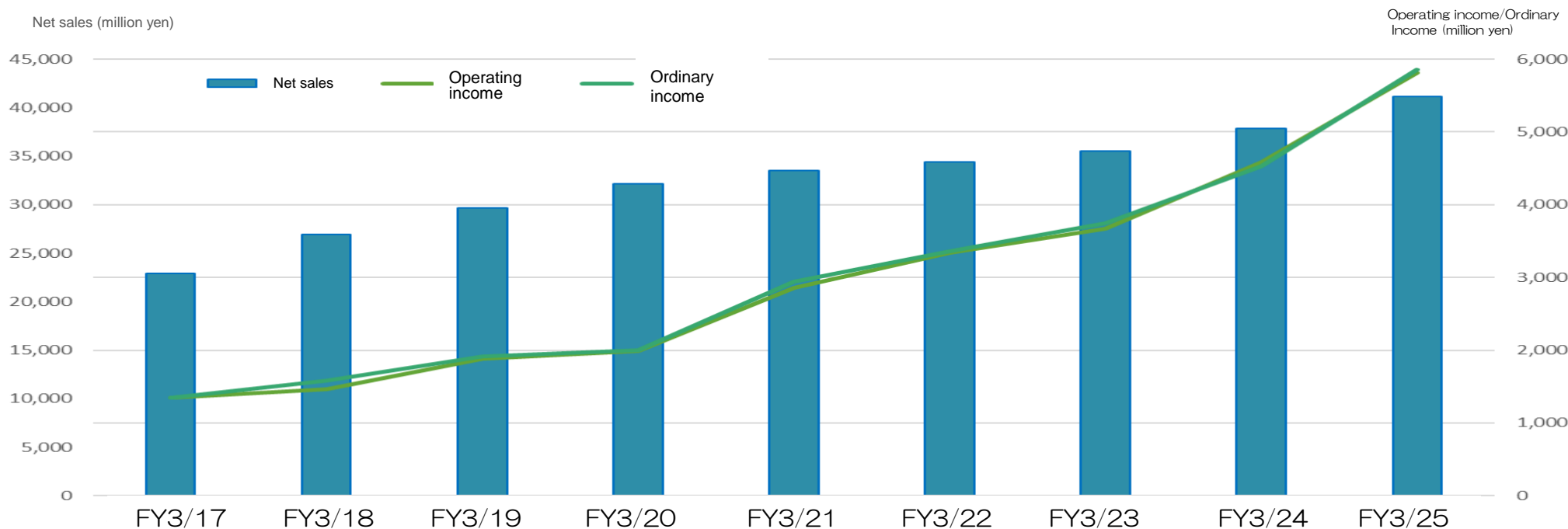
TREND OF NURSERIES AND CHILDREN



Consolidated Results (Highlights)

	FY 3/18	FY 3/19	FY 3/20	FY 3/21	FY 3/22	FY 3/23	FY 3/24	FY 3/25
Net sales (million yen)	26,945	29,647	32,169	33,500	34,373	35,507	37,856	41,147
Operating income (million yen)	1,469	1,880	1,989	2,857	3,344	3,667	4,584	5,809
Ordinary income (million yen)	1,469	1,920	2,003	2,947	3,358	3,745	4,523	5,858
Net income attributable to owners of parent (million yen)	910	1,071	1,122	537	2,279	2,698	2,929	3,920
Net income per share (yen)	10.70	12.44	12.81	6.15	26.06	31.18	34.38	46.84

*Net sales and operating income are the amounts after the reclassification of presentation methods.



Consolidated Results (Balance Sheet/Statement of Cash Flows)

	FY 3/18	FY 3/19	FY 3/20	FY 3/21	FY 3/22	FY 3/23	FY 3/24	FY 3/25
Total assets (million yen)	25,758	28,255	26,122	29,740	34,274	35,694	36,889	37,622
Net assets (million yen)	7,756	8,950	9,636	10,007	11,975	13,584	16,108	19,508
Shareholders' equity ratio (%)	30.1	31.7	36.9	33.7	34.9	38.1	43.7	51.9

	FY 3/18	FY 3/19	FY 3/20	FY 3/21	FY 3/22	FY 3/23	FY 3/24	FY 3/25
Cash flows from operating activities (million yen)	1,865	1,829	2,320	2,469	3,884	2,735	5,598	4,205
Cash flows from investing activities (million yen)	△ 1,292	△940	418	190	413	411	△6	△162
Cash flows from financing activities (million yen)	△ 135	1,475	△3,349	2,155	1,978	△1,112	△3,978	△4,243
Year-end balance of cash and cash equivalents (million yen)	4,455	6,816	6,206	11,020	17,296	19,330	20,944	20,743

The basic policy of our company is to continue paying a performance-linked dividend with a payout ratio of around 30% while maintaining the necessary internal reserves for future business development and to strengthen our management structure.

	FY 3/18	FY 3/19	FY 3/20	FY 3/21	FY 3/22	FY 3/23	FY 3/24	FY 3/25	FY 3/26
mount of dividend per share (yen)	3.50	3.70	3.90	3.90	4.50	6.00	8.00	12.0	12.0
Payout ratio(%)	32.7	29.7	30.4	63.4	17.3	19.2	23.9	26.1	27.4

*Breakdown of term-end dividend for FY 3/23

Ordinary dividend: 5.00 yen; commemorative dividend: 1.00 yen.

*The term-end dividend for FY 3/25 will be the dividend per share approved at the annual meeting of shareholders.



JP HOLDINGS GROUP

Company Name

JP-HOLDINGS,INC.

Date of Establishment

March 31, 1993President and
Representative Director**Tohru Sakai**

Head Office

**7 Floor Orchid Bldg., 2-38-2 Meieki, Nakamura-ku,
Nagoya-shi Aichi**

Tokyo Office

5F Shinagawa Season Terrace, 1-2-70 Konan, Minato-ku Tokyo

Capital

1,603.955 million yen

No. of Employees

**Employees : 4,157 / Part-time workers:2,773
*As of March-end 2025**

Business Areas

**Management and control of subsidiaries and development of
new businesses**

Listed Market

**Prime Market of the Tokyo Stock Exchange
(Securities code: 2749)**Consolidated
Subsidiaries**Japan Nursery Service Inc.
J Kitchen Inc.
Japan Nursery Institute for General Research Inc.
Kosodate Support Realty Inc.
ONE'S WILL CO. LTD.**

Mar. 1993

Established J-Planning Ltd.

Apr. 2000

Opened a day-care center for kids in
an enterprise

Dec. 2001

Opened a large-scale suburban
nursery school

Aug. 2002

Opened the first nursery school
certified by the Tokyo Metropolitan
Government

Oct. 2002

Listed on the JASDAQ
market of TSE

Oct. 2004

Renamed the company JP-Holdings, Inc.
Established Japan Nursery Service Inc., J-Planning
Inc., J Kitchen Inc., and J Planning Sale Inc.

Apr. 2005

Opened the first licensed nursery school



Jan. 2006

Established J Cast Inc.



Apr. 2006

Undertook the operation of a school
club and a children's house for the
first time

Mar. 2010

Transferred all shares of
J Planning Inc.

Mar. 2011

Listed on the
Second Section of
TSE

Mar. 2012

Listed on the First
Section of TSE

Mar. 2013

Established Japan Nursery
Institute for General Research Inc.

Sep. 2016

Acquired all shares of
Sotetsu Amenity Life K.K. to
make it into a subsidiary

Sep. 2018

Started operating
company-led nurseries

Jan. 2021

Signed a contract for
business alliance with
Gakken Holdings Co., Ltd.

Sep.

Launched the support
business by visiting nursery
schools

Apr. 2022

Integrated Amenity Life into Japan
Nursery Service
Launched "codomel," a childcare
platform

Jan. 2023

Japan Nursery Institute for
General Research Inc.
absorbed J Planning Sale
Inc. and J Cast Inc.

Mar.

30th
anniversary of
inauguration of
business

Jun.

Established
Kosodate Support
Realty Inc. (a real
estate company)

Oct.

Signed a contract
for business
alliance with Duskin
Co., Ltd.

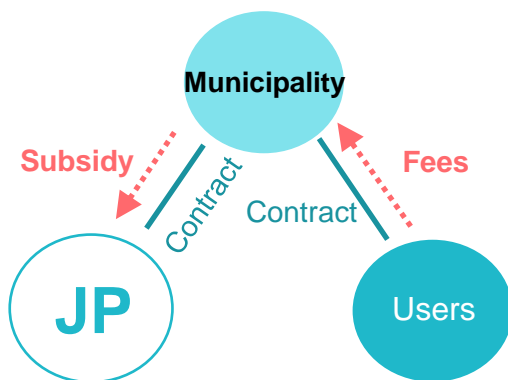
Feb. 2024

Acquired all shares of
One's Will Co., Ltd. (a
company for staffing
and temporary staffing
business)

Operation of childcare support facilities (public facilities and entrusted facilities)

Public facilities = There are subsidies from the national and local governments.

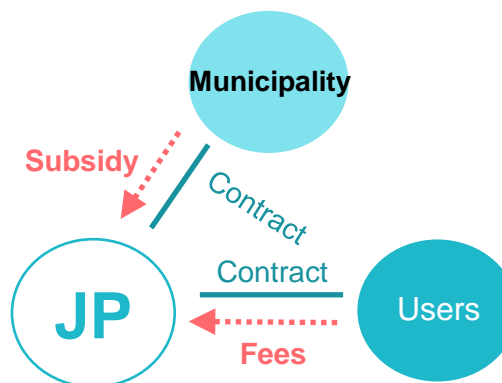
Licensed nursery school



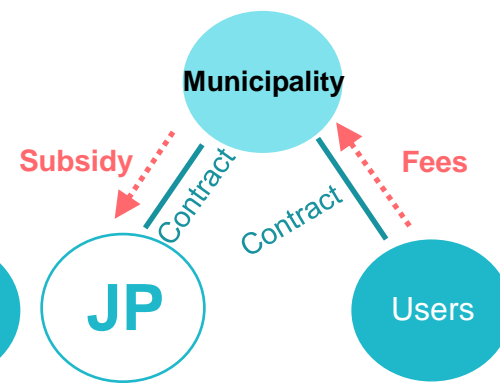
Licensed public nursery schools
(built publicly and run privately)

Licensed private nursery schools
(built and run privately)

Childcare facility licensed by the Tokyo Metropolitan Government



School clubs and children's houses



Contract form

Sales composition

Revenue from users
(Revenue from actual expenses)

Subsidy
(management fee)
*Varies among municipalities

Revenue from users
(Revenue from actual expenses)

Subsidy
(National official price)
+
(Additional municipal subsidy)
*Varies among municipalities

Revenue from users
(Childcare fee + revenue from actual expenses)

Subsidy
(from Tokyo Metropolitan Government)
+
(Subsidies from some municipalities)

Revenue from users (
Revenue from actual expenses)

Subsidy
(Management fee)
or
(Outsourcing fee)
*Varies among municipalities



Forecast Precautions

This document contains forecasts about the future. However, these are predictions that have been made by our company based on the information available at the time of publication. The reality may be significantly different from our predictions due to economic conditions and market trends. Furthermore, this document is not intended to solicit investment. We are under no obligation to amend or change the information pertaining to forecasts contained in this document even if we obtain new information in the future.

Inquiries:

5F Shinagawa Season Terrace, 1-2-70 Konan, Minato-ku Tokyo
JP-HOLDINGS, INC. Tokyo Office
Corporate Planning Department
Corporate Communications & Investor Relations Section
TEL: 03-6433-9515 e-mail : jphd_pr@jp-holdings.co.jp



JP HOLDINGS GROUP