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May 14, 2025

Consolidated Financial Results for the Three Months Ended March 31, 2025 (Under Japanese GAAP)



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 Listing: Tokyo Stock Exchange
 Securities code: 9672
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 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: —

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

1. Consolidated Financial Results for the Three Months Ended March 31, 2025 (from January 1, 2025 to March 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended March 31, 2025	9,264	5.5	3,276	16.1	3,266	16.0	2,270	16.8
March 31, 2024	8,782	6.4	2,822	(3.1)	2,815	(3.3)	1,944	63.8

Note: Comprehensive income For the three months ended March 31, 2025: ¥2,288 million [6.6%]
 For the three months ended March 31, 2024: ¥2,146 million [80.4 %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended March 31, 2025	85.09	—
March 31, 2024	71.05	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
March 31, 2025	124,819	91,479	73.2
December 31, 2024	122,405	91,142	74.4

Reference: Equity As of March 31, 2025: ¥91,340 million
 As of December 31, 2024: ¥91,028 million

2. 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 December 31, 2024	—	40.00	—	73.00	113.00
Fiscal year ending December 31, 2025	—				
Fiscal year ending December 31, 2025 (Forecast)		45.00	—	65.00	110.00

Notes: 1. Revisions to the forecast of dividends most recently announced: None
2. Breakdown of fiscal year-end dividend for the fiscal year ended December 31, 2024: Ordinary dividend 68.00 yen and Commemorative dividend 5.00 yen (the 75th anniversary of foundation commemorative dividend)

3. Consolidated Financial Result Forecasts for the Fiscal Year Ending December 31, 2025 (from January 1, 2025 to December 31, 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
First half	18,738	0.4	5,801	(11.2)	5,800	(11.4)	3,947	(12.0)	146.36
Full year	41,293	2.1	14,132	1.5	14,122	1.5	9,861	1.6	365.67

Note: Revisions to the financial result forecast most recently announced: None

***Notes**

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

Newly included: – companies (Company name: –)

Excluded: – companies (Company name: –)

(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 other than (i) above: 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 March 31, 2025	28,764,854 shares
As of December 31, 2024	28,764,854 shares

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

As of March 31, 2025	2,074,656 shares
As of December 31, 2024	2,074,165 shares

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

Three months ended March 31, 2025	26,690,395 shares
Three months ended March 31, 2024	27,363,010 shares

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: Yes (voluntary)

*Proper use of financial result forecasts and other special matters

(Cautionary note on forward-looking statements, etc.)

Financial result forecasts and other forward-looking statements herein are based on the information currently in the Company's possession or the assumptions it deems reasonable, and are not intended as the Company's promise to achieve them. Actual financial results, etc. may differ significantly from these forecasts due to diverse factors. For underlying conditions and notes on the use of the financial result forecasts, please refer to "(3) Explanation of Consolidated Financial Result Forecast and Other Forward-looking Information" under "1. Overview of Business Performance" on page 2 of the attachments.

(How to obtain supplementary material on financial results)

The supplementary material on financial results is posted on the Company's website.

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1. Overview of Business Performance

(1) Overview of Operating Results for the Period under Review

During the three months ended March 31, 2025, the Japanese economy saw growing expectations for recovery, buoyed by an increase in foreign visitors and continued high wage increases at domestic companies. Meanwhile, uncertainty about the future has spread due to factors such as U.S. political developments, and concerns over a global economic slowdown are mounting.

Under these conditions, local horse racing across Japan was generally on a robust trend, primarily with the number of visitors and betting ticket sales exceeding those of the same period of the previous year. The sales of the public competition business of TOKYOTOKEIBA Co., Ltd. (the “Company”) and its subsidiaries (collectively, the “Group”) through the online betting services of SPAT4 (the Four Minami-Kanto Racecourses Home Betting System) increased compared to the same period of the previous year. Additionally, the new facilities completed in each business segment during the previous year operated smoothly, resulting in an overall favorable performance.

As a result, for the three months ended March 31, 2025, the Group recorded net sales of ¥9,264 million (up 5.5% year on year), operating profit of ¥3,276 million (up 16.1% year on year), and ordinary profit of ¥3,266 million (up 16.0% year on year). The Group recorded profit attributable to owners of parent of ¥2,270 million (up 16.8% year on year).

As the amusement park business of the Group attracts most of the annual visitors when outdoor pools are open during the summer period, net sales and cost of sales for the nine month ended September 30 tend to account for a significantly high share of those of the whole year.

Operating results by segment are as follows.

Public competition business

Oi Racecourse held horse races for 25 days. During this period, the Group continued construction work aimed at strengthening the drainage function of the horse track, a project ongoing from previous periods, and also focused on renovating parts of the stable area within Ohi Racecourse.

SPAT4 sold betting tickets for a cumulative total of 287 days and 3,292 local horse races across Japan. During this period, the Group worked on enhancing the functionality of the SPAT4 official app to improve convenience and satisfaction of members. As a result of these efforts, along with live streaming of real-time events and race predictions, as well as various promotional campaigns, the number of members for both SPAT4 and SPAT4 Premium Point increased.

Isesaki Auto Racetrack held auto races for 31 days and sold off-track tickets for other racecourses for a cumulative total of 71 days. While sales at Isesaki Auto Racetrack remained robust, sales declined at both the adjacent Isesaki off-track betting facility, which sells tickets for local horse racing, and at J-PLACE Isesaki off-track betting facility, which sells tickets for central horse racing.

As a result, the public competition business recorded net sales of ¥7,019 million (up 4.7% year on year), and segment profit of ¥2,832 million (up 11.3% year on year).

Amusement park business

Tokyo Summerland resumed operations for this year on March 22 following a closure period for park maintenance. During this period, the Group held the 20th annual SUMMERLAND DANCE event and a Customer Appreciation Day in collaboration with ticket sales contractors and other partners, in an effort to attract visitors during the spring season.

In February, the Group held the Akigawa River Cleanup 2025 cleaning activity in the Akigawa area, where the facility is located, and worked on strengthening community ties and beautifying the environment.

Furthermore, the Group held the 6th Tokyo Summerland Wonderful Nature Village Charity Concert in March. This event aims to promote cultural activities by creating opportunities to bring people closer to music, contributing to society in ways such as supporting young musicians and promoting tourism and commerce in the Akigawa River basin. A portion of the proceeds from this event is donated and used to support dogs that enrich our lives and to aid disaster relief efforts.

As a result, the number of visitors to Tokyo Summerland and the other facilities amounted to 85 thousand (up 7.7% year on year), and the amusement park business recorded net sales of ¥173 million (up 6.9% year on year), and segment loss of ¥300 million (compared with segment loss of ¥243 million in the same period of the

previous year) due to an increase in maintenance costs during the closed period in winter.

Warehouse leasing business

In the warehouse leasing business, amid continued stable demand, the Group maintained high occupancy rates at the multi-tenant Katsushima Area 2 warehouse and secured steady revenue.

Narashino Akanehama No. 2 warehouse, which was completed in March last year, was also operating smoothly and its performance remained robust.

Moreover, repair and renovation work, including waterproofing, began at some warehouses in the Katsushima Area to ensure the long-term functionality of the facilities.

As a result, the warehouse leasing business recorded net sales of ¥1,506 million (up 17.0% year on year) and segment profit of ¥1,006 million (up 19.6% year on year).

Service business

In the service business, the Group worked to ensure steady revenue in the air conditioning equipment business; however, net sales decreased from the same period of the previous year due to a decrease in income from equipment installation work. Nevertheless, significant contributions to revenue from tenant income at Wira Oi Annex completed in March 2024, and stable rental income from the office building Wira Omori Building enabled us to achieve higher profits despite the decline in revenue.

As a result, the service business recorded net sales of ¥592 million (down 9.5% year on year), and segment profit of ¥121 million (up 264.7% year on year).

Reportable segment	Net sales		Segment profit (loss)	
	Amount	Year-on-year change	Amount	Year-on-year change
Public competition business	7,019	4.7%	2,832	11.3%
Amusement park business	173	6.9%	(300)	—
Warehouse leasing business	1,506	17.0%	1,006	19.6%
Service business	592	(9.5) %	121	264.7%
Elimination of inter-segment transactions, etc.	(27)	—	(383)	—
Total	9,264	5.5%	3,276	16.1%

(2) Overview of Financial Position for the Period under Review

Total assets as of March 31, 2025 increased by ¥2,414 million from the end of the previous fiscal year to ¥124,819 million. This was mainly due to an increase in advances paid of ¥4,441 million through the Phase 3 Joint TZS Development Project, despite a decrease in trade notes, accounts receivable and contract assets of ¥1,063 million.

Total liabilities as of March 31, 2025 increased by ¥2,076 million from the end of the previous fiscal year to ¥33,340 million. This was mainly due to an increase in accounts payable - other of ¥3,825 million, despite decreases in income taxes payable of ¥1,507 million and long-term borrowings of ¥425 million.

Total net assets as of March 31, 2025 increased by ¥337 million from the end of the previous fiscal year to ¥91,479 million. This was mainly due to an increase in retained earnings of ¥322 million resulting from the recording of profit attributable to owners of parent of ¥2,270 million, despite an increase in appropriation of surplus with the payment of year-end dividend of ¥1,948 million.

As a result, the equity ratio was 73.2%, a decline from 74.4% at the end of the previous fiscal year.

(3) Explanation of Consolidated Financial Result Forecast and Other Forward-looking Information

No revisions have been made to the consolidated financial result forecast for the full year for the fiscal year ending December 31, 2025, which was announced on February 14, 2025.

2. Quarterly Consolidated Financial Statements and Principal Notes
(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of December 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	16,040,220	16,573,138
Trade notes, accounts receivable and contract assets	4,864,409	3,800,504
Securities	1,400,000	1,800,000
Inventories	273,114	226,383
Advances paid	388,381	4,829,452
Other	923,646	126,535
Total current assets	23,889,771	27,356,014
Non-current assets		
Property, plant and equipment		
Buildings, net	28,792,822	28,499,861
Facilities attached to buildings, net	8,644,900	8,410,472
Structures, net	9,159,732	9,517,741
Machinery, equipment and vehicles, net	1,111,995	1,029,723
Land	32,554,974	32,465,774
Construction in progress	182,898	344,917
Buildings in trust, net	1,176,016	1,160,477
Facilities attached to buildings in trust, net	118,502	112,557
Land in trust	2,174,126	2,174,126
Other, net	3,069,627	2,894,004
Total property, plant and equipment	86,985,596	86,609,655
Intangible assets		
Software	6,228,041	5,998,566
Software in progress	22,330	27,929
Total intangible assets	6,250,371	6,026,495
Investments and other assets		
Investment securities	2,258,269	2,258,360
Long-term prepaid expenses	27,738	110,649
Deferred tax assets	1,908,014	1,816,285
Long-term advances paid	1,001,333	557,878
Other	84,762	84,584
Total investments and other assets	5,280,119	4,827,758
Total non-current assets	98,516,087	97,463,908
Total assets	122,405,859	124,819,923

(Thousands of yen)

	As of December 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Trade accounts payable	1,170,657	890,362
Short-term borrowings	16,600	91,660
Current portion of long-term borrowings	1,700,000	1,700,000
Accounts payable - other	1,695,073	5,521,019
Income taxes payable	2,598,301	1,090,396
Accrued consumption taxes	43,477	623,888
Provision for bonuses	105,869	210,265
Provision for point card certificates	985,646	975,301
Provision for loss on disaster	46,000	-
Other	1,334,875	1,117,143
Total current liabilities	9,696,501	12,220,036
Non-current liabilities		
Bonds payable	10,000,000	10,000,000
Long-term borrowings	7,450,000	7,025,000
Leasehold and guarantee deposits received	2,429,076	2,448,734
Retirement benefit liability	1,245,369	1,215,719
Asset retirement obligations	396,777	398,270
Deferred tax liabilities	33,301	20,605
Other	12,724	11,820
Total non-current liabilities	21,567,249	21,120,150
Total liabilities	31,263,750	33,340,187
Net assets		
Shareholders' equity		
Share capital	10,586,297	10,586,297
Capital surplus	6,791,714	6,791,714
Retained earnings	81,527,687	81,850,239
Treasury shares	(8,503,132)	(8,505,306)
Total shareholders' equity	90,402,567	90,722,945
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	625,584	617,342
Total accumulated other comprehensive income	625,584	617,342
Non-controlling interests	113,956	139,447
Total net assets	91,142,108	91,479,736
Total liabilities and net assets	122,405,859	124,819,923

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Three Months Ended March 31

(Thousands of yen)

	For the three months ended March 31, 2024	For the three months ended March 31, 2025
Net sales	8,782,550	9,264,763
Cost of sales	5,420,949	5,422,663
Gross profit	3,361,600	3,842,100
Selling, general and administrative expenses	539,364	565,707
Operating profit	2,822,235	3,276,392
Non-operating income		
Interest income	798	3,065
Gain on forfeiture of unclaimed dividends	-	3,687
Subsidies for employment adjustment, etc.	3,400	400
Other	793	1,782
Total non-operating income	4,992	8,935
Non-operating expenses		
Interest expenses	9,620	17,559
Commission expenses	1,801	-
Other	202	783
Total non-operating expenses	11,624	18,343
Ordinary profit	2,815,603	3,266,984
Extraordinary income		
Contribution received for construction	-	2,500
Subsidy income	107,000	64,500
Gain on sale of non-current assets	-	26,374
Insurance claim income	-	23,237
Total extraordinary income	107,000	116,612
Profit before income taxes	2,922,603	3,383,596
Income taxes – current	825,402	1,016,432
Income taxes – deferred	133,340	70,701
Total income taxes	958,743	1,087,133
Profit	1,963,860	2,296,463
Profit attributable to non-controlling interests	19,770	25,491
Profit attributable to owners of parent	1,944,089	2,270,971

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended March 31

(Thousands of yen)

	For the three months ended March 31, 2024	For the three months ended March 31, 2025
Profit	1,963,860	2,296,463
Other comprehensive income		
Valuation difference on available-for-sale securities	182,247	(8,241)
Total other comprehensive income	182,247	(8,241)
Comprehensive income	2,146,108	2,288,221
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,126,337	2,262,730
Comprehensive income attributable to non-controlling interests	19,770	25,491

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Notes to changes in accounting policies)

(Application of "Accounting Standard for Current Income Taxes," etc.)

The Company has applied the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022), the Accounting Standard for Presentation of Comprehensive Income (ASBJ Statement No. 25, October 28, 2022), and the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022) effective from the beginning of the first quarter of the current consolidated fiscal year. These changes in accounting policies have no impact on the quarterly consolidated financial statements.

(Notes to segment information, etc.)

[Segment information]

I. For the three months ended March 31, 2024 (from January 1, 2024 to March 31, 2024)

Information on net sales and profit or loss by reportable segment

(Thousands of yen)

	Reportable segment					Adjustment (Note 1)	Amount recorded in Quarterly Consolidated Statements of Income (Note 2)
	Public Competition Business	Amusement Park Business	Warehouse Leasing Business	Service Business	Total		
Net sales							
Net sales to outside customers	6,706,515	153,724	1,287,564	634,746	8,782,550	—	8,782,550
Inter-segment net sales or transfers	404	8,897	—	19,854	29,155	(29,155)	—
Total	6,706,919	162,621	1,287,564	654,600	8,811,706	(29,155)	8,782,550
Segment profit (loss)	2,544,075	(243,192)	841,839	33,204	3,175,927	(353,691)	2,822,235

(Notes) 1. The adjustment to segment profit (loss) of ¥(353,691) thousand includes ¥4,542 thousand in elimination of intersegment transactions and ¥(358,234) thousand in company-wide expenses that have not been allocated to each reportable segment. Company-wide expenses are primarily selling, general and administrative expenses that are not attributable to the reportable segments.

2. Segment profit (loss) is adjusted with the operating profit under the quarterly consolidated statements of income.

II. For the three months ended March 31, 2025 (from January 1, 2025 to March 31, 2025)

Information on net sales and profit or loss by reportable segment

(Thousands of yen)

	Reportable segment					Adjustment (Note 1)	Amount recorded in Quarterly Consolidated Statements of Income (Note 2)
	Public Competition Business	Amusement Park Business	Warehouse Leasing Business	Service Business	Total		
Net sales							
Net sales to outside customers	7,019,321	163,359	1,506,293	575,788	9,264,763	—	9,264,763
Inter-segment net sales or transfers	456	10,475	—	16,828	27,760	(27,760)	—
Total	7,019,777	173,835	1,506,293	592,616	9,292,523	(27,760)	9,264,763
Segment profit (loss)	2,832,552	(300,315)	1,006,610	121,103	3,659,951	(383,558)	3,276,392

(Notes) 1. The adjustment to segment profit (loss) of ¥(383,558) thousand includes ¥4,730 thousand in elimination of intersegment transactions and ¥(388,289) thousand in company-wide expenses that have not been allocated to each reportable segment. Company-wide expenses are primarily selling, general and administrative expenses that are not attributable to the reportable segments.

2. Segment profit (loss) is adjusted with the operating profit under the quarterly consolidated statements of income.

(Notes to quarterly consolidated statements of income)

(Seasonal variation of net sales, etc.)

As the amusement park business of the Group attracts most of the annual visitors when outdoor pools are open during the summer period, net sales and cost of sales for the nine month ended September 30 tend to account for a significantly high share of those of the whole year.

(Notes to quarterly consolidated statements of cash flows)

Quarterly consolidated statements of cash flows for the three months ended March 31, 2025 are not prepared. Depreciation for the three months ended March 31, which includes amortization of intangible assets, is as follows:

(Thousands of yen)

	For the three months ended March 31, 2024	For the three months ended March 31, 2025
Depreciation	1,419,271	1,624,704