

**Operating group instruction cram schools in the Kanto area, focusing on Gunma and Saitama prefectures**

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**【5869 WASEDA GAKUSHUKENKYUKAI Sector : Services】**

Fiscal Year	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Mar.2022	5,888	7.7	1,175	-	1,213	-1.5	831	-11.9	82.6	523.6	24.8
Mar.2023	6,110	3.8	1,230	4.7	1,246	2.7	838	0.9	83.3	582.1	25.0
Mar.2024 f	6,508	6.5	1,475	19.9	1,458	16.9	1,078	28.6	106.7	-	52.8

Note: Non-consolidated basis. Figures for the fiscal year ending March 2024 is the company's forecasts.

It conducted 1:50 stock split on August 15, 2023. Per share indices are adjusted retroactively.

**Operating Group Instruction Cram Schools**

WASEDA GAKUSHUKENKYUKAI operates group instruction cram schools and individual instruction cram schools for elementary, junior high school and high school students.

The company's net sales in fiscal year ended March 2023 were 73.7% from group instruction cram schools for elementary and junior high school students, 18.8% from group instruction cram schools for high school students, and 7.5% from individual instruction cram schools for elementary, junior high school and high school students. WASEDA GAKUSHUKENKYUKAI's school facilities (classrooms) are located in Gunma, Tochigi, Saitama and Tokyo prefectures, with a total number of 59 schools (classrooms) as of the end of October 2023.

WASEDA GAKUSHUKENKYUKAI's group instruction cram schools for elementary and junior high school students provide high-quality lessons and detailed support. For elementary school students there is a focus to enhance their academic abilities, while for junior high school students, the emphasis is to prepare for high school entrance exams.

Group instruction cram schools for high school students to prepare students for university entrance exams and have succeeded in sending many students to the top universities in Japan.

Individual instruction cram schools for elementary, junior high and high school students provide one-to-one or small group (up to four) tutoring. Students can use study rooms for self-study, even on days when they have no class. Additionally, they can consult tutors if any questions arise.

WASEDA GAKUSHUKENKYUKAI's revenues are comprised of mainly tuition fees paid by students. The company's cost of sales are expenses incurred in operating its schools (classrooms), such as personnel expenses, procurement costs of teaching materials, rent expenses, depreciation and supply expenses. In fiscal year ended March 2023, personnel expenses (including salaries, allowances and bonuses, and legal welfare expenses) accounted for 70.0% of the cost of sales. Selling, general and administrative expenses are mainly advertising expenses and personnel expenses related to the administrative department, of which advertising expenses accounted for 21.1% and salaries and allowances for 20.3%.

## Financial Statements

Statement of income	Fiscal Year	Mar. 2022		Mar.2023		Six months to Sep.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		5,888	100.0	6,110	100.0	2,906	100.0
Cost of sales		3,388	57.5	3,536	57.9	1,858	64.0
Gross profit		2,500	42.5	2,573	42.1	1,047	36.0
Selling, general and administrative expenses		1,325	22.5	1,343	22.0	395	13.6
Operating profit		1,175	20.0	1,230	20.1	651	22.4
Non-operating income		39	0.7	19	0.3	9	0.3
Non-operating expenses		0	0.0	2	0.0	4	0.1
Ordinary profit		1,213	20.6	1,246	20.4	656	22.6
Profit before income taxes		1,223	20.8	1,236	20.2	648	22.3
Profit attributable to owners of parent		831	14.1	838	13.7	454	15.6

Balance sheet	Fiscal Year	Mar. 2022		Mar.2023		Sep.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		4,553	60.7	4,832	58.6	4,691	56.3
Cash and deposits		4,013	53.5	4,296	52.1	3,941	47.3
Accounts receivable-trade		6	0.1	9	0.1	5	0.1
Inventories		43	0.6	36	0.4	36	0.4
Non-current assets		2,945	39.3	3,412	41.4	3,639	43.7
Property, plant and equipment		2,630	35.1	3,092	37.5	3,327	39.9
Intangible assets		97	1.3	97	1.2	84	1.0
Investments and other assets		216	2.9	222	2.7	228	2.7
Leasehold and guarantee deposits		135	1.8	133	1.6	138	1.7
Total assets		7,498	100.0	8,245	100.0	8,330	100.0
Current liabilities		1,159	15.5	1,275	15.5	1,390	16.7
Accounts payable - trade		47	0.6	30	0.4	16	0.2
Non-current liabilities		1,071	14.3	1,112	13.5	880	10.6
Provision for retirement benefits		895	11.9	932	11.3	702	8.4
Net assets		5,267	70.3	5,856	71.0	6,059	72.7
Owners' equity		5,267	70.3	5,856	71.0	6,059	72.7

Statement of cash flows	Fiscal Year	Mar. 2022	Mar.2023	Six months to Sep.2023
		(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		654	1,137	191
Depreciation		136	139	74
Cash flows from investing activities		-91	-602	-295
Cash flows from financing activities		-280	-252	-251
Dividends paid		-279	-249	-251
Net increase in cash and cash equivalents		282	282	-355
Cash and cash equivalents		3,913	4,196	3,841

Note: Non-consolidated

Source: Prepared by Stock Research Center based on the notifiable prospectus.

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