

Action to Implement Management that is Conscious of Cost of Capital and Stock Price

**Be a dependable end-of-life partner by moving even closer to the
senior generation and their family members**

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Current situation analysis

➤ Numerical targets for (1) to (4) have been set in the medium-term management plan (FY2022-FY2024)

[(1) Operating revenue]

[(2) Operating income/margin]

[(3) ROIC]

FY2024: ¥**31.98** billion

FY2024: ¥**4.52** billion, **14.1%**

FY2024: **6.1%**

FY2024: 139% compared to the medium-term management plan

FY2024: 125% (-1.7pt) compared to the medium-term management plan

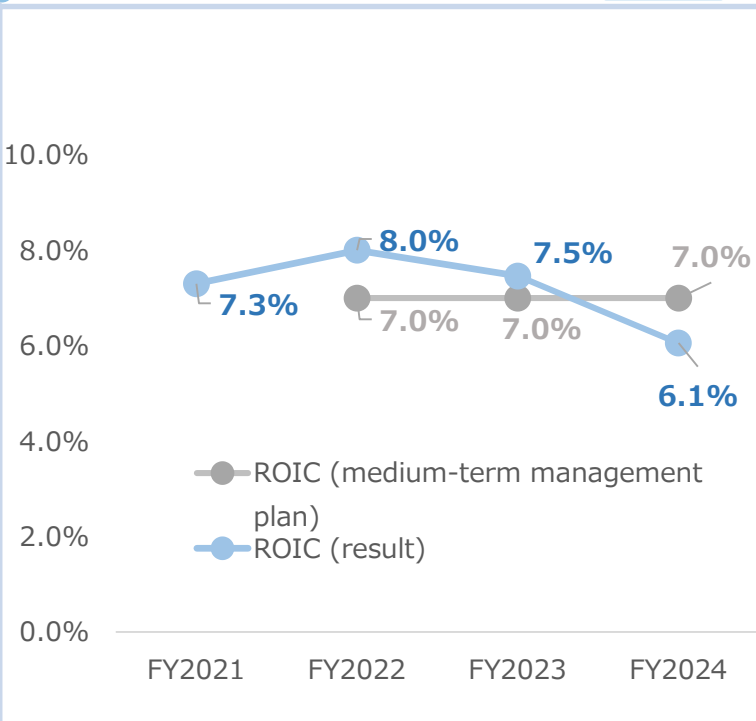
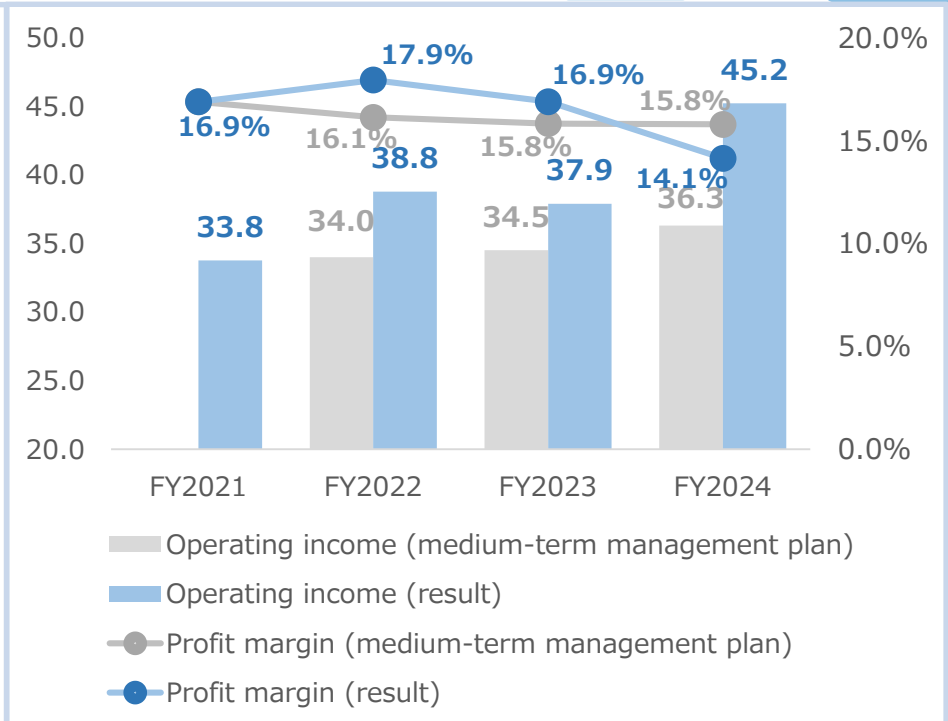
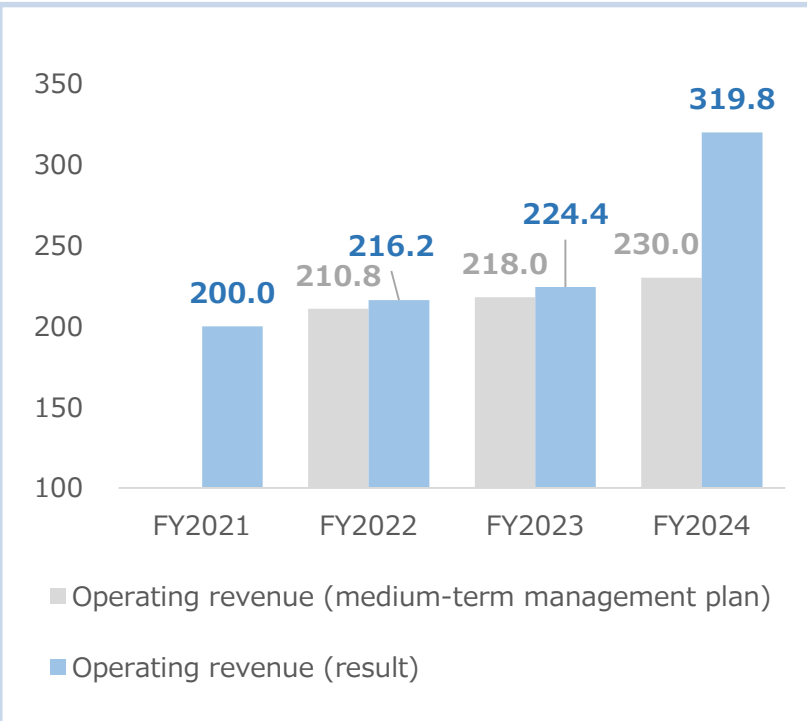
FY2024: -0.9pt compared to the medium-term management plan

Achieved

Achieved

Not achieved

Not achieved



The consolidation of Kizuna HD as a subsidiary resulted in a significant increase in operating revenue for FY2024, and operating profit also increased due to the aforementioned profit increase and strong sales. On the other hand, operating profit margin and ROIC declined mainly due to the amortization of goodwill associated with the consolidation of Kizuna HD as a subsidiary.

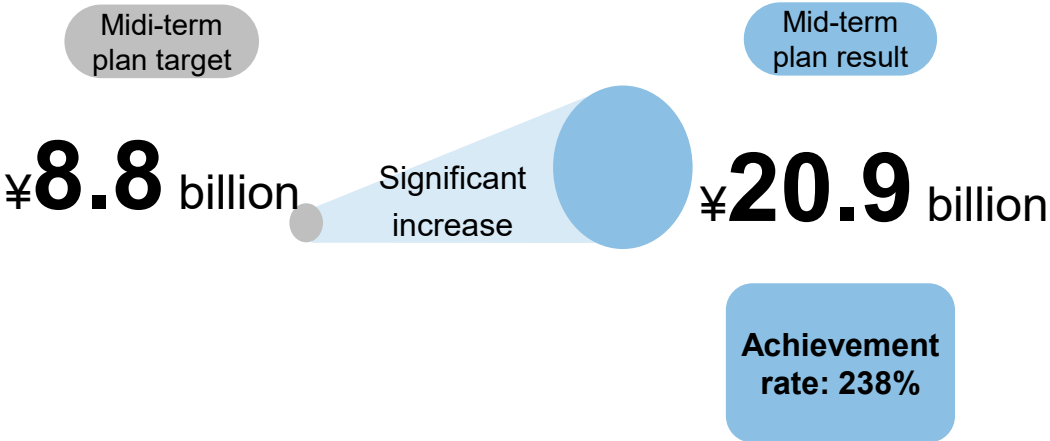
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Current situation analysis

[(4) Capital allocation targets and results]

Cash in

	Mid-term plan target	Mid-term plan result
Operating cash flow	¥8.8 billion	¥11.6 billion
Utilization of cash on hand and interest-bearing debt	- billion yen	¥5.3 billion
Asset sale	- billion yen	¥3.9 billion
Total	¥8.8 billion	¥20.9 billion



In addition to an increase in operating cash flow, funds for aggressive growth investments were procured through borrowing and the sale of non-core business assets.

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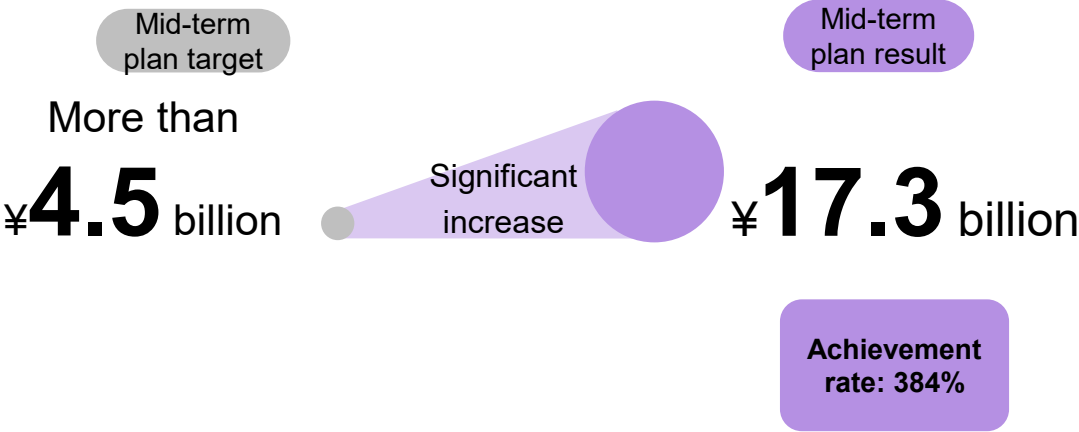
Current situation analysis

[(4) Capital allocation targets and results]

Investments for growth

		Mid-term plan target	Mid-term plan result
Investments	Growth investments (store openings and M&A)	More than ¥4.5 billion	¥17.3 billion
	Maintenance investments, etc.	¥1.0 to ¥1.5 billion	¥1.1 billion
	Subtotal	More than ¥5.5 billion	¥18.4 billion
Shareholder returns	Dividend		¥1.4 billion
	Purchase of treasury shares		¥1.0 billion
	Subtotal		¥2.5 billion
Total			¥20.9 billion

Cash out



We actively invested in growth and significantly expanded our business scale through two M&A deals (Kizuna HD and Tokyo Ceremony). In addition, with regard to shareholder returns, we conducted a purchase of treasury shares amounting to 1 billion yen

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Direction of initiatives

1. New target indicators have been set in the new medium-term management plan (FY2025-FY2027).
2. We will set ROE as our key capital efficiency indicator and aim to achieve a stable ROE of 8% or higher over the medium to long term
3. Added EBITDA, which indicates the ability to generate cash, as a key indicator
4. We are currently reviewing other medium-term management indicators and capital allocation policies, taking into account the integration synergies of Kizuna HD.
Details of the medium-term management plan will be announced in August 2025.