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August 12, 2025

Consolidated Financial Results for the Nine Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: CSS Holdings, Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 2304
 URL: <http://www.css-holdings.jp> (in Japanese)
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 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended June 30, 2025 (from October 1, 2024 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	14,447	8.6	613	1.3	636	1.4	369	(6.3)
June 30, 2024	13,299	21.8	605	127.3	627	109.3	394	68.2

Note: Comprehensive income For the nine months ended June 30, 2025: ¥425 million [2.2%]
 For the nine months ended June 30, 2024: ¥416 million [50.3%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
June 30, 2025	73.71	73.34
June 30, 2024	78.94	78.21

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	6,008	2,921	48.6
September 30, 2024	5,931	2,674	45.1

Reference: Equity
 As of June 30, 2025: ¥2,921 million
 As of September 30, 2024: ¥2,674 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended September 30, 2024	—	10.00	—	20.00	30.00
Fiscal year ending September 30, 2025	—	15.00	—		
Fiscal year ending September 30, 2025 (Forecast)				30.00	45.00

Note: Revisions to the forecast of cash dividends most recently announced: Yes

For the revisions to the forecast of cash dividends, please refer to “Notice of the revisions to the forecast of the fiscal year-end dividend” released today (August 12, 2025).

3. Consolidated earnings forecasts for the fiscal year ending September 30, 2025 (from October 1, 2024 to September 30, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending September 30, 2025	19,230	9.1	657	10.2	684	8.6	505	17.9	101.04

Note: Revisions to the earnings forecasts most recently announced: None

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)

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

As of June 30, 2025	5,285,600 shares
As of September 30, 2024	5,285,600 shares

- (ii) Number of treasury shares at the end of the period

As of June 30, 2025	270,008 shares
As of September 30, 2024	291,008 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended June 30, 2025	5,010,207 shares
Nine months ended June 30, 2024	4,994,630 shares

The number of treasury shares at the end of the period includes the shares of CSS Holdings, Ltd. (the “Company”) held by the Board Benefit Trust (125,600 shares as of June 30, 2025, and 125,600 shares as of September 30, 2024). The Company’s shares held by the Trust are included in the treasury shares deducted in the calculation of the average number of shares outstanding during the period (125,600 shares for the nine months ended June 30, 2025, and 125,600 shares for the nine months ended June 30, 2024).

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

- * Proper use of earnings forecasts, and other special matters

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual business and other results may differ substantially due to various factors. For the suppositions that form the assumptions for the forecast of financial results and cautions concerning the use thereof, please refer to the section of “(3) Explanation of consolidated financial results forecasts and other forward-looking statements” of “1. Qualitative information on quarterly financial results” on page 4 of the attached material.

○ **Attached Material**

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1. Qualitative information on quarterly financial results

(1) Explanation of operating results for the period

During the nine months ended June 30, 2025, although there was a risk that a downturn in overseas economic conditions could dampen business in Japan, in the context of a continued uncertain outlook including increasing geopolitical risk, steep increases in raw materials and labor prices, and the impact of U.S. tariffs, Japan's economy made a moderate recovery against the backdrop of an improving employment and income environment, partly due to various policies.

Under these circumstances, the Group started a new three-year Medium- to Long-Term Management Plan, its fifth, from this fiscal year and announced the “2025-27 Medium-Term Management Plan Go Beyond! Next 20” in December 2024. With target consolidated financial results for the fiscal year ending September 30, 2027 of net sales of ¥27.0 billion, operating profit of ¥950 million, and ROE of 15% or more, we are pursuing goals on two axes that are mutually related but independent: strengthening of the foundations of our existing business organization and improving earning power, and the activities of the X-value unit, which is tasked with creating new value. This is being done as part of our business development strategy under a theme of “strengthening investment to improve capital efficiency.”

The third quarter saw new examples of service value and productivity enhancements at cooking facilities at which our Food Service Business operates on a consignment basis. This included the next-generation stir-frying robot I-Robo2 by TechMagic Inc. (Headquarters: Koto-ku, Tokyo, Founder & CEO: Yuji Shiraki), with which we recently announced a strategic partnership, being put into operation, as well as the stable operation of centralized washing services, with fixtures standardized to the extent possible across all stores, at Time Out Market Osaka, a large-scale 3,000m² food court opened at the end of the second quarter in the underground area of Osaka Umekita, marking Time Out Market's first entry into Asia.

As a result, consolidated net sales, operating profit, ordinary profit, and profit attributable to owners of parent for the nine months ended June 30, 2025, were ¥14,447 million (up 8.6% year on year), ¥613 million (up 1.3% year on year), ¥636 million (up 1.4% year on year), and ¥369 million (down 6.3% year on year), respectively.

A summary of operating results by segment for the nine months ended June 30, 2025, is as follows.

(i) Steward Business

This segment is the core of the Group's business, providing kitchen management and cleaning services, including dishwashing, to business customers that are mainly hotels, restaurants and theme parks.

During the nine months ended June 30, 2025, the Group opened 12 new business locations. Foreign travelers have remained at a high level of demand for sightseeing in Japan, and the opening of large hotels continues as a result of aggressive market entry, centered on foreign brands. In the third quarter, amid labor shortages, we received orders and inquiries from a broad range of customers, including shrines, hospitals, and event operators for reusable cup washing. We will continue to put quality first and work as one to support our customers' diverse needs.

Internally, we reorganized and added personnel to the sales group, building a structure to drive new customer development and further enhance services for existing customers. Alongside this, initiatives to enhance earnings power by strengthening our business foundation through the improvement of the workplace environment and workflows are progressing steadily. These include the development of full-time foreign employees hired from overseas starting this fiscal year, the adoption of SaaS to boost employee engagement, and efforts to rebuild shift scheduling and labor-related processes.

The net increase in the number of part time workers during the nine months ended June 30, 2025, was 354, a decrease of 473 relative to the previous fiscal year's result, in part due to labor shortages.

We continue to focus on management that takes into account the communication, education and human resource development, and occupational health and safety, which support retention.

As a result, net sales were ¥7,086 million (up 11.8% year on year) and operating profit was ¥518 million (up 10.2% year on year), with increases in both sales and profit.

(ii) Food Service Business

This segment is engaged in the operation of employee cafeterias, restaurants in hotels, meal services in senior care facilities, and the like on a consignment basis nationwide.

During the nine months ended June 30, 2025, we opened 11 new business locations, and the number of new openings on a full-year basis is forecast to be 18 cases. These include our participation in operating a restaurant booth run by a major food manufacturer at Expo 2025 Osaka, Kansai, as well as a large order in the nursing care food sector, an area we have been focusing on developing in recent years, for meal services at housing with services for the elderly.

As part of efforts to strengthen our internal structure, we enhanced hygiene training and conducted hands-on culinary training for new graduates and mid-career hires, and we began accepting foreign workers under Japan's Specified Skilled Worker System.

Meanwhile, food ingredient prices, most notably rice, have surged, and we are urgently negotiating with clients to pass these cost increases through to prices.

As a result, net sales were ¥3,346 million (up 15.2% year on year) and operating profit was ¥88 million (down 5.9% year on year).

(iii) Space Management Business

This segment includes providing design, construction/installation, sales, management, and maintenance related to video, audio, broadcasting, and security applications, as well as background music (BGM) and fragrances.

During the nine months ended June 30, 2025, continued renewal/upgrade demand in the financial industry for ITV (surveillance cameras / industrial television), related peripherals, professional broadcast equipment, and monitors drove performance and made a major contribution to improved profitability. Other topics included the completion of several complex installation projects, including a spatial production project combining an office BGM distribution service with greenery, the rollout of an integrated AV system incorporating projectors, screens, and network cameras, and the construction of a voice lift system (an audio system that makes a speaker's voice evenly audible throughout large conference rooms and lecture halls).

Meanwhile, in the Space Management segment, we had been taking a cautious outlook on this fiscal year's performance given the potential for a pullback after large projects in the previous fiscal year, but performance has recently been solid. During the third quarter, the Group Management Board held in-depth discussions covering the specifics of each company's business activities with next fiscal year's plan in mind, which proved highly meaningful.

As a result, net sales were ¥4,025 million (down 0.9% year on year) and operating profit was ¥185 million (down 15.5% year on year).

(2) Explanation of financial position for the period

Total assets at the end of the third quarter under review were ¥6,008 million, an increase of ¥77 million compared to the end of the previous fiscal year. This was mainly due to a ¥205 million increase in cash and deposits, a ¥45 million decrease in notes and accounts receivable - trade, and contract assets, a ¥49 million increase in securities, a ¥60 million decrease in merchandise and finished goods, and an ¥80 million decrease in deferred tax assets.

Liabilities decreased by ¥168 million compared to the end of the previous fiscal year to ¥3,087 million. This was mainly due to a ¥5 million increase in notes and accounts payable - trade, a ¥66 million increase in accounts payable - other, an ¥88 million decrease in accrued consumption taxes, a ¥118 million decrease in income taxes payable, a ¥50 million decrease in provision for bonuses, and a ¥20 million increase in other under current liabilities.

Net assets increased by ¥246 million compared to the end of the previous fiscal year to ¥2,921 million.

(3) Explanation of consolidated financial results forecasts and other forward-looking statements

The current consolidated earnings forecasts for the current fiscal year remain unchanged from those announced on May 13, 2025. (These forecasts have been prepared based on currently available information and contain uncertainties. Therefore, actual results may differ from these forecasts due to changes in various factors, including the business environment.)

2. Quarterly consolidated financial statements and significant notes thereto

(1) Quarterly consolidated balance sheet

(Thousands of yen)

	As of September 30, 2024	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	906,589	1,112,366
Notes and accounts receivable - trade, and contract assets	2,040,173	1,994,946
Securities	—	49,806
Merchandise and finished goods	545,094	484,995
Work in process	27,254	12,525
Raw materials and supplies	17,587	17,927
Short-term loans receivable	10,161	20,163
Accounts receivable - other	5,539	5,533
Other	123,009	113,612
Allowance for doubtful accounts	(462)	(1,688)
Total current assets	3,674,946	3,810,189
Non-current assets		
Property, plant and equipment		
Buildings and structures	983,950	987,780
Accumulated depreciation	(604,923)	(627,087)
Buildings and structures, net	379,026	360,692
Land	951,628	951,628
Other	233,664	262,507
Accumulated depreciation	(178,684)	(196,423)
Other, net	54,979	66,083
Total property, plant and equipment	1,385,635	1,378,404
Intangible assets		
Goodwill	13,311	8,519
Other	58,570	60,224
Total intangible assets	71,881	68,743
Investments and other assets		
Investment securities	538,668	575,464
Deferred tax assets	104,920	24,750
Other	155,924	154,538
Allowance for doubtful accounts	(852)	(3,545)
Total investments and other assets	798,661	751,207
Total non-current assets	2,256,178	2,198,355
Total assets	5,931,124	6,008,545

(Thousands of yen)

	As of September 30, 2024	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	490,732	496,409
Short-term borrowings	450,000	450,000
Lease liabilities	15,427	9,650
Accounts payable - other	835,075	901,523
Accrued consumption taxes	364,329	276,083
Income taxes payable	200,945	82,305
Provision for bonuses	124,966	74,402
Provision for bonuses for directors (and other officers)	11,866	7,470
Other	364,460	384,739
Total current liabilities	2,857,802	2,682,583
Non-current liabilities		
Lease liabilities	14,060	8,097
Deferred tax liabilities	7,141	11,453
Retirement benefit liability	344,792	351,868
Provision for share awards	3,394	6,314
Long-term accounts payable - other	20,377	18,577
Asset retirement obligations	8,101	8,148
Other	500	500
Total non-current liabilities	398,366	404,960
Total liabilities	3,256,169	3,087,543
Net assets		
Shareholders' equity		
Share capital	393,562	393,562
Capital surplus	279,271	272,046
Retained earnings	1,976,956	2,166,741
Treasury shares	(109,573)	(102,327)
Total shareholders' equity	2,540,216	2,730,022
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	134,738	190,978
Total accumulated other comprehensive income	134,738	190,978
Total net assets	2,674,954	2,921,001
Total liabilities and net assets	5,931,124	6,008,545

(2) Quarterly consolidated statement of income and consolidated statement of comprehensive income
Quarterly consolidated statement of income (cumulative)

(Thousands of yen)

	Nine months ended June 30, 2024	Nine months ended June 30, 2025
Net sales	13,299,300	14,447,612
Cost of sales	11,039,985	11,990,715
Gross profit	2,259,315	2,456,896
Selling, general and administrative expenses	1,653,597	1,843,144
Operating profit	605,717	613,752
Non-operating income		
Interest income	1,545	1,426
Dividend income	9,955	11,841
Rental income	8,268	4,865
Subsidies for employment adjustment	–	6,808
Other	14,252	12,547
Total non-operating income	34,022	37,490
Non-operating expenses		
Interest expenses	6,787	8,885
Commission expenses	1,391	1,184
Foreign exchange losses	898	3,001
Other	2,855	1,279
Total non-operating expenses	11,933	14,350
Ordinary profit	627,807	636,891
Extraordinary income		
Gain on sale of non-current assets	150	–
Total extraordinary income	150	–
Extraordinary losses		
Loss on retirement of non-current assets	121	46
Total extraordinary losses	121	46
Profit before income taxes	627,835	636,845
Income taxes - current	231,844	210,766
Income taxes - deferred	1,722	56,771
Total income taxes	233,566	267,538
Profit	394,269	369,306
Profit attributable to owners of parent	394,269	369,306

Quarterly consolidated statement of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended June 30, 2024	Nine months ended June 30, 2025
Profit	394,269	369,306
Other comprehensive income		
Valuation difference on available-for-sale securities	21,914	56,240
Total other comprehensive income	21,914	56,240
Comprehensive income	416,183	425,547
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	416,183	425,547
Comprehensive income attributable to non-controlling interests	—	—

(3) Notes to quarterly consolidated financial statements**Note on changes in accounting policies**

Application of the “Accounting Standard for Current Income Taxes,” Etc.

The Company has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; the “Revised Accounting Standard of 2022”), etc. from the beginning of the first quarter of the current fiscal year.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and to the transitional treatment in the proviso of paragraph 65-2(2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; the “Revised Guidance of 2022”). This change in accounting policies has no impact on the quarterly consolidated financial statements.

Notes on segment information, etc.*Segment information***I. Nine months ended June 30, 2024 (from October 1, 2023 to June 30, 2024)****1. Disclosure of sales and profit (loss) for each reportable segment**

(Thousands of yen)

	Reportable segments				Other (Note 1)	Total	Adjustments (Note 2)	Amount recorded in the quarterly consolidated statement of income (Note 3)
	Steward Business	Food Service Business	Space Management Business	Total				
Net sales								
(1) Sales to external customers	6,333,956	2,903,709	4,053,954	13,291,620	7,680	13,299,300	—	13,299,300
(2) Intersegment sales or transfers	6,711	361	7,892	14,964	234,665	249,629	(249,629)	—
Total	6,340,667	2,904,071	4,061,846	13,306,585	242,345	13,548,930	(249,629)	13,299,300
Segment profit	470,586	94,367	219,973	784,927	22,846	807,774	(202,056)	605,717

- Notes: 1. The “Other” classification is a segment for business that is not included in the reportable segments and includes general affairs, human resources, accounting management businesses, etc.
2. Adjustments of segment profit of ¥(202,056) thousand include company-wide profit, elimination of intersegment transactions, etc.
3. Segment profit is adjusted with operating profit in the quarterly consolidated statement of income.

II. Nine months ended June 30, 2025 (from October 1, 2024 to June 30, 2025)

1. Disclosure of sales and profit (loss) for each reportable segment

(Thousands of yen)

	Reportable segments				Other (Note 1)	Total	Adjustments (Note 2)	Amount recorded in the quarterly consolidated statement of income (Note 3)
	Steward Business	Food Service Business	Space Management Business	Total				
Net sales								
(1) Sales to external customers	7,071,184	3,346,161	4,021,728	14,439,074	8,538	14,447,612	–	14,447,612
(2) Intersegment sales or transfers	14,958	512	4,137	19,608	232,515	252,123	(252,123)	–
Total	7,086,142	3,346,674	4,025,865	14,458,682	241,053	14,699,735	(252,123)	14,447,612
Segment profit	518,739	88,780	185,771	793,291	23,192	816,484	(202,731)	613,752

- Notes: 1. The “Other” classification is a segment for business that is not included in the reportable segments and includes general affairs, human resources, accounting management businesses, etc.
2. Adjustments of segment profit of ¥(202,731) thousand include company-wide profit, elimination of intersegment transactions, etc.
3. Segment profit is adjusted with operating profit in the quarterly consolidated statement of income.

Notes on significant changes in the amount of shareholders’ equity

Not applicable.

Notes on going concern assumptions

Not applicable.

Notes to quarterly consolidated statement of cash flows

Quarterly consolidated statement of cash flows for the nine months ended June 30, 2025 is not prepared. Depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the first nine months of the fiscal year are as follows.

(Thousands of yen)

	Nine months ended June 30, 2024	Nine months ended June 30, 2025
Depreciation	47,781	53,972
Amortization of goodwill	4,792	4,792

Significant subsequent events

Not applicable.