

**For the Fiscal Year Ended March 31, 2025**

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**Annual Select<sup>®</sup> 2025**

# TANABE CONSULTING GROUP CO.,LTD.

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We love companies  
Walk together with companies  
And work for company prosperity.

Based on first-class trust  
We contribute broadly to society.

Guided by an international perspective  
We embrace unlimited changes.

As a ceaseless pioneer  
We clear a path to the world.

## **Corporate Profile**

TANABE CONSULTING GROUP CO.,LTD. (TCG; the “Company”) is a management consulting firm that was founded in 1957 and has a total of approximately 900 employees. While valuing the Management Philosophy (Aspiration) of “We love companies, walk together with companies and work for company prosperity” set forth by our founder, we formulated our Purpose (Contribution Value) of “Supporting the decisions with love and changing the world,” aiming to lead our client companies to success. As a pioneer in management consulting in Japan, we assist the top management (executives) of companies ranging from large enterprises (sales of typically ¥100-300 billion) to small and medium-sized companies (sales of typically ¥3-5 billion), focusing mainly on upper mid-sized enterprises (sales of typically ¥10-30 billion), in resolving the management issues they are facing. By always analyzing the management issues of each company from various perspectives using the viewpoint of CEO, forming teams comprised of multiple consultants with high expertise according to the particular management issues, and offering integrated support from strategy formulation to on-site implementation and operation of management systems, the Company will create “first call companies that will still be one’s first choice 100 years from now” and contribute to a sustainable society and the prosperity of a social economy.

## I. Summary of Selected Financial Data (Consolidated)

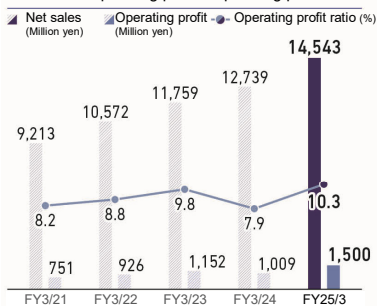
|  |                    | 59 <sup>th</sup> term<br>Fiscal year ended<br>March 31, 2021 | 60 <sup>th</sup> term<br>Fiscal year ended<br>March 31, 2022 | 61 <sup>st</sup> term<br>Fiscal year ended<br>March 31, 2023 | 62 <sup>nd</sup> term<br>Fiscal year ended<br>March 31, 2024 | 63 <sup>rd</sup> term<br>Fiscal year ended<br>March 31, 2025 |
|--|--------------------|--|--|--|--|--|
| Net sales  | (Thousands of yen) | 9,213,533  | 10,572,179   | 11,759,518   | 12,739,254   | 14,543,581   |
| Ordinary profit  | (Thousands of yen) | 771,820  | 931,607  | 1,163,255  | 1,012,996  | 1,589,047  |
| Profit attributable to owners<br>of parent             | (Thousands of yen) | 498,469  | 604,311  | 724,466  | 641,026  | 1,016,728  |
| Comprehensive income                                   | (Thousands of yen) | 672,315  | 617,242  | 711,985  | 835,721  | 1,052,671  |
| Net assets   | (Thousands of yen) | 11,430,591   | 11,517,472   | 11,710,874   | 11,304,318   | 11,141,003   |
| Total assets   | (Thousands of yen) | 13,405,911   | 13,824,896   | 14,410,994   | 14,139,231   | 14,328,671   |
| Net assets per share                                   | (Yen)              | 323.50   | 326.42   | 332.83   | 326.65   | 326.05   |
| Basic earnings per share                               | (Yen)              | 14.47  | 17.53  | 21.13  | 19.07  | 30.80  |
| Diluted earnings per share                             | (Yen)              | —  | 17.53  | —  | 19.05  | 30.76  |
| Equity ratio   | (%)                | 83.1   | 81.0   | 78.8   | 77.1   | 74.3   |
| Rate of return on equity                               | (%)                | 4.5  | 5.4  | 6.4  | 5.8  | 9.4  |
| Price-earnings ratio                                   | (Times)            | 24.80  | 19.77  | 21.35  | 27.06  | 19.97  |
| Net cash provided by (used<br>in) operating activities | (Thousands of yen) | 223,570  | 619,785  | 954,124  | 632,233  | 1,454,676  |
| Net cash provided by (used<br>in) investing activities | (Thousands of yen) | 1,426,787  | 619,946  | (1,096,845)  | (439,123)  | 1,896,829  |
| Net cash provided by (used<br>in) financing activities | (Thousands of yen) | (408,204)  | (619,032)  | (582,812)  | (1,228,085)  | (1,325,005)  |
| Cash and cash equivalents at<br>end of period          | (Thousands of yen) | 6,778,716  | 7,399,416  | 6,673,882  | 5,638,906  | 7,665,407  |
| Number of employees                                    |                    |  |  |  |  |  |
| [Separately, average number<br>of temporary employees] |                    | 457  | 495  | 566  | 600  | 711  |
| (Persons)  |                    | [-]  | [-]  | [-]  | [-]  | [-]  |

- Notes: 1. The Company implemented a two-for-one common stock split effective October 1, 2021 and a two-for-one common stock split effective April 1, 2025. Net assets per share, basic earnings per share and diluted earnings per share have been calculated assuming that the stock split was conducted at the beginning of the 59th term.
2. Diluted earnings per share for the 59th term and the 61st term are not presented because there were no potentially dilutive shares.
3. The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the 60th term, and the selected financial data for the 60th term onward are those after applying the accounting standard and relevant ASBJ regulations.
4. Because the average number of temporary employees is less than 10% of total employees, the disclosure is omitted.

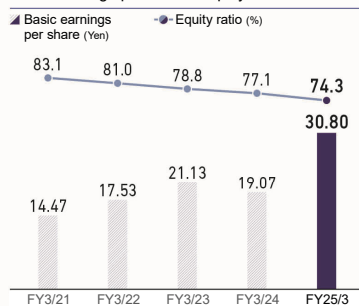
## Performance Topics

Note: The amounts and numbers of shares stated have been rounded down to the nearest whole unit.

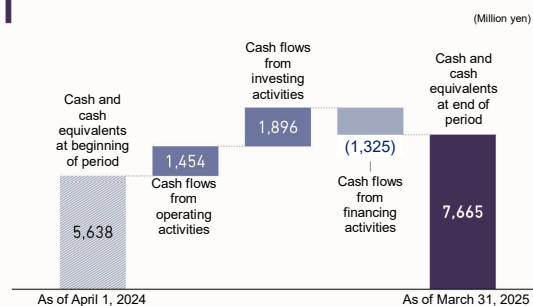
### Net sales / Operating profit / Operating profit ratio



### Basic earnings per share / Equity ratio



### Overview of consolidated cash flows



Note: The Company implemented a two-for-one common stock split effective October 1, 2021 and a two-for-one common stock split effective April 1, 2025. Basic earnings per share have been calculated assuming that the stock split was conducted at the beginning of the fiscal year ended March 31, 2021.

## II. Top Message



Takahiko Wakamatsu  
President and Chief Executive Officer

For the operating results for the fiscal year ended March 31, 2025, which is the fourth year of the “TCG Future Vision 2030” medium-term management plan for 2021-2025, the Company reported its highest ever net sales and profits since its foundation in 1957, with net sales of ¥14,543 million (up 14.2% YoY), operating profit of ¥1,500 million (up 48.6% YoY), ordinary profit of ¥1,589 million (up 56.9% YoY), and profit attributable to owners of parent of ¥1,016 million (up 58.6% YoY). Operating profit ratio was 10.3%, and return on equity (ROE) was 9.5%.

Regarding shareholder returns, after comprehensively considering factors such as our profit levels and financial position, we increased both the interim and year-end dividends for the fiscal year under review. As a result, we paid an annual dividend of ¥48 (up ¥4 YoY), which includes an interim dividend of ¥20 and a year-end dividend of ¥28. In addition, the Company acquired treasury shares of approximately ¥500 million. To further enhance our corporate value, we will provide stable and proactive shareholder returns to meet the expectations of our shareholders.

During the fiscal year under review, we welcomed Surpass Co., Ltd. as a new Group company on August 30, 2024, a women-led team that supports customer creation at client companies and the promotion of diversity, equity, and inclusion (DE&I) in the organization and human resources. In addition, we welcomed PEACEMIND Inc. as a new Group company on June 30, 2025, pursuant to the resolution to enter into a capital and business alliance at the Board of Directors meeting held on May 26, 2025. This company is a pioneer in the Employee Assistance Program (EAP) services industry in Japan and Asia, providing consulting services for “working people and organizations,” primarily large enterprises, for 27 years under its vision of “creating a ‘Hataraku wo Yoku Suru® ecosystem’ to fill society with vibrant people and workplaces.” The company employs approximately 100 professionals, including clinical psychologists, psychiatric social workers, public health nurses, and industrial counselors. With the addition of this company, TCG has entered the “Corporate Well-being Market,” further enhancing its HR consulting capabilities.

As a result, TCG has become a professional DE&I organization comprising eight Group companies with approximately 900 employees, achieving a balanced 50:50 gender ratio. Together with Group companies of TANABE CONSULTING CO.,LTD., Leading Solutions Co.,Ltd., Growin' Partners Inc., JAYTHREE, Inc., Kartz Media Works,Inc., Surpass Co., Ltd. and PEACEMIND Inc., we will build a co-creation model, and leverage the value of diverse professional talent to help solve strategic challenges facing top management (executives) of companies ranging from large enterprises to small and medium-sized companies, focusing mainly on upper mid-sized enterprises, thereby contributing broadly to society.

Taking these Group companies into account, we have revised our initial net sales target upward for the fiscal year ending March 31, 2026. We aim to achieve new record highs in both net sales and profits, targeting net sales of ¥16,000 million, operating profit of ¥1,800 million, profit attributable to owners of parent of ¥1,070 million, and an ROE of 10%. In addition, to show our appreciation for the support of our shareholders, and in response to many requests received in last year's shareholder survey, we are pleased to announce the introduction of a shareholder benefit program (QUO Card) starting on September 30, 2025.

### III. Results and Direction of Shareholder Returns

#### Results and direction of shareholder returns

##### Shareholder return policy

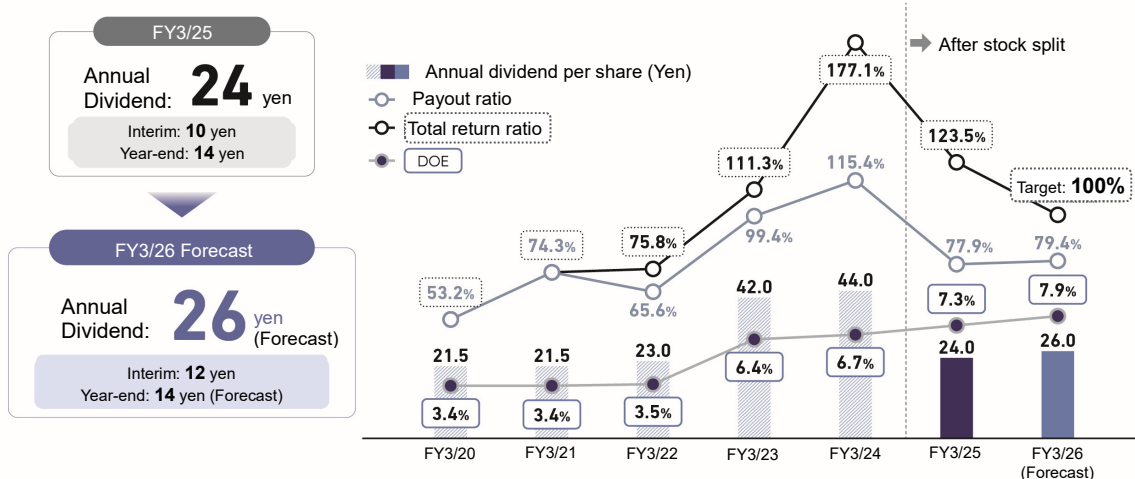
Based on our shareholder return policy of “targeting a consolidated total return ratio of 100%,” “dividend on equity (DOE) of 6% or higher” and “acquire treasury shares in a flexible manner,” we are committed to proactively returning profits to shareholders. In addition, our primary management objective is to generate stable profits while maintaining a solid financial foundation to prepare for strategic investments and sudden changes in the operating environment, and to achieve our March 2026 target of “10% return on equity (ROE).”

#### Shareholder Return Policy (Until FY3/26)

|                                 |                     |   |  |
|---------------------------------|---------------------|---|--|
| Consolidated Total Return Ratio | Target: <b>100%</b> | DOE (Dividends on Equity) <b>6%</b> or higher | Acquire treasury shares in a flexible manner |
|---------------------------------|---------------------|---|--|

##### Shareholder returns (Dividends)

- For the FY3/26, the annual dividend is planned to be 26 yen per share on a post-stock split basis (YoY +2 yen, payout ratio of 79.4%)
- For the FY3/26, flexible treasury stock acquisition is also planned



Note: As of the effective date of April 1, 2025, each share of common stock was split into two shares; figures for the FY3/25 onward are presented on a post-split basis.

#### Topic 01 Cancellation of treasury shares

- Cancelled share: 508,400 shares of common stock  
\*Ratio to total issued shares before cancellation: 2.9%
- Cancellation date: March 31, 2025  
\*Total number of issued shares after cancellation: 17,000,000 shares

#### Topic 02 Stock split

- 2-for-1 stock split of common shares with March 31, 2025 as the record date
  - Issued shares: 17,000,000 shares → 34,000,000 shares
  - Authorized shares: 70,000,000 shares → 136,000,000 shares
- \*The year-end dividend for the fiscal year ended March 31, 2025 with March 31, 2025 as the record date has been calculated based on the number of shares before the stock split

#### Topic 03 Upward revision of year-end dividend forecast for fiscal year ended March 31, 2025

- Increased by 1 yen from the previous forecast of 27 yen per share to 28 yen per share
- Annual dividend will be 48 yen per share in total, combined with the interim dividend of 20 yen (an increase of 4 yen compared to the previous fiscal year)
- \*This marks the second upward revision in the fiscal year ended March 31, 2025 (Initial forecast: interim dividend of 19 yen, annual dividend of 46 yen)

#### Topic 04 Introduction of shareholder benefit program

We have resolved to introduce a shareholder benefit program in response to many requests received in the shareholder survey, with the aim of encouraging more individual investors to hold our shares.

- Shareholders who are listed or recorded in the Company's shareholder registry as of the record date (September 30 of each year) and who hold 100 shares (1 unit) or more will be eligible  
\*Starting from September 30, 2025

| Number of shares held          | Benefit details     |
|--------------------------------|---------------------|
| 100 shares (1 unit) or more    | QUO Card 500 yen    |
| 300 shares (3 units) or more   | QUO Card 3,000 yen  |
| 500 shares (5 units) or more   | QUO Card 5,000 yen  |
| 1000 shares (10 units) or more | QUO Card 10,000 yen |

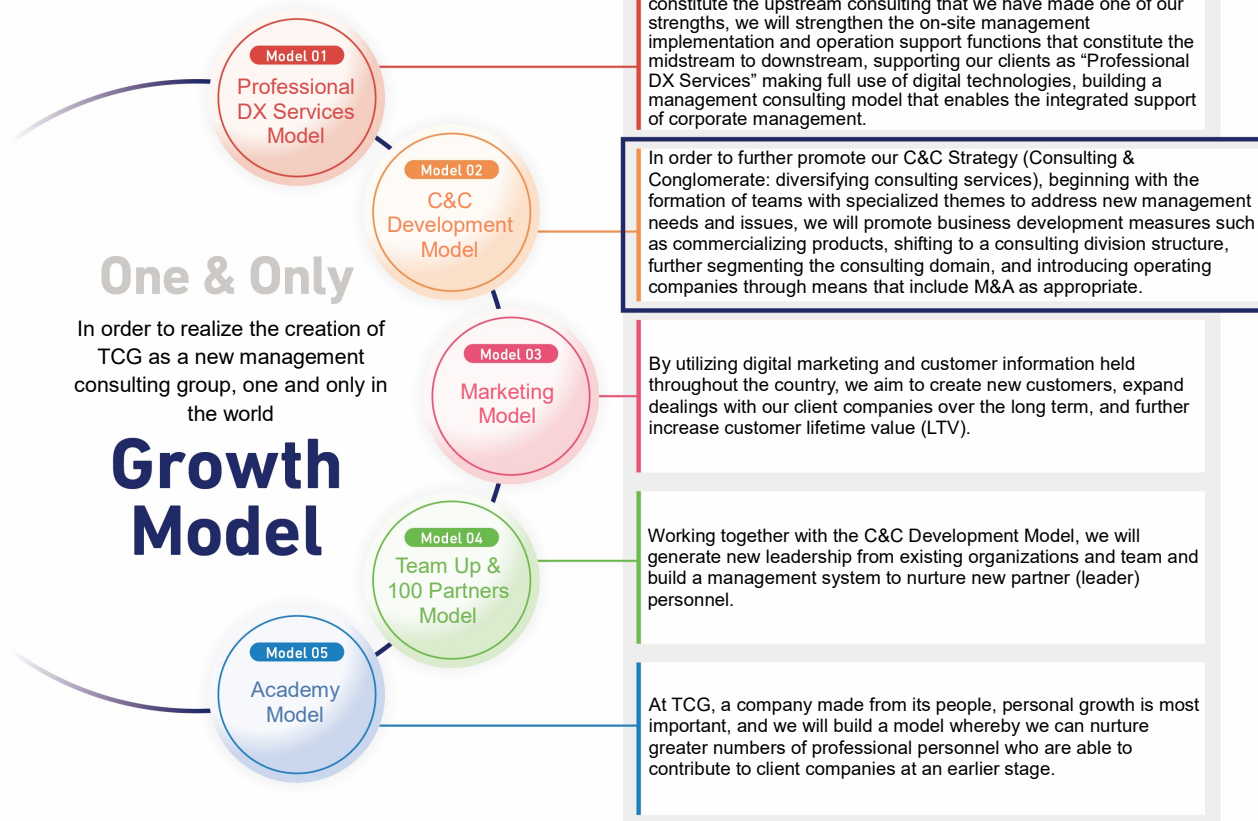
## IV. Medium-term Management Plan

Medium-term management plan (2021 – 2025) “TCG Future Vision 2030”

Globally Unrivaled Management Consulting Group

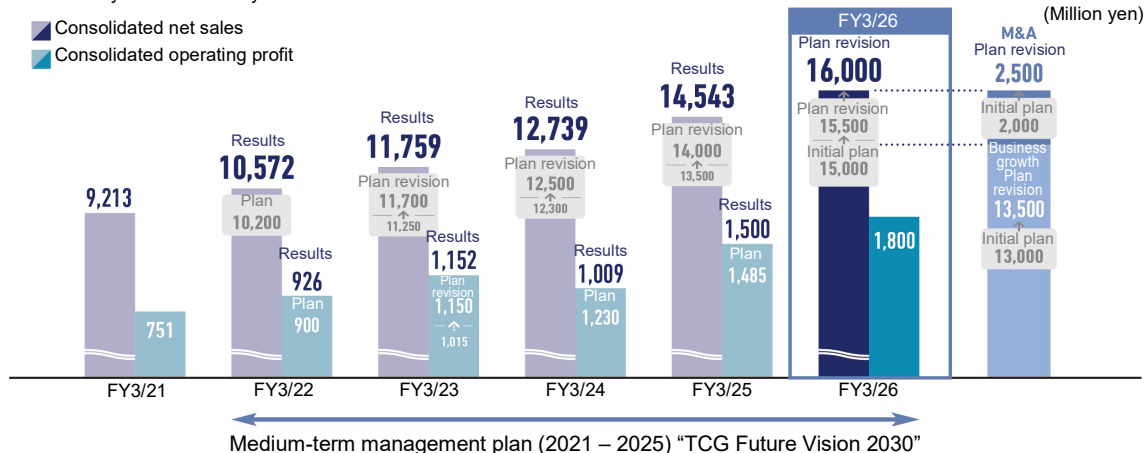
Creation of TCG

### TCG five growth models



### Numerical targets

- Net sales of 9,213 million yen in FY3/2021 were set as the launch vehicle under the mid-term management plan, and net sales of 13.5 billion yen were achieved in organic growth. The Company plans to achieve an additional 2.5 billion yen in net sales through the promotion of an M&A strategy that utilizes cash on hand and deposits of 1.0 billion yen or more, as well as the net sales target of 16.0 billion yen and operating profit of 1.8 billion yen in the mid-term management plan.
- With the addition of PEACEMIND Inc. to the Group, the increase in net sales through an M&A strategy was revised upward from 2.0 billion yen to 2.5 billion yen.

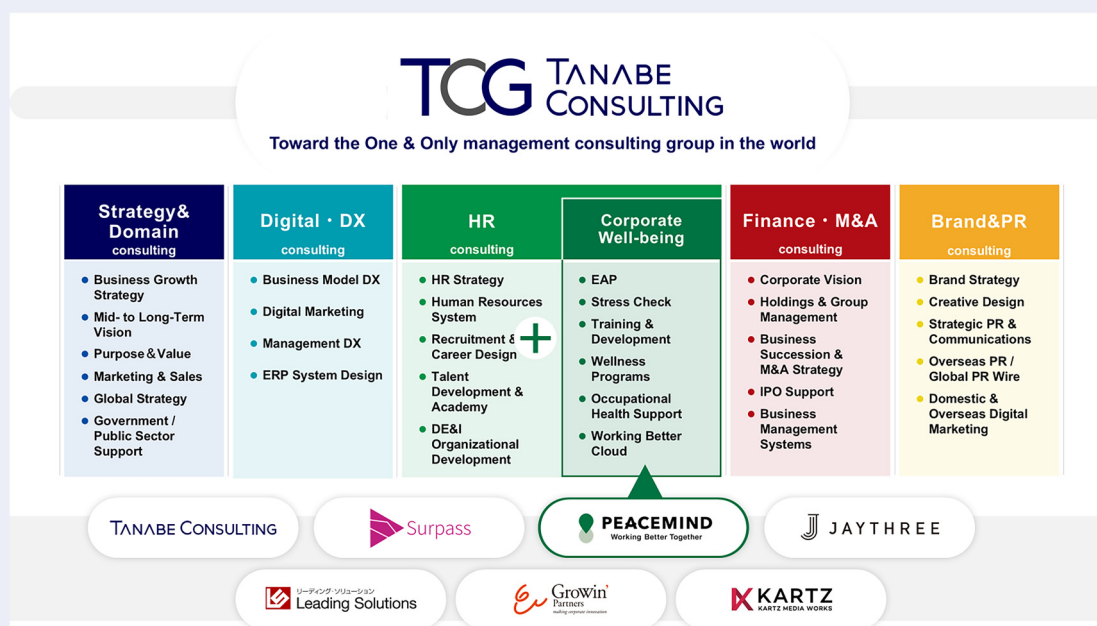




## Feature | Strategic diversification in the management consulting domain

### M&A strategies to achieve the medium-term management plan

In recent years, the business environment has undergone significant change, marking what is often called a once-in-30-year major turning point. Amid this turbulent era, for our Group—a pioneer in management consulting in Japan—to further grow as a business doctor, it is essential that we continue to enhance and expand our areas of consulting specialization (consulting services) to address the increasingly complex and sophisticated management issues facing our client companies. To achieve this, in line with our medium-term business strategy to diversify our management consulting domain, we are actively investing in M&A and working to enrich and strengthen our consulting services.



### Topic 05 Acquisition of majority shares in PEACEMIND Inc. (to make it a subsidiary) and capital and business alliance

On May 26, 2025, the Group disclosed the "Acquisition of Majority Shares in PEACEMIND Inc. (to Make It a Subsidiary) and Capital and Business Alliance." PEACEMIND employs approximately 100 professionals, including clinical psychologists, psychiatric social workers, public health nurses, industrial counselors, CEAP (Certified Employee Assistance Professionals), career consultants, and certified psychologists. Additionally, PEACEMIND has numerous bilingual counselors (including partner counselors) on staff. The company's activities extend beyond Japan, with partnership networks spanning 14 countries and global coverage across more than 200 countries and regions.

With the acquisition of shares and the capital and business alliance, the Group has entered the "Corporate Well-being Market." This will enable multifaceted and comprehensive approaches to address issues in human resources/human capital—a challenge for both society and management—including talent strategy, human resource development, HR systems, DE&I organizational development, health management, workplace environment, and individual employee problem-solving, thereby delivering value that enhances organizational performance.





## V. Financial Statements

### (1) Consolidated Balance Sheet

(Thousands of yen)

|  | As of March 31, 2024 | As of March 31, 2025 |
|--|----------------------|----------------------|
| <b>Assets</b>  |                      |                      |
| Current assets   |                      |                      |
| Cash and deposits  | 5,538,954            | 7,665,407            |
| Notes and accounts receivable - trade, and contract assets | 1,024,633            | 1,083,245            |
| Securities   | 2,299,531            | —                    |
| Merchandise  | 33,337               | 38,859               |
| Work in process  | 21,768               | 30,492               |
| Raw materials  | 2,250                | 1,901                |
| Other  | 428,747              | 272,438              |
| Allowance for doubtful accounts                            | (1,544)              | (590)                |
| Total current assets                                       | 9,347,679            | 9,091,754            |
| Non-current assets   |                      |                      |
| Property, plant and equipment                              |                      |                      |
| Buildings and structures                                   | 1,214,013            | 1,225,065            |
| Accumulated depreciation                                   | (617,642)            | (656,057)            |
| Buildings and structures, net                              | 596,370              | 569,007              |
| Land   | 1,527,477            | 1,527,477            |
| Other  | 408,293              | 406,760              |
| Accumulated depreciation                                   | (311,796)            | (313,137)            |
| Other, net   | 96,496               | 93,622               |
| Total property, plant and equipment                        | 2,220,344            | 2,190,107            |
| Intangible assets  |                      |                      |
| Goodwill   | 666,167              | 1,010,259            |
| Other  | 121,881              | 164,778              |
| Total intangible assets                                    | 788,049              | 1,175,038            |
| Investments and other assets                               |                      |                      |
| Investment securities                                      | 28,526               | 17,746               |
| Retirement benefit asset                                   | 1,058,513            | 1,085,071            |
| Deferred tax assets  | 47,852               | 88,785               |
| Long-term time deposits                                    | 212,803              | 214,003              |
| Other  | 433,834              | 465,073              |
| Total investments and other assets                         | 1,781,529            | 1,870,680            |
| Total non-current assets                                   | 4,789,923            | 5,235,825            |
| Deferred assets  | 1,628                | 1,091                |
| Total assets   | 14,139,231           | 14,328,671           |

(Thousands of yen)

|  | As of March 31, 2024 | As of March 31, 2025 |
|--|----------------------|----------------------|
| Liabilities  |                      |                      |
| Current liabilities  |                      |                      |
| Accounts payable - trade   | 321,299              | 405,794              |
| Income taxes payable   | 191,749              | 404,548              |
| Advances received  | 709,753              | 679,040              |
| Provision for bonuses  | 96,135               | 161,199              |
| Other  | 890,262              | 886,396              |
| Total current liabilities  | 2,209,199            | 2,536,979            |
| Non-current liabilities  |                      |                      |
| Long-term borrowings   | 210,564              | 256,965              |
| Deferred tax liabilities   | 262,094              | 257,068              |
| Provision for retirement benefits for directors (and other officers) | 124,737              | 124,737              |
| Other  | 28,317               | 11,916               |
| Total non-current liabilities  | 625,713              | 650,688              |
| Total liabilities  | 2,834,913            | 3,187,668            |
| Net assets   |                      |                      |
| Shareholders' equity   |                      |                      |
| Share capital  | 1,772,000            | 1,772,000            |
| Capital surplus  | 2,410,871            | 2,402,800            |
| Retained earnings  | 7,232,485            | 7,012,784            |
| Treasury shares  | (654,005)            | (632,585)            |
| Total shareholders' equity   | 10,761,351           | 10,554,998           |
| Accumulated other comprehensive income                               |                      |                      |
| Valuation difference on available-for-sale securities                | 3,249                | 3,165                |
| Remeasurements of defined benefit plans                              | 139,239              | 91,978               |
| Total accumulated other comprehensive income                         | 142,488              | 95,143               |
| Share acquisition rights   | 11,049               | 9,048                |
| Non-controlling interests  | 389,428              | 481,812              |
| Total net assets   | 11,304,318           | 11,141,003           |
| Total liabilities and net assets                                     | 14,139,231           | 14,328,671           |

## (2) Consolidated Statement of Income

(Thousands of yen)

|   | Fiscal year ended<br>March 31, 2024 | Fiscal year ended<br>March 31, 2025 |
|---|-------------------------------------|-------------------------------------|
| Net sales   | 12,739,254                          | 14,543,581                          |
| Cost of sales                                     | 7,274,034                           | 7,931,500                           |
| Gross profit                                      | 5,465,219                           | 6,612,080                           |
| Selling, general and administrative expenses      | 4,455,315                           | 5,111,771                           |
| Operating profit                                  | 1,009,904                           | 1,500,308                           |
| Non-operating income                              |                                     |                                     |
| Interest income                                   | 3,531                               | 4,625                               |
| Dividend income                                   | 123                                 | 0                                   |
| Gain on sale of investment securities             | –                                   | 81,038                              |
| Dividend income of life insurance                 | 1,733                               | 1,883                               |
| Other   | 3,377                               | 9,696                               |
| Total non-operating income                        | 8,766                               | 97,244                              |
| Non-operating expenses                            |                                     |                                     |
| Interest expenses                                 | 2,513                               | 5,562                               |
| Amortization of organization expenses             | 536                                 | 536                                 |
| Loss on investments in investment partnerships    | 2,438                               | 2,225                               |
| Other   | 184                                 | 180                                 |
| Total non-operating expenses                      | 5,673                               | 8,505                               |
| Ordinary profit                                   | 1,012,996                           | 1,589,047                           |
| Extraordinary income                              |                                     |                                     |
| Gain on sale of investment securities             | 2,964                               | –                                   |
| Reversal of allowance for doubtful accounts       | 19,000                              | –                                   |
| Reversal of provision for loss on guarantees      | 12,028                              | –                                   |
| Gain on reversal of share acquisition rights      | 259                                 | 355                                 |
| Total extraordinary income                        | 34,252                              | 355                                 |
| Extraordinary losses                              |                                     |                                     |
| Loss on sale and retirement of non-current assets | 6,608                               | 2,562                               |
| Total extraordinary losses                        | 6,608                               | 2,562                               |
| Profit before income taxes                        | 1,040,639                           | 1,586,840                           |
| Income taxes - current                            | 321,999                             | 508,128                             |
| Income taxes - deferred                           | 31,552                              | (21,678)                            |
| Total income taxes                                | 353,551                             | 486,450                             |
| Profit  | 687,088                             | 1,100,390                           |
| Profit attributable to non-controlling interests  | 46,061                              | 83,662                              |
| Profit attributable to owners of parent           | 641,026                             | 1,016,728                           |

### (3) Consolidated Statement of Comprehensive Income

(Thousands of yen)

|  | Fiscal year ended<br>March 31, 2024 | Fiscal year ended<br>March 31, 2025 |
|--|-------------------------------------|-------------------------------------|
| Profit   | 687,088                             | 1,100,390                           |
| Other comprehensive income                                     |                                     |                                     |
| Valuation difference on available-for-sale securities          | 1,389                               | (458)                               |
| Remeasurements of defined benefit plans, net of tax            | 147,243                             | (47,261)                            |
| Total other comprehensive income                               | 148,633                             | (47,719)                            |
| Comprehensive income   | 835,721                             | 1,052,671                           |
| Comprehensive income attributable to                           |                                     |                                     |
| Comprehensive income attributable to owners of parent          | 790,771                             | 969,382                             |
| Comprehensive income attributable to non-controlling interests | 44,950                              | 83,288                              |

#### (4) Consolidated Statement of Changes in Equity

Fiscal year ended March 31, 2024

(Thousands of yen)

|  | Shareholders' equity |                 |                   |                 |                            |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
|  | Share capital        | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period                                     | 1,772,000            | 2,409,621       | 7,455,466         | (277,334)       | 11,359,753                 |
| Changes during period  |                      |                 |                   |                 |                            |
| Dividends of surplus   |                      |                 | (864,007)         |                 | (864,007)                  |
| Profit attributable to owners of parent                            |                      |                 | 641,026           |                 | 641,026                    |
| Purchase of treasury shares  |                      |                 |                   | (400,100)       | (400,100)                  |
| Disposal of treasury shares (exercise of share acquisition rights) |                      | 1,249           |                   | 23,429          | 24,679                     |
| Cancellation of treasury shares                                    |                      |                 |                   |                 | —                          |
| Transfer from retained earnings to capital surplus                 |                      |                 |                   |                 | —                          |
| Net changes in items other than shareholders' equity               |                      |                 |                   |                 |                            |
| Total changes during period  | —                    | 1,249           | (222,981)         | (376,670)       | (598,402)                  |
| Balance at end of period   | 1,772,000            | 2,410,871       | 7,232,485         | (654,005)       | 10,761,351                 |

|  | Accumulated other comprehensive income                |   |  | Share acquisition rights | Non-controlling interests | Total net assets |
|--|---|---|--|--------------------------|---------------------------|------------------|
|  | Valuation difference on available-for-sale securities | Remeasurements of defined benefit plans | Total accumulated other comprehensive income |                          |                           |                  |
| Balance at beginning of period                                     | 748   | (8,003)                                 | (7,255)                                      | 13,898                   | 344,478                   | 11,710,874       |
| Changes during period  |   |   |  |                          |                           |                  |
| Dividends of surplus   |   |   |  |                          |                           | (864,007)        |
| Profit attributable to owners of parent                            |   |   |  |                          |                           | 641,026          |
| Purchase of treasury shares  |   |   |  |                          |                           | (400,100)        |
| Disposal of treasury shares (exercise of share acquisition rights) |   |   |  |                          |                           | 24,679           |
| Cancellation of treasury shares                                    |   |   |  |                          |                           | —                |
| Transfer from retained earnings to capital surplus                 |   |   |  |                          |                           | —                |
| Net changes in items other than shareholders' equity               | 2,501   | 147,243                                 | 149,744                                      | (2,849)                  | 44,950                    | 191,845          |
| Total changes during period  | 2,501   | 147,243                                 | 149,744                                      | (2,849)                  | 44,950                    | (406,556)        |
| Balance at end of period   | 3,249   | 139,239                                 | 142,488                                      | 11,049                   | 389,428                   | 11,304,318       |

Fiscal year ended March 31, 2025

(Thousands of yen)

|  | Shareholders' equity |                 |                   |                 |                            |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
|  | Share capital        | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period                                     | 1,772,000            | 2,410,871       | 7,232,485         | (654,005)       | 10,761,351                 |
| Changes during period  |                      |                 |                   |                 |                            |
| Dividends of surplus   |                      |                 | (763,158)         |                 | (763,158)                  |
| Profit attributable to owners of parent                            |                      |                 | 1,016,728         |                 | 1,016,728                  |
| Purchase of treasury shares  |                      |                 |                   | (474,158)       | (474,158)                  |
| Disposal of treasury shares (exercise of share acquisition rights) |                      | 170             |                   | 14,065          | 14,235                     |
| Cancellation of treasury shares                                    |                      | (481,513)       |                   | 481,513         | –                          |
| Transfer from retained earnings to capital surplus                 |                      | 473,271         | (473,271)         |                 | –                          |
| Net changes in items other than shareholders' equity               |                      |                 |                   |                 |                            |
| Total changes during period  | –                    | (8,071)         | (219,701)         | 21,419          | (206,353)                  |
| Balance at end of period   | 1,772,000            | 2,402,800       | 7,012,784         | (632,585)       | 10,554,998                 |

|  | Accumulated other comprehensive income                |   |  | Share acquisition rights | Non-controlling interests | Total net assets |
|--|---|---|--|--------------------------|---------------------------|------------------|
|  | Valuation difference on available-for-sale securities | Remeasurements of defined benefit plans | Total accumulated other comprehensive income |                          |                           |                  |
| Balance at beginning of period                                     | 3,249   | 139,239                                 | 142,488                                      | 11,049                   | 389,428                   | 11,304,318       |
| Changes during period  |   |   |  |                          |                           |                  |
| Dividends of surplus   |   |   |  |                          |                           | (763,158)        |
| Profit attributable to owners of parent                            |   |   |  |                          |                           | 1,016,728        |
| Purchase of treasury shares  |   |   |  |                          |                           | (474,158)        |
| Disposal of treasury shares (exercise of share acquisition rights) |   |   |  |                          |                           | 14,235           |
| Cancellation of treasury shares                                    |   |   |  |                          |                           | –                |
| Transfer from retained earnings to capital surplus                 |   |   |  |                          |                           | –                |
| Net changes in items other than shareholders' equity               | (84)  | (47,261)                                | (47,345)                                     | (2,000)                  | 92,384                    | 43,038           |
| Total changes during period  | (84)  | (47,261)                                | (47,345)                                     | (2,000)                  | 92,384                    | (163,314)        |
| Balance at end of period   | 3,165   | 91,978                                  | 95,143                                       | 9,048                    | 481,812                   | 11,141,003       |

## (5) Consolidated Statement of Cash Flows

(Thousands of yen)

|   | Fiscal year ended<br>March 31, 2024 | Fiscal year ended<br>March 31, 2025 |
|---|-------------------------------------|-------------------------------------|
| Cash flows from operating activities  |                                     |                                     |
| Profit before income taxes  | 1,040,639                           | 1,586,840                           |
| Depreciation  | 110,710                             | 126,954                             |
| Amortization of goodwill  | 69,369                              | 94,982                              |
| Loss (gain) on sale and retirement of non-current assets                                  | 6,608                               | 2,562                               |
| Loss (gain) on sale of investment securities  | (2,964)                             | (81,038)                            |
| Increase (decrease) in provision for bonuses  | (12,765)                            | 45,029                              |
| Increase (decrease) in allowance for doubtful accounts                                    | (19,923)                            | (953)                               |
| Decrease (increase) in retirement benefit asset   | (79,791)                            | (92,917)                            |
| Increase (decrease) in provision for loss on guarantees                                   | (12,028)                            | —                                   |
| Interest and dividend income  | (3,654)                             | (4,625)                             |
| Interest expenses   | 2,513                               | 5,562                               |
| Loss (gain) on investments in investment partnerships                                     | 2,438                               | 2,225                               |
| Decrease (increase) in trade receivables  | (159,606)                           | 26,560                              |
| Decrease (increase) in inventories  | 4,170                               | (13,897)                            |
| Increase (decrease) in trade payables   | (39,553)                            | 74,872                              |
| Increase (decrease) in advances received  | 42,919                              | (30,794)                            |
| Decrease (increase) in other assets   | (1,171)                             | (2,599)                             |
| Increase (decrease) in other liabilities  | 14,172                              | (19,485)                            |
| Other, net  | 90,755                              | 13,095                              |
| Subtotal  | 1,052,839                           | 1,732,371                           |
| Interest and dividends received   | 3,818                               | 5,419                               |
| Interest paid   | (2,299)                             | (5,420)                             |
| Income taxes refund (paid)  | (422,126)                           | (277,694)                           |
| Net cash provided by (used in) operating activities                                       | 632,233                             | 1,454,676                           |
| Cash flows from investing activities  |                                     |                                     |
| Payments into time deposits   | (2,400)                             | (2,400)                             |
| Proceeds from withdrawal of time deposits   | 1,200                               | 1,200                               |
| Purchase of securities  | (7,700,000)                         | (800,000)                           |
| Proceeds from sale and redemption of securities   | 7,400,000                           | 3,000,000                           |
| Proceeds from sale and redemption of investment securities                                | 3,289                               | 90,973                              |
| Payments for investments in capital   | (15,000)                            | (25,000)                            |
| Purchase of property, plant and equipment and intangible assets                           | (160,802)                           | (95,961)                            |
| Payments of guarantee deposits  | (5,760)                             | (3,636)                             |
| Proceeds from refund of guarantee deposits  | 30,304                              | 4,062                               |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation          | —                                   | (277,952)                           |
| Other, net  | 10,044                              | 5,544                               |
| Net cash provided by (used in) investing activities                                       | (439,123)                           | 1,896,829                           |
| Cash flows from financing activities  |                                     |                                     |
| Proceeds from sale of treasury shares resulting from exercise of share acquisition rights | 22,089                              | 11,591                              |
| Purchase of treasury shares   | (400,100)                           | (474,158)                           |
| Dividends paid  | (862,101)                           | (761,919)                           |
| Other, net  | 12,027                              | (100,518)                           |
| Net cash provided by (used in) financing activities                                       | (1,228,085)                         | (1,325,005)                         |
| Net increase (decrease) in cash and cash equivalents                                      | (1,034,975)                         | 2,026,501                           |
| Cash and cash equivalents at beginning of period  | 6,673,882                           | 5,638,906                           |
| Cash and cash equivalents at end of period  | 5,638,906                           | 7,665,407                           |



## VI. Corporate Data

### Basic Information (as of April 1, 2025)

|                      |   |
|----------------------|---|
| Trade name:          | TANABE CONSULTING GROUP CO.,LTD.  |
| Founded:             | October 16, 1957  |
| Established:         | April 1, 1963   |
| Listed market:       | The Prime Market of Tokyo Stock Exchange<br>(Securities Code: 9644)   |
| Listed:              | September 28, 2016  |
| Business year:       | From April 1 to March 31  |
| Share capital:       | 1,772 million yen   |
| Number of employees: | 729 persons (consolidated)  |
| Group companies:     | TANABE CONSULTING CO.,LTD.<br>Leading Solutions Co.,Ltd.<br>Growin' Partners Inc.<br>JAYTHREE, Inc.<br>Kartz Media Works,Inc.<br>Surpass Co.,Ltd. |
| Osaka Headquarters:  | 3-3-41 Miyahara, Yodogawa-ku, Osaka   |
| Tokyo Headquarters:  | Tekko Building 9th Floor, 1-8-2 Marunouchi,<br>Chiyoda-ku, Tokyo  |
| Telephone:           | +81-6-7177-4000   |

### Directors (as of June 25, 2025)

|  |                     |
|--|---------------------|
| President and Chief Executive Officer              | Takahiko Wakamatsu  |
| Executive Vice President                           | Yoshikuni Nagao     |
| Senior Managing Director                           | Norihito Minamikawa |
| Senior Managing Director                           | Masaru Warata       |
| Senior Managing Director                           | Itaru Okumura       |
| Director   | Yoshihiro Kawamoto  |
| Director* (Audit and Supervisory Committee Member) | Hiroshi Kanbara     |
| Director* (Audit and Supervisory Committee Member) | Maki Imura          |
| Director* (Audit and Supervisory Committee Member) | Kaname Matsumoto    |
| Director* (Audit and Supervisory Committee Member) | Yoshie Shinoki      |

\* Outside Director

**Stock Status** (as of March 31, 2025)

|                                    |                   |
|------------------------------------|-------------------|
| Total number of shares authorized: | 70,000,000 shares |
| Total number of shares issued:     | 17,000,000 shares |
| Number of shareholders:            | 7,325             |

**Major shareholders (Top 11)** (as of March 31, 2025)

| Shareholder name   | Number of shares held<br>(Thousands of shares) | Share-holding ratio<br>(%) |
|--|--|----------------------------|
| Jiro Tanabe  | 1,895  | 11.6                       |
| Toki Narazaki  | 1,547  | 9.5                        |
| Yoichiro Tanabe  | 1,541  | 9.4                        |
| The Master Trust Bank of Japan, Ltd.<br>(Trust Account)    | 1,004  | 6.2                        |
| HIKARI TSUSHIN, INC.                                       | 835  | 5.1                        |
| Shinichi Ueda  | 480  | 2.9                        |
| Tanabe Consulting Group Employee Share<br>Ownership Scheme | 472  | 2.9                        |
| SMBC Trust Bank Ltd.<br>Designated Securities Trust        | 404  | 2.5                        |
| Hitoshi Kimoto   | 320  | 2.0                        |
| Naoko Ito  | 245  | 1.5                        |
| Yoko Takahashi   | 245  | 1.5                        |

Note: Share-holding ratio is calculated after reduction of the number of treasury shares (667,908 shares).

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\* While every best effort has been made to provide a translation meeting the quality standards required of professionals, the Company does not guarantee it is 100% accurate. Therefore, please verify the original Japanese text for any final judgments made based on this information.