



**Kyoritsu Maintenance Co., Ltd.**  
**(Securities Code: 9616)**

**Summary of Consolidated Financial Results**  
**for the Third Quarter of the Fiscal Year**  
**Ending March 31, 2025**

**[JGAAP]**

**February 2025**

# Summary of Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2025 [based on Japanese GAAP]

February 7, 2025

Name of listed company: Kyoritsu Maintenance Co., Ltd. Listed exchange: Tokyo  
 Code: 9616 URL <https://www.kyoritsugroup.co.jp/>  
 Representative: (Title) President (Name) Koji Nakamura  
 Contact: (Title) Executive Director (Name) Manabu Takaku Tel. +81-3-5295-7778  
 Scheduled date of start of dividend payment: -  
 Supplementary materials for the financial results: Yes  
 Investor conference for the financial results: None

(Rounded down to the nearest million yen)

1. Consolidated financial results for the first nine months of the fiscal year ending March 31, 2025  
 (April 1, 2024 to December 31, 2024)

(1) Consolidated operating results

(Percentage figures represent year-over-year changes)

	Net sales		Operating income		Ordinary income		Income (loss) attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2024	170,442	12.8	17,832	31.3	18,444	38.5	12,752	60.8
Nine months ended December 31, 2023	151,096	17.0	13,583	99.0	13,320	102.6	7,930	91.4

(Note) Comprehensive income: The nine months ended December 31, 2024: 13,148 million yen (61.9%)  
 The nine months ended December 31, 2023: 8,120 million yen (58.9%)

	Income (loss) per share	Diluted net income per share
	Yen	Yen
Nine months ended December 31, 2024	163.38	140.29
Nine months ended December 31, 2023	101.65	87.22

(Note) The Company conducted a two-for-one stock split on common stock effective April 1, 2024. Net income per share and diluted net income per share have been calculated assuming this stock split had taken place at the start of the previous consolidated fiscal year.

(2) Consolidated financial position

	Total assets	Total net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Nine months ended December 31, 2024	279,763	97,344	34.8	1,246.86
Year ended March 31, 2024	270,921	86,604	32.0	1,109.91

(Reference) Shareholders' equity: The nine months ended December 31, 2024: 97,344 million yen As of March 31, 2024: 86,604 million yen

(Note) The Company conducted a two-for-one stock split on common stock effective April 1, 2024. Net assets per share have been calculated assuming this stock split had taken place at the start of the previous consolidated fiscal year.

2. Dividends

	Annual dividends				
	Q1 end	Q2 end	Q3 end	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	-	16.00	-	33.00	49.00
Year ending March 31, 2025	-	16.00	-	-	-
Year ending March 31, 2025 (Forecast)	-	-	-	20.00	36.00

(Note) Revision from most recently announced dividends forecasts: Yes

See "Notice of revised forecasts of consolidated financial results and year-end dividends," released today (February 7, 2025), regarding revisions to projected year-end dividends.

(Note) The Company conducted a two-for-one stock split on common stock effective April 1, 2024. Figures above for the year ended March 31, 2024 indicate actual dividend amounts prior to this stock split. The above figures for the year ending March 31, 2025 are amounts after this stock split. Annual dividends in the year ended March 31, 2024 would have been 24.50 yen had this stock split taken place at the start of the previous consolidated fiscal year.

3. Forecasted consolidated results for the fiscal year ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(Percentage figures represent year-over-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full Year	230,000	12.7	21,000	25.7	21,500	1.8	14,000	12.8	179.32

(Note) Revision from most recently announced earnings forecasts: Yes

See “Notice of revised forecasts of consolidated financial results and year-end dividends,” released today (February 7, 2025), regarding revisions to forecasts of consolidated financial results.

\* Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Application of special accounting treatment in the preparation of the quarterly consolidated financial statements: Yes

(Note) For details, please see “(3) Notes on Quarterly Consolidated Financial Statements, (Notes on Special Accounting Procedures in The Preparation of Quarterly Consolidated Financial Statements)” under “2. Quarterly Financial Statements and Major Notes” on page 11

(3) Changes in accounting policies, changes in accounting estimates, and restatements

- (i) Changes in accounting policies due to revision of accounting standards, etc.: Yes
- (ii) Changes in accounting policies other than those under (i) above: None
- (iii) Changes in accounting estimates: None
- (iv) Retrospective restatements: None

(4) Number of issued shares (common stock)

- (i) Number of issued shares at the end of the period (including treasury shares)
- (ii) Number of treasury shares at the end of the period
- (iii) Average number of shares during the period

As of December 31, 2024	78,439,636 shares	Year ended March 31, 2024	78,439,636 shares
As of December 31, 2024	368,152 shares	Year ended March 31, 2024	410,902 shares
As of December 31, 2024	78,054,597 shares	As of December 31, 2023	78,018,082 shares

(Note) The Company conducted a two-for-one stock split on common stock effective April 1, 2024. Number of issued shares has been calculated assuming this stock split had taken place at the start of the previous consolidated fiscal year.

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

\*Explanation of the appropriate use of earnings forecasts and other special notes

(Note concerning forward-looking statements)

The forward-looking statements, including earnings forecasts and other future projections contained in this document are based on information available to the Company at the time of preparation and on certain assumptions deemed reasonable by the Company. As such, they do not constitute an assurance that the Company promises to achieve these projected results. Actual business results may differ materially from the forecasts due to various factors.

Please see “(3) Explanation of Forecasts of Consolidated Results and Other Forward-Looking Information” under “1. Overview of Operating Results, etc.” on page 6 for the assumptions used for the forecast of financial results and notes concerning the use of the forecast of financial results.

(How to obtain supplementary materials on financial results)

Supplementary materials on financial results are posted to TDnet on the same date and to the Company website.

## Table of contents for attached materials

1. Overview of Operating Results, etc. ....	5
(1) Overview of Operating Results During The Period Under Review .....	5
(2) Overview of Financial Position During The Period Under Review .....	6
(3) Explanation of Forecasts of Consolidated Results and Other Forward-Looking Information .....	6
2. Quarterly Financial Statements and Major Notes .....	7
(1) Quarterly Consolidated Balance Sheet.....	7
(2) Quarterly Consolidated Income Statement and Quarterly Consolidated Statement of Comprehensive Income .....	9
(Quarterly Consolidated Income Statement) .....	9
(Nine Months Ended December 31, 2024) .....	9
(Quarterly Consolidated Statement of Comprehensive Income) .....	10
(Nine Months Ended December 31, 2024) .....	10
(3) Notes on Quarterly Consolidated Financial Statements .....	11
(Notes on The Going Concern Assumption) .....	11
(Notes Concerning Any Notable Changes in Shareholders' Equity).....	11
(Notes on Special Accounting Procedures in The Preparation of Quarterly Consolidated Financial Statements).....	11
(Notes on Changes in Accounting Policies) .....	11
(Notes on Quarterly Consolidated Cash Flow Statement) .....	11
(Notes on Segment Information) .....	12

## 1. Overview of Operating Results, etc.

### (1) Overview of Operating Results During The Period Under Review

During the nine months ended December 31, 2024, despite gradually improving conditions of income and employment in the Japanese economy, the economic outlook remained uncertain for various reasons, including stagnant personal consumption, ongoing instability in the Middle East and elsewhere globally; the ongoing high cost of energy and raw materials; and highly volatile exchange rates.

The rising cost of food, linens, cleaning services, and other factors caused by wage hikes and general prices affected Group performance. Nevertheless, our Dormitory Business showed steady growth as a result of opening several new facilities and optimizing sales prices. Our Hotel Business fared well due to various favorable tailwind factors, including strong domestic demand and growing numbers of inbound tourists. The number of foreign visitors to Japan set a new record, exceeding 36 million (“Number of Foreign Visitors to Japan,” Japan National Tourism Organization [JNTO]). The Group saw significant earnings growth in the first three quarters of the current consolidated fiscal year, recording net sales of 170,442 million yen (up 12.8% YoY); operating income of 17,832 million yen (up 31.3% YoY); ordinary income of 18,444 million yen (up 38.5% YoY); and net income attributable to owners of parent of 12,752 million yen (up 60.8% YoY).

Segment business performance is reviewed below.

#### (i) Dormitory Business

In its Dormitory Business, the Company opened eight new facilities nationwide in April, adding 907 rooms. The occupancy rate at the start of the quarter for all dormitories, including the rooms newly added, was 97.0%, down 1.2 points YoY. In addition to publicizing its strengths in operational services focused on safety and security to a wider market, the Company has implemented thoroughgoing cost controls and worked to optimize sales prices in response to rising costs.

As a result, net sales increased 5.0% year on year to 40,263 million yen, and operating income increased 5.4% year on year to 4,039 million yen.

#### (ii) Hotel Business

In the Hotel Business, over the course of the period under review, we remodeled and reopened Global Cabin Yokohama Chukoku town and opened Dormy Inn EXPRESS SEOUL Insadong as part of the Dormy Inn Business.

Under favorable conditions including booming domestic demand and the number of foreign visitors to Japan reaching a new record high, aggressive domestic and inbound sales activities and rigorous optimization of selling prices helped to maintain high occupancy rates and unit prices by attracting numerous guests. These trends more than offset the impact of the natural disasters of last August, construction costs related to large-scale remodeling intended to improve customer satisfaction, and rising costs, and the Company saw growth in both sales and income. In addition, the number of members in the Company’s Dormy’s membership program surpassed 1 million thanks to improved customer convenience as well as a variety of benefits including a status program and a best rate guarantee.

As a result, net sales rose to 105,975 million yen (up 12.3% YoY). Operating income was 16,657 million yen (up 32.3% YoY).

#### (iii) Comprehensive Building Management Business

In the Comprehensive Building Management Business, growth in the numbers of facility management and cleaning projects could not offset the impact of increases in personnel costs, IT-related costs, and other expenses during the nine months ended December 31, 2024. This resulted in net sales of 16,408 million yen (up 1.9% YoY) but operating income of 438 million yen (down 15.5% YoY).

#### (iv) Food Service Business

In the Food Service Business, various factors, including growing numbers of contracted hotel restaurants and growth in other restaurants, boosted net sales to 9,431 million yen (up 13.9% YoY) and operating income to 224 million yen (up 43.9% YoY).

#### (v) Development Business

Thanks to growth in real estate sales, in addition to growth in our dormitory, hotel, and other developments, net sales in the Development Business rose to 4,783 million yen (up 275.0% YoY), while operating income rose to 135 million yen (up 128.6% YoY).

#### (vi) Other Businesses

Other Businesses consist of the Senior Life Business (management and operation of senior residences), support business for people who live alone, the insurance agency business, comprehensive human-resource services, the Public Kyoritsu Partnership (PKP) Business (services provided under contract to local governments), the financial business, and the

administrative outsourcing business. The total of these businesses resulted in net sales of 13,398 million yen (up 11.5% YoY) and operating income of 14 million yen (vs. an operating loss of 236 million yen in the same period of the previous fiscal year).

## **(2) Overview of Financial Position During The Period Under Review**

(Assets)

Total assets at the end of the third quarter of this consolidated fiscal year stood at 279,763 million yen, up by 8,841 million yen from the end of the previous consolidated fiscal year. The main factors behind this increase included gains in construction in progress and land.

(Liabilities)

Liabilities at the end of the third quarter of this consolidated fiscal year stood at 182,419 million yen, down 1,897 million yen from the end of the previous consolidated fiscal year. The main factors leading to this decrease included declines in other current liabilities (advance received), bonds payable, etc.

(Net assets)

Net assets at the end of the third quarter of this consolidated fiscal year stood at 97,344 million yen, up 10,739 million yen from the end of the previous consolidated fiscal year. This was due mainly to an increase in retained earnings.

As a result, the resulting equity ratio was 34.8%, an increase of 2.8 points from the end of the previous consolidated fiscal year.

## **(3) Explanation of Forecasts of Consolidated Results and Other Forward-Looking Information**

Regarding forecasts of consolidated financial results for the year ended March 31, 2025, in the first three quarters of the consolidated fiscal year RevPAR in the Hotel Business was higher than expected, backed by factors including increased inbound demand, and this absorbed the impacts of factors such as the natural disasters that occurred in August of last year. We expect these conditions to continue in the fourth quarter as well, and in response we have decided to revise our forecasts of full-year financial results upward.

For details, see “Notice of revised forecasts of consolidated financial results and year-end dividends,” released today (February 7, 2025).

## 2. Quarterly Financial Statements and Major Notes

### (1) Quarterly Consolidated Balance Sheet

(Unit: million yen)

	Previous fiscal year As of March 31, 2024	First three quarters under review As of December 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	31,807	20,415
Notes and accounts receivable - trade	17,915	19,200
Real estate for sale	11,451	11,055
Real estate for sale in process	9,643	8,371
Costs on uncompleted construction contracts	265	507
Other	9,367	9,352
Allowance for doubtful accounts	(64)	(64)
Total current assets	80,385	68,837
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	48,682	48,775
Land	42,646	50,963
Construction in progress	18,850	29,851
Other, net	5,123	5,523
Total property, plant and equipment	115,303	135,113
Intangible fixed assets	4,487	4,789
Investments and other assets		
Investment securities	15,018	16,138
Guarantee deposits	18,893	18,668
Lease deposits	20,551	20,943
Other	16,078	15,136
Allowance for doubtful accounts	(106)	(105)
Total investments and other assets	70,433	70,781
Total non-current assets	190,224	210,684
Deferred assets	311	241
<b>Total assets</b>	<b>270,921</b>	<b>279,763</b>

(Unit: million yen)

	Previous fiscal year As of March 31, 2024	First three quarters under review As of December 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	9,394	8,946
Short-term borrowings	26,860	24,093
Current portion of bonds payable	4,880	4,780
Income taxes payable	2,640	3,004
Provision for bonuses	2,928	2,221
Provision for directors' bonuses	486	462
Other	23,936	20,861
Total current liabilities	71,127	64,370
Non-current liabilities		
Bonds payable	13,700	10,960
Convertible bonds with share acquisition rights	30,052	30,030
Long-term loans payable	62,453	69,900
Net defined benefit liability	986	1,080
Provision for directors' retirement benefits	258	259
Provision for losses on withdrawal from business	1,160	1,160
Other	4,578	4,656
Total non-current liabilities	113,189	118,049
Total liabilities	184,317	182,419
<b>Net assets</b>		
Shareholders' equity		
Share capital	7,964	7,964
Capital surplus	12,920	13,016
Retained earnings	65,167	75,383
Treasury shares	(331)	(299)
Total shareholders' equity	85,721	96,065
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	675	898
Deferred gains or losses on hedges	692	887
Foreign currency translation adjustment	(601)	(604)
Remeasurements of defined benefit plans	117	98
Total accumulated other comprehensive income	882	1,278
Total net assets	86,604	97,344
Total liabilities and net assets	270,921	279,763



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

(Quarterly Consolidated Income Statement)  
(Nine Months Ended December 31, 2024)

(Unit: million yen)

	Nine Months Ended December 31, 2023 (From April 1, 2023 to December 31, 2023)	Nine Months Ended December 31, 2024 (From April 1, 2024 to December 31, 2024)
Net sales	151,096	170,442
Cost of sales	114,046	126,633
Gross income	37,050	43,809
Selling, general and administrative expenses	23,467	25,976
Operating income	13,583	17,832
Non-operating income		
Interest income	87	115
Dividend income	99	126
Share of income of investment accounted for using equity method	–	986
Other	264	173
Total non-operating income	450	1,401
Non-operating expenses		
Interest expenses	512	546
Other	201	242
Total non-operating expenses	713	788
Ordinary income	13,320	18,444
Extraordinary losses		
Loss on business withdrawal	768	–
Loss on disaster	41	215
Other	116	–
Total extraordinary losses	925	215
Net income before taxes	12,394	18,228
Income taxes	4,463	5,476
Net income	7,930	12,752
Net income attributable to owners of parent	7,930	12,752

(Quarterly Consolidated Statement of Comprehensive Income)  
(Nine Months Ended December 31, 2024)

(Unit: million yen)

	Nine Months Ended December 31, 2023 (From April 1, 2023 to December 31, 2023)	Nine Months Ended December 31, 2024 (From April 1, 2024 to December 31, 2024)
Net income	7,930	12,752
Other comprehensive income		
Valuation difference on available-for-sale securities	271	222
Deferred gains or losses on hedges	(61)	194
Foreign currency translation adjustment	(13)	(13)
Remeasurements of defined benefit plans	(6)	(18)
Share of other comprehensive income of entities accounted for using equity method	–	10
Total other comprehensive income	189	395
Comprehensive income	8,120	13,148
(Breakdown)		
Comprehensive income attributable to owners of parent	8,120	13,148

### (3) Notes on Quarterly Consolidated Financial Statements

(Notes on The Going Concern Assumption)

Not applicable

(Notes Concerning Any Notable Changes in Shareholders' Equity)

Not applicable

(Notes on Special Accounting Procedures in The Preparation of Quarterly Consolidated Financial Statements)

(Calculation of tax expenses)

The Company calculates tax expenses by rationally assuming an effective tax rate after applying tax effect accounting to income (loss) before income taxes for the consolidated fiscal year, including the first three months of the fiscal year, and multiplying income (loss) before income taxes for the first three months of the fiscal year by the estimated effective tax rate. However, if the result of calculation of tax expenses using the estimated effective tax rate is significantly unreasonable, the statutory effective tax rate is used.

(Notes on Changes in Accounting Policies)

(Application of the Accounting Standard for Income Taxes - Current)

We applied the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27; "Revised Accounting Standard 2022" hereinafter) from the beginning of the first three quarters under review.

Revisions of income categories for tax purposes (taxation of other comprehensive income) are in accordance with the transitional treatment specified by the provisions of paragraph 20-3 of Revised Accounting Standard 2022 and with the transitional treatment specified by the provisions of paragraph 65-2(2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; "Revised Implementation Guidance 2022" hereinafter). This has no impact on quarterly consolidated financial statements.

In addition, we applied the provisions of Revised Implementation Guidance 2022 from the beginning of the first three quarters under review. This entailed the revised treatment of consolidated financial statements for cases involving deferred tax on gains or losses arising from the sale of shares of subsidiaries and of other securities held by consolidated companies. These changes in accounting policies have been applied retrospectively. Quarterly consolidated financial statements for the same period of the previous year and consolidated financial statements for the previous fiscal year have been restated to reflect this retrospective application.

This change does not affect quarterly consolidated financial statements for the same period of the previous year or consolidated financial statements for the previous fiscal year.

(Notes on Quarterly Consolidated Cash Flow Statement)

Quarterly consolidated statements of cash flows have not been prepared for the nine months ended December 31, 2024. Depreciation and amortization expenses (including amortization of intangible assets excluding goodwill) for the nine months ended December 31 were as follows:

	Nine months ended December 31, 2023 (From April 1, 2023 to December 31, 2023)	Nine months ended December 31, 2024 (From April 1, 2024 to December 31, 2024)
Depreciation and amortization	4,941 million yen	5,597 million yen

(Notes on Segment Information)

[Segment information]

I For the nine months ended December 31, 2023 (April 1, 2023 – December 31, 2023)

1. Information on net sales, income or loss by each reporting segment

(Unit: million yen)

	Reporting segment						Other Note <sup>1</sup>	Total	Adjustment amount Note <sup>2</sup>	Amount recorded on consolidated quarterly income statement Note <sup>3</sup>
	Dormitory	Hotel	Comprehensive Building Management	Food Service	Development	Total				
Net sales										
Net sales to external customers	38,175	94,272	5,370	1,265	477	139,561	11,535	151,096	–	151,096
Inter-segmental sales or transfers	176	98	10,728	7,015	798	18,817	486	19,304	(19,304)	–
Total	38,351	94,371	16,098	8,281	1,275	158,379	12,021	170,401	(19,304)	151,096
Segment income (loss)	3,834	12,590	519	156	59	17,159	(236)	16,923	(3,339)	13,583

Notes: 1. The Other segment consists of the following businesses which are not included in the reporting segments: the Senior Life Business (management and operation of senior residences), the Public Kyoritsu Partnership (PKP) Business (services provided under contract to local governments), support business for people who live alone, the insurance agency business, comprehensive human-resource services, the financial business, the administrative outsourcing business, and other additional businesses.

2. Adjustment of segment income (loss) of -3,339 million yen includes the amount of elimination of inter-segment transactions of 322 million yen and corporate expenses of -3,017 million yen that are not allocated to each reportable segment. Corporate expenses mainly consist of expenses related to the Accounting Department and other administrative departments of the head office.

3. Segment income (loss) is adjusted with operating income on the quarterly consolidated statement of income.

2. Information on impairment loss on non-current assets or goodwill, etc. by reporting segment

Not applicable

II For the nine months ended December 31, 2024 (April 1, 2024 – December 31, 2024)

1. Information on net sales, income or loss by each reporting segment

(Unit: million yen)

	Reporting segment						Other Note <sup>1</sup>	Total	Adjustment amount Note <sup>2</sup>	Amount recorded on consolidated quarterly income statement Note <sup>3</sup>
	Dormitory	Hotel	Comprehensive Building Management	Food Service	Development	Total				
Net sales										
Net sales to external customers	39,999	105,787	6,067	1,492	4,215	157,562	12,880	170,442	–	170,442
Inter-segmental sales or transfers	264	188	10,341	7,938	568	19,300	518	19,818	(19,818)	–
Total	40,263	105,975	16,408	9,431	4,783	176,862	13,398	190,261	(19,818)	170,442
Segment income (loss)	4,039	16,657	438	224	135	21,496	14	21,510	(3,678)	17,832

Notes: 1. The Other segment consists of the following businesses which are not included in the reporting segments: the Senior Life Business (management and operation of senior residences), the Public Kyoritsu Partnership (PKP) Business (services provided under contract to local governments), support business for people who live alone, the insurance agency business, comprehensive human-resource services, the financial business, the administrative outsourcing business, and other additional businesses.

2. Adjustment of segment income (loss) of -3,678 million yen includes the amount of elimination of inter-segment transactions of 238 million yen and corporate expenses of -3,440 million yen that are not allocated to each reportable segment. Corporate expenses mainly consist of expenses related to the Accounting Department and other administrative departments of the head office.

3. Segment income (loss) is adjusted with operating income on the quarterly consolidated statement of income.

2. Information on impairment loss of non-current assets or goodwill, etc. by reporting segment

Not applicable