

# Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending August 31, 2025 (Nine Months Ended May 31, 2025)

[Japanese GAAP]

Company name: KOSHIDAKA HOLDINGS Co., LTD. Listing: Tokyo Stock Exchange  
Stock code: 2157 URL: <https://www.koshidakaholdings.co.jp/>  
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Scheduled date of payment of dividend: -  
Preparation of supplementary materials for financial results: Yes  
Holding of financial results meeting: None

(All amounts are rounded down to the nearest million yen)

## 1. Consolidated Financial Results for the Third Quarter Ended May 31, 2025 (Sep. 1, 2024 – May 31, 2025)

### (1) Consolidated results of operations

(Percentages are year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended May 31, 2025	51,354	10.7	8,395	19.1	8,593	10.1	5,408	0.7
Nine months ended May 31, 2024	46,384	16.0	7,047	18.3	7,801	27.0	5,367	(21.6)

Note: Comprehensive income (million yen) Nine months ended May 31, 2025: 5,813 (up 7.8%)

Nine months ended May 31, 2024: 5,392 (down 20.5%)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended May 31, 2025	65.90	61.20
Nine months ended May 31, 2024	65.84	60.36

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of May 31, 2025	66,494	35,267	53.0
As of Aug. 31, 2024	61,714	30,354	49.2

Reference: Shareholders' equity (million yen) As of May 31, 2025: 35,258 As of Aug. 31, 2024: 30,346

## 2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Aug. 31, 2024	-	7.00	-	11.00	18.00
Fiscal year ending Aug. 31, 2025	-	12.00	-		
Fiscal year ending Aug. 31, 2025 (forecast)				12.00	24.00

Note: Revisions to the most recently announced dividend forecast: None

## 3. Consolidated Earnings Forecast for the Fiscal Year Ending August 31, 2025 (Sep. 1, 2024 – Aug. 31, 2025)

(Percentages are year-on-year changes)

	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
Full year	71,057	12.3	11,578	13.9	11,536	5.5	7,499	11.3	91.55

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

\* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly added: 1 (KOSHIDAKA Digital Co., Ltd.)

Excluded: 1 (KOSHIDAKA SINGAPORE PTE. LTD.)

(2) Application of special accounting methods in the preparation of the quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

(4) Number of issued shares (common stock)

1) Number of shares issued at the end of the period (including treasury shares)

As of May 31, 2025:	83,781,480 shares	As of Aug. 31, 2024:	82,300,000 shares
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2) Number of treasury shares at the end of the period

As of May 31, 2025:	1,357,899 shares	As of Aug. 31, 2024:	1,357,519 shares
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3) Average number of shares outstanding during the period

Nine months ended May 31, 2025:	82,068,125 shares	Nine months ended May 31, 2024:	81,532,623 shares
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\* Review of the attached quarterly consolidated financial statements by a certified public accountant or auditing firm: None

\* Explanation of appropriate use of earnings forecasts, and other special items

Forecasts of future performance in these materials are based on assumptions judged to be valid and information available to the Company's management at the time the materials were prepared. These materials are not promises by the Company regarding future performance. Actual results may differ significantly from these forecasts for a number of reasons. Please refer to page 3 of the attachments "(3) Explanation of Consolidated Earnings Forecast and Other Forward-looking Statements" for forecast assumptions and notes of caution for usage.

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## 1. Qualitative Information on Quarterly Consolidated Financial Performance

### (1) Explanation of Results of Operations

In the first nine months of the current fiscal year, the Japanese economy was affected by the increasing costs of energy and food, in part due to the war in Ukraine and conflicts in the Middle East involving Israel and Iran and its neighbors. Amid the impact of tariff policies implemented by the new Trump administration in the United States, international prices have shown a tendency to remain high. Regarding exchange rates, which have a significant effect on domestic prices, both the central banks of Japan and the United States appear to be at a turning point in their policy stances. As a result, markets continue to react sensitively to economic indicators related to business sentiment and inflation. With the return of inbound tourists and wage increase starting at large companies, there are emerging signs that a stable rise in both prices and wages may be possible. However, in the short term, rice price trends are the focus due to the political situation as well.

Business segment performance is as follows.

#### Karaoke

The core Karaoke business is continuing to open many stores. During the first nine months, there were 31 new locations. Existing stores are continuing to attract more customers by flexible pricing adjusted to the market conditions of individual locations.

Many activities are under way to accomplish the medium-term corporate vision of “Entertainment as Infrastructure.” Major initiatives are additional forms of entertainment other than karaoke, many types of content collaboration, and measures to upgrade and expand recruiting and training activities. In addition, we have been developing and making progress in introducing DX to enhance operating efficiency and offer new types of entertainment. One step is the addition of “E-bo” entertainment boxes, a new type of entertainment platform, at locations in the Tokyo and surrounding areas. Furthermore, there were progress such as salary increases in the Workstyle Innovation Plan with which the company strengthens the framework for business operations.

In other countries, store openings in Southeast Asia continued. Two Karaoke Manekineko stores were opened in Malaysia and one in Thailand during the first nine months of the current fiscal year. We have also decided to expand into the United States and the Philippines. In the U.S., we are in the process of preparing the first store opening, while in the Philippines, we are preparing to establish a new local subsidiary.

At the end of May 2025, the number of karaoke locations in Japan was 688, 24 more than at the end of the previous fiscal year. The number of overseas karaoke stores was 25 in four countries, consisting of four in South Korea, 15 in Malaysia, four in Thailand and two in Indonesia, three more than at the end of the previous fiscal year.

Sales in the Karaoke segment were 49,695 million yen, up 10.7% year on year, and the segment profit was 9,136 million yen, an increase of 1,031 million yen, up 12.7% year on year.

#### Real Estate Management

The performance of the AQERU Maebashi commerce and business complex, MANEKI Shimbashi Building in Tokyo and the Fleuret Hanasaki Building in Yokohama, the major properties in this segment, and other existing and new properties was stable.

Sales in the Real Estate Management segment were 1,379 million yen, up 19.6% year on year, and the segment profit was 149 million yen, an increase of 88 million yen, up 146.1% year on year.

#### Other

The performance of the five food and beverage stores (Gindaco Highball, CAFÉ ECLA) increased steadily.

Sales in the Other segment were 666 million yen, up 2.3% year on year, and the segment profit was 28 million yen, returning profitable from a loss one year earlier.

Overall, the Koshidaka Group (KOSHIDAKA HOLDINGS Co., LTD. and its consolidated subsidiaries) had sales of 51,354 million yen, up 10.7% year on year. The operating profit was 8,395 million yen, up 19.1% year on year, the ordinary profit was 8,593 million yen, up 10.1% year on year, and the profit attributable to owners of parent was 5,408 million yen, up 0.7% year on year.

**(2) Explanation of Financial Position**

Assets, liabilities, and net assets

**Assets**

Current assets increased 1,742 million yen (14.6%) to 13,646 million yen. This was mainly due to increases of 1,516 million yen in cash and deposits and 129 million yen in other current assets.

Property, plant and equipment increased 1,890 million yen (5.5%) to 36,408 million yen. This was mainly due to increases of 1,653 million yen in buildings and structures, net, because of new store openings, and 207 million yen in vehicles, tools, furniture and fixtures, net.

Intangible assets increased 195 million yen (28.0%) to 891 million yen.

Investments and other assets increased 950 million yen (6.5%) to 15,548 million yen. This was mainly due to increases of 412 million yen in investment securities, 255 million yen in leasehold and guarantee deposits, and 228 million yen in long-term loans receivable.

Total non-current assets increased 3,036 million yen (6.1%) to 52,848 million yen.

As a result, total assets increased 4,779 million yen (7.7%) to 66,494 million yen.

**Liabilities**

Current liabilities decreased 1,508 million yen (10.8%) to 12,466 million yen. This was mainly due to decreases of 1,580 million yen in income taxes payable and 350 million yen in current portion of long-term borrowings, while there was an increase of 342 million yen in deposits received.

Non-current liabilities increased 1,375 million yen (7.9%) to 18,759 million yen. This was mainly due to increases of 1,779 million yen in long-term borrowings and 574 million yen in asset retirement obligations, while there was a decrease of 1,000 million yen in convertible-bond-type bonds with share acquisition rights.

As a result, total liabilities decreased 133 million yen (0.4%) to 31,226 million yen.

**Net assets**

Net assets increased 4,912 million yen (16.2%) to 35,267 million yen. This was mainly due to increases of 3,507 million yen in retained earnings, 500 million yen in share capital, 500 million yen in capital surplus and 401 million yen in foreign currency translation adjustment.

**(3) Explanation of Consolidated Earnings Forecast and Other Forward-looking Statements**

Amid the prolonged war in Ukraine and the ongoing conflict between Israel and Hamas in the Gaza Strip, which led to a clash between Israel and Iran, the U.S. military became involved, putting further upward pressure on prices of oil and natural gas. At the same time, the new Trump administration's tariff policies have added concerns over rising domestic inflation in the U.S. and potential negative impacts on the economy. Consequently, markets continued to be increasingly sensitive to the stance of U.S. monetary authorities and various economic indicators. As a result, market conditions are expected to remain unstable for the foreseeable future.

We will continue to place priority on opening many more stores and diversifying the services that we offer. Due to these actions, we will accomplish the mid-point target of the Entertainment Infrastructure Plan medium-term corporate vision "Entertainment as Infrastructure" that involves operating private entertainment rooms everywhere in Japan. By reaching the mid-point target, the timing of achieving the final goal is clarified as the fiscal year ending August 31, 2027. We will move even faster with many initiatives as we position the period from fiscal year ending August 2025 through fiscal year ending August 2027 as the final stage of our Entertainment Infrastructure Plan.

We maintain our initial forecast and expect consolidated net sales of 71,057 million yen, up 12.3% year on year, operating profit of 11,578 million yen, up 13.9%, ordinary profit of 11,536 million yen, up 5.5%, and profit attributable to owners of parent of 7,499 million yen, up 11.3% for the fiscal year ending August 31, 2025.

The consolidated earnings forecast is based on assumptions judged to be valid and information currently available at the time the forecasts were established. Actual results may differ from these forecasts for a number of reasons.

**2. Quarterly Consolidated Financial Statements and Notes****(1) Quarterly Consolidated Balance Sheet**

(Thousands of yen)

	FY8/24 (As of Aug. 31, 2024)	Third Quarter of FY8/25 (As of May 31, 2025)
<b>Assets</b>		
Current assets		
Cash and deposits	6,772,024	8,288,088
Notes and accounts receivable-trade	1,200,948	1,233,721
Merchandise	180,507	138,032
Raw materials and supplies	379,241	456,392
Other	3,403,186	3,532,531
Allowance for doubtful accounts	(32,566)	(2,551)
Total current assets	11,903,342	13,646,214
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	24,817,938	26,471,775
Vehicles, tools, furniture and fixtures, net	2,587,181	2,794,471
Land	6,957,299	6,957,299
Construction in progress	155,672	184,925
Total property, plant and equipment	34,518,091	36,408,472
Intangible assets		
Goodwill	446	158
Software	546,502	598,486
Other	149,146	292,633
Total intangible assets	696,094	891,277
Investments and other assets		
Investment securities	699,663	1,112,163
Shares of subsidiaries and associates	93,922	93,576
Long-term loans receivable	2,163,840	2,392,697
Long-term prepaid expenses	648,727	656,988
Leasehold and guarantee deposits	8,290,370	8,545,666
Deferred tax assets	2,830,870	2,746,345
Other	427,435	433,688
Allowance for doubtful accounts	(557,447)	(432,791)
Total investments and other assets	14,597,384	15,548,333
Total non-current assets	49,811,570	52,848,084
Total assets	61,714,913	66,494,298

(Thousands of yen)

	FY8/24 (As of Aug. 31, 2024)	Third Quarter of FY8/25 (As of May 31, 2025)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	677,552	511,920
Current portion of long-term borrowings	1,711,240	1,361,240
Accounts payable-other	1,766,940	1,746,220
Accrued expenses	1,882,305	1,896,680
Income taxes payable	2,493,886	913,590
Provision for bonuses	349,269	198,687
Deposits received	746,980	1,089,555
Contract liabilities	3,365,428	3,657,389
Other	982,258	1,091,677
Total current liabilities	13,975,861	12,466,961
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	4,000,000	3,000,000
Long-term borrowings	5,725,060	7,504,130
Deferred tax liabilities	685,008	619,294
Asset retirement obligations	5,934,528	6,508,839
Other	1,039,815	1,127,547
Total non-current liabilities	17,384,412	18,759,811
Total liabilities	31,360,274	31,226,772
<b>Net assets</b>		
Shareholders' equity		
Share capital	2,070,257	2,570,257
Capital surplus	3,302,786	3,802,786
Retained earnings	26,049,100	29,556,727
Treasury shares	(675,710)	(676,165)
Total shareholders' equity	30,746,433	35,253,606
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	96,456	100,722
Foreign currency translation adjustment	(496,873)	(95,424)
Total accumulated other comprehensive income	(400,416)	5,297
Share acquisition rights	8,622	8,622
Total net assets	30,354,638	35,267,525
Total liabilities and net assets	61,714,913	66,494,298

**(2) Quarterly Consolidated Statements of Income and Comprehensive Income****Quarterly Consolidated Statement of Income****(For the Nine-month Period)**

	(Thousands of yen)	
	First nine months of FY8/24 (Sep. 1, 2023 – May 31, 2024)	First nine months of FY8/25 (Sep. 1, 2024 – May 31, 2025)
Net sales	46,384,798	51,354,116
Cost of sales	34,301,136	37,885,926
Gross profit	12,083,662	13,468,190
Selling, general and administrative expenses	5,035,931	5,073,090
Operating profit	7,047,730	8,395,099
Non-operating income		
Interest and dividend income	14,469	16,242
Foreign exchange gains	196,068	-
Reversal of allowance for doubtful accounts	51,773	121,911
Cancellation income	504,715	100,137
Other	173,122	107,184
Total non-operating income	940,149	345,476
Non-operating expenses		
Interest expenses	25,258	56,950
Foreign exchange losses	-	49,583
Rent expenditure	105,423	11,808
Other	55,416	28,591
Total non-operating expenses	186,098	146,933
Ordinary profit	7,801,782	8,593,642
Extraordinary income		
Gain on sale of non-current assets	-	1,543
Total extraordinary income	-	1,543
Extraordinary losses		
Loss on retirement of non-current assets	26,591	43,545
Impairment losses	120,085	162,358
Loss on liquidation of subsidiaries	-	465,663
Total extraordinary losses	146,677	671,566
Profit before income taxes	7,655,104	7,923,618
Income taxes-current	2,412,742	2,500,395
Income taxes-deferred	(125,628)	15,020
Total income taxes	2,287,113	2,515,415
Profit	5,367,991	5,408,202
Profit attributable to owners of parent	5,367,991	5,408,202



**Quarterly Consolidated Statement of Comprehensive Income**  
**(For the Nine-month Period)**

	(Thousands of yen)	
	First nine months of FY8/24 (Sep. 1, 2023 – May 31, 2024)	First nine months of FY8/25 (Sep. 1, 2024 – May 31, 2025)
Profit	5,367,991	5,408,202
Other comprehensive income		
Valuation difference on available-for-sale securities	102,085	4,265
Foreign currency translation adjustment	(77,342)	401,448
Total other comprehensive income	24,742	405,714
Comprehensive income	5,392,733	5,813,916
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,392,733	5,813,916

**(3) Notes to Quarterly Consolidated Financial Statements****Going Concern Assumption**

Not applicable.

**Significant Changes in Shareholders' Equity**

Due to the issuance of new shares following the partial conversion of convertible-bond-type bonds with share acquisition rights, share capital and legal capital surplus increased 500,000 thousand yen each during the first quarter of the fiscal year ending August 31, 2025.

As a result, share capital and capital surplus were 2,570,257 thousand yen and 3,802,786 thousand yen, respectively, as of May 31, 2025.

**Changes in the Scope of Consolidation or Application of the Equity Method**

Important changes in the scope of consolidation

KOSHIDAKA Digital Co., Ltd., which was a non-consolidated subsidiary in the previous fiscal year, is included in the scope of consolidation from the first quarter of the current fiscal year because of the increasing significance of this company. This change is not classified as a change in a specified subsidiary.

KOSHIDAKA SINGAPORE PTE. LTD. was excluded from the scope of consolidation in the second quarter of the current fiscal year due to the completion of its liquidation on December 27, 2024.

**Changes in Accounting Policies**

Application of Accounting Standard for Current Income Taxes

The Company has applied the Accounting Standard for Current Income Taxes (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022) from the beginning of the first quarter of the current fiscal year.

Revisions concerning the accounting classification of income taxes (taxation of other comprehensive income) are made in accordance with the transitional treatment stipulated in the proviso of Paragraph 20-3 of this revised accounting standard and with Paragraph 65-2, Item 2 of Implementation Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022). The application of this standard has no effect on the quarterly consolidated financial statements.

For the revision concerning the change in the treatment in the consolidated financial statements of the tax deferral of gains or losses on sales of shares of subsidiaries, etc. between consolidated companies, the Company has applied the Implementation Guidance on Accounting Standard for Tax Effect Accounting beginning with the first quarter of the current fiscal year. This change has been applied retrospectively and the quarterly and fiscal year consolidated financial statements for the previous fiscal year are shown after this restatement. This change in accounting policies has no effect on the quarterly and fiscal year consolidated financial statements in the previous fiscal year.

**Segment and Other Information**

## Segment Information

## I. First nine months of FY8/24 (Sep. 1, 2023 – May 31, 2024)

## 1. Information related to net sales and profit/loss and disaggregation of revenue for each reportable segment

(Thousands of yen)

	Reportable segment			Total	Adjustment (Note 1)	Amounts shown on quarterly consolidated statement of income (Note 2)
	Karaoke	Real Estate Management	Other			
Net sales						
Revenue from contracts with customers	44,887,734	207,655	651,471	45,746,861	-	45,746,861
Other revenue	-	637,936	-	637,936	-	637,936
External sales	44,887,734	845,592	651,471	46,384,798	-	46,384,798
Inter-segment sales and transfers	-	308,447	-	308,447	(308,447)	-
Total	44,887,734	1,154,039	651,471	46,693,245	(308,447)	46,384,798
Segment profit (loss)	8,104,503	60,716	(45,456)	8,119,763	(1,072,032)	7,047,730

Notes: 1. The -1,072,032 thousand yen adjustment to segment profit (loss) mainly includes general and administrative expenses that cannot be attributed to reportable segments.

2. Segment profit (loss) is adjusted to be consistent with operating profit shown on the quarterly consolidated statement of income.

## 2. Information related to impairment losses on non-current assets, goodwill, etc. for each reportable segment

No applicable items.

## II. First nine months of FY8/25 (Sep. 1, 2024 – May 31, 2025)

## 1. Information related to net sales and profit/loss and disaggregation of revenue for each reportable segment

(Thousands of yen)

	Reportable segment			Total	Adjustment (Note 1)	Amounts shown on quarterly consolidated statement of income (Note 2)
	Karaoke	Real Estate Management	Other			
Net sales						
Revenue from contracts with customers	49,695,073	216,502	666,551	50,578,127	-	50,578,127
Other revenue	-	775,988	-	775,988	-	775,988
External sales	49,695,073	992,490	666,551	51,354,116	-	51,354,116
Inter-segment sales and transfers	-	387,166	-	387,166	(387,166)	-
Total	49,695,073	1,379,657	666,551	51,741,282	(387,166)	51,354,116
Segment profit	9,136,464	149,435	28,190	9,314,090	(918,991)	8,395,099

Notes: 1. The -918,991 thousand yen adjustment to segment profit mainly includes general and administrative expenses that cannot be attributed to reportable segments.

2. Segment profit is adjusted to be consistent with operating profit shown on the quarterly consolidated statement of income.

## 2. Information related to impairment losses on non-current assets, goodwill, etc. for each reportable segment

No applicable items.

**Notes to Quarterly Consolidated Statement of Cash Flows**

A quarterly consolidated statement of cash flows has not been prepared for the first nine months of the current fiscal year. Depreciation (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the first nine months of each fiscal year are as follows.

	(Thousands of yen)	
	First nine months of FY8/24 (Sep. 1, 2023 – May 31, 2024)	First nine months of FY8/25 (Sep. 1, 2024 – May 31, 2025)
Depreciation	3,218,195	3,389,809
Amortization of goodwill	747	287

**Revenue Recognition**

Information related to disaggregation of revenue from contracts with customers is described in the Segment and Other Information section.

**Material Subsequent Events**

Not applicable.

*This summary report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.*