

**Translation**

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## Summary of Non-Consolidated Financial Results for the Three Months Ended January 31, 2024 (Based on Japanese GAAP)

March 11, 2024

Company name: GAKUJO Co.,Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 2301 URL <https://company.gakujo.ne.jp>  
 Representative: President and CEO Taishi Nakai  
 Inquiries: Executive Officer Hidekazu Nakamura TEL 03-3593-1500  
 Scheduled date to file Quarterly Securities Report: March 15, 2024  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Non-consolidated financial results for the three months ended January 31, 2024 (from November 1, 2023 to January 31, 2024)

#### (1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended January 31, 2024	1,481	32.1	(57)	–	23	–	68	–
Three months ended January 31, 2023	1,121	88.3	(118)	–	(48)	–	(40)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended January 31, 2024	4.88		4.88	
Three months ended January 31, 2023	(2.91)		–	

#### (2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of January 31, 2024	14,129	12,899	91.2	922.57
As of October 31, 2023	15,605	13,265	84.9	948.81

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended October 31, 2023	–	24.00	–	27.00	51.00
Year ending October 31, 2024	–	–	–	–	–
Year ending October 31, 2024 (Forecast)	–	26.00	–	26.00	52.00

### 3. Forecast of non-consolidated financial results for the year ending October 31, 2024 (from November 1, 2023 to October 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending April 30, 2024	3,760	16.9	532	17.0	602	4.8	410	5.7	29.40
Full year	10,000	13.8	2,450	6.0	2,600	1.4	1,770	0.9	126.93

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of January 31, 2024	15,560,000 shares	As of October 31, 2023	15,560,000 shares
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Number of treasury shares at the end of the period

As of January 31, 2024	1,598,027 shares	As of October 31, 2023	1,598,027 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended January 31, 2024	13,961,973 shares	Three months ended January 31, 2023	13,924,657 shares
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**Quarterly non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Thousands of yen)

	As of October 31, 2023	As of January 31, 2024
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	4,382,812	3,435,409
Notes and accounts receivable - trade, and contract assets	1,749,244	1,302,452
Securities	300,599	499,440
Work in process	15,413	45,264
Prepaid expenses	92,678	130,253
Income taxes refund receivable	–	59,383
Other	86,543	77,005
Allowance for doubtful accounts	(557)	(415)
<b>Total current assets</b>	<b>6,626,734</b>	<b>5,548,794</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings	688,898	727,048
Accumulated depreciation	(395,795)	(405,465)
Buildings, net	293,103	321,583
Structures	6,159	6,159
Accumulated depreciation	(5,913)	(5,928)
Structures, net	246	230
Machinery and equipment	5,551	5,551
Accumulated depreciation	(3,609)	(3,703)
Machinery and equipment, net	1,942	1,848
Tools, furniture and fixtures	51,737	52,614
Accumulated depreciation	(25,980)	(27,865)
Tools, furniture and fixtures, net	25,757	24,748
Land	526,457	526,457
<b>Total property, plant and equipment</b>	<b>847,505</b>	<b>874,868</b>
<b>Intangible assets</b>		
Software	456,252	429,109
Software in progress	23,606	79,612
Telephone subscription right	6,505	6,505
<b>Total intangible assets</b>	<b>486,364</b>	<b>515,227</b>
<b>Investments and other assets</b>		
Long-term time deposits	1,000,000	1,000,000
Investment securities	5,926,873	5,435,819
Long-term prepaid expenses	27,908	25,221
Deferred tax assets	326,239	339,247
Guarantee deposits	226,455	251,606
Insurance funds	137,734	138,365
Other	6,500	6,500
Allowance for doubtful accounts	(6,500)	(6,500)
<b>Total investments and other assets</b>	<b>7,645,210</b>	<b>7,190,260</b>
<b>Total non-current assets</b>	<b>8,979,080</b>	<b>8,580,355</b>
<b>Total assets</b>	<b>15,605,815</b>	<b>14,129,150</b>

(Thousands of yen)

	As of October 31, 2023	As of January 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	353,441	240,619
Accounts payable - other	416,491	211,743
Income taxes payable	556,065	2,176
Contract liabilities	242,271	307,693
Provision for bonuses	290,000	80,100
Provision for bonuses for directors (and other officers)	27,000	–
Other	218,876	151,404
Total current liabilities	2,104,145	993,736
Non-current liabilities		
Long-term accounts payable - other	217,800	217,800
Long-term guarantee deposits	18,586	18,586
Total non-current liabilities	236,386	236,386
Total liabilities	2,340,531	1,230,122
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,500,000	1,500,000
Capital surplus	3,362,656	3,362,656
Retained earnings	10,360,309	10,051,537
Treasury shares	(1,795,248)	(1,795,248)
Total shareholders' equity	13,427,717	13,118,945
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(180,513)	(237,997)
Total valuation and translation adjustments	(180,513)	(237,997)
Share acquisition rights	18,080	18,080
Total net assets	13,265,283	12,899,027
Total liabilities and net assets	15,605,815	14,129,150

**Non-consolidated statements of income (cumulative)**

(Thousands of yen)

	Three months ended January 31, 2023	Three months ended January 31, 2024
Net sales	1,121,606	1,481,372
Cost of sales	454,731	580,548
Gross profit	666,874	900,824
Selling, general and administrative expenses	785,611	958,047
Operating loss	(118,736)	(57,223)
Non-operating income		
Interest income	125	2,087
Interest on securities	30,790	38,896
Dividend income	7,308	1,508
Gain on sale of investment securities	33,378	29,780
Rental income from buildings	9,993	9,512
Other	2,422	598
Total non-operating income	84,018	82,383
Non-operating expenses		
Rental costs on real estate	1,919	1,978
Loss on cancellation of insurance policies	3,311	–
Foreign exchange losses	6,809	–
Loss on valuation of investment securities	1,677	–
Other	98	–
Total non-operating expenses	13,817	1,978
Ordinary profit (loss)	(48,535)	23,182
Profit (loss) before income taxes	(48,535)	23,182
Income taxes - current	2,026	(57,357)
Income taxes - deferred	(10,102)	12,338
Total income taxes	(8,075)	(45,018)
Profit (loss)	(40,459)	68,201