

Summary of Financial Results (Consolidated)
For the Third Quarter of Fiscal Year Ending April 30, 2025
(Japanese GAAP)

February 28, 2025

Listed company: Raccoon Holdings, Inc.

Stock Exchange: Tokyo Stock Exchange

Code: 3031

URL: <https://www.raccoon.ne.jp/>

Representative: Isao Ogata, President and Representative Director

Contact: Satoshi Konno, Executive Vice President of Finance and Director

Tel. +81-3-5652-1711

Scheduled date of commencement of dividend payment: -

Supplementary documents for financial results: Yes

Financial results briefing: Yes (for institutional investors and securities analysts)

(Rounded down to the nearest million yen)

1. Consolidated results for the third quarter of fiscal year ending April 30, 2025 (May 1, 2024 through January 31, 2025)

(1) Consolidated operating results

(The percentages are year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Third quarter of fiscal year ending April 30, 2025	4,559	6.0	952	104.7	1,117	139.3	659	112.3
Third quarter of fiscal year ended April 30, 2024	4,299	9.9	465	(47.9)	466	(48.9)	310	(45.5)

(Note) Comprehensive income Third quarter of fiscal year ending April 30, 2025

¥668 million (115.2%)

Third quarter of fiscal year ended April 30, 2024

¥310 million ((45.5)%)

	Net income per share	Net income per share (diluted)
	Yen	Yen
Third quarter of fiscal year ending April 30, 2025	30.98	30.74
Third quarter of fiscal year ended April 30, 2024	14.43	14.35

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of January 31, 2025	15,081	4,831	31.0	224.74
As of April 30, 2024	15,382	4,932	31.1	223.24

(Reference) Shareholders' equity

As of January 31, 2025

¥4,674 million

As of April 30, 2024

¥4,778 million

2. Dividends

	Dividend per share				
	End of Q1	End of Q2	End of Q3	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended April 30, 2024	-	9.00	-	5.00	14.00
Fiscal year ending April 30, 2025	-	10.00	-	-	-
Fiscal year ending April 30, 2025 (forecast)	-	-	-	12.00	22.00

(Note) Revisions to dividend forecasts announced most recently: Yes

3. Forecast of consolidated results for the fiscal year ending April 30, 2025 (May 1, 2024 through April 30, 2025)

(The percentages are year-on-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	6,100	5.0	1,250	120.5	1,400	161.3	830	154.6	39.31

(Note) Revisions to financial forecasts announced most recently: Yes

* Notes

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

Newly included: -

Excluded: 1 company (RACCOON RENT, Inc.)

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

(3) Changes in accounting principles and changes or restatements of accounting estimates

(i) Changes in accounting policies associated with revisions to accounting standards, etc.: Yes

(ii) Changes in accounting policies other than those specified in (i): None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

January 31, 2025	22,258,943	April 30, 2024	22,235,143
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(ii) Number of treasury stock shares at the end of the period

January 31, 2025	1,460,210	April 30, 2024	830,257
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(iii) Average number of issued shares during the quarter

Third quarter ended January 31, 2025	21,300,314	Third quarter ended January 31, 2024	21,544,372
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* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Explanation about the proper use of results forecasts, and other special notes

(Cautionary note on forward-looking statements)

The forward-looking statements, including results forecasts, contained in this document are based on information the Company has obtained as of today and certain assumptions the Company considers reasonable. The Company does not guarantee its achievement of the forward-looking statements. Actual results may differ significantly depending on a variety of factors. For the assumptions underlying the results forecasts and notes on their use, please refer to "1. Overview of Operating Results, etc., (3) Explanation on forecasts including consolidated results forecasts" on page 5 of the accompanying materials.

(How to obtain supplementary information for quarterly financial results)

Supplementary documents for the quarterly financial results will be disclosed on the TDnet (Timely Disclosure network operated by the Tokyo Stock Exchange) shortly.

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1. Overview of Operating Results, etc.

(1) Overview of operating results for the quarter under review

During the third quarter under review, the Japanese economy showed a moderate recovery trend, partly due to improving employment and income conditions and an increase in inbound demand. However, amid an unstable international situation, the outlook remains uncertain due to such factors as persistently high resource, energy, and raw material prices and the prolonged depreciation of the yen.

Under such circumstances, aiming to double its operating income and achieve record profits in the fiscal year ending April 30, 2025, the Raccoon Group has worked to expand the scale of both the EC business and the Financial business. As a result, consolidated net sales for the third quarter under review were 4,559,234,000 yen (up 6.0% year on year). Additionally, following the completion of the share transfer, RACCOON RENT, Inc. was excluded from the Company's consolidated subsidiaries in the third quarter of the current fiscal year.

In terms of expenditures, the Company actively invested in advertising with a focus on listing, which is highly effective in attracting customers in the EC business. However, unlike the previous fiscal year, we did not significantly increase investments in customer acquisition or conduct various promotions. Consequently, advertising expenses decreased by 26.5% year on year. Personnel expenses increased by 6.0% year on year, but other expenses decreased by 7.2% year on year, resulting in a 7.9% year-on-year decrease in selling, general and administrative expenses. As a result, the Company posted operating income of 952,293,000 yen (up 104.7% year on year). Ordinary income reached 1,117,126,000 yen (up 139.3% year on year) due to the recording of 164,577,000 yen as gain on investments in investment partnerships under non-operating income. The Company also recorded a loss on liquidation of business of 123,027,000 yen as a result of the transfer of part of the contractual status as a rent guarantee company from RACCOON RENT, Inc. (excluded from the Company's consolidated subsidiaries in the third quarter of the current fiscal year) to nap. Inc. in the second quarter, as well as a loss on sale of 26,563,000 yen arising from the share transfer to Entrust Inc. in the third quarter, under extraordinary losses, resulting in net income attributable to owners of parent of 659,980,000 yen (up 112.3% year on year).

Results by segment are as follows:

(i) EC business

In Super Delivery, the mainstay service in the EC business, efforts have been made to maintain growth of the number of buying customers and increase gross merchandise value through improvement in average sale per customer. For the current fiscal year, the Company is working to maintain the pace of growth in the number of buying customers, which increased in the previous fiscal year.

Domestically, the Company invested in advertising with a focus on listing, which is highly effective in attracting customers, and the number of buying customers remained high. The launch of a new membership plan (introduction of a free plan with zero membership fees) in the second quarter of the previous fiscal year led to a significant increase in the proportion of new buyers with a low average sale per customer, causing a continuous significant decrease in average sale per buying customer. However, in the third quarter of the current fiscal year, the decrease rate narrowed to 1.8% year on year, showing signs of bottoming out. As a result, the national gross merchandise across Japan increased by 9.6% year on year.

As for overseas, the Company was affected by the shift in the timing of the Chinese New Year, the period in which business activities usually slow down in Greater China, which holds a high composition ratio in the gross merchandise value overseas (falling in the fourth quarter in 2024 and the third quarter in 2025). However, gross merchandise value in other regions continued to grow steadily. As a result, the gross merchandise value overseas increased by 13.7% year on year and the value of transactions of Super Delivery for the third quarter under review totaled 20,475,776,000 yen (up 10.7% year on year).

Additionally, as of the end of the third quarter under review, the number of Super Delivery members stood at 446,829 (up 50,412), the number of participating companies at 3,236 (up 24), and the number of items displayed at 1,860,923 (up 202,470), all compared on a year-on-year basis.

As a result, sales in the EC business stood at 2,639,134,000 yen (up 7.1% year on year). In terms of expenditures, advertising expenses and sales promotion expenses decreased by 26.4% year on year as the Company actively invested in advertising with a focus on listing, which is highly effective in attracting customers, and did not undertake large-scale advertising investments such as television commercials implemented in the previous fiscal year. Personnel expenses increased by 11.6% year on year, but other expenses were reined in. Consequently, segment profit was 914,779,000 yen (up 47.4% year on year).

(ii) Financial business

In the Paid service, efforts have been made to continuously increase member companies and increase transaction value per member company. The value of transactions continued to grow steadily, the value of transactions outside the Group totaled 30,665,373,000 yen (up 14.9%) and the overall value of transactions (including 9,204,963,000 yen of transactions within the Group) stood at 39,870,336,000 yen (up 13.5%), both compared on a year-on-year basis.

In URIHO, the Company has continued its endeavors to increase guarantee balance by adding more members, leading to growth in net sales. Guarantees outstanding at the end of the third quarter under review amounted to 60,397,853,000 yen, up 7.4% from the end of the previous fiscal year.

Additionally, the transfer of shares in RACCOON RENT, Inc. (rent guarantee business) to Entrust Inc. was completed on November 1, 2024, and consequently, RACCOON RENT, Inc. was excluded from the Company's consolidated subsidiaries in the third quarter of the current fiscal year.

As a result, sales in the Financial business stood at 2,159,767,000 yen (up 5.1% year on year).

In terms of expenditures, the rate of cost of sales has remained at a low level due to the Company's appropriate credit screening control. As for advertising expenses, as the Company did not air television commercials this fiscal year, they decreased by 27.1% year on year. Personnel expenses and other expenses were also curbed. Consequently, segment profit totaled 572,448,000 yen (up 59.5% year on year).

(2) Overview of the financial status for the quarter under review

(i) Financial status

Total assets at the end of the third quarter under review amounted to 15,081,870,000 yen, down 300,272,000 yen from the end of the previous fiscal year. Current assets decreased 362,821,000 yen to 12,354,940,000 yen. The main factor behind the decrease was the decrease of 346,798,000 yen in cash and deposits mainly due to purchase of treasury shares. Non-current assets increased 62,549,000 yen to 2,726,930,000 yen. The main factor behind the increase was the increase of 88,519,000 yen in investment securities mainly due to additional acquisitions and the recording of gain on investments in investment partnerships.

Total liabilities at the end of the third quarter under review totaled 10,249,883,000 yen, down 199,441,000 yen from the end of the previous fiscal year. Current liabilities decreased 164,331,000 yen to 9,297,014,000 yen. The main factor behind the decrease was the decrease of 206,521,000 yen in advances received due to the exclusion of RACCOON RENT, Inc. from the Company's consolidated subsidiaries. Non-current liabilities decreased 35,109,000 yen to 952,869,000 yen. The main factor behind the decrease was the decrease of 33,750,000 yen in long-term borrowings due to repayment.

Net assets at the end of the third quarter under review decreased 100,830,000 yen to 4,831,987,000 yen. The main factors behind the decrease were the decrease of 322,549,000 yen in retained earnings due to cash dividends paid, despite the increase in retained earnings due to the recording of 659,980,000 yen in net income attributable to owners of parent, and the increase of 476,516,000 yen in treasury shares mainly due to purchase of treasury shares.

(ii) Cash flows

Cash and cash equivalents (the "funds") at the end of the third quarter under review decreased 349,377,000 yen from the end of the previous fiscal year to 4,264,002,000 yen. Cash flows from each activity for the third quarter under review and their primary factors are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities during the third quarter under review amounted to 783,652,000 yen. The main factor behind this is an increase in funds due to income before income taxes of 967,535,000 yen, despite a decrease in funds due to an increase in notes and accounts receivable - trade of 343,646,000 yen.

(Cash flows from investing activities)

Net cash used in investing activities during the third quarter under review amounted to 291,968,000 yen. The main factor for this is the recording of 90,987,000 yen as payments for sale of shares of subsidiaries resulting in change in scope of consolidation, 127,660,000 yen as purchase of intangible assets primarily for developing software, and 75,000,000 yen as purchase of investment securities.

(Cash flows from financing activities)

Net cash used in financing activities during the third quarter under review amounted to 841,062,000 yen. The main factors behind this are cash dividends paid of 322,549,000 yen and purchase of treasury shares of 476,516,000 yen.

(3) Explanation on forecasts including consolidated results forecasts

For the forecast of results for the fiscal year ending April 30, 2025, the Company has revised the consolidated results forecasts announced on June 13, 2024. For details, please refer to the “Notice Concerning Revisions to Financial Forecasts and Dividend Forecast” announced today.

The forward-looking statements above are based on information available to the Company at the time of the announcement and certain assumptions that the Company considers reasonable. Actual results may differ significantly due to a variety of uncertain factors.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly consolidated balance sheets

(Thousand yen)

	End of previous consolidated fiscal year (As of April 30, 2024)	End of third quarter of the consolidated fiscal year under review (As of January 31, 2025)
Assets		
Current assets		
Cash and deposits	4,624,362	4,277,564
Accounts receivable - trade	7,702,545	8,045,032
Rights to claim compensation	47,696	14,228
Supplies	132	83
Prepaid expenses	224,394	93,590
Other	451,642	385,594
Allowance for doubtful accounts	(333,013)	(461,154)
Total current assets	12,717,761	12,354,940
Non-current assets		
Property, plant and equipment		
Buildings	620,329	620,329
Accumulated depreciation	(130,572)	(148,209)
Buildings, net	489,756	472,120
Tools, furniture and fixtures	82,769	87,140
Accumulated depreciation	(42,261)	(41,551)
Tools, furniture and fixtures, net	40,507	45,589
Land	882,140	882,140
Total property, plant and equipment	1,412,404	1,399,850
Intangible assets		
Software	310,072	317,039
Software in progress	102,804	93,599
Other	1,721	688
Total intangible assets	414,599	411,328
Investments and other assets		
Investment securities	461,733	550,252
Lease and guarantee deposits	1,748	1,134
Deferred tax assets	373,816	364,315
Other	80	50
Total investments and other assets	837,378	915,752
Total non-current assets	2,664,381	2,726,930
Total assets	15,382,142	15,081,870

(Thousand yen)

	End of previous consolidated fiscal year (As of April 30, 2024)	End of third quarter of the consolidated fiscal year under review (As of January 31, 2025)
Liabilities		
Current liabilities		
Accounts payable - trade	8,245,084	8,307,898
Current portion of long-term borrowings	45,000	45,000
Accounts payable - other	254,210	225,183
Income taxes payable	134,029	245,478
Allowance for guarantees	169,381	141,175
Provision for bonuses	103,455	44,369
Provision for sales promotion expenses	58,710	53,057
Deposits received	14,122	29,613
Other	437,351	205,237
Total current liabilities	9,461,345	9,297,014
Non-current liabilities		
Long-term borrowings	926,250	892,500
Other	61,728	60,369
Total non-current liabilities	987,978	952,869
Total liabilities	10,449,324	10,249,883
Net assets		
Shareholders' equity		
Capital stock	1,864,071	1,877,096
Capital surplus	1,263,889	1,276,914
Retained earnings	2,550,214	2,887,646
Treasury shares	(899,839)	(1,376,355)
Total shareholders' equity	4,778,337	4,665,301
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	—	8,942
Total accumulated other comprehensive income	—	8,942
Share acquisition rights	154,480	157,742
Total net assets	4,932,818	4,831,987
Total liabilities and net assets	15,382,142	15,081,870

(2) Quarterly consolidated statements of income and comprehensive income
(Quarterly consolidated statements of income)
(Third quarter of the consolidated fiscal year)

(Thousand yen)

	Third quarter of the previous consolidated fiscal year (From May 1, 2023 to January 31, 2024)	Third quarter of the consolidated fiscal year under review (From May 1, 2024 to January 31, 2025)
Net sales	4,299,693	4,559,234
Cost of sales	851,296	858,574
Gross profit	3,448,397	3,700,659
Selling, general and administrative expenses	2,983,187	2,748,366
Operating income	465,209	952,293
Non-operating income		
Commission income	1,885	8,208
Gain on investments in investment partnerships	—	164,577
Surrender value of insurance policies	5,231	—
Other	5,833	2,833
Total non-operating income	12,950	175,618
Non-operating expenses		
Interest expenses	2,777	7,073
Commission expenses	1,861	1,131
Loss on investments in investment partnerships	4,047	—
Commission for purchase of treasury shares	2,465	2,421
Other	273	158
Total non-operating expenses	11,424	10,785
Ordinary income	466,735	1,117,126
Extraordinary losses		
Loss on liquidation of business	—	123,027
Loss on sale of shares of subsidiaries and associates	—	26,563
Total extraordinary losses	—	149,590
Income before income taxes	466,735	967,535
Income taxes	155,880	307,555
Net income	310,854	659,980
Net income attributable to owners of parent	310,854	659,980

(Quarterly consolidated statements of comprehensive income)
(Third quarter of the consolidated fiscal year)

(Thousand yen)

	Third quarter of the previous consolidated fiscal year (From May 1, 2023 to January 31, 2024)	Third quarter of the consolidated fiscal year under review (From May 1, 2024 to January 31, 2025)
Net income	310,854	659,980
Other comprehensive income		
Valuation difference on available-for-sale securities	—	8,942
Total other comprehensive income	—	8,942
Comprehensive income	310,854	668,923
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	310,854	668,923

(3) Quarterly consolidated statements of cash flows

(Thousand yen)

	Third quarter of the consolidated fiscal year under review (From May 1, 2024 to January 31, 2025)
Cash flows from operating activities	
Income before income taxes	967,535
Depreciation	111,079
Share-based remuneration expenses	29,287
Increase (decrease) in allowance for doubtful accounts	128,140
Increase (decrease) in allowance for guarantees	7,599
Interest and dividend income	(404)
Interest expenses	7,073
Loss (gain) on investments in investment partnerships	(164,577)
Loss on liquidation of business	123,027
Loss (gain) on sale of shares of subsidiaries and associates	26,563
Decrease (increase) in notes and accounts receivable - trade	(343,646)
Decrease (increase) in rights to claim compensation	(4,460)
Decrease (increase) in inventories	49
Increase (decrease) in notes and accounts payable - trade	62,814
Increase (decrease) in deposits received	15,499
Increase (decrease) in advances received	(2,747)
Decrease (increase) in prepaid expenses	98,573
Decrease/increase in consumption taxes receivable/payable	32,817
Other	(102,813)
Subtotal	991,412
Interest and dividend income received	404
Interest expenses paid	(7,286)
Payments from liquidation of business	(164,452)
Income taxes paid	(256,962)
Income taxes refund	220,538
Cash flows provided by (used in) operating activities	783,652
Cash flows from investing activities	
Purchase of property, plant and equipment	(1,765)
Purchase of intangible assets	(127,660)
Purchase of investment securities	(75,000)
Proceeds from withdrawal of time deposits	500
Proceeds from distributions from investment partnerships	2,430
Payments for lease and guarantee deposits	(16)
Proceeds from refund of leasehold and guarantee deposits	630
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	(90,987)
Other	(100)
Cash flows provided by (used in) investing activities	(291,968)
Cash flows from financing activities	
Repayments of long-term borrowings	(33,750)
Cash dividends paid	(322,549)
Proceeds from issuance of shares resulting from exercise of subscription rights to shares	23
Purchase of treasury shares	(476,516)
Other	(8,269)
Cash flows provided by (used in) financing activities	(841,062)
Net increase (decrease) in cash and cash equivalents	(349,377)
Cash and cash equivalents at beginning of period	4,613,379
Cash and cash equivalents at end of period	4,264,002

(4) Notes on quarterly consolidated financial statements

(Changes in accounting policies)

(Application of the “Accounting Standard for Current Income Taxes,” etc.)

The Company has applied the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, revised on October 28, 2022; the “Revised Accounting Standard of 2022”), etc. from the beginning of the first quarter of the fiscal year under review. Revisions to categories for recording “Income taxes” (taxation on other comprehensive income) conform to the transitional treatment in the proviso of Paragraph 20-3 of the Revised Accounting Standard of 2022, and Paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, revised on October 28, 2022; the “Revised Guidance of 2022”). These changes in accounting policies have no impact on the quarterly consolidated financial statements.

As for the revision related to the review of the treatment in the consolidated financial statements in the case of the deferral for tax purposes of gain or loss on sale arising from the sale of shares of subsidiaries, etc. between consolidated companies, the Company has applied the Revised Guidance of 2022 from the beginning of the first quarter of the fiscal year under review. These changes in accounting policies are applied retrospectively, including the quarterly consolidated financial statements and the consolidated financial statements of the previous fiscal year which have been adjusted retrospectively. These changes in accounting policies have no impact on the quarterly consolidated financial statements and the consolidated financial statements of the previous fiscal year.

(Segment information, etc.)

[Segment information]

I. Third quarter of the previous consolidated fiscal year (from May 1, 2023, to January 31, 2024)

1. Information on sales and profits or losses by reporting segment

(Thousand yen)

	Reporting segment			Adjustment (Note 1)	Quarterly consolidated financial statement amount (Note 2)
	EC	Financial	Total		
Sales					
Sales to external customers	2,464,629	1,835,063	4,299,693	—	4,299,693
Inter-segment sales and transfers	—	219,364	219,364	(219,364)	—
Total	2,464,629	2,054,428	4,519,057	(219,364)	4,299,693
Segment profit	620,633	358,801	979,435	(514,225)	465,209

(Notes) 1. The segment profit adjustment of minus 514,225,000 yen includes company-wide revenues and expenses not distributed to the reporting segments. The company-wide revenues are mostly comprised of management consulting fees and such from each reporting segment and the company-wide expenses are general and administrative expenses and such which are not attributable to reporting segments.

2. Segment profits are adjusted to operating income in the quarterly consolidated statements of income.

2. Items related to impairment loss on non-current assets, goodwill, etc. by reporting segment

Not applicable

II. Third quarter of the consolidated fiscal year under review (from May 1, 2024, to January 31, 2025)

1. Information on sales and profits or losses by reporting segment

(Thousand yen)

	Reporting segment			Adjustment (Note 1)	Quarterly consolidated financial statement amount (Note 2)
	EC	Financial	Total		
Sales					
Sales to external customers	2,639,134	1,920,099	4,559,234	—	4,559,234
Inter-segment sales and transfers	—	239,667	239,667	(239,667)	—
Total	2,639,134	2,159,767	4,798,901	(239,667)	4,559,234
Segment profit	914,779	572,448	1,487,227	(534,934)	952,293

(Notes) 1. The segment profit adjustment of minus 534,934,000 yen includes company-wide revenues and expenses not distributed to the reporting segments. The company-wide revenues are mostly comprised of management consulting fees and such from each reporting segment and the company-wide expenses are general and administrative expenses and such which are not attributable to reporting segments.

2. Segment profits are adjusted to operating income in the quarterly consolidated statements of income.

2. Items related to impairment loss on non-current assets, goodwill, etc. by reporting segment

Not applicable

(Business combinations)

(Transfer of consolidated subsidiary (share transfer))

At the Board of Directors meeting held on October 21, 2024, the Company decided to transfer all shares of RACCOON RENT, Inc. (hereinafter, "RACCOON RENT"), a consolidated subsidiary of the Company, to Entrust Inc. (hereinafter, "Entrust"); entered into a share transfer agreement on the same date; and transferred all shares on November 1, 2024. Accordingly, RACCOON RENT was excluded from the Group's scope of consolidation.

1. Overview of transfer of the shares

(1) Name and business description of the subsidiary to be transferred

Name	RACCOON RENT, Inc.
Business description	Rent guarantee business

(2) Name of the transferee

Entrust Inc.

(3) Reason for transfer of the shares

We reviewed a policy for allocating management resources of the Raccoon Group. As a result, we decided to transfer shares in RACCOON RENT, determining that, following the selection and concentration of the business fields, we will be able to improve capital efficiency by concentrating management resources to the growing business

(4) Date of share transfer

November 1, 2024

(5) Other matters regarding the overview of transactions

Share transfer with consideration received in cash

2. Overview of the accounting treatment implemented

(1) Amount of loss or gain on transfer

Loss on sale of shares of subsidiaries and associates	26,563,000 yen
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(2) Proper book value of assets and liabilities related to the transferred subsidiary and their main components

Current assets	172,265,000 yen
Non-current assets	118,084,000 yen
Total assets	<u>290,349,000 yen</u>
Current liabilities	248,841,000 yen
Non-current liabilities	- yen
Total liabilities	<u>248,841,000 yen</u>

(3) Accounting treatment

The difference between the sale price of the transferred shares and their consolidated book value has been recorded as "Loss on sale of shares of subsidiaries and associates" under extraordinary losses.

3. Name of the reporting segment that included the subsidiary whose shares were transferred

Financial business

4. Estimated amounts of income and expenses related to the transferred consolidated subsidiary that have been recorded in the quarterly consolidated statements of income for the cumulative quarterly period of the consolidated fiscal year

Net sales	198,142,000 yen
Operating income	505,000 yen

(Notes in the case of significant changes in amount of shareholders' equity)

Not applicable

(Notes regarding going concern assumptions)

Not applicable

(Significant subsequent events)

Not applicable