Results of Operations for the Fiscal Year Ended March 31, 2025 (FY3/25)



Stock code: 2179

June 4, 2025

The Businesses of the SEIGAKUSHA Group



Education Services

An education company centered on education and child care services extending from pre-school children to adults

Entrance exam preparation schools

> Individual tutoring



Mainly one instructor for every two students

➡ 個別指導学院フリーステップ

FreeStep Individual Tutoring Institute

Video classes for high school students and high school graduates



Other individual tutoring brands フリーステップ 1対1 専門館 Sophia FreeStep One-on-one Specialty Sophia

Shinken-zemi Individual Tutoring Course





Class teaching



Goal-centered classes that give students confidence when goals are exceeded





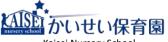
Yell Exam Preparation School

Specialized in medical school and elite university entrance exams



Nurserv schools

Certified nursery schools



Kaisei Nursery School





Other

Japanese language classes for foreign students in Japan



Kaisei Academy Japanese Language Schoo

English Language School with after-school care



- Teacher staffing service for schools
- Operation of employee training centers
- Planning and production of digital and e-learning materials
- · Consulting services for students who want to work at a Japanese company (South Korea)
- Consulting services for kindergarten operations (Vietnam), etc.

Real Estate Leasing	Leasing of unused space
Restaurant Operations	One restaurants in the city of Osaka, provision of school lunch



Results of Operations Earnings Forecasts

Statement of Income



(Millions of yen, %)

				_			(Millions of yen, %)
	FY3/24 Results	FY3/25 Plan	FY3/25 Results	YoY change	YoY (%)	Vs. plan	% achieved
Net sales	13,102	13,791	14,287	+1,184	+9.0	+495	103.6
Education Services	12,999	13,684	14,177	+1,178	+9.1	+493	103.6
Real Estate Leasing	40	41	41	+1	+3.4	+0	100.1
Restaurant Operations	62	65	67	+4	+10.7	+2	103.1
Operating profit	702	746	778	+75	+10.7	+31	104.3
Operating margin	5.4	5.4	5.4	+0.1	-	+0.0	-
Ordinary profit	711	733	758	+47	+6.7	+24	103.4
Ordinary margin	5.4	5.3	5.3	-0.1	-	-0.0	-
Profit	433	397	461	+27	+6.4	+63	116.0
Profit margin	3.3	2.9	3.2	-0.1	-	+0.3	

Results of Operations



FY3/25 Results

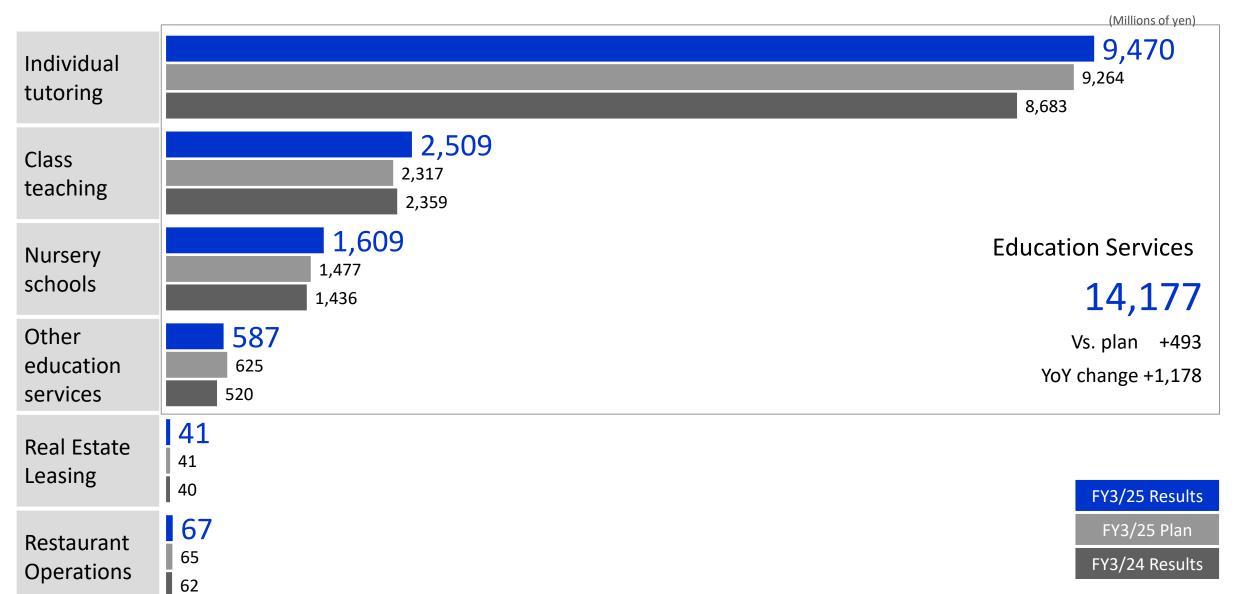
- Sales and earnings increased to record highs due to the increasing number of students in the individual tutoring category.
- Class teaching sales increased due to contribution of Ichie-Juku Co., Ltd., which became a consolidated subsidiary in the current fiscal year.
- Nursery school sales increased mainly because of higher certified school subsidies. Other education services sales increased mainly due to the large number of new Japanese language school students.
- Earnings increased because sales growth offset higher personnel and advertising and marketing expenses, expenses due to the consolidation of Ichie-Juku, and other increases in expenses.

FY3/26 Forecasts

- To increase the number of entrance exam preparation students, stepping up activities for more Tokyo area schools using the core FreeStep Individual Tutoring Institute brand and conducting development/improvement activities involving the SEIGAKUSHA Learning Management System.
- Activities for more efficient class teaching operations and establishing a strong base for nursery school and Japanese language school operations are expected to contribute to earnings growth.

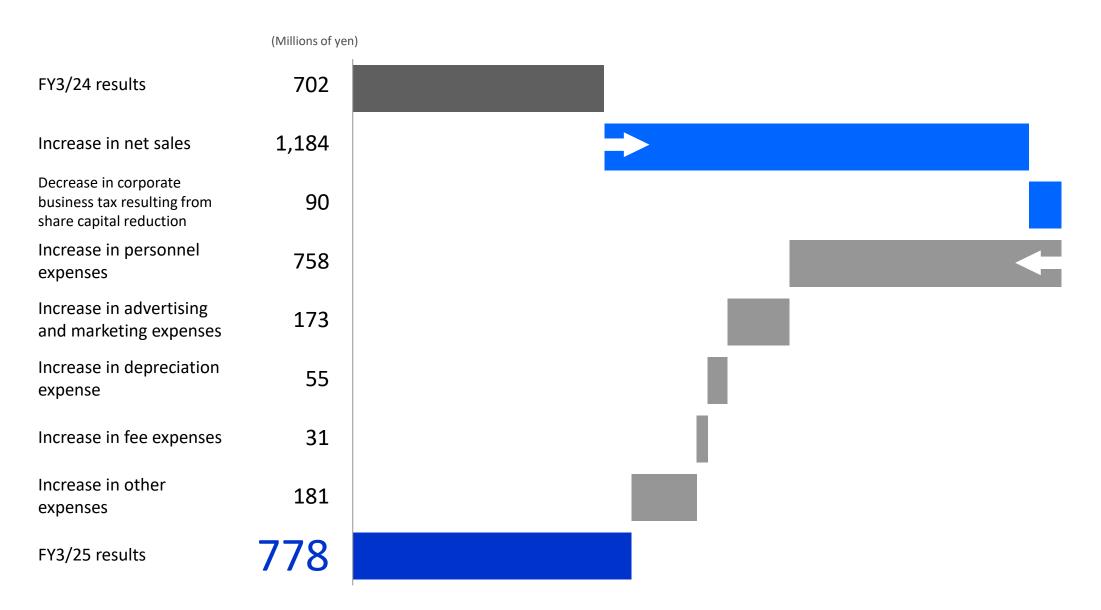
Business Segment Sales



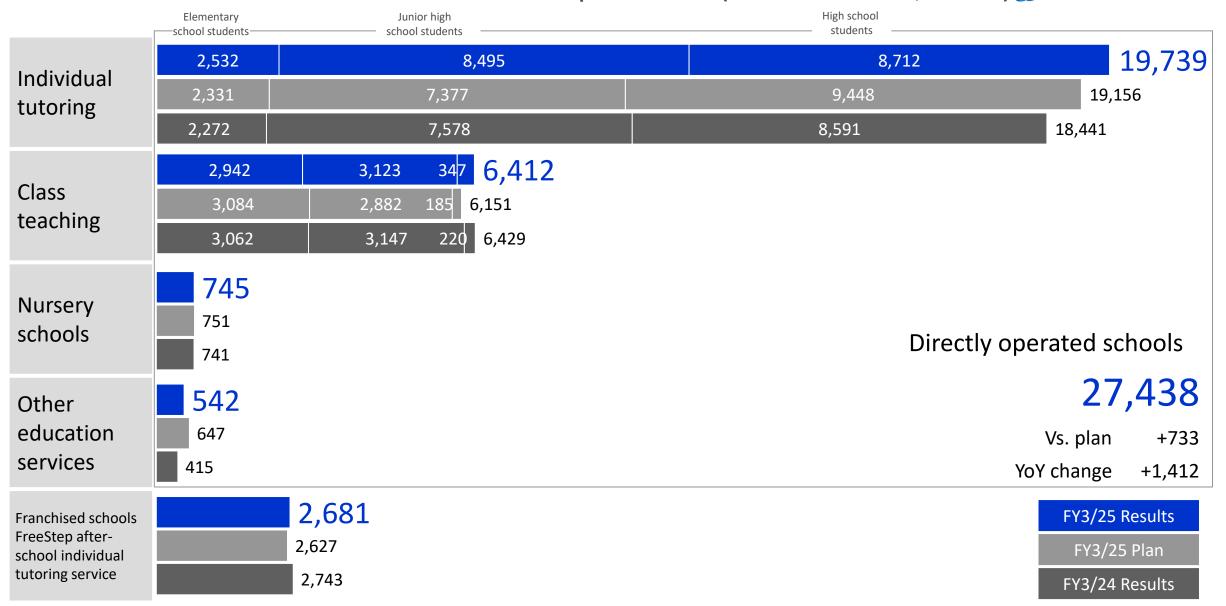


Change in Operating Profit/Loss





Number of Students at SEIGAKUSHA Group Schools (As of Nov. 30, 2024) seigakusha co, Ltd.



Number of Schools



Directly operated schools:

277 (+2 vs. end of FY3/24)

Franchised schools:

50 (-5 vs. end of FY3/24)

	Directly	Number of directly operated schools for categories					
	operated schools	Individual tutoring	Class teaching	Nursery schools	Other education services	Franchised schools	
Osaka	145	113	51	15	2	12	
Other Kinki area	76	65	16	2	1	21	
Tokyo	35	34	2	-	-	7	
Saitama	10	10	-	-	-	4	
Kanagawa	6	5	1	-	-	1	
Chiba	3	3	-	-	-	3	
Overseas	2	-	-	-	2	2	
Total	277	230	70	17	5	50	
Vs. end of FY3/24	+2	+2	-2	±0	±0	-5	

Balance Sheet and Cash Flow Statement



(Millions of yen)

	Mar. 31, 2025	Mar. 31, 2024	Change
Current assets	3,848	3,518	+329
Non-current assets	5,624	5,344	+280
Total assets	9,472	8,863	+609
Current liabilities	3,478	3,388	+89
Non-current liabilities	2,134	2,000	+134
Total liabilities	5,613	5,388	+224
Shareholders' equity	3,871	3,512	+358
Accumulated other comprehensive income	-12	-37	+25
Total net assets	3,859	3,474	+384
Total liabilities and net assets	9,472	8,863	+609

	FY3/25	FY3/24
Cash flows from operating activities	1,012	1,038
Cash flows from investing activities	-338	-538
Cash flows from financing activities	-166	-227
Effect of exchange rate change on cash and cash equivalents	2	-14
Net increase (decrease) in cash and cash equivalents	510	257
Cash and cash equivalents at beginning of period	1,656	1,398
Cash and cash equivalents at end of period	2,167	1,656

Earnings Forecasts



(Millions of yen, %)

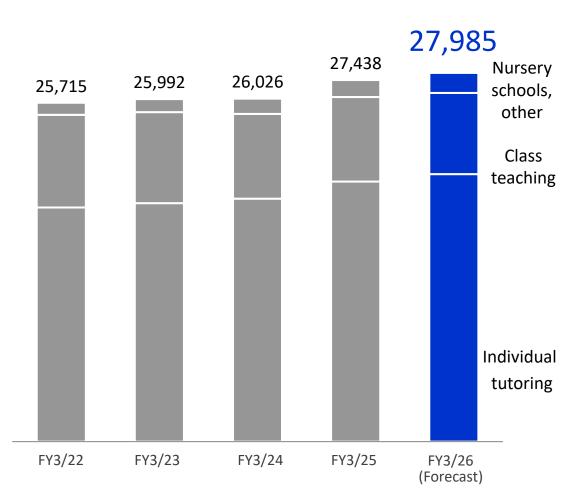
								(Millions of yen, %)
	1H				Full year			
	FY3/25 Results	FY3/26 Plan	YoY change	YoY (%)	FY3/25 Results	FY3/26 Plan	YoY change	YoY (%)
Net sales	6,539	7,040	+500	+7.7	14,287	15,200	+913	+6.4
Education Services	6,488	6,984	+496	+7.7	14,177	15,088	+910	+6.4
Individual tutoring	4,346	4,634	+287	+6.6	9,470	10,144	+673	+7.1
Class teaching	1,166	1,224	+58	+5.0	2,509	2,509	-0	-0.0
Nursery schools	673	746	+73	+10.9	1,609	1,682	+72	+4.5
Other education services	301	378	+77	+25.6	587	752	+165	+28.1
Real Estate Leasing	20	21	+0	+0.5	41	38	-3	-8.3
Restaurant Operations	30	34	+3	+12.0	67	73	+6	+9.4
Operating profit	118	50	-68	-57.6	778	826	+48	+6.2
Operating margin	1.8	0.7	-1.1	-	5.4	5.4	-0.0	-
Ordinary profit	108	39	-69	-63.7	758	805	+46	+6.1
Ordinary margin	1.7	0.6	-1.1	-	5.3	5.3	-0.0	-
Profit	74	5	-68	-92.6	461	429	-31	-6.9
Profit margin	1.1	0.1	-1.1	-	3.2	2.8	-0.4	-

Earnings Forecasts



Number of students at the Group's directly operated schools

(As of November, which is normally when the number of students is highest)



Number of schools at the end of FY3/26

(Numbers in parentheses represent the number of schools as of March 31, 2025)

Directly operated schools	282	(277)
Individual tutoring	238	(230)
Class teaching	67	(70)
Nursery schools	17	(17)
Other education services	5	(5)
Franchised schools	56	(50)

Shareholder Distributions



Dividends

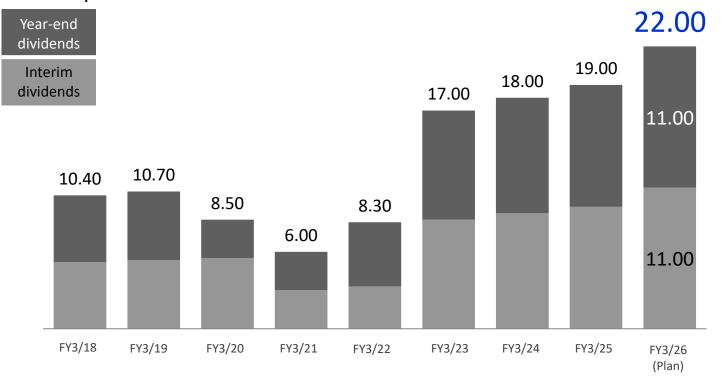
Pay a consistent and stable dividend while building a strong foundation that can support business operations for many years.

The policy is to increase the dividend while determining a payout ratio that reflects earnings.

Shareholder benefits

Use benefits to increase the number of shareholders by making SEIGAKUSHA stock an even more attractive investment

Dividend per share (Yen)



- Eligible shareholders
 Shareholders who hold at least one trading unit as of each record date
- Record dateMarch 31
- Benefits
 All shareholders who hold at least one trading unit receive a 1,000 yen QUO card

SEIGAKUSHA Group Topics



FreeStep's Proven Ability to Raise Scores and Pass Entrance Exams

Start of Kaisei Education Group Sundai Diverse

Growth of the SEIGAKUSHA Group Businesses

Number of Students and Brand Value Rising in Tandem due to Synergies @ SEIGAKUSHA CO., Ltd.

Increasing number of new and current students



Accumulation of know-how, database, data analysis

Development and provision of a broad range of content

S-CUBE (system for raising exam scores using lap tests (test to confirm comprehension of lessons))

My Step Log (app for lesson material and increasing lesson comprehension)

Curriculum template (curriculum proposal that matches targeted schools)

- Increase scores of periodic tests (Start of a guarantee program for raising school exam scores)
- Good score on university entrance exams

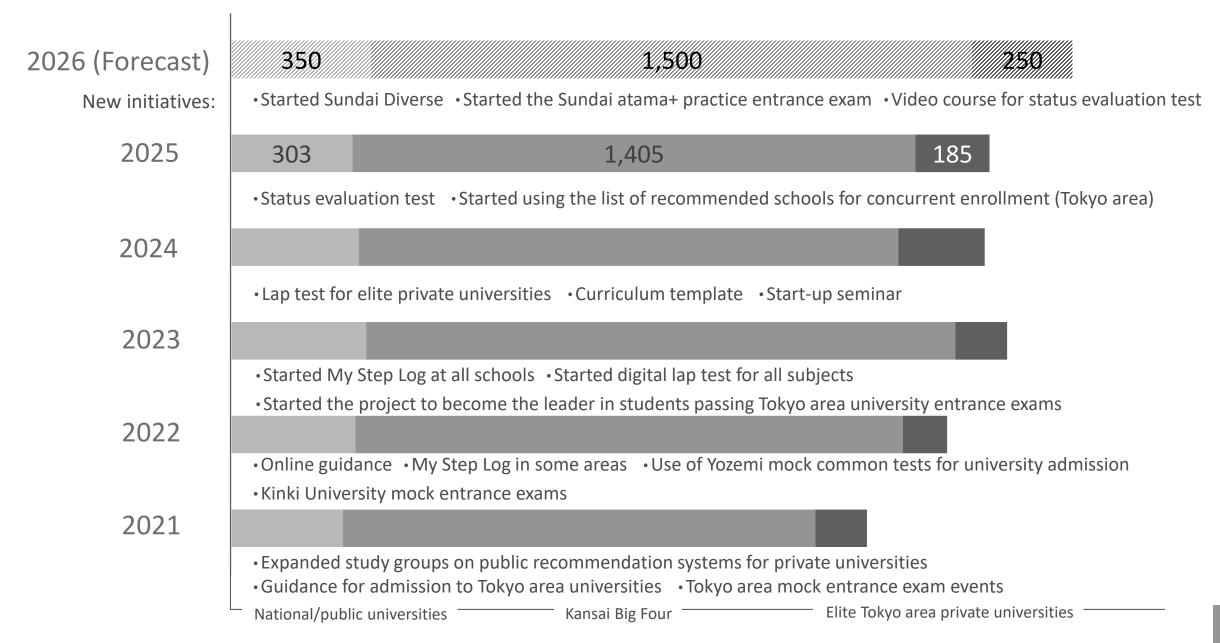
Increase and maintain brand value



FreeStep's Proven Ability to Raise Scores and Pass Entrance Exams

Number of FreeStep Students Who Passed the FY2025 Entrance Exams SEIGAKUSHA CO., Ltd.





Using FreeStep Brand Strengths to Attract Students

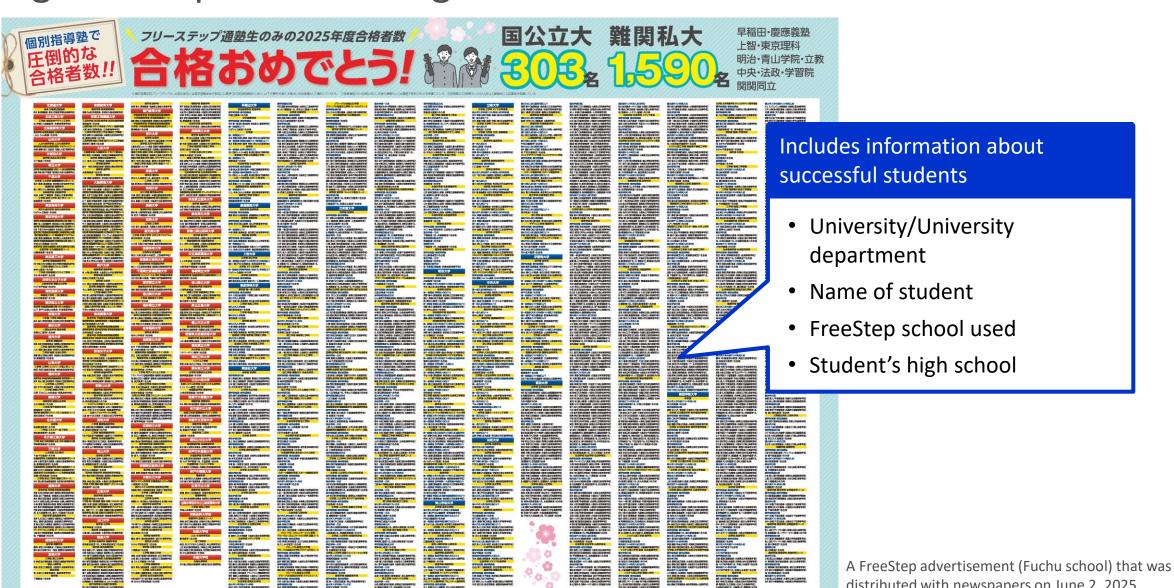




A FreeStep advertisement (Fuchu school) that was distributed with newspapers on June 2, 2025

Using FreeStep Brand Strengths to Attract Students





distributed with newspapers on June 2, 2025

Using FreeStep Brand Strengths to Attract Students





A Guarantee program for Raising School Exam Scores





Start of the guarantee program

FY3/24

Eligible students

Junior high school students (including private junior high school students)

Eligible subjects

All subjects of the course

Guarantee

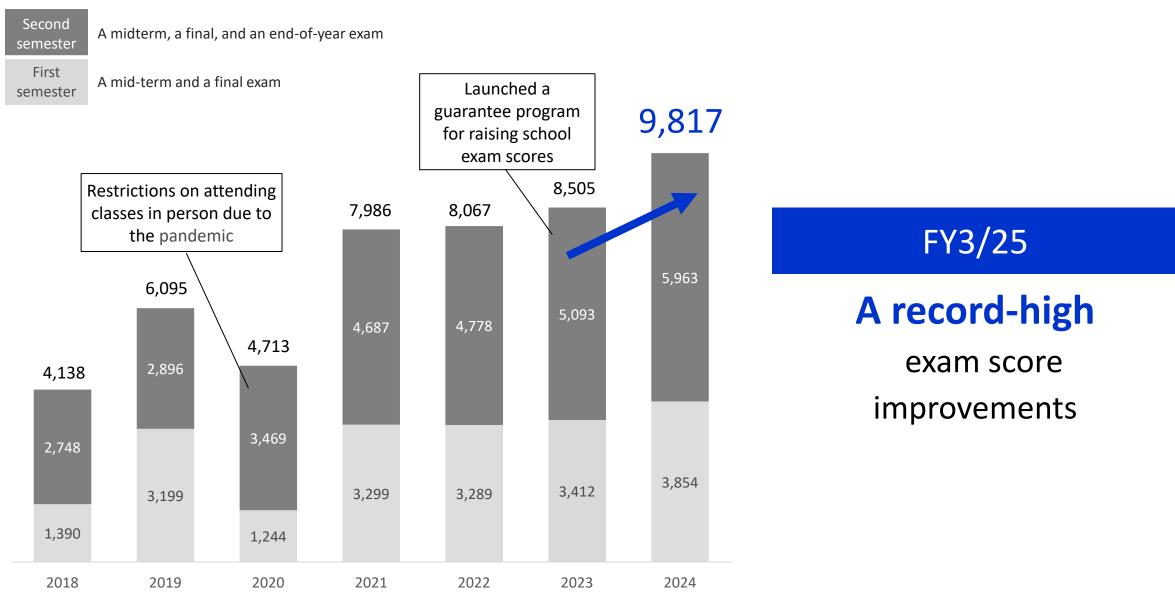
Scores below 60 when entering Free Step: 20 point increase for one subject Scores of 60+ when entering Free Step: Score of 80+ for one subject

When a score falls short of the guarantee

No tuition payments for three months beginning with the second month after the month when test scores are announced.

Number of Higher Scores Increasing Every Year





Results of the Score Improvement Guarantee

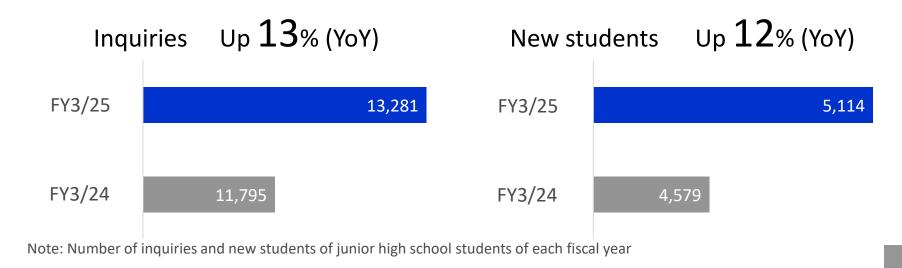


Record-high exam score improvements

FY3/25 (Students with higher exam scores – April 1, 2024 to March 31, 2025)



Large number of inquiries and new students

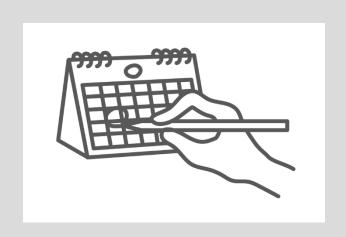


S-CUBE



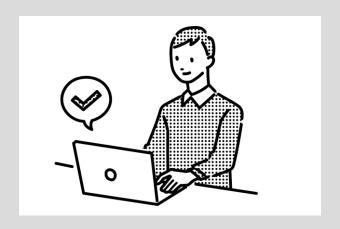
Used for curriculum management, monitoring lesson comprehension and practice for final exam preparations

S-CUBE has all measures required for using periodic tests to raise scores.



Calculating back based on the remaining number of classes

Use of the simulation sheet to calculate backward by using the remaining number of classes



Visualization of progress and results

Use of progress ratios and lap test scores for the visualization of lesson progress and results



Support for study at home

Support for studying at home by using digital lap tests and Lap Master (explanation videos)

Curriculum Templates



Currently using 2,625 curriculum templates

Templates for specific schools, jr. high schools, elite private universities and other categories Support for setting up the most suitable curriculum for each student while lowering the volume of work at schools



Prior-year exam data

Allows use of curriculum that matches students who passed the exam



Curriculum visualization

Visualization of annual and term curriculums, which were previously unclear



Individual student optimization

Instructors can easily create a curriculum that is perfectly suited to each student

FreeStep's Outstanding Customer Satisfaction





iid Award 2022

Junior high school students/Individual tutoring
Grand Prize in Japan
High school/university entrance exam students/Individual tutoring
Award for Excellence in Japan

iid Award 2023

Junior high school students/Individual tutoring Award for Excellence in Japan Junior high school students/Individual tutoring Grand Prize in the Kansai area

Award for Excellence in the Kansai area

iid Award 2024

High school/university entrance exam students/Individual tutoring Award for Excellence in Japan High school/university entrance exam students/Individual tutoring

Launch of the New Brand



All FreeStep schools using the new brand opened on March 1, 2025.

20 schools exclusively for university entrance exams operating at all FreeStep school locations



Kaisei Education Group Sundai Diverse

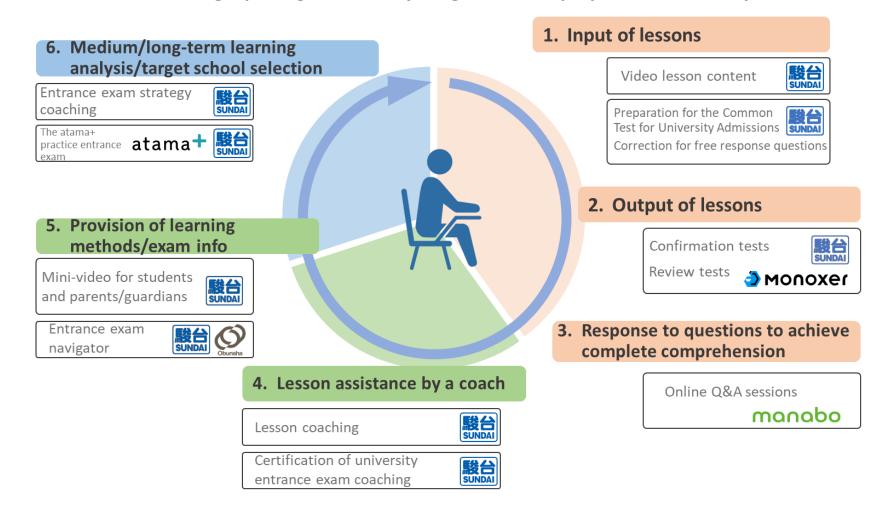
Video lessons unlike the video lessons in prior years The most advanced method in Japan for learning

Features of Kaisei Education Group Sundai Diverse



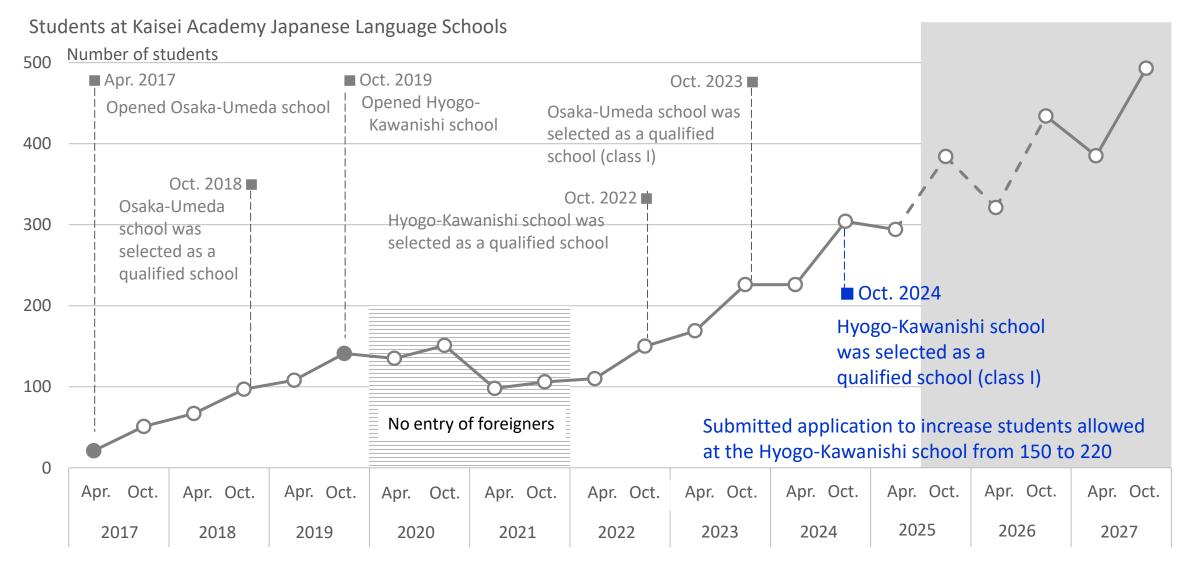
Encompasses Every Aspect of Lessons Required for University Entrance Exams

Sundai Diverse is a single package with everything needed to prepare for university entrance exams.



Certified as Qualified School (Class I) and Application for Increase in the Number of Students Allowed

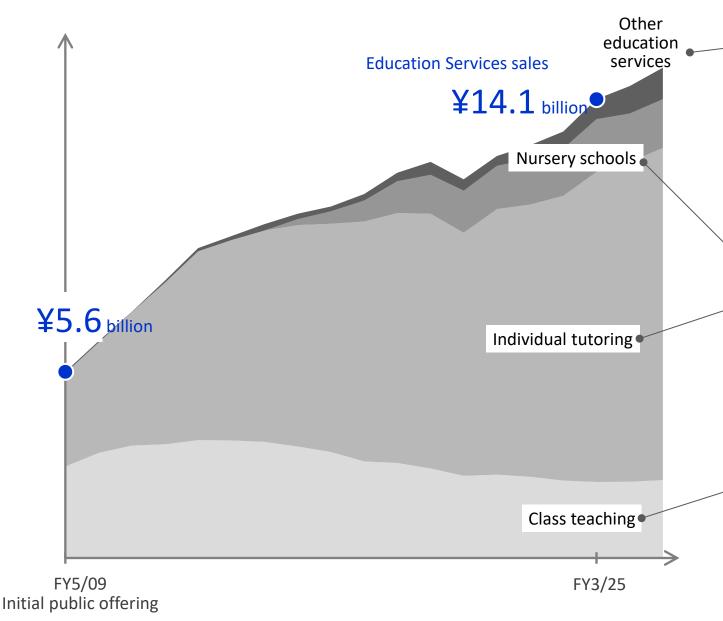




^{*} Certification as a qualified school (class I) is expected to increase the visa application acceptance rate because of simplified requirements for documents submitted by students.

Growth Backed By Exam Prep School Expertise





New business start/entry

Opened Kaisei Academy Japanese Language School (2017) Started operations in South Korea (2019) and Vietnam (2020)

Acquired educational content production company (2019) Started employment service for foreigners with special skills (2021)

Started new graduate employment assistance service (2021)

Developing into a profit center

Growth as a major profit center

Increasing the number of locations in the Tokyo area by using FreeStep's reputation as a school that can raise exam scores and enable students to pass university entrance exams Started FreeStep Link One Online Individual Tutoring Opened Kaisei Education Group Sundai Diverse (March 2025)

Increase profitability

Closing unprofitable schools and shifting to a more streamlined structure for operating this business

Acquired Ichie-Juku Co.,Ltd, which specializes in medical school and elite university entrance exams (June 2024)

Precautions



Forecasts of future performance in this report incorporate risks and uncertainties because these statements are based on assumptions judged to be valid and information available to the SEIGAKUSHA's management at the time these materials were prepared.

Actual results may differ significantly from these forecasts for a number of reasons.

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