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Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

August 13, 2026

Company	**JP-HOLDINGS, INC.**	Listed on the TSE Prime
Stock Code	2749	URL: https://www.jp-holdings.co.jp
Representative	Tohru Sakai, President and Representative Director	
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Expected starting date of dividend payment: –
Preparation of supplementary financial document: None
Results briefing: None

(Rounded down to million yen)

1. Consolidated business results for the three months ended June 2026 (April 1, 2026 through June 30, 2026)

(1) Consolidated results of operations (% change from the previous corresponding period)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended Jun. 2026	10,792	4.2	1,872	21.7	1,717	25.2	1,731	25.6	1,124	21.4
Three months ended Jun. 2025	10,356	7.9	1,538	-2.3	1,371	-2.0	1,378	-1.9	926	12.8

(Note 1) Comprehensive income
Three months ended June 2026: 1,160 million yen (23.9%)
Three months ended June 2025: 936 million yen (-16.0%)
(Note 2) EBITDA (Operating profit + Depreciation + Amortization of goodwill)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Jun. 2026	13.13	–
Three months ended Jun. 2025	10.83	–

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of Jun. 30, 2026	35,112	23,025	65.6
As of Mar. 31, 2026	38,209	22,935	60.0

(Reference) Shareholders' equity
As of June 30, 2026: 23,021 million yen
As of March 31, 2026: 22,931 million yen

2. Dividends

	Annual dividend				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended Mar. 2026	–	0.00	–	12.50	12.50
Year ending Mar. 2027	–				
Year ending Mar. 2027 (forecast)		0.00	–	13.50	13.50

(Note) Revisions to dividend forecast for the current quarter: None

3. Forecast of consolidated business results for the fiscal year ending March 2027 (April 1, 2026 through March 31, 2027)

(% change from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Year ending Mar. 2027	44,017	1.6	6,600	1.0	6,686	1.0	4,341	1.3	50.70

(Notes) Revisions to business forecast for the current quarter: None

***Notes**

(1) Changes in significant subsidiaries during the period: None

New: – (Company name: –)

Excluded: – (Company name: –)

(2) Application of accounting procedures specific to preparation of the consolidated quarterly financial statements: None

(3) Changes in accounting policies, accounting estimates and restatement

①Changes in accounting policies associated with revision of accounting standards:	: None
②Changes in accounting policies other than ①	: None
③Changes in accounting estimates	: None
④Restatement	: None

(4) Shares outstanding (common stock)

① Number of shares outstanding at the end of period (treasury stock included)

As of June 30, 2026	87,849,400 shares
As of March 31, 2026	87,849,400 shares

② Treasury stock at the end of period

As of June 30, 2026	2,210,923 shares
As of March 31, 2026	2,210,923 shares

③ Average number of stock during period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2026	85,638,477 shares
Three months ended June 30, 2025	85,540,918 shares

* **Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None**

* **Explanation regarding appropriate use of business forecasts and other special instructions**

· Forecasts regarding future performance in this material are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable at the time this report was prepared. Actual results may differ significantly from the forecasts due to various factors. For information regarding the assumptions that form the basis for the business results forecasts and notes about using business forecasts, etc., please refer to “1. Summary of Operating Results (3) Consolidated Earnings Forecasts” (Page 5).

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1. Summary of Operating Results

(1) Summary of Operating Results for the Current Quarter

During the three months of the current fiscal year (April 1 to June 30, 2026), the Japanese economy has continued to recover gradually against the backdrop of improvements in employment and income conditions, among other factors. Meanwhile, the outlook remains uncertain, reflecting trends in crude oil prices and energy costs amid the situation in the Middle East, continued price increases, uncertainty in overseas economies including U.S. trade policy, and fluctuations in the financial and capital markets and foreign exchange markets.

The environment surrounding the childcare support business, of which our Group is a part, has seen the phased rollout of seamless support tailored to each life stage, based on the “Acceleration Plan,” a drastic countermeasure against the declining birthrate led by the Children and Families Agency, aiming to realize a society in which people can marry, give birth, and raise children with peace of mind. Starting with the extension of child allowances to cover high school students and the elimination of income restrictions in October 2024, major measures such as the “Post-birth Childcare Leave Support Benefits,” “Shortened Working Hours Childcare Benefits,” and “Support Benefits for Pregnant Women” were introduced in April 2025. Furthermore, in April 2026, the nationwide implementation of the “Universal Childcare System,” which allows children to be enrolled on an hourly basis regardless of their parents’ employment status, and the “Child and Childcare Support Fund System” that supports it, have been introduced.

As a result, it has become possible to respond to diverse childcare needs, and through the positive effect of promoting the expansion of services and vitalization of the market in the childcare support industry, a framework for countermeasures against the declining birthrate is being gradually built.

In addition, the number of children on waiting lists at school clubs continues to show no signs of declining, and the development of a childcare environment has become an urgent task. The Tokyo Metropolitan Government is taking steps to open new “Tokyo-certified school clubs,” and government and local governments are promoting the creation of an environment conducive to childcare. As such, the social role of childcare support services is expected to become increasingly important, going forward.

Various measures to improve the childcare environment and eliminate waiting lists for children are being promoted by the government and municipalities. Meanwhile, the competition to acquire children is intensifying in regions where the declining birthrate is accelerating. Accordingly, there is a need for structural reforms for sustainable growth and further earnings expansion and the development and early monetization of new businesses both in Japan and overseas.

Under these circumstances, our Group, in view of the progress made in targets for the medium-term management plan, changes in the external environment, and other factors, will review consolidated numerical targets using the rolling method. At the same time, with regard to the priority targets of the medium-term management plan, we have refined our existing policies of “Achieve growth and establish a competitive advantage,” “Reform our profit structure,” and “Reform our management base,” and newly added “Enhance human resource development and training.”

Based on a business strategy of “diversification and specialization of businesses” and a “stable financial structure,” we will create sustainable and innovative services through new business ventures and growth initiatives.

Main initiatives by priority target are as follows.

Regarding “Achieve growth and establish a competitive advantage,” for medium- to long-term growth, we launched the ALT (Assistant Language Teacher) program in collaboration with municipalities in Kumamoto, Kyoto, and Hokkaido Prefectures, took steps toward global business expansion, proactively promoted M&As to expand existing businesses and new business domains, and enriched our learning programs to ensure a competitive advantage. In addition, through a dominant strategy in collaboration with nursery schools, school clubs, and children’s houses to establish an integrated childcare support system for infants, early childhood, and child-rearing, we are promoting new contracts and the opening of Tokyo-certified school clubs to expand school clubs and children’s houses to 200 facilities, equal to the current number of nursery schools.

In addition, as a new facility, we opened “ASC International School Urawa Misono” (non-licensed nursery school) in April 2026, and, since the fiscal year ended March 2025, have been promoting various support activities aimed at regional revitalization, such as concluding agreements with local governments in each region to improve childcare environments and donations utilizing the corporate version of the hometown tax payment system.

Regarding “Reform our profit structure,” we will improve profitability by reviewing the business structure, eliminating wasteful operations, and improving management efficiency through the use of AI. We will also further streamline operations by reforming business processes and introducing systems.

As for the “Reform our management base,” we aim to build a strong and sustainable corporate structure that is not affected by changes in the market environment or societal conditions. Rather than simply reducing costs, we will pursue fundamental structural reforms to maximize our corporate value through faster decision-making, optimal allocation of managerial resources, and stronger corporate governance.

Regarding "Enhance human resource development and training," our people are the key to our business, and accordingly we will enhance our personnel education and training structure. Through securing and developing outstanding human resources and improving employee engagement, we will foster a change in awareness, while also accelerating our management processes by closely linking these efforts with our business strategy.

Regarding the opening and contracts of new facilities, during the three months of the current fiscal year (April 1 to June 30, 2026), we opened 1 international school as a non-licensed nursery school, established 5 childcare centers converted from licensed nursery schools, newly contracted 12 school clubs and children's houses, newly opened 2 Tokyo-certified school clubs, transitioned 10 publicly-established and privately-operated school clubs to Tokyo-certified school clubs, and, as distinctive nursery schools, transitioned 7 licensed nursery schools to bilingual nursery schools. Excluding these facility-type transitions, we newly opened or contracted 1 international school (non-licensed), 12 school clubs and children's houses, and 2 Tokyo-certified school clubs.

In addition, as new education-related businesses, we newly contracted the program coordination operations for the morning supervision program and the planning support operations for the FY2026 Entrepreneurship Development Program.

(International School) Non-licensed nursery school

ASC International School Urawa Misono	(April 1, 2026)

(Childcare Center)

The Company changed licensed nursery schools to certified childcare centers.

Asc Miharashinooka Childcare Center	(April 1, 2026)
Asc Shiroishi Childcare Center	(April 1, 2026)
Asc Shinkotoni Childcare Center	(April 1, 2026)
Asc Ayashi Childcare Center	(April 1, 2026)
Asc Otsukyo Childcare Center	(April 1, 2026)

(School Club/Children's House)

Hyogo Elementary School Kirakira Kids	(April 1, 2026)
Takane Elementary School Kirakira Kids	(April 1, 2026)
Togo Elementary School Kirakira Kids	(April 1, 2026)
Otogai Elementary School Kirakira Kids	(April 1, 2026)
Morowa Elementary School Kirakira Kids	(April 1, 2026)
Harukidai Elementary School Kirakira Kids	(April 1, 2026)
Koto Kids Club Sandai	(April 1, 2026)
Nerima Municipal Kitamachi Children's Center School Club	(April 1, 2026)
Adachi Kurishima School Club	(April 1, 2026)
Mitaka Municipal Kitano School Club B Annex	(April 1, 2026)
Matsubara Children's Club No. 2 C	(April 1, 2026)
Nerima Municipal Kitamachi Children's Center	(April 1, 2026)

(Tokyo-Certified School Club)

The Company established new Tokyo-certified school clubs.

Asc School Club Ayase	(April 1, 2026)
Asc School Club Myogadani	(April 1, 2026)

(Tokyo-Certified School Club)

The Company changed publicly-established and privately-operated school clubs to Tokyo-certified school clubs.

Chofu Municipal Omachi School Club No. 1	(April 1, 2026)
Chofu Municipal Omachi School Club No. 2	(April 1, 2026)
Chofu Municipal Fujimidai School Club	(April 1, 2026)
Chofu Municipal Takizaka School Club No. 1	(April 1, 2026)
Chofu Municipal Takizaka School Club No. 2	(April 1, 2026)

Chofu Municipal Shibasaki Park North School Club No. 1 (April 1, 2026)
Chofu Municipal Shibasaki Park North School Club No. 2 (April 1, 2026)
Meguro Takaban Elementary School Club (April 1, 2026)
Adachi Takenotsuka School Club (April 1, 2026)
Kojimachi Children's Club (April 1, 2026)

(Bilingual Nursery School)

The Company changed licensed nursery schools to bilingual nursery schools, which are staffed by native English-speaking teachers.

Asc Bilingual Nursery School Yamashitacho (formerly Asc Yamashitacho Nursery School) (April 1, 2026)
Asc Bilingual Nursery School Shinsugita (formerly Asc Shinsugita Nursery School) (April 1, 2026)
Asc Bilingual Nursery School Yoshinocho (formerly Asc Yoshinocho Nursery School) (April 1, 2026)
Asc Bilingual Nursery School Otakanomori (formerly Asc Otakanomori Nursery School) (April 1, 2026)
Asc Bilingual Nursery School Kanadenomori No. 2
(formerly Asc Kanadenomori No. 2 Nursery School) (April 1, 2026)
Asc Bilingual Nursery School Shakujiidai (formerly Asc Shakujiidai Nursery School) (April 1, 2026)
Asc Bilingual Nursery School Nagasaki 1-chome
(formerly Asc Nagasaki 1-chome Nursery School) (April 1, 2026)

(Other)

Program coordination operations for morning supervision program (April 1, 2026)
Planning support operations for FY2026 Entrepreneurship Development Program (April 1, 2026)

*1: "Asc Miyamaedaira Ekimae Nursery School" was closed as of March 31, 2026. In addition, operation of the publicly-established and privately-operated "Kawaguchi Municipal Aoki Nursery School" and the school club "Predy Nihonbashi" was discontinued from at the end of March 2026 due to the expiration of contract periods.

As a result, the Group came to have 196 nursery schools, 11 childcare centers, 1 international school (non-licensed nursery school), 118 school clubs, 12 Tokyo-certified school clubs, 17 children's houses, and 2 community centers, making a total of 357 childcare support facilities as of June 30, 2026.

As a result, the Group's consolidated net sales were 10,792 million yen (up 4.2% year on year), operating profit was 1,717 million yen (up 25.2%), ordinary profit was 1,731 million yen (up 25.6%), and profit attributable to owners of parent was 1,124 million yen (up 21.4%), resulting in an increase in both net sales and profit, and marking a record high.

Net sales increased 4.2% year on year. This was mainly due to the opening of new facilities (an international school and Tokyo-certified school clubs) and contracts for new facilities (school clubs and children's houses, and new contracted operations), an increase in the number of enrolled children (infants) mainly in Tokyo, the expansion of the ALT (Assistant Language Teacher) program as a new business, measures to maximize subsidies, and a difference in the recording month resulting from the earlier finalization of the government-designated price compared to the previous fiscal year, among other factors.

Operating profit increased by 25.2% year on year and ordinary profit increased by 25.6% year on year, resulting in increased profit. This was mainly due to an increase in net sales resulting from the above-mentioned opening and contracting of new facilities, the increase in the number of enrolled children mainly in Tokyo, and the expansion of the ALT program, as well as a decrease in expenses resulting from lower referral fees due to a reduction in the turnover rate and our proprietary recruitment activities, and changes in our procurement system in response to rising prices, among other factors.

Profit attributable to owners of parent increased by 21.4% year on year, resulting in increased profit. This was mainly due to revenue expansion through the above-mentioned opening and contracting of new facilities, the expansion of the ALT program as a new business, and measures to maximize subsidies, as well as cost reductions resulting from more efficient operations, among other factors.

(2) Summary of Financial Condition in the Current Quarter

As for the financial position at the end of the first quarter of the current fiscal year, the total assets amounted to 35,112 million yen (down 3,097 million yen from the end of the previous fiscal year).

Current assets totaled 25,331 million yen (down 2,631 million yen). This was mainly due to decreases of 1,826 million yen in accounts receivable - other and 930 million yen in cash and deposits.

Non-current assets totaled 9,780 million yen (down 465 million yen). This was mainly due to decreases of 331 million yen in deferred tax assets and 131 million yen in buildings and structures.

Total liabilities amounted to 12,086 million yen (down 3,187 million yen).

Current liabilities amounted to 8,121 million yen (down 2,693 million yen). This was mainly due to decreases of 1,041 million yen in income taxes payable, 896 million yen in accounts payable - other, 447 million yen in provision for bonuses, and 241 million yen in current portion of long-term borrowings.

Non-current liabilities totaled 3,964 million yen (down 493 million yen). This was mainly due to a decrease of 503 million yen in long-term borrowings.

Total net assets at the end of the first quarter of the current fiscal year totaled 23,025 million yen (up 90 million yen). This was mainly due to an increase of 53 million yen in retained earnings.

(3) Consolidated Earnings Forecasts

As for the consolidated business forecasts for the full year, the figures announced on May 13, 2026 remain unchanged. However, actual results may differ from forecasts due to changes in business conditions and other factors.

We will disclose any changes appropriately as they occur.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly Consolidated Balance Sheet

(Thousand yen)

	Previous Fiscal Year (March 31, 2026)	Current First Quarter (June 30, 2026)
Assets		
Current assets		
Cash and deposits	22,619,318	21,688,398
Notes and accounts receivable - trade	72,524	129,849
Inventories	55,637	51,018
Accounts receivable - other	4,489,134	2,662,774
Other	726,841	800,018
Allowance for doubtful accounts	-147	-117
Total current assets	27,963,309	25,331,943
Non-current assets		
Property, plant and equipment		
Buildings and structures	12,359,074	12,267,052
Accumulated depreciation and impairment	-9,082,398	-9,122,035
Buildings and structures, net	3,276,675	3,145,016
Machinery, equipment and vehicles	203	203
Accumulated depreciation	-203	-203
Machinery, equipment and vehicles, net	0	0
Tools, furniture and fixtures	1,674,399	1,681,356
Accumulated depreciation and impairment	-1,278,600	-1,306,502
Tools, furniture and fixtures, net	395,799	374,854
Land	184,621	184,621
Total property, plant and equipment	3,857,095	3,704,491
Intangible assets		
Goodwill	15,192	7,596
Other	12,400	11,141
Total intangible assets	27,593	18,738
Investments and other assets		
Investment securities	706,104	778,971
Long-term loans receivable	2,106,704	2,053,838
Guarantee deposits	1,809,245	1,808,374
Deferred tax assets	1,439,483	1,108,089
Other	300,043	308,092
Allowance for doubtful accounts	-525	-525
Total investments and other assets	6,361,056	6,056,842
Total non-current assets	10,245,745	9,780,072
Total assets	38,209,054	35,112,016

(Thousand yen)

	Previous Fiscal Year (March 31, 2026)	Current First Quarter (June 30, 2026)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	185,654	155,610
Current portion of long-term borrowings	2,496,050	2,254,948
Accounts payable - other	3,477,578	2,581,364
Income taxes payable	1,341,933	300,769
Accrued consumption taxes	95,390	121,676
Provision for bonuses	955,546	508,380
Asset retirement obligations	9,026	9,026
Other	2,253,673	2,189,619
Total current liabilities	10,814,854	8,121,395
Non-current liabilities		
Long-term borrowings	2,797,891	2,294,398
Retirement benefit liability	1,041,906	1,051,128
Asset retirement obligations	606,640	607,251
Other	11,873	11,873
Total non-current liabilities	4,458,312	3,964,651
Total liabilities	15,273,166	12,086,047
Net assets		
Shareholders’ equity		
Share capital	1,603,955	1,603,955
Capital surplus	1,577,681	1,577,681
Retained earnings	20,336,780	20,390,589
Treasury shares	-642,659	-642,659
Total shareholders’ equity	22,875,758	22,929,567
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,143	44,170
Deferred gains or losses on hedges	432	157
Remeasurements of defined benefit plans	52,490	47,595
Total accumulated other comprehensive income	56,065	91,923
Non-controlling interests	4,064	4,478
Total net assets	22,935,888	23,025,969
Total liabilities and net assets	38,209,054	35,112,016

(2) Quarterly Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Quarterly Consolidated Statement of Income

First Quarter

(Thousand yen)

	Previous First Quarter (Apr. 1, 2025 - Jun. 30, 2025)	Current First Quarter (Apr. 1, 2026 - Jun. 30, 2026)
Net sales	10,356,144	10,792,212
Cost of sales	8,287,748	8,437,907
Gross profit	2,068,396	2,354,305
Selling, general and administrative expenses	696,854	636,509
Operating profit	1,371,542	1,717,795
Non-operating income		
Interest income	17,653	19,606
Other	2,894	3,328
Total non-operating income	20,547	22,935
Non-operating expenses		
Interest expenses	10,524	6,525
Commission expenses	2,357	2,358
Other	416	20
Total non-operating expenses	13,298	8,904
Ordinary profit	1,378,791	1,731,826
Extraordinary income		
Gain on sale of non-current assets	–	232
Total extraordinary income	–	232
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Total extraordinary losses	0	0
Profit before income taxes	1,378,791	1,732,059
Income taxes - current	328,233	292,019
Income taxes - deferred	124,381	315,336
Total income taxes	452,615	607,355
Profit	926,175	1,124,703
Profit attributable to non-controlling interests	–	413
Profit attributable to owners of parent	926,175	1,124,289

Quarterly Consolidated Statement of Comprehensive Income

First Quarter

(Thousand yen)

	Previous First Quarter (Apr. 1, 2025 - Jun. 30, 2025)	Current First Quarter (Apr. 1, 2026 - Jun. 30, 2026)
Profit	926,175	1,124,703
Other comprehensive income		
Valuation difference on available-for-sale securities	14,517	41,027
Deferred gains or losses on hedges	-817	-274
Remeasurements of defined benefit plans, net of tax	-2,957	-4,894
Total other comprehensive income	10,742	35,857
Comprehensive income	936,918	1,160,561
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	936,918	1,160,147
Comprehensive income attributable to non-controlling interests	–	413

(3) Notes on the Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

None applicable.

(Notes if there is a significant change in the amount of shareholders' equity)

None applicable.

(Notes on segment information)

The Group's principal business is the nursery service. Information on other business segments is omitted as they are considered immaterial.

(Notes on statements of cash flows)

Quarterly consolidated statement of cash flows for the first quarter of the current fiscal year has not been prepared. Depreciation and amortization (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the first quarter are as follows.

	Previous First Quarter (Apr. 1, 2025 - Jun. 30, 202)	Current First Quarter (Apr. 1, 2026 - Jun. 30, 2026)
Depreciation and amortization	159,372 thousand yen	146,693 thousand yen
Amortization of goodwill	7,596 thousand yen	7,596 thousand yen