



Consolidated Financial Results for the Three Months Ended March 31, 2025 [Under Japanese GAAP]

May 13, 2025

Company name: CareNet, Inc.

Securities code: 2150

Representative: Katsuhiro Fujii, President

Contact: Kanji Fujii, Representative Director and CFO

Scheduled date for commencing dividend payments: –

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

Stock exchange listing: Tokyo Stock Exchange

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(Amounts of less than one million yen are truncated.)

1. Consolidated financial results for the three months ended March 31, 2025 (January 1, 2025 to March 31, 2025)

(1) Consolidated operating results

(% indicates year-over-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended March 31, 2025	2,794	4.8	641	17.7	547	(2.9)	428	37.8
Three months ended March 31, 2024	2,667	5.6	545	(23.7)	563	(21.2)	310	(32.1)

(Note) Comprehensive income: Three months ended March 31, 2025: 422 million yen [19.0%]
Three months ended March 31, 2024: 354 million yen [(21.6)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended March 31, 2025	9.91	—
Three months ended March 31, 2024	6.98	—

(Note) Diluted earnings per share is not stated as there are no dilutive shares.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2025	13,286	10,913	80.6	249.77
As of December 31, 2024	14,113	11,329	79.0	256.96

(Reference) Equity: As of March 31, 2025: 10,715 million yen As of December 31, 2024: 11,143 million yen

2. Dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2024	—	0.00	—	12.00	12.00
Fiscal year ending December 31, 2025	—				
Fiscal year ending December 31, 2025 (forecast)		0.00	—	12.00	12.00

(Note) Revision to the most recently announced dividend forecast: None

3. Consolidated financial results forecast for the fiscal year ending December 31, 2025 (January 1, 2025 to December 31, 2025) (% indicates year-over-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	12,500	11.8	2,500	5.9	2,370	0.1	1,500	31.6	33.94

(Note) Revision to the most recently announced financial results forecast: None

* Notes

(1) Significant changes in the scope of consolidation during the current period: None

(2) Accounting treatments adopted specially for the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and retrospective restatements

1) Changes in accounting policies due to application of new or revised accounting standards: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatements: None

(Note) Please refer to “2. Quarterly consolidated financial statements and major notes, (3) Notes to quarterly consolidated financial statements, (Changes in accounting policies), (Changes in accounting estimates), and (Retrospective restatements)” on page 7 of the attached materials of the Japanese version for details.

(4) Number of shares of common stock issued

1) Number of shares issued at the end of the period (including treasury stock)	As of March 31, 2025	46,872,000 shares	As of December 31, 2024	46,872,000 shares
2) Number of shares of treasury stock at the end of the period	As of March 31, 2025	3,972,702 shares	As of December 31, 2024	3,505,802 shares
3) Average number of shares outstanding during the period	Three months ended March 31, 2025	43,234,325 shares	Three months ended March 31, 2024	44,551,298 shares

(Note) The Company’s shares held by the “Board Benefit Trust (BBT)” and the “Board Benefit Trust (J-ESOP)” are included in the treasury stock deducted in the calculation of the average number of shares outstanding during the period.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Explanation on appropriate use of financial results forecasts and other matters of note

Financial results forecasts and other forward-looking statements provided in these materials are estimated based on information available to the Company as of the date of publication. Actual financial results may differ from these forecasts owing to changes in future economic conditions and other factors.

2. Quarterly financial statements and major notes

(1) Quarterly consolidated balance sheets

(Thousand yen)

	Previous fiscal year (As of December 31, 2024)	Three months under review (As of March 31, 2025)
Assets		
Current assets		
Cash and deposits	7,360,989	7,118,930
Accounts receivable – trade, and contract assets	2,586,693	2,302,704
Electronically recorded monetary claims - operating	6,325	2,860
Inventories	19,368	27,691
Prepaid expenses	361,824	341,530
Other	135,208	77,240
Allowance for doubtful accounts	(5,700)	(5,700)
Total current assets	10,464,710	9,865,257
Non-current assets		
Property, plant and equipment	194,947	204,704
Intangible assets		
Goodwill	619,525	582,796
Other	91,184	90,097
Total intangible assets	710,709	672,894
Investments and other assets	2,742,659	2,543,250
Total non-current assets	3,648,316	3,420,849
Total assets	14,113,026	13,286,107

(Thousand yen)

	Previous fiscal year (As of December 31, 2024)	Three months under review (As of March 31, 2025)
Liabilities		
Current liabilities		
Accounts payable – trade	152,597	93,560
Current portion of long-term borrowings	31,148	29,424
Income taxes payable	465,563	147,716
Advances received	120,044	181,039
Provision for point card certificates	921,824	881,700
Other	827,021	772,631
Total current liabilities	2,518,198	2,106,070
Non-current liabilities		
Long-term borrowings	99,872	90,348
Retirement benefit liability	18,474	20,193
Asset retirement obligations	51,963	51,909
Provision for share awards for directors (and other officers)	81,270	86,688
Other	13,569	17,382
Total non-current liabilities	265,148	266,521
Total liabilities	2,783,347	2,372,592
Net assets		
Shareholders' equity		
Share capital	2,405,636	2,405,636
Capital surplus	3,138,641	3,138,641
Retained earnings	7,087,285	6,990,619
Treasury shares	(1,507,632)	(1,821,364)
Total shareholders' equity	11,123,931	10,713,532
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,334	1,537
Total accumulated other comprehensive income	19,334	1,537
Share acquisition rights	0	0
Non-controlling interests	186,413	198,444
Total net assets	11,329,679	10,913,514
Total liabilities and net assets	14,113,026	13,286,107

(2) Quarterly consolidated statements of income and comprehensive income
(Quarterly consolidated statements of income)
(For the three months ended March 31)

(Thousand yen)

	Previous three month period (January 1, 2024 to March 31, 2024)	Three months under review (January 1, 2025 to March 31, 2025)
Net sales	2,667,149	2,794,532
Cost of sales	1,087,003	1,070,620
Gross profit	1,580,145	1,723,912
Selling, general and administrative expenses	1,034,894	1,082,082
Operating profit	545,251	641,829
Non-operating income		
Interest income	1,213	4,019
Share of profit of entities accounted for using equity method	11,055	—
Foreign exchange gains	8,442	—
Miscellaneous income	713	2,599
Total non-operating income	21,423	6,618
Non-operating expenses		
Interest expenses	161	354
Share of loss of entities accounted for using equity method	—	13,705
Foreign exchange losses	—	7,756
Loss on retirement of non-current assets	—	493
Loss on investments in investment partnerships	83	76,433
Consumption tax adjustments	2,211	1,079
Expenses related to purchase of treasury shares	—	941
Miscellaneous loss	591	473
Total non-operating expenses	3,047	101,238
Ordinary profit	563,627	547,209
Extraordinary income		
Gain on sale of investment securities	—	73,680
Total extraordinary income	—	73,680
Extraordinary losses		
Loss on valuation of investment securities	48,018	—
Total extraordinary losses	48,018	—
Profit before income taxes	515,608	620,889
Income taxes – current	148,458	133,878
Income taxes – deferred	36,731	46,735
Total income taxes	185,190	180,614
Profit	330,418	440,274
Profit attributable to non-controlling interests	19,583	12,031
Profit attributable to owners of parent	310,835	428,243

(Quarterly consolidated statements of comprehensive income)

(For the three months ended March 31)

(Thousand yen)

	Previous three month period (January 1, 2024 to March 31, 2024)	Three months under review (January 1, 2025 to March 31, 2025)
Profit	330,418	440,274
Other comprehensive income		
Valuation difference on available-for-sale securities	24,516	(17,796)
Total other comprehensive income	24,516	(17,796)
Comprehensive income	354,935	422,478
Comprehensive income attributable to:		
Owners of parent	335,351	410,446
Non-controlling interests	19,583	12,031