



Financial Results

for the 2nd Quarter

of the Fiscal Year Ending June 30, 2026

February 5, 2026

Charm Care Corporation

Tokyo Stock Exchange Prime Market 6062

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Summary of Consolidated Performance for the 2nd Quarter of FYE June 2026

- Consolidated net sales **increased significantly**, driven by growth in the Long-Term Care Business. This was supported by solid occupancy growth at facilities that newly joined the category of “existing fee-based homes for the elderly with long-term care” (facilities that have been in operation for more than two years), as well as growth at facilities acquired through M&A in the previous fiscal year, particularly the five former Care 21 facilities.
- Consolidated operating profit **increased substantially**, as margin expansion in the Long-Term Care Business contributed to earnings growth. Despite inflationary pressures and rising wages, productivity improvements at existing facilities exceeded these cost increases, leading to higher profitability (see [page 54](#)).
- Relaxation of staffing requirements, which is permitted upon meeting certain conditions (a ratio of 0.9 full-time equivalent care and nursing staff per three residents), is scheduled to be applied for sequentially from March 2026. This will cover ten facilities, excluding the one facility that already received approval in the previous fiscal year.

Consolidated Performance

(Millions of yen)

	2Q FY2025 / 6	2Q FY2026 / 6	YoY	Initial Forecast	Change from Initial Forecast
Net sales	20,051	22,327	+11.4% [+2,275]	22,430	(0.5%) [(102)]
Operating profit	1,753	2,425	+38.3% [+671]	2,175	+ 11.5% [+250]
Ordinary profit	1,877	2,456	+30.8% [+578]	2,195	+ 11.9% [+261]
Ordinary profit margin	9.4%	11.0%	+1.6pt.	9.8%	+ 1.2pt.
Profit attributable to owners of parent	1,271	1,646	+29.5% [+375]	1,470	+ 12.0% [+176]

Approx. ¥60 million in subsidies (new facility preparation) in the previous period



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Segment Performance for the 2nd Quarter of FYE June 2026

Starting from the current fiscal year, the previously reported “Real Estate Business” segment has been abolished and incorporated into “Other Businesses”.

(Millions of yen)

		2Q FY2025 / 6	2Q FY2026 / 6		FY2026 / 6
		Result	Result	YoY	Forecast
Long-Term Care <small>(details are provided on the next page)</small>	Net sales	18,944	21,336	+2,392 [+12.6%]	43,450
	Segment profit	2,378	3,019	+640 [+26.9%]	5,434
Other Businesses	Net sales	1,409	1,315	(94) [(6.7%)]	5,734
	Segment profit	(1)	23	+25 [— %]	238
	Good Partners (staffing services, etc.)	Net sales	1,389	(144) [(10.4%)]	2,643
		Operating profit	69	(8) [(12.5%)]	148
	Amortization of goodwill		(16)	- [— %]	(32)
	Charm Senior Living (Resident referral services)	Net sales	15	+8 [+55.8%]	88
		Operating profit	8	(16) [— %]	2
	Real Estate	Net sales	4	+41 [+893.5%]	3,002
		Operating profit	(64)	+51 [— %]	128
	Other Peripheral Businesses	Net sales	-	- [— %]	-
		Operating profit	-	- [— %]	-
Adjustments	Intersegment sales or transfers	(302)	(324)	(22) [— %]	(597)
	Segment profit (Note 2)	(623)	(617)	+5 [— %]	(1,213)
Consolidated	Net sales	20,051	22,327	+2,275 [+11.4%]	48,585
	Operating profit	1,753	2,425	+671 [+38.3%]	4,460
	Ordinary profit	1,877	2,456	+578 [+30.8%]	4,615
	Extraordinary Income and Losses	-	(2)	(2) [— %]	-
	Profit attributable to owners of parent	1,271	1,646	+375 [+29.5%]	3,090

Eight-month fiscal period due to change in fiscal year (see Note 1 below)

Previous period figures are for a eight-month term.



(Note 1) Due to a change in the fiscal year, Good Partners' fiscal period for the 2nd quarter of FYE June 2025 is a 8-month term from May 1, 2024, to December 31, 2024.

(Note 2) Segment profit presented in the Adjustments section represents corporate expenses not allocated to individual reporting segments. Corporate expenses are primarily general and administrative expenses not attributable to specific reporting segments.

Breakdown of the Long-Term Care Business Segment

(Millions of yen)

		2Q FY2025 / 6	2Q FY2026 / 6		FY2026 / 6	
		Result	Result	YoY	Forecast	
Long-Term Care	Net sales	18,944	21,336	+2,392 [+12.6%]	43,450	
	Segment profit	2,378	3,019	+640 [+26.9%]	5,434	
	[Margin]	[12.6%]	[14.1%]	[+1.6pt.]	[12.5%]	
	Avg.occupancy rate [residents / capacity]	86.9% [5,993／6,899]	89.0% [6,687／7,512]	+2.1pt. [+694／+614]	89.7% [6,846／7,634名]	
Charm Care (excl. M&A facilities)	Existing fee-based homes for the elderly with long-term care (2+ years in operation)	Net sales	14,247	16,084	+1,836 [+12.9%]	32,676
		Operating profit	2,482	2,954	+472 [+19.0%]	5,375
		[Margin]	[17.4%]	[18.4%]	[+0.9pt.]	[16.4%]
	Avg.occupancy rate [residents / capacity]	94.8% [4,437／4,681]	94.6% [4,859／5,135]	(0.2pt.) [+422／+454]	94.8% [4,982／5,257]	
	Existing Residential fee-based homes for the elderly (2+ years in operation)	Net sales	899	838	(60) [(6.7%)]	1,665
		Operating profit	137	130	(7) [(5.2%)]	291
		[Margin]	[15.3%]	[15.6%]	[+0.2pt.]	[17.5%]
	Avg.occupancy rate [residents / capacity]	96.7% [364／376]	97.2% [352／362]	+0.5pt. [(12)／(14)]	96.7% [350／362]	
	2nd-year facilities (1-2 years since opening)	Net sales	1,478	1,573	+95 [+6.4%]	3,059
		Operating profit	112	130	+18 [+16.1%]	210
		[Margin]	[7.6%]	[8.3%]	[+0.7pt.]	[6.9%]
	Avg.occupancy rate [residents / capacity]	78.9% [347／440]	74.6% [502／672]	(4.3pt.) [+155／+233]	78.6% [497／633]	
Newly established facilities (less than 1 year in operation) (Including pre-opening facility costs)	Net sales	882	529	(352) [(40.0%)]	1,274	
	Operating profit	(251)	(169)	+81 [－%]	(417)	
	[Margin]	[－%]	[－%]	[－pt.]	[－%]	
Avg.occupancy rate [residents / capacity]	44.5% [299／672]	48.1% [183／379]	+3.6pt. [(117)／(293)]	49.0% [205／419]		

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Due to conversion to long-term care homes

In 2Q FY2025/6, the segment includes high-end brand facilities with the highest unit prices.



Profit margin information has been added.

In 2Q FY2025/6, the segment includes high-end brand facilities with the highest unit prices.

Due to conversion to long-term care homes

Note: The numbers of residents and capacity represent monthly averages, calculated by dividing the total of end-of-month figures by six for 2Q and by twelve for the full-year forecast.

(Continued on the next page)

Breakdown of the Long-Term Care Business Segment

(Millions of yen)

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		2Q FY2025 / 6	2Q FY2026 / 6		FY2026 / 6	
		Result	Result	YoY	Forecast	
M&A-acquired facilities	LIKE (Oct 2021–) (+1 facility in Jun 2024)	Net sales	1,057	1,097	+40 [+3.8%]	2,161
		Operating profit [Margin]	189 [17.9%]	224 [20.5%]	+34 [+18.4%] [+2.5pt.]	345 [16.0%]
		Includes Jun 2024 acquisition; differs from page 9 figures				
	Avg.occupancy rate [residents / capacity]		95.5% [439 / 460]	98.0% [451 / 460]	+2.6pt. [+12 / ± 0]	97.7% [449 / 460]
	Amortization of goodwill		(90)	(90)	– [– %]	(181)
	Former CARE 21 (Sep 2024–)	Net sales	150	748	+597 [+396.7%]	1,716
		Operating profit [Margin]	(153) (– %)	(193) (– %)	(39) [– %] (– pt.)	(256) (– %)
		In 2Q FY2025/6, three facilities were acquired in September 2024 and two facilities in November 2024; in 1Q, only the three facilities acquired in September were included.			Referral fees increased due to strong occupancy performance.	
	Avg.occupancy rate [residents / capacity]		23.0% [47 / 205]	57.2% [214 / 374]	+34.2pt. [+167 / +169]	63.1% [236 / 374]
	CM Care (Oct 2024–)	Net sales	228	464	+236 [+103.5%]	897
		Operating profit [Margin]	(46) [– %]	34 [7.4%]	+80 [– %] [– pt.]	70 [7.8%]
Avg.occupancy rate [residents / capacity]		91.8% [60 / 65]	97.4% [127 / 130]	+5.6pt. [+67 / +65]	96.9% [126 / 130]	
Amortization of goodwill		(0)	(1)	(0) [– %]	(3)	

Note: The numbers of residents and capacity represent monthly averages, calculated by dividing the total of end-of-month figures by six for 2Q and by twelve for the full-year forecast.

Overview of Segment Performance for the 2nd Quarter of FYE June 2026

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Long-Term Care Business

- **Existing fee-based homes for the elderly with long-term care** (facilities that have been in operation for more than two years) continued to deliver strong growth. Solid occupancy growth at facilities that newly joined the category of “existing” facilities contributed to a year-on-year increase in revenue of **¥1,836 million (+12.9%)**. In addition, margin expansion driven by productivity improvements—outpacing the impact of inflation and wage increases (including base pay raises and regular salary increases)—contributed to a year-on-year increase in operating profit of **¥472 million (+19.0%)**, sustaining a high level of growth (see [page 54](#)).
- **Second-year facilities** (facilities in operation for one to less than two years) are progressing steadily in occupancy, with several facilities already fully occupied. **Newly opened facilities** (less than one year since opening) are also seeing smooth occupancy growth, with some facilities exceeding 70% occupancy within two months of opening.
- **LIKE, a consolidated subsidiary**, recorded higher revenue and profit, supported by improving occupancy at one facility acquired through M&A in the previous fiscal year, together with ongoing productivity improvements.
- **Facilities acquired through M&A in the previous fiscal year** showed steady progress. Former Care 21 facilities achieved strong occupancy backed by the Group’s sales and operational know-how, while CM Care facilities are almost fully occupied and still have room for further margin improvement through productivity enhancements.
- In **December 2025**, the Company acquired “**Merçi Masumi**,” a fee-based home for the elderly with long-term care located in a prime area of northern Osaka, through a business transfer. The facility is scheduled to be operated by the Company under the name “**Charm Ikeda Masumicho**” from March 2026 (see [page 44](#)).
- Regarding new facility openings from the next fiscal year onward, the Company continues to secure information from multiple channels and is increasing the number of in-house development projects, resulting in a steady expansion of the new facility pipeline (see [page 41](#)).

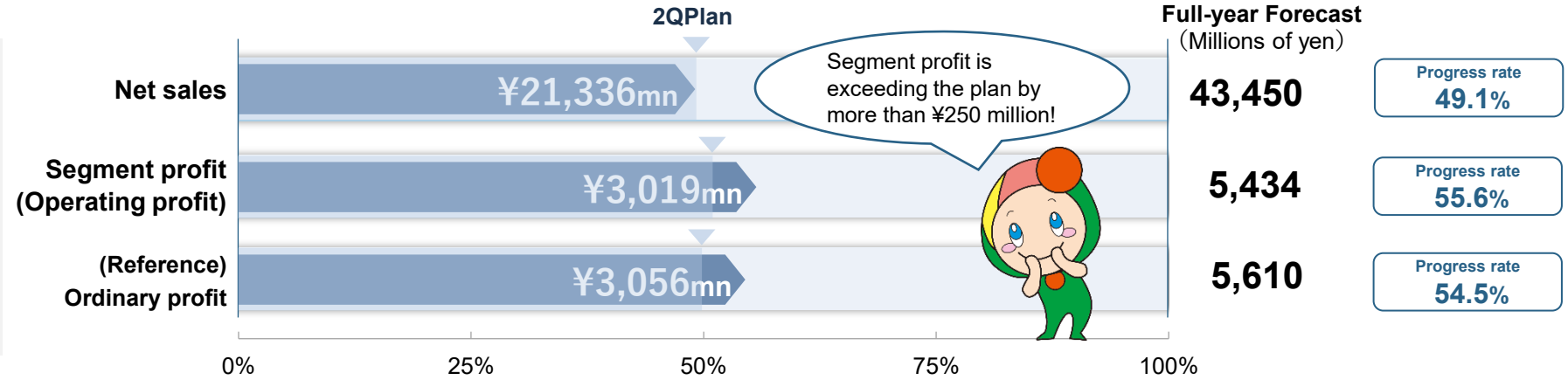
Other Businesses

- **Businesses operated by Good Partners, a consolidated subsidiary**, appear to show a year-on-year decrease in revenue and profit, as the previous second quarter covered an eight-month period due to a change in the fiscal year-end. However, on a like-for-like basis, performance actually improved, supported by the solid performance of the hospice facility “Atenity Tamagawagakuen” (42 rooms), which opened in November 2024. In addition, the hospice facility “Atenity Kugayama” (49 rooms, capacity for 52 residents), which opened in December 2025, has seen strong demand and made a favorable start. While the temporary staffing business recorded lower revenue and profit due to the impact of spot work, it continues to contribute by supplying personnel to facilities within the Group.
- **The resident referral business operated by Charm Senior Living, another consolidated subsidiary**, increased the number of sales and consultation staff as planned to support future growth, resulting in upfront cost burdens at this stage. Nevertheless, the business continues to contribute to improving occupancy at the Group’s facilities.
- **The Real Estate Business**, which is scheduled to sell one development project in the fourth quarter (the Kokuryo project in Chofu City), is progressing as planned. Construction is in its final stage toward handover, and contractual procedures with the buyer are steadily underway.

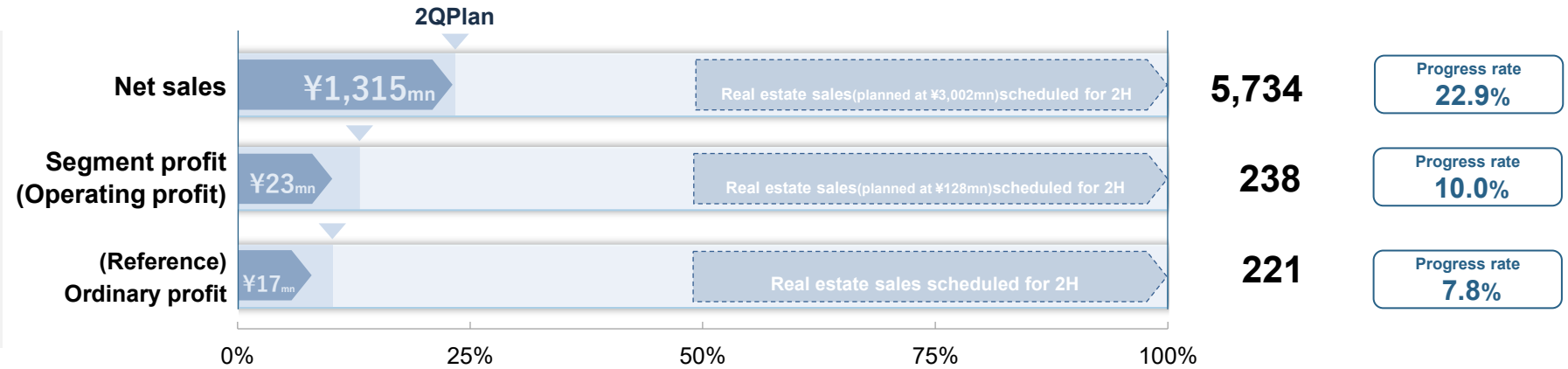


Segment Plan Achievement Rate for the 2nd Quarter of FYE June 2026

Long-Term Care Business



Other Businesses



Transition of occupancy rate

- Maintaining high occupancy rates at existing facilities open or acquire for more than two years

Average occupancy rate during the 2nd Quarter of the year ending in June 2026 (July–December)(*)

At our existing facilities : **94.6%** (The occupancy rate as of December 31, 2025, was **94.4%** (maintaining high occupancy rate))

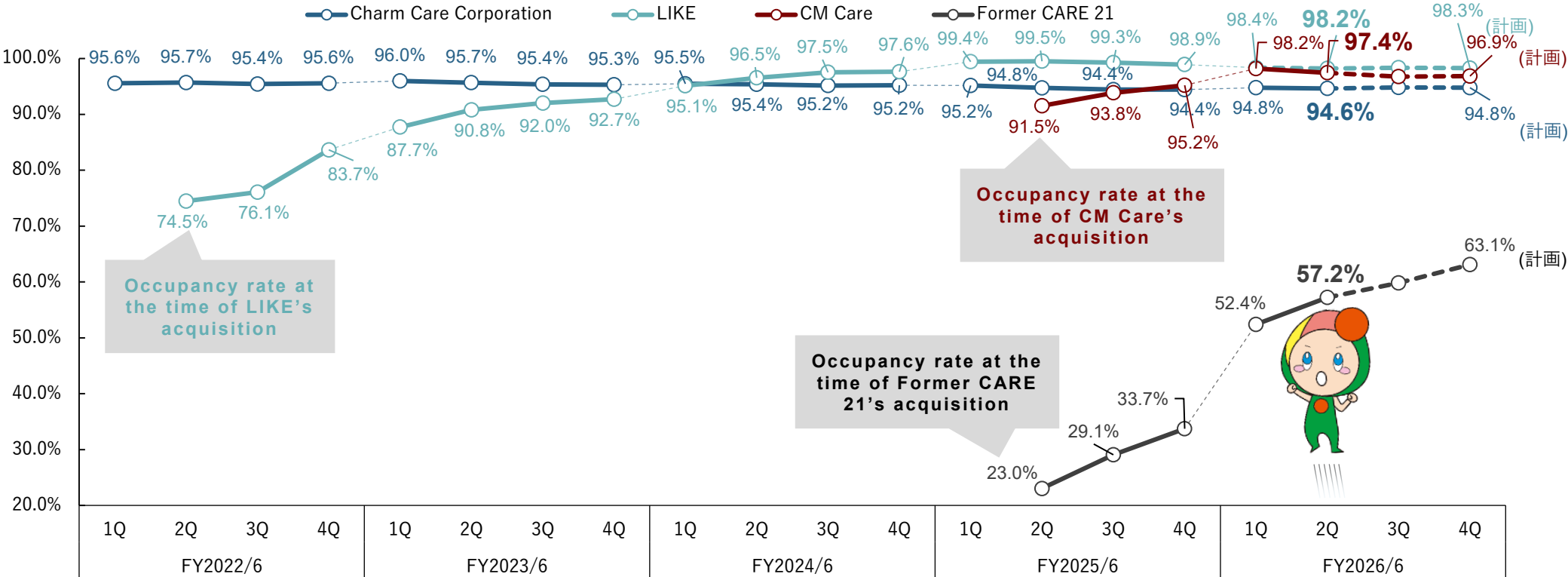
At LIKE's existing facilities : **98.2%** (The occupancy rate as of December 31, 2025, was **97.3%** (maintaining high occupancy rate))

※ Calculation of occupancy rate : Individual facilities that have been opened or acquired for over 24 months (two years) from their opening or acquisition month are included in the calculation.

(Reference) Former CARE 21 (5 facilities) : **57.2%** (The occupancy rate as of December 31, 2025, was **62.0%** (Improving))

CM Care (2 facilities) : **97.4%** (The occupancy rate as of December 31, 2025, was **95.4%** (maintaining high occupancy rate))

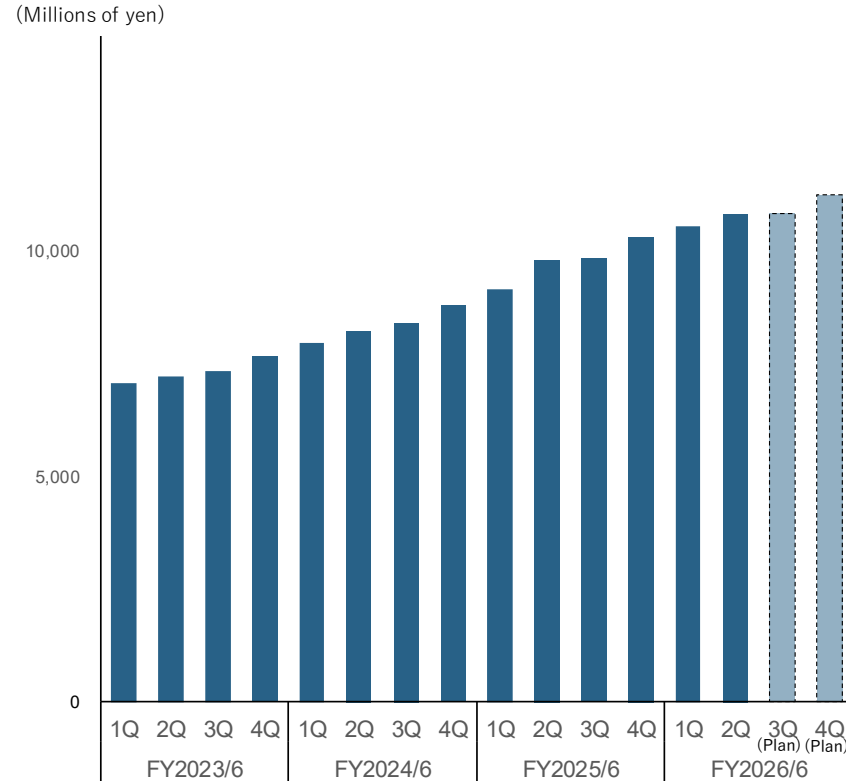
Cumulative average occupancy rate during the period by quarter



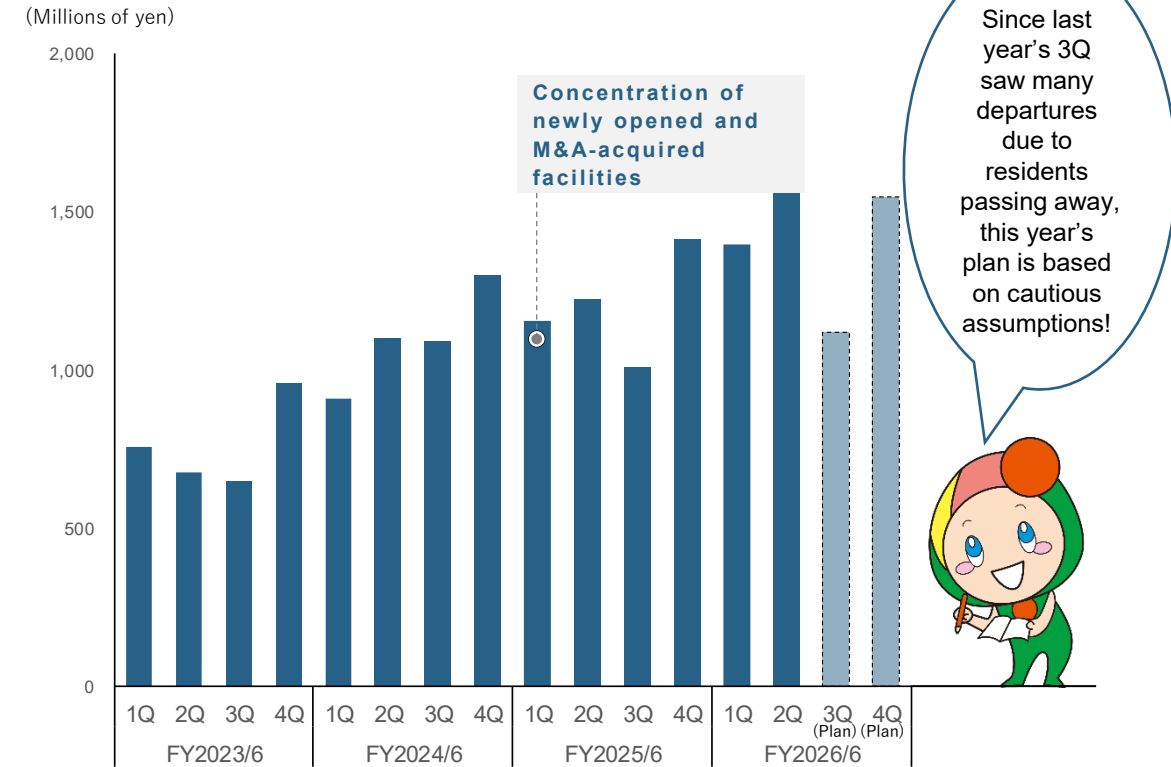
Quarterly Performance Trends of the Long-Term Care Business (3-month intervals)

- Due to the establishment of new fee-based homes for the elderly with long-term care and the promotion of new occupancy, sales have continued to steadily increase in the Long-Term Care business.

Net sales



Segment profit (Operating profit)



Note : Results are presented by quarterly accounting period (three months).

Note : Segment profit is higher in 2Q than 3Q due to seasonal factors (decrease in long-term care fees due to fewer calendar days, allowances during year-end and New Year holidays paid to staff, etc.).

Note : There are some imbalances from quarter to quarter due to the concentration of opening expenses associated with new facility openings.

Progress of Real Estate Business

Progress of Development Projects

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FY2026/6 Projects (Planned)	Progress		Remarks
Kokuryo property (Chofu City, Tokyo)	Jun. 2023	Signed a purchase agreement of the land	
	Mar. 2024	Sign a agreement with the operator	
	Nov. 2024	Building construction started	• Operator tentatively decided
	Feb. 2026	Building completion scheduled	• 97 rooms planned.
	Jun. 2026	Scheduled for sale	

Summary of Consolidated Balance Sheets

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(Millions of yen)	As of Jun. 30, 2025	As of Dec. 31, 2025	Change
Current assets	21,905	21,076	(828)
Cash and deposits	9,149	7,629	(1,520)
Inventories (Note 1)	1,609	2,114	+505
Money held in trust (Note 2)	6,274	6,318	+44
Other	4,871	5,013	+142
Non-current assets	30,509	32,105	1,596
Property, plant and equipment	16,492	18,052	+1,560
Intangible assets	2,613	2,526	(87)
Goodwill	2,389	2,279	(109)
Other	224	246	+21
Investments and other assets	11,403	11,527	+123
Investment securities	2,195	2,404	+208
Guarantee deposits	6,502	6,553	+50
Deferred tax assets	1,685	1,622	(63)
Other	1,019	947	(71)
Total assets	52,414	53,182	+768

Primarily the land and buildings of the Chofu-Kokuryo project (see [p.11](#))

Due to in-house development of newly planned facilities (including land acquisitions)

(Millions of yen)	As of Jun. 30, 2025	As of Dec. 31, 2025	Change
Current liabilities	23,582	24,089	+507
Short-term borrowings	5,787	5,807	+19
Current Portion of Long-Term Debt	1,114	1,034	(79)
Contract liabilities (Note 3)	12,884	12,645	(239)
Other	3,795	4,602	+807
Non-current liabilities	8,153	7,725	(428)
Long-term borrowings	6,175	5,692	(483)
Other	1,977	2,032	+55
Total liabilities	31,736	31,815	+79
Shareholders' equity	20,650	21,201	+551
Share capital	2,759	2,759	—
Capital surplus	2,768	2,772	+4
Retained earnings	15,157	15,693	+536
Treasury shares	(35)	(24)	+10
Total accumulated other comprehensive income	(6)	131	+137
Share acquisition right	34	34	—
Total net assets	20,678	21,367	+688
Total liabilities and net assets	52,414	53,182	+768

(Note 1) Inventories are real estate for sale and real estate for development in the real estate business.

(Note 2) Money held in trust are deposits made as a protective measure for a part of the initial lump sum fee received in the long-term care business, as mandated by the Act on Social Welfare for the Elderly.

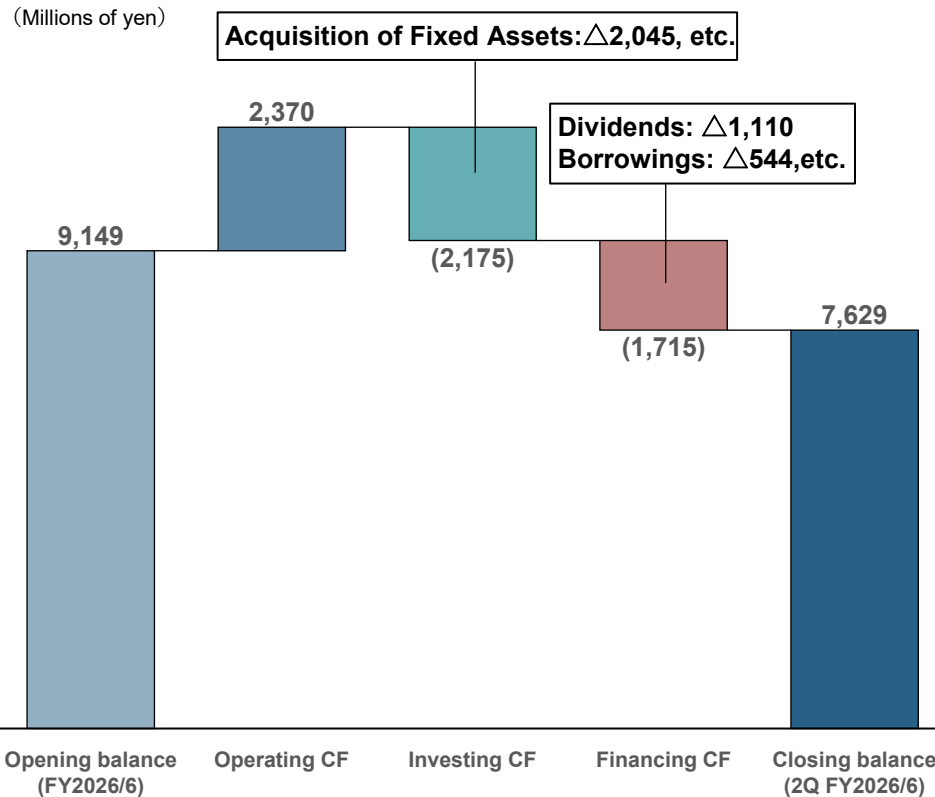
(Note 3) Contract liabilities are initial lump sum fees received and held by the long-term care business, which are drawn down as revenue is recognized.

Equity Ratio	39.4%	40.1%	+0.7pt.
Interest-Bearing Debt Ratio	65.2%	60.8%	(4.4pt.)

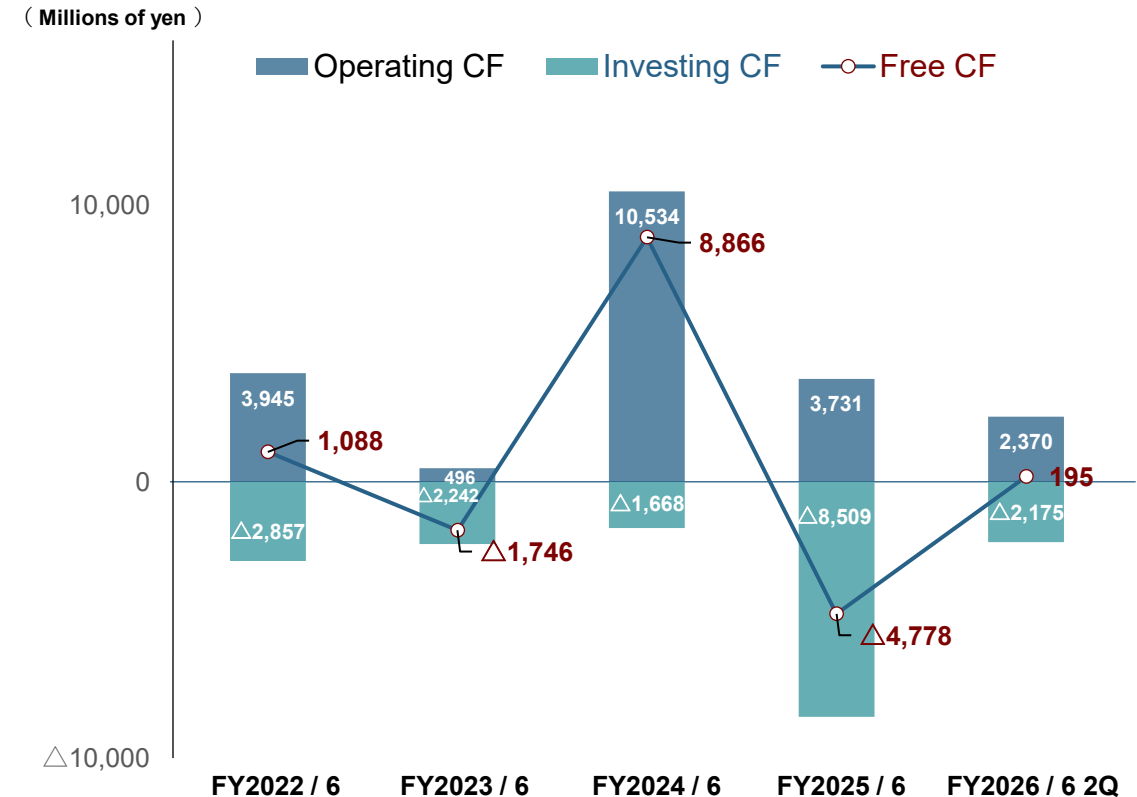
Consolidated Cash Flow Overview

- Cash flow from operating activities : +¥2,370 million, mainly reflecting the steady performance of the core Long-Term Care Business.
- Cash flow from investing activities : △¥2,175 million, due to proactive investments in in-house development of the Group's facilities, IT equipment, and other assets.
- Cash flow from financing activities : △¥1,715 million, primarily attributable to dividend payments and repayments of long-term borrowings.
- As a result, cash and cash equivalents decreased by ¥1,520 million from the beginning of the fiscal year to ¥7,629 million.

Cash Flow for the Current Fiscal Year



Cash Flow Trends



Earnings Forecast for FYE June 2026 (No Revision)

- The Long-Term Care business continues its upward growth trajectory, steadily increasing the number of rooms (capacity) through new facility openings while maintaining a high occupancy rate.
- For the seven fee-based homes for the elderly acquired through M&A in the fiscal year ending June 2025, improvements in occupancy rates and operational efficiency are steadily progressing, and similar improvements are expected in the next fiscal year.
- The sale of properties owned by our Group, which had been scheduled for the fiscal year ending June 2025 but was postponed, is still underway. However, as the sale has not been finalized at this point, it is not included in the performance forecast figures.

Full-year forecasts (consolidated)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
FY2025 / 6 (result)	46,673	3,845	4,024	2,936
FY2026 / 6 (forecast)	48,585	4,460	4,615	3,090
Change	+4.1%	+16.0%	+14.7%	+5.2%

Note: For details by segment, please refer to [pages 22–23](#) of the Medium-Term Management Plan.

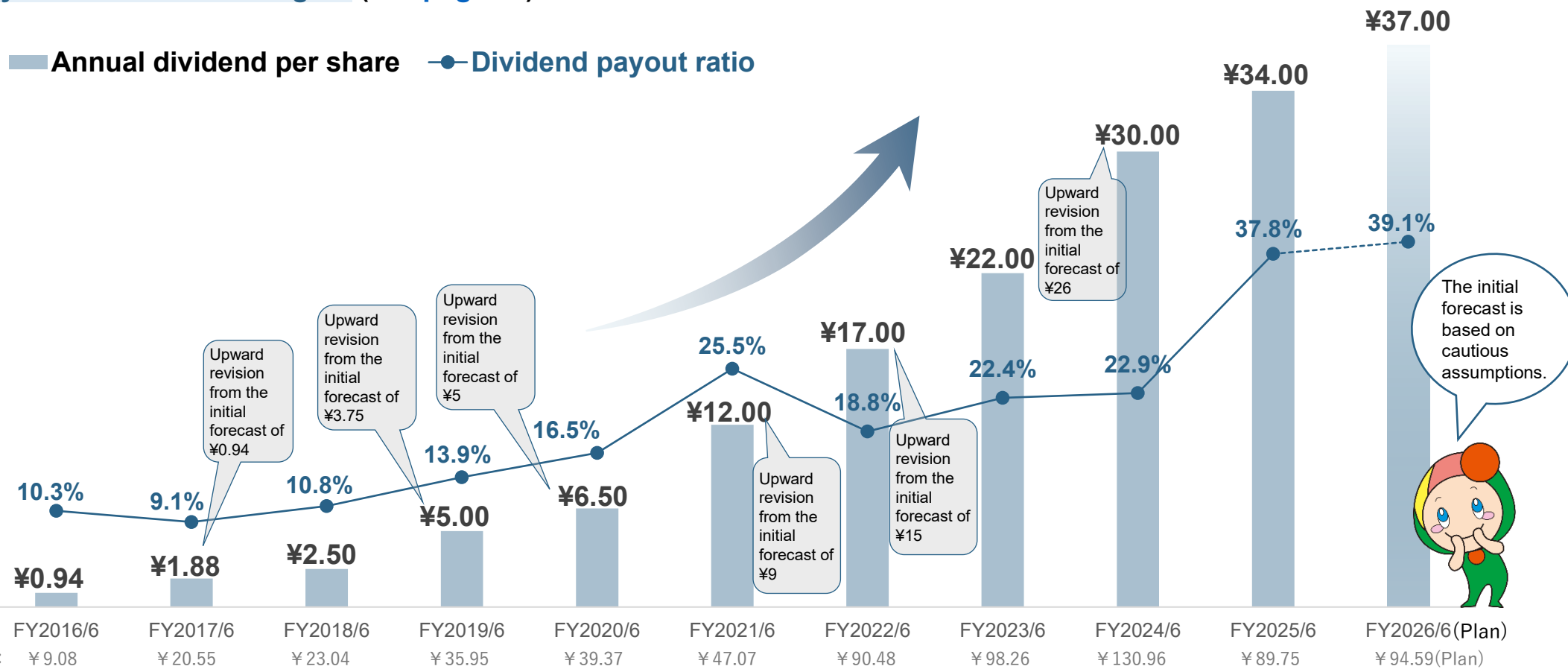
Dividends for the Fiscal Year Ending June 2026

👉 A commemorative dividend marking the 20th anniversary of the opening of the Company's first facility (¥3 per share) will be paid as an interim dividend.

	Profit attributable to owners of parent (Forecast)	Earnings per share (Forecast)	Dividend per share			Dividend payout ratio	Total dividends	Dividend on equity
FY2026 / 6	¥3,090 _{mn}	¥94.59	Interim dividend	¥20.00 Ordinary dividend:¥17 Commemorative dividend:¥3	¥37.00	39.1%	¥1,208 _{mn}	5.3%
			Year-end dividend (Forecast)	¥17.00				

Trends in Shareholder Returns (Dividends)

- Dividends per share have continued to increase over the past ten fiscal years, and the Company has introduced interim dividends from the current fiscal year.
- 👉 Dividend policy: While maintaining a balance with growth investments, the Company aims to maintain a dividend payout ratio of 30% or higher (see [page 25](#)).



Note: The Company conducted stock splits at a ratio of two shares for each share of common stock on January 1, 2017, June 1, 2017, April 1, 2018, and January 1, 2020. Per-share annual dividends and EPS (earnings per share) for prior periods are presented on a retroactively adjusted basis to reflect these stock splits.

01

FY2026/6 2nd Quarter Results

02

Medium-Term Management Plan

Note: We review the medium-term management plan in a rolling manner at the time financial results are announced after the end of each fiscal year.

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About us

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Current Topics

Reference Document (1): Company Business Domains and Profit Structure, etc.

Reference Document (2): Environment Surrounding the Long-Term Care Industry

1

Core Business : The Long-Term Care Business

1. “Back to Basics” — Focusing on Our Core Business: The Long-Term Care Business

- **Enhance the on-site capabilities of our fee-based homes for the elderly, the source of our profits, and increase the number of attractive, high-performing homes ("Charm Homes")**
 - ① Strengthen personnel for education and training, thoroughly implement field-based OJT, and improve quality through enhanced caregiving skills and services.
 - ② Enhance the management and sales capabilities of facility managers who oversee on-site operations.
 - ③ Area managers should also adopt a field-oriented approach to ensure early detection and resolution of issues related to operations and occupancy (vacancies).
 - ④ Risk management should likewise be field-oriented, with reinforced measures to prevent problems before they occur.
- **Strengthening Human Resources through Improved Compensation and Workplace Environment**
 - ① Promote talent acquisition by leveraging the industry's top-level salary structure, achieved through base pay increases and revisions to the bonus system (partial conversion of bonuses to monthly salary).
 - ② Establish a selection rate of 50% or higher for the four-day workweek system to enhance recruitment capabilities.
 - ③ Strengthen interview and hiring capabilities by adopting a field-oriented approach for recruitment staff.
 - ④ Increase caregiving DX personnel and enhance IT/AI capabilities at facilities — starting with promoting and supporting all facility managers to obtain the “Smart Caregiver” certification.
- **Improving Productivity through a Lean Workforce and Digital Transformation (DX)**
 - ① Regarding the “3:0.9 facility” (Charm Suite Nishinomiya Yogaicho), which was the first in Japan to be officially approved, 10 facilities are planned as pilot sites in the fiscal year ending June 2026. Applications will be submitted to local governments as conditions are met, with plans to further expand thereafter. (As of now, no facilities other than Charm Suite Nishinomiya Yogaicho have been confirmed, so figures related to this are not included in the current Medium-Term Management Plan.)
 - ② Promote the use of IT and AI to streamline operations and reduce overtime hours (e.g., see the AI care plan on [page 52](#)).

1 Core Business : The Long-Term Care Business

2. Increase in the Number of New Openings and Expansion of Service Areas

■ Increase in New Openings through In-House Development (Land Acquisition and Building Construction)

- ① Leverage enhanced financial capacity from focusing on the Long-Term Care business to actively pursue in-house development and increase the number of new openings, contributing to operational profitability.
- ② Obtain early information on turnkey-property opportunities.
- ③ Prioritize operational and capital efficiency by focusing new openings on the mid-price segment.

■ Expansion of Establishment Areas(Targeting Core Cities; Policy of Dominant Development Remains Unchanged)

- ① Expanding acquisition of project information in the suburbs of the Tokyo metropolitan area, where the number of people requiring care is increasing — mainly in Kanagawa and Saitama Prefectures.
- ② Entry into the Nagoya area (not included in the figures of this Medium-Term Management Plan).

3. Increase in the Number of Homes through M&A and Profit Contribution through Post-Acquisition Operational Improvements

■ Acquisition of projects centered on strategic approaches to underperforming facilities, combined with our proprietary know-how for post-merger integration (PMI)

- ① Increase project acquisitions by focusing on strategic approaches to facilities with operational challenges (not included in the figures of this Medium-Term Management Plan)
- ② After acquisition, deploy and effectively utilize our personnel to implement operational and financial improvements using our proprietary know-how (PMI)

📌 **Our unique expertise in achieving industry-leading profit margins in the facility-based long-term care sector is our greatest strength in M&A**

2 Related Businesses of the Long-Term Care Business

■ Personnel dispatch, home-visit nursing, and hospice businesses operated by Good Partners

- ① The personnel dispatch business continues as a service to temporarily supplement staffing shortages at facilities within our Group.
- ② The home-visit nursing business leverages synergies with Residential fee-based homes for the elderly and other facilities within our Group.
- ③ The hospice business is being developed with a focus on thorough risk management, while carefully monitoring the business environment and regulatory trends.

■ Resident referral business operated by Charm Senior Living

- ① To further promote resident occupancy at fee-based homes for the elderly with long-term care and Residential fee-based homes for the elderly within our Group, and to enhance overall Group management efficiency, we are strengthening our workforce.
- ② Personnel with both practical caregiving experience and strong sales capabilities are selected from facility sites and effectively utilized as sales staff of our company or as personnel of Charm Senior Living.
- ③ We are also considering M&A opportunities in the web-based customer acquisition business (Note: figures related to this are not included in the current medium-term management plan).

■ Other businesses related to the Long-Term Care business

- ① We are considering M&A opportunities in other areas related to the Long-Term Care business (Note: figures related to this are not included in the current medium-term management plan).
- ② We are also continuing to explore peripheral businesses utilizing AI technologies in the Long-Term Care business (Note: figures related to this are not included in the current medium-term management plan).

👉 Regarding the real estate business, in light of environmental changes such as rising construction costs and higher interest rates, we will prioritize focusing on the Long-Term Care business. Accordingly, we will discontinue the business after completing the ongoing project for the fiscal year ending June 2026 (the Chofu City Kokuryo project) and abolish the reporting segment.

Medium-Term Management Plan for the FYE June 2026 – FYE June 2028

(Millions of yen)

	FY2024 / 6 Result	FY2025 / 6 Result	FY2026 / 6 Plan	FY2027 / 6 Plan	FY2028 / 6 Plan
Net sales	47,829	46,673	48,585	(Note) 49,795	55,265
Operating profit	5,386	3,845	4,460	5,290	6,310
Ordinary profit	5,817	4,024	4,615	5,335	6,315
Ordinary profit margin	12.2%	8.6%	9.5%	10.7%	11.4%
Extraordinary Income and Losses	559	367	-	-	-
Profit attributable to owners of parent	4,276	2,936	3,090	3,520	4,165
Earnings Per Share (EPS)	¥130.97	¥89.89	¥94.59	¥107.75	¥127.49

Includes approximately
¥3 billion in sales from
the real estate business

- The three-year plan values are calculated, to the extent possible, based on the latest actual results, trends, and market conditions. **Unlike the "target values" for the second and third years listed in the previous medium-term management plan, these figures exclude aspirational elements and reflect only what the Company realistically deems achievable.**
- The three-year plan values are based on the current plans for opening new fee-based homes for the elderly with long-term care in [pages 26 – 28](#). These values may fluctuate depending on future increases in the number of new facility openings or the realization of M&A activities.
- Extraordinary Income from the sale of company-owned real estate are not included in the plan values, as they have not been finalized at this time.
- **(Note) The reason for the low sales growth rate in the fiscal year ending June 2027 is that the plan for the fiscal year ending June 2026 includes ¥3,002 million in sales from the real estate business. As stated on [page 20](#), the real estate business will be discontinued from the fiscal year ending June 2027 onward.**

Related
page:

[p.26](#)

[p.27](#)

[p.28](#)

[p.20](#)

Segment Plans for the FYE June 2026 – FYE June 2028

(Millions of yen)

		FY2024 / 6 Result	FY2025 / 6 Result	FY2026 / 6 Plan	FY2027 / 6 Plan	FY2028 / 6 Plan
Long-Term Care (details are provided on the next page)	Net sales	33,390	39,063	43,450	47,212	52,344
	Segment profit	4,407	4,802	5,434	6,381	7,254
Other Businesses	Net sales	14,919	8,218	5,734	3,257	3,735
	Segment profit	1,968	191	238	176	314
	Good Partners (staffing services, etc.)	Net sales	1,857	2,562	2,643	3,041
		Operating profit	128	132	148	225
	Amortization of goodwill	(34)	(32)	(32)	(32)	(32)
	Charm Senior Living (Resident referral services)	Net sales	-	49	88	123
		Operating profit	-	43	2	3
	Real Estate	Net sales	13,062	5,607	3,002	92
		Operating profit	1,874	65	128	(21)
	Other Peripheral Businesses	Net sales	-	-	-	-
		Operating profit	-	-	-	-
	Adjustments	Intersegment sales or transfers	(480)	(608)	(597)	(671)
		Segment profit (Note)	(990)	(1,150)	(1,213)	(1,260)
Consolidated	Net sales	47,829	46,673	48,585	49,795	55,265
	Operating profit	5,386	3,845	4,460	5,290	6,310
	Ordinary profit	5,817	4,024	4,615	5,335	6,315
	Profit attributable to owners of parent	4,276	2,936	3,090	3,520	4,165
	Earnings Per Share (EPS)	¥130.97	¥89.89	¥94.59	¥107.75	¥127.49

Note : Segment profit presented in the Adjustments section represents corporate expenses not allocated to individual reporting segments. Corporate expenses are primarily general and administrative expenses not attributable to specific reporting segments.

Related
page:
[p.14](#)

Long-Term Care Business Segment Plan (FYE June 2026 to 2028 Breakdown)

(Millions of yen)

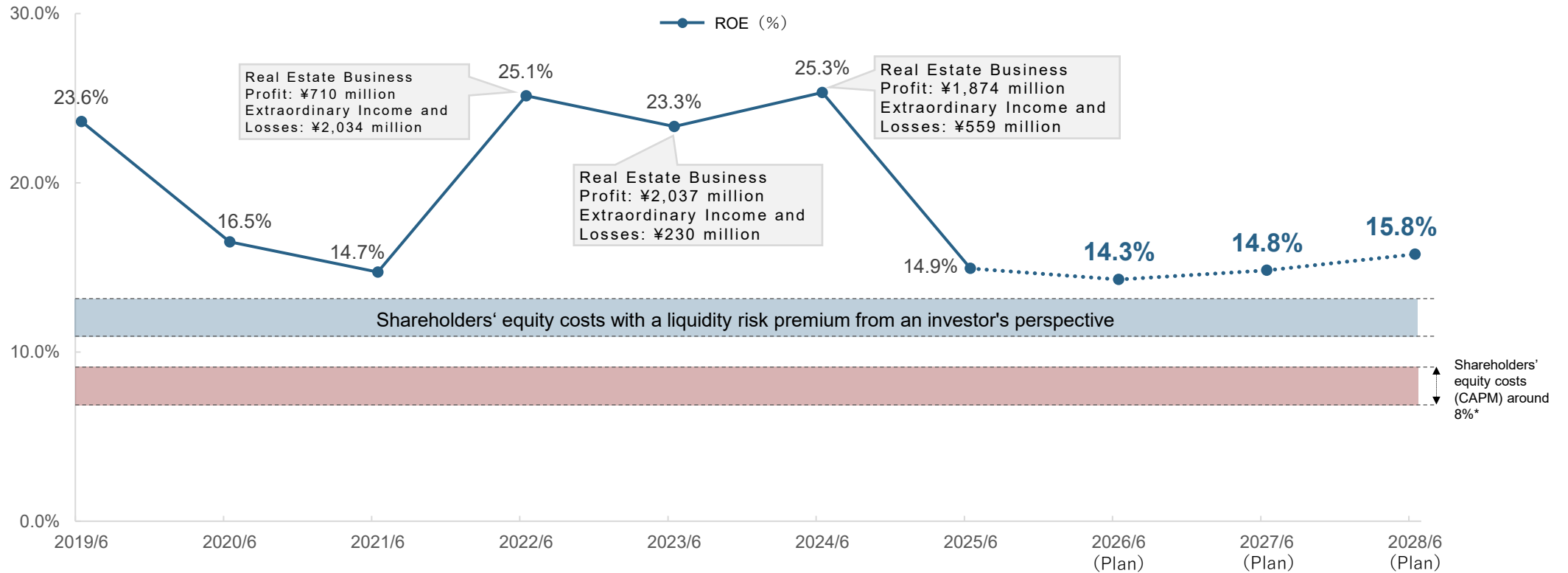
Related
page:
[p.14](#)
[p.9](#)

		FY2024 / 6	FY2025 / 6	FY2026 / 6	FY2027 / 6	FY2028 / 6
		Result	Result	Plan	Plan	Plan
Long-Term Care						
Net sales		33,390	39,063	43,450	47,212	52,344
Segment profit		4,407	4,802	5,434	6,381	7,258
Avg.occupancy rate (residents / capacity)		90.5% (5,460 / 6,033)	87.1% (6,186 / 7,098)	89.7% (6,846 / 7,634)	91.2% (7,426 / 8,144)	90.7% (8,218 / 9,059)
Charm Care (excl. M&A facilities)	Existing fee-based homes for the elderly with long-term care (2+ years in operation)					
	Net sales	24,982	29,482	32,676	36,372	38,953
	Operating profit	4,352	5,024	5,375	6,079	6,651
	Avg.occupancy rate (residents / capacity)	95.2% (4,061 / 4,264)	94.4% (4,558 / 4,826)	94.8% (4,982 / 5,257)	95.0% (5,592 / 5,889)	95.3% (6,013 / 6,308)
	Existing Residential fee-based homes for the elderly (2+ years in operation)					
	Net sales	2,045	1,742	1,665	1,610	1,576
	Operating profit	295	262	291	229	210
	Avg.occupancy rate (residents / capacity)	95.5% (401 / 420)	96.4% (356 / 369)	96.7% (350 / 362)	96.8% (350 / 362)	97.0% (351 / 362)
	2nd-year facilities (1-2 years since opening)					
	Net sales	3,063	2,513	3,059	2,443	3,143
	Operating profit	181	202	210	286	453
	Avg.occupancy rate (residents / capacity)	76.9% (394 / 511)	78.7% (333 / 423)	78.6% (497 / 633)	87.3% (366 / 419)	89.7% (458 / 510)
	Newly established facilities (less than 1 year in operation) (Including pre-opening facility costs)					
	Net sales	1,393	1,803	1,274	1,417	3,048
	Operating profit	(574)	(422)	(417)	(624)	(764)
	Avg.occupancy rate (residents / capacity)	47.7% (202 / 423)	48.8% (309 / 633)	49.0% (205 / 419)	44.0% (224 / 510)	51.2% (468 / 915)
M&A-acquired facilities	LIKE (Oct. 2021-) (+1 facility in Jun. 2024)					
	Net sales	1,905	2,119	2,161	2,170	2,178
	Operating profit	335	409	345	360	370
	Avg.occupancy rate (residents / capacity)	97.2% (403 / 414)	95.6% (440 / 460)	97.7% (449 / 460)	97.9% (451 / 460)	97.9% (450 / 460)
	Amortization of goodwill		(183)	(181)	(181)	(181)
	Former CARE 21 (Oct. 2024-)					
	Net sales		715	1,716	2,305	2,541
	Operating profit		(468)	(256)	156	379
	Avg.occupancy rate (residents / capacity)	(/)	33.7% (98 / 289)	63.1% (236 / 374)	84.8% (317 / 374)	94.1% (352 / 374)
	CM Care (Oct. 2024-)					
	Net sales	-	685	897	893	903
	Operating profit	-	(19)	70	78	144
	Avg.occupancy rate (residents / capacity)	(/)	95.2% (93 / 98)	96.9% (126 / 130)	96.5% (126 / 130)	96.5% (126 / 130)
	Amortization of goodwill	-	(2)	(3)	(3)	(3)

Note: The number of residents and capacity figures represent monthly averages, calculated by dividing the total of month-end values by 12.

Medium-Term Management Plan for ROE (Return on Equity)

- To effectively utilize capital, when formulating plans for new facility openings or M&A, the return on invested capital will be used as one of the evaluation criteria.
- However, to avoid missing growth opportunities, it will not be treated as an absolute standard; decisions will be made based on a comprehensive assessment including other indicators.
- The ROE target under this Medium-Term Management Plan is set at **15%**.
- 👉 **The ROE figures shown below do not intentionally include Extraordinary Income from the sale of company-developed real estate under the asset-light policy. However, since multiple property sales are planned during the period of this Medium-Term Management Plan, actual ROE is expected to exceed the figures shown below.**



* Estimated based on the yield on 10-year government bonds for the risk-free rate, our 5-year weekly β for the β value, and a market risk premium of 6.0%.

Capital Allocation Strategy ~Cash Allocation~ (FYE June 2026 – FYE June 2028)

Related
page:
[p.16](#)

- Cash Allocation Policy:
 - ① As our Group is a growth-oriented company, we place priority on growth investments while also emphasizing shareholder returns (dividends).
 - ② While maintaining financial soundness, we will actively utilize borrowing to seize growth opportunities.
- In principle, we follow an asset-light policy, recovering funds through the sale (sale and leaseback) of real estate from self-developed fee-based homes for the elderly with long-term care, and reinvesting those funds.
- During the period of this Medium-Term Management Plan, shareholder returns (dividends) are planned with a minimum payout ratio of 30% (see [p.16](#)).
- With the potential for large-scale M&A in mind, we aim to secure over ¥10 billion as standby funds for M&A during the period of this Medium-Term Management Plan.

Cash In



Operating income derived from business activities, primarily in the Long-Term Care business, calculated by deducting labor costs, land rent, and other expenses from operating revenues such as rent, admission fees, and long-term care service fees.

Income from the Sale of Self-Developed Facilities Based on the Asset-Light Policy

Cash Out



- Development costs for self-developed fee-based homes for the elderly with long-term care
- Security deposits and preparation costs (e.g., interior work) for opening rental-type facilities
- Investment in IT equipment and AI technologies
- Trust of funds (partial preservation of admission fees in accordance with legal requirements)

New Facility Opening Plan

Note: This document reflects the latest information available as of today and will be updated from time to time.
Underlined items indicate changes from the previous version.

Related
page:
[p.21](#)

	FY2024 / 6 Result	FY2025 / 6 Result	FY2026 / 6 Plan	FY2027 / 6 Plan	FY2028 / 6 Plan
Planned New Openings [Number of Rooms / Capacity]	7 facilities [508 / 517]	14 facilities [996 / 1,015]	<u>10 facilities</u> <u>[591 / 606]</u>	<u>6 facilities</u> <u>[442 / 466]</u>	<u>15 facilities</u> <u>[1,059 / 1,135]</u>
Of which, Tokyo metropolitan area	3 facilities	8 facilities	8 facilities	<u>4 facilities</u>	<u>12 facilities</u>
Of which, Kinki metropolitan area	4 facilities	6 facilities	<u>2 facilities</u>	<u>2 facilities</u>	<u>3 facilities</u>
Cumulative facilities	91 facilities	105 facilities	<u>115 facilities</u>	<u>121 facilities</u>	136 facilities
Of which, Tokyo metropolitan area	42 facilities	50 facilities	58 facilities	<u>62 facilities</u>	74 facilities
Of which, Kinki metropolitan area	49 facilities	55 facilities	<u>57 facilities</u>	<u>59 facilities</u>	62 facilities
Rooms [Capacity]	6,159 rooms [6,359 people]	7,155 rooms [7,374 people]	<u>7,746 rooms</u> <u>[7,980 people]</u>	<u>8,188 rooms</u> <u>[8,446 people]</u>	<u>9,247 rooms</u> <u>[9,581 people]</u>
Of which, Tokyo metropolitan area	2,523 facilities	3,048 facilities	<u>3,523 facilities</u>	<u>3,795 facilities</u>	<u>4,610 facilities</u>
Of which, Kinki metropolitan area	3,636 facilities	4,107 facilities	<u>4,223 facilities</u>	<u>4,393 facilities</u>	<u>4,637 facilities</u>

Note: Including hospice facilities, which are residential fee-based homes for the elderly.

List of Planned New Facility Openings

Note: This document reflects the latest information available as of today and will be updated from time to time.
Underlined items indicate changes from the previous version.

FYE June 2026

No.		New Opened/Acquired Facilities	Rooms	Opening
1	Opened	Charm Suite Kitakarasuyama (Setagaya-ku)	55	Aug.2025
2	Opened	Charm Suite Honkomagome (Bunkyo-ku)	55 (56 people)	Aug.2025
3	Opened	Charm Seta [turnkey property] (Setagaya-ku)	47 (50 people)	Oct.2025
4	Opened	Charm Rokugo (Ota-ku)	68	Nov.2025
5	Opened	Charm Suite Nokendai (Kanazawa-ku, Yokohama City)	80	Dec.2025
6	Opened	ATTENITY Kugayama [turnkey-property] (Suginami-ku)	<u>49</u> (52 people)	Dec.2025
7	Opened	Charm Suite Gotokuji (Setagaya-ku)	58 (62 people)	Feb.2026
8	Construction started	Charm Suite Chitosekarasuyama (Setagaya-ku)	63	Mar.2026
New 9	Contracted	<u>M&A-acquired facility (Ikeda City, Osaka)</u>	<u>56</u>	<u>Mar.2026</u>
10	Construction started	Charm Premier Kyoto Okazaki (Higashiyama-ku, Kyoto City)	60 (64 people)	May 2026
Total	<u>10</u> facilities (Tokyo area: 8, Kinki area: <u>2</u>)		<u>591</u> (<u>606</u> people)	

“Merci Masumi,” to be acquired from Biken Techno Co., Ltd., is scheduled to be renamed “Charm Ikeda Masumicho” after acquisition (see [page 44](#)).

Related
page:
[p.21](#)
[p.44](#)

List of Planned New Facility Openings

Note: This document reflects the latest information available as of today and will be updated from time to time.
Underlined items indicate changes from the previous version.

FYE June 2027

No.	New Opened/Acquired Facilities	Rooms (People)	Opening
1	ATTENITY Chofu Shibasaki [In-house] (Chofu City) <small>Construction started</small>	52	<u>Sep.</u> 2026
2	Charm Suite Kyoto Matsugasaki (Sakyo-ku, Kyoto City) <small>Construction started</small>	80(84)	<u>Sep.</u> 2026
3	Charm Akashi Nishishinmachi (Akashi City, Hyogo) <small>Construction started</small>	90(100)	Nov.2026
4	Charm Premier Sakurashinmachi (Setagaya-ku) <small>Construction started</small>	62(72)	Jan.2027
5	Charm Suite Megurohoncho (Meguro-ku) <small>Construction started</small>	72	Mar.2027
6	Charm Suite Miyamaedaira (Miyamae-ku, Kawasaki City) <small>Construction started</small>	86	Apr.2027

The number of newly opened facilities is scheduled to reach 15 in total!



Total **6** facilities (Tokyo area: **4**, Kinki area: **2**) **442(466)**

All projects other than in-house development are lease-based projects from property owners.

FYE June 2028

No.	New Opened/Acquired Facilities	Rooms (People)	Opening
1	(Tent.)Charm Suite Higashi Totsuka (Totsuka-ku, Yokohama City)	87	<u>July.</u> 2027
2	(Tent.)Charm Premier Konanyamate (Higashinada-ku, Kobe City) <small>Construction started</small>	94(100)	Aug.2027
3	(Tent.)Charm Suite Kokubunji Hikarimachi (Kokubunji City, Tokyo)	71	<u>Oct.</u> 2027
4	(Tent.)Charm Suite Kugenuma Kaigan (Fujisawa City, Kanagawa)	97	<u>Oct.</u> 2027
5	(Tent.)Charm Amagasaki Nishikoya [In-house] (Amagasaki City, Hyogo)	100	<u>Nov.</u> 2027
6	(Tent.)ATTENITY Amagasaki Nishikoya [In-house] (Amagasaki City, Hyogo)	50	<u>Nov.</u> 2027
7	(Tent.)Charm Suite Aobadai (Aoba-ku, Yokohama city)	68	Dec.2027
8	(Tent.)Charm Premier Grand Shakuji Park (Nerima-ku) <small>Construction started</small>	54(76)	Jan.2028
9	(Tent.)Charm Suite Chidoricho (Ota-ku)	72	Feb.2028
10	(Tent.)Charm Premier Grand Sangubashi (Shibuya-ku)	27(50)	Feb.2028
11	(Tent.)Charm Premier Miyazakidai (Miyamae-ku, Kawasaki City)	60(72)	Feb.2028
12	(Tent.)Charm Premier Sendagaya (Shibuya-ku)	49(50)	Mar.2028
13	(Tent.)Charm Suite Yukigayaotsuka (Ota-ku)	90	May 2028
14	(Tent.)Charm Suite Soka Hikawacho (Soka City, Saitama)	80	<u>Jun.</u> 2028
New 15	(Tent.)Charm Koshigaya Akayamacho (Koshigaya City, Saitama)	60(72)	<u>Jun.</u>2028

Total **15** facilities (Tokyo area: **12**, Kinki area: **3**) **1,059(1,135)**

FYE June 2029~

(Tent.)Charm Suite Kakio (Machida City, Tokyo) [In-house] – 79 rooms planned
(Tent.)Charm Suite Kyoto Shogoin (Sakyo-ku, Kyoto City) – 80 rooms (86) [In-house] planned
New (Tent.)Charm Suite Tsukimino (Yamato City, Kanagawa) – 74 rooms [In-house] planned
Several other facilities in progress

Growth Outlook Beyond the Mid-term Management Plan

Growth Outlook with Targets and Additional Potential (“+α”) Beyond the Mid-term Management Plan

I. Increase in the Number of Facilities through Entry into New Areas

- Currently considering multiple new opening projects, including potential entries into new areas.
- The new areas under consideration are within the range that can be managed from existing bases in the Tokyo metropolitan and Kinki metropolitan areas. Therefore, unlike the initial entry into the Tokyo metropolitan area, no significant additional cost burden is expected from expanding into new areas.
- Including entry into new areas, we assume that the previously established policy of setting the maximum annual number of new facility openings at 10 will be revised to 15–20 (with realization expected in 2–3 years).

II. Increase in the Number of Facilities through M&A in Facility-based Long-term Care Business

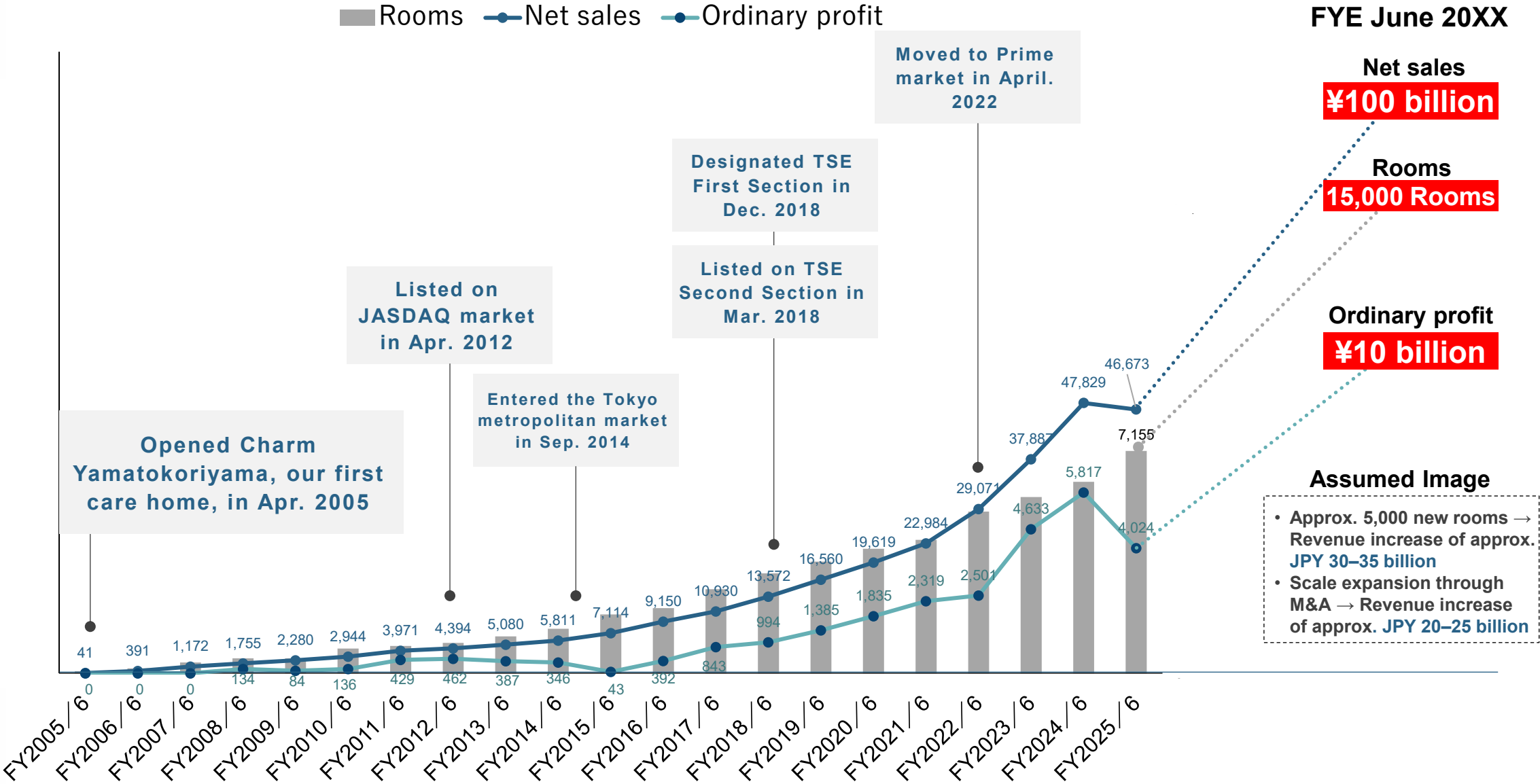
- Currently reviewing multiple M&A opportunities in the facility-based long-term care business.
- Going forward, by leveraging our unique know-how to achieve operational and performance improvements, there is potential for an increasing number of opportunities, including large-scale M&A.

III. Revenue Growth and Improved Management Efficiency through M&A in Long-term Care-related Businesses

- Currently reviewing multiple M&A opportunities in long-term care-related businesses.
- By consolidating such businesses, there is potential for revenue growth through the incorporation of revenues currently outside the Group, as well as improved management efficiency by converting existing external costs into internal transactions.

Growth Outlook with the Above Targets and Additional Potential (“+α”) (continued)

Growth Outlook Beyond the Mid-term Management Plan

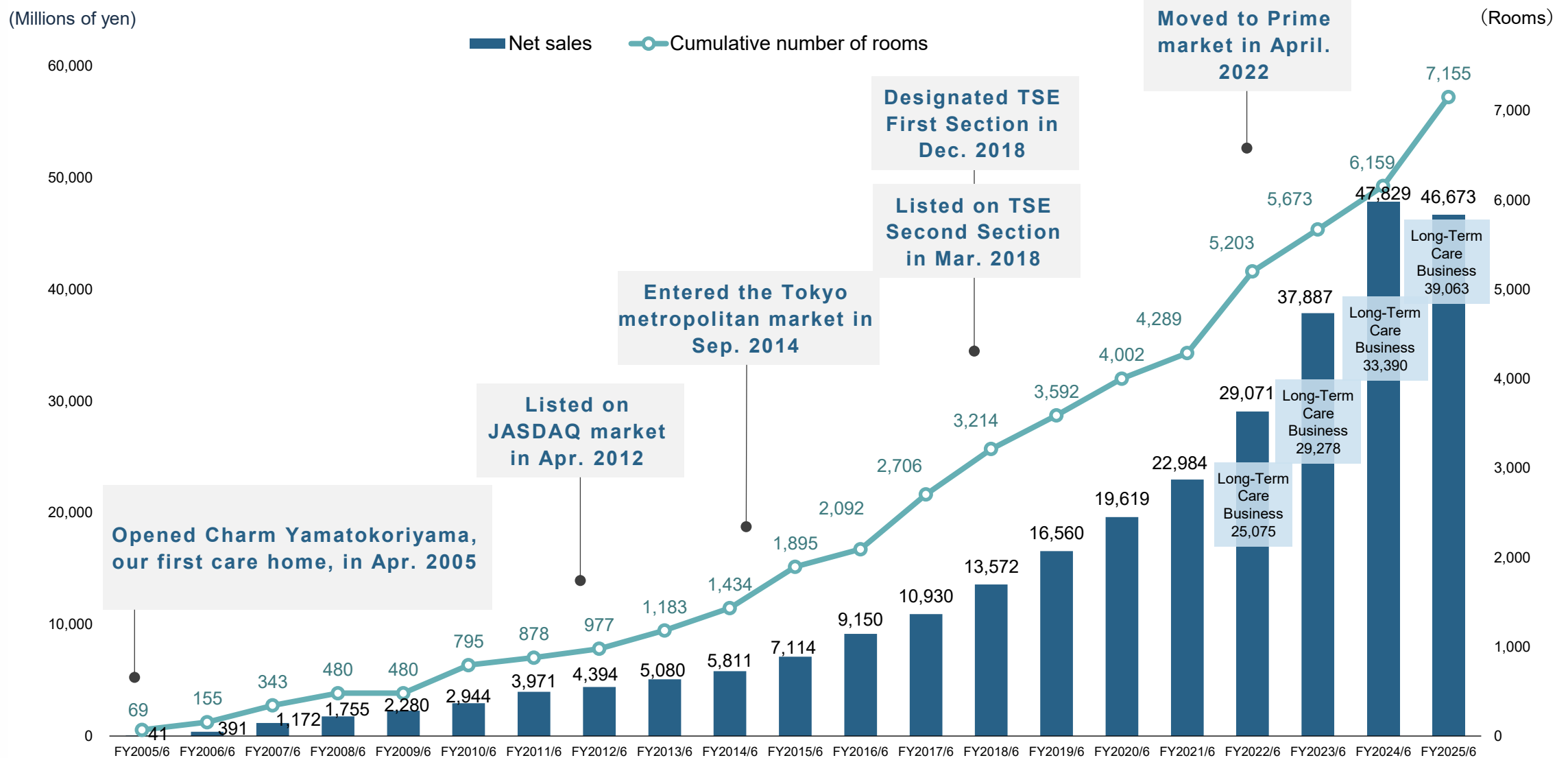


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- 01 | FY2026/6 2nd Quarter Results
- 02 | Medium-Term Management Plan
- 03 | About us**
- 04 | Current Topics

Reference Document (1): Company Business Domains and Profit Structure, etc.
Reference Document (2): Environment Surrounding the Long-Term Care Industry

Trends in sales and number of rooms, and history

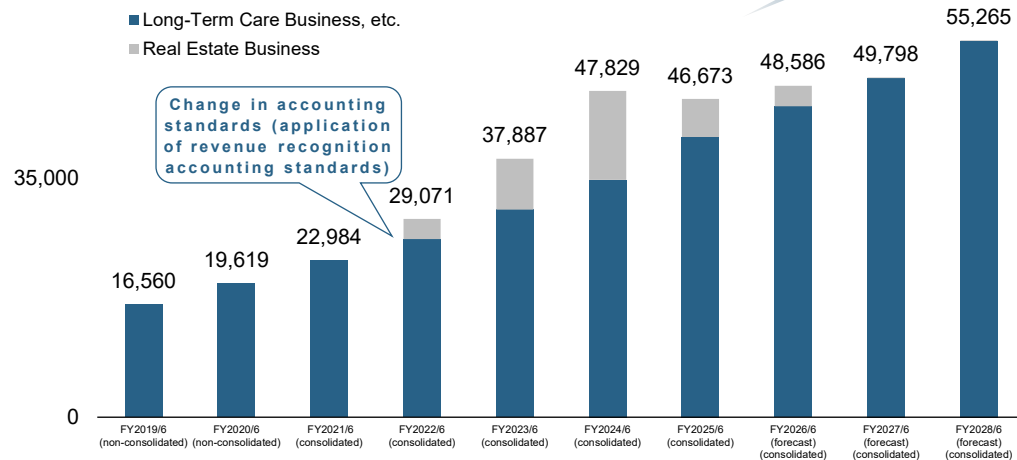


Note: The total number of rooms includes facilities and hospice facilities operated by consolidated subsidiaries.

Performance Trends

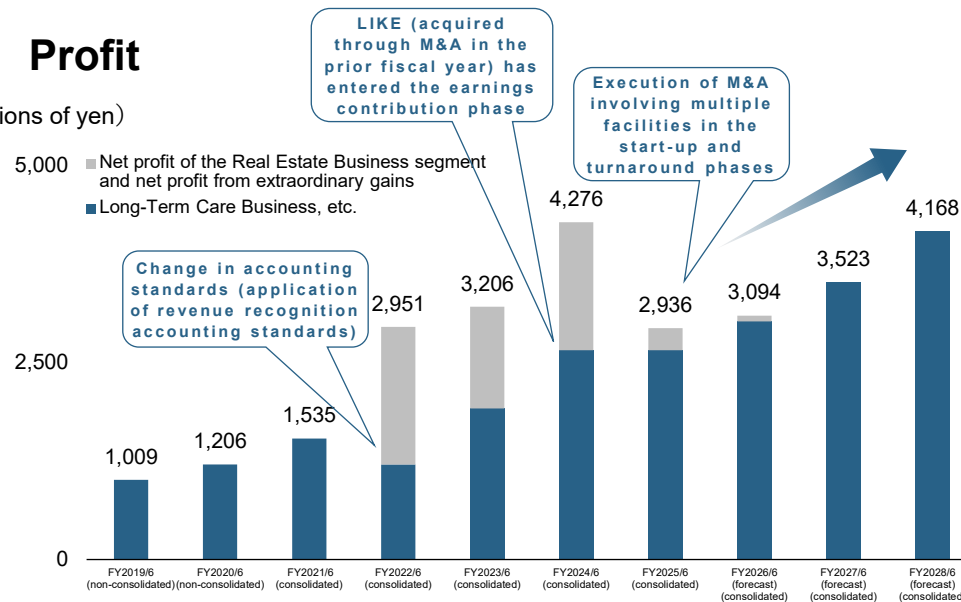
Net sales

(Millions of yen)



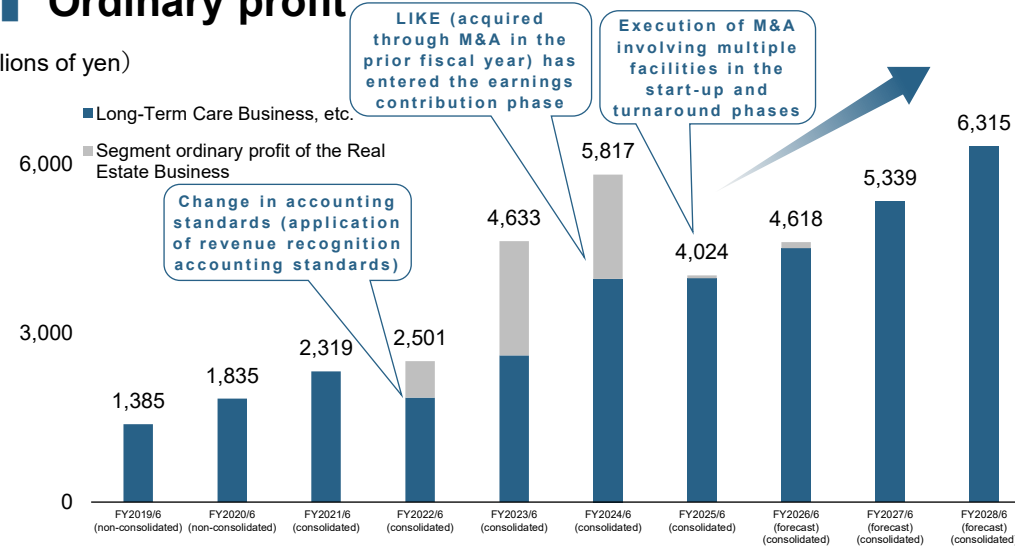
Profit

(Millions of yen)



Ordinary profit

(Millions of yen)



(Millions of yen)	FY2021/ 6 (consolidated)	FY2022/ 6 (consolidated)	FY2023/ 6 (consolidated)	FY2024/ 6 (consolidated)	FY2025/ 6 (consolidated)
Net assets	11,125	12,458	15,135	18,706	20,678
Total assets	28,597	37,355	43,304	47,339	52,414
Equity ratio	38.7%	33.2%	34.8%	39.4%	39.4%
Return on Equity (ROE)	14.7%	25.1%	23.3%	25.3%	14.9%



MISSION

Charm Care Corporation will contribute to the creation of a prosperous and rewarding aging society.

The design of our logo uses wings as a motif to represent our continuing commitment to constant reform and further evolution in the future.

■ Charm Care Group's Business

01

Achieving long-term and steady growth in **the Long-Term Care business, the core businesses** focused on the operation of “fee-based homes for the elderly with long-term care.”

02

Complementing the core business **through related ventures in the Long-Term Care business**, driving growth through synergy-driven revenue expansion and improved group management efficiency.

03

Aiming for further growth through **New Business**, in fields such as AI that contribute to an aging society.

Characteristics of the Long-Term Care Business (1)

- ▶ Management resources focused on fee-based homes for the elderly with long-term care (daily life long-term care admitted to specified facilities)

Over 94% of operated facilities are “fee-based homes for the elderly with long-term care”

(a major unique feature among large-scale operators)

Advantage 1:

Unlike other fee-based homes for the elderly, fee-based homes for the elderly with long-term care have **fixed care fees**, making revenue easy to anticipate and stable (see [page 36](#) and [page 73](#)) .

Advantage 2:

Fee-based homes for the elderly with long-term care require designation by the local government, creating **a high barrier** to entry for operators without a track record.

Advantage 3:

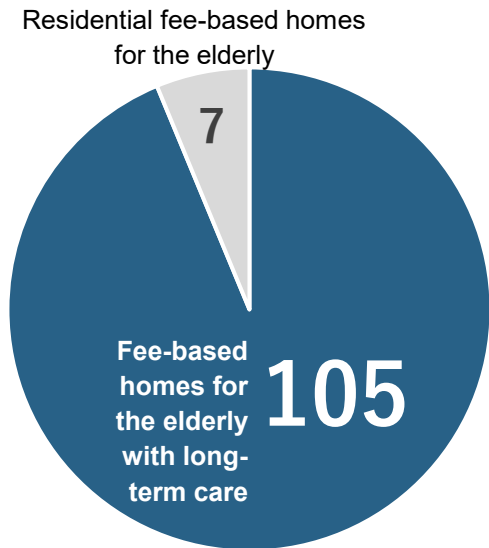
Fee-based homes for the elderly with long-term care are **more likely to be chosen by customers (= high occupancy rate)** due to their safety and security, such as a 24-hour long-term care system.

Advantage 4:

As fee-based homes for the elderly with long-term care cater to elderly residents with moderate to severe long-term care needs*, **demand is expected to grow further in the future** (see [page 80](#)) .

(*Averages of Charm Care's residents:
age 88 years and 9 months, long-term care level 2.2-2.3)

Types of senior homes within our company group.



As of Feb.1, 2026

Characteristics of the Long-Term Care Business (1)

► For Reference: Main types of facility-based services

Type	Details
Fee-based homes for the elderly with long-term care (daily life long-term care admitted to specified facilities)	<p>Fee-based homes for the elderly designated by prefectural governments as “daily life long-term care admitted to specified facilities” under the long-term care insurance system; when residents need long-term care, facility staff provide long-term care services.</p> <p>Establishing a new facility requires being selected by the local government through a public tender process. Also, long-term care fees are fixed amounts that depend on the level of care the residents need.</p> <p>Restrictions on establishment</p> <p>System of fixed long-term care fees</p>
Residential fee-based homes for the elderly	<p>When residents need long-term care, separate agreements are made with a third-party long-term care provider (or, a company provider onsite) for use.</p> <p>Establishing a new facility does not require being selected through a public tender process. Also, long-term care fees are decided depending on the quantity of services used by the resident.</p> <p>No restrictions on establishment</p> <p>system of variable long-term care fees</p>
Senior residences offering services	<p>Residences leased to seniors that meet registration criteria for size, facilities, etc. and required to at least provide safety confirmation and daily life consultation services through care professionals.</p> <p>No restrictions on establishment</p>
Facilities covered by public aid providing long-term care to the elderly (intensive care homes for the elderly)	<p>Facilities covered by public aid providing long-term care to the elderly are for seniors aged 65 and up who require constant long-term care and have difficulty living at their own households. Admission requirements have become stricter since April 2015, and in principle, users are required to be those needing long-term care level 3 or higher. Based on a fiscal 2019 survey, there was a waiting list of approximately 290,000 people nationwide, and to be admitted in urban areas in particular takes a considerable amount of time.</p> <p>Private operators not permitted</p> <p>Restrictions on admission</p>
Long-term care health facilities	<p>These facilities support the independence of seniors requiring medical care and long-term care and mainly provide rehabilitation services for the purpose of enabling them to return to their own households. Basically, their purpose is to return residents to their own households, and decisions are made at the end of each stay period on whether to extend the stay or discharge.</p> <p>Private operators not permitted</p>

Related
page:
[p.35](#)

Characteristics of the Long-Term Care Business (1)

- For Reference: Comparison of structures and risks between "fee-based homes for the elderly with long-term care" and "hospice facilities"

	Fee-based homes for the elderly with long-term care	hospice facility,etc. (Facilities specializing in palliative care and the care of individuals with specific intractable diseases.)
Definition	<ul style="list-style-type: none"> Among fee-based homes for the elderly, care facilities designated* by local governments as "daily life long-term care admitted to specified facilities" based on the Long-Term Care Insurance Act * The number of designation is determined by the local government based on demand. ⇒ With restrictions on opening 	<ul style="list-style-type: none"> No clear official definition Residences not designated as "daily life long-term care admitted to specified facilities" (often Residential fee-based homes for the elderly) ⇒ Without restrictions on opening
Public insurance fee	<ul style="list-style-type: none"> Fixed fees from long-term care insurance (fees according to the residents' required level of care) ⇒ Predictable and stable with almost no risk of fraudulent claims 	<ul style="list-style-type: none"> Variable fees from health insurance and long-term care insurance (fees according to service volume such as number of visits and individuals served) ⇒ Billing must be based on the condition and service volume of the residents, requiring careful attention to avoid overcharging.
Staffing criteria	<ul style="list-style-type: none"> With Legal criteria ⇒ Corporate efforts such as improving operational efficiency within the scope of criteria 	<ul style="list-style-type: none"> Without legal criteria ⇒ Staffing based on management decisions according to service volume
Usage fees (including food expenses) (Borne by the residents)	<ul style="list-style-type: none"> Determined by the operator (prepaid fees plan is also available.) The ratio of usage fees to public insurance fee is approximately 60% to 40% (for our standard facility). ⇒ Ranging from ¥200,000 to ¥2,000,000 per month (in our case) ⇒ The impact of system revisions is low (revisions to the long-term care insurance system occur once every 3 years). 	<ul style="list-style-type: none"> Determined by the operator (there is no prepaid fees plan.) The ratio of usage fees to public insurance fee is approximately 10% to 90%* (according to external sources). ⇒ Mainly ranging in ¥100,000 or so per month, with some being below ¥100,000 per month (according to our research) ⇒ The impact of system revisions is high (revisions to the health insurance system occur once every 2 years).
Occupancy period of residents	<ul style="list-style-type: none"> Approximately 5 years on average (in our case) ⇒ Stable occupancy rates 	<ul style="list-style-type: none"> In many cases, approximately 2-3 months on average (according to our research) ⇒ The resident's turnover are high, so stability of occupancy rates is challenges.
Buildings and Rooms	<ul style="list-style-type: none"> Design and luxury as a residence (in our case) ⇒ Meeting the needs of the middle to affluent class 	<ul style="list-style-type: none"> Image of a private room in the palliative care ward of a hospital (according to our research) ⇒ Designed for relatively short stays (simplification of shared spaces, etc.)

*At our subsidiary Good Partners' hospice-type facilities, we are planning that the ratio of usage fees to insurance income will be approximately 1.5:8.5 or below..

Characteristics of the Long-Term Care Business (2)

- ▶ **Expanding the opening of facilities with high added value in urban areas of the Tokyo metropolitan area and Kinki region**
(forming a dominant presence in the urban areas of the Tokyo metropolitan area and Kinki region)

Advantage 1:

High customer needs (see [page 81](#))

By locating in desirable residential areas in urban areas where the aging population continues to grow, Charm Care is targeting **promising markets with high needs and many affluent and semi-affluent residents.**

Advantage 2:

Not losing customers

If the desired facility is full, temporary occupancy is possible in a nearby facility.

Advantage 3:

Staff can be easily transferred from one facility to another or support other staff members

Allows **efficient utilization of human resources.**

Advantage 4:

Advantageous in securing staff

Many facilities are near stations and convenient for commuting, making it **easier to secure personnel.**

Advantage 5:

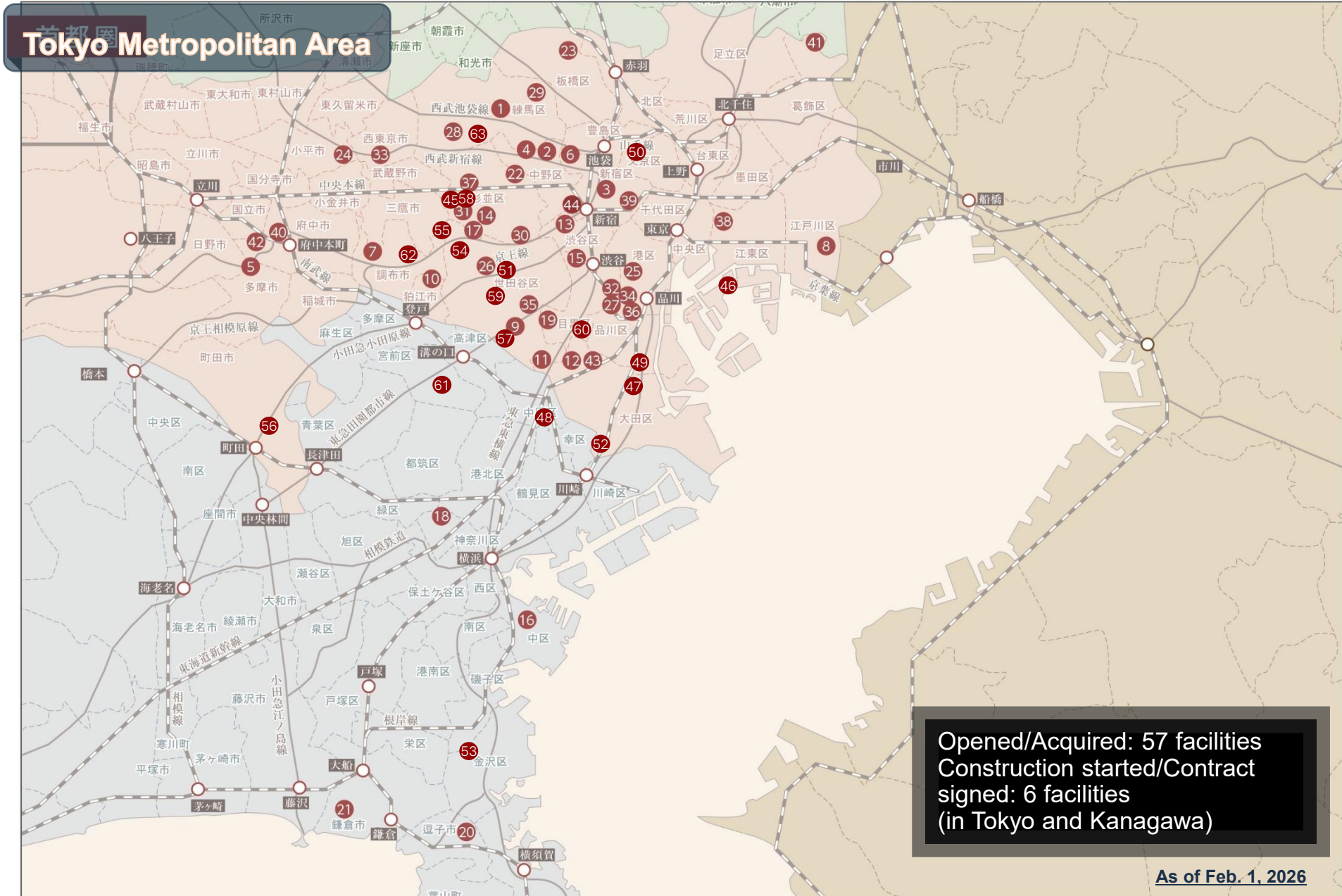
Management efficiency

The concentration of facilities **enables efficient operation and management** in terms of education, training, risk management, etc.

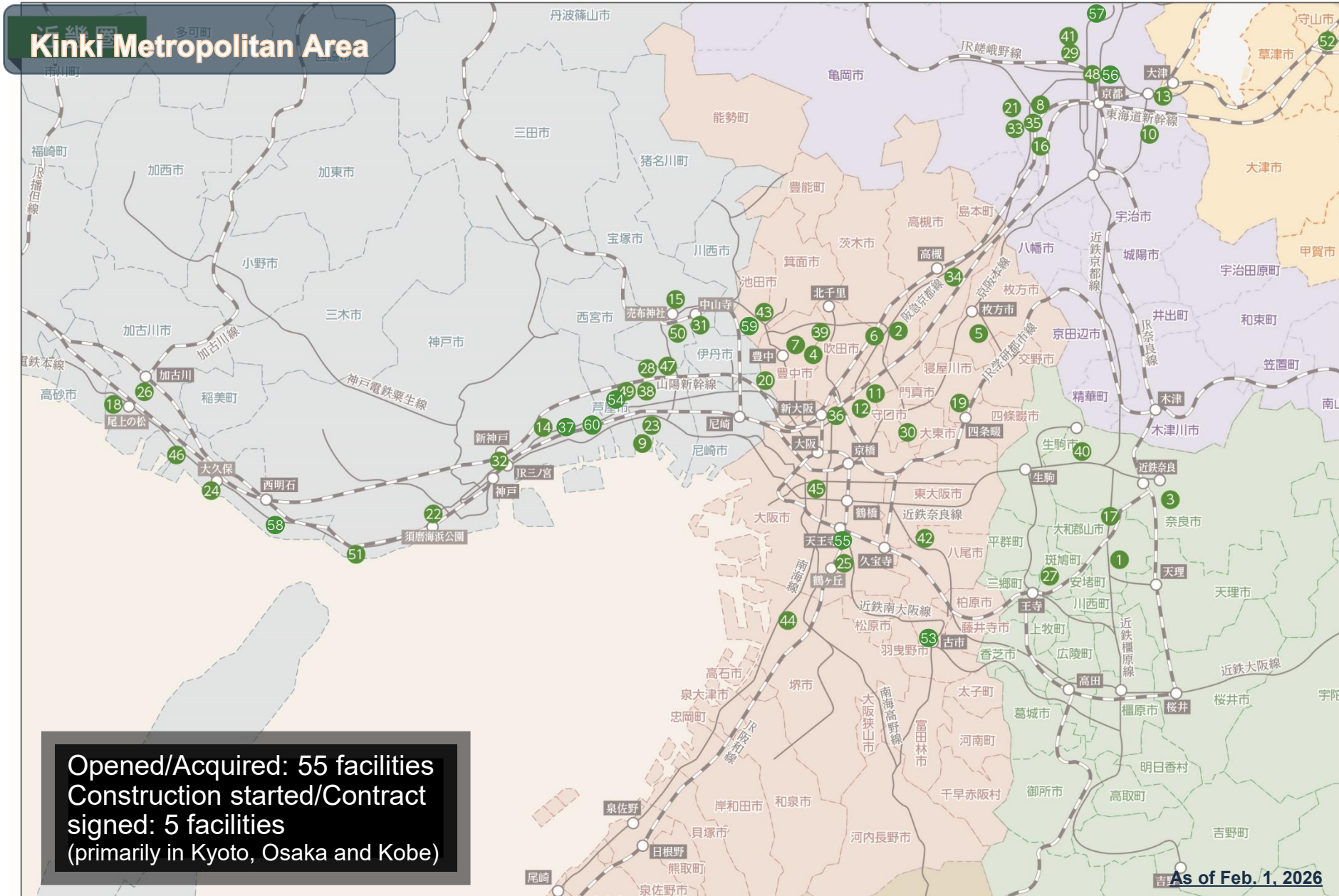


Charm Suite Nishi-Shinjuku [Opened April 2025]
(Approx. 2-minute walk from Nishi-Shinjuku-Gochome Station, Toei Oedo Line)

Characteristics of the Long-Term Care Business (2)



Characteristics of the Long-Term Care Business (2)



Characteristics of the Long-Term Care Business (3)

► To facilitate new openings in favorable locations, we are securing a diverse range of project introduction channels and further expanding these channels.

■ Examples of owners or landlords (in Japanese alphabetical order by sector)

Housing: 	Sekisui House Group, Daiwa House Industry, etc.
Railways: 	Keio Corporation, Sanyo Electric Railway, Tokyo Metro Group, West Japan Railway Company (JR West) Group, Hankyu Corporation, etc.
Real estate: 	NTT Urban Development, Hulic, Mitsubishi Estate Residence, etc.
Leasing, etc.: 	JA Mitsui Leasing Tatemono, Daiwa Securities Living Investment, Nomura Real Estate Private REIT, Sumitomo Mitsui Finance and Leasing, etc.
Other:	JA Hyogominami Group, Shikoku Electric Power Group, Funenkousha, The Sumitomo Warehouse, The Chunichi Shimbun, Toda Corporation, Nihonsakari, etc.
Land lenders: 	Catholic Archdiocese of Osaka, Jobon Rendai Temple, Urban Renaissance Agency (UR), Ryuhonji Temple (head temple of the Nichiren sect), Rokkaku-Buddhist Association (Kyoto) etc.

Related
page:
[p.7](#)

Numbers of Facilities and Rooms operated

By Prefecture

Number of facilities	FY2023/6			FY2024/6			FY2025/6			FY2026/6 (forecast)		
	New/Acquire	Year-end	Number of rooms	New/Acquire	Year-end	Number of rooms	New/Acquire	Year-end	Number of rooms	New/Acquire	Year-end	Number of rooms
Tokyo	8	35	2,095	3	38	2,304	7	45	2,749	7	52	3,144
Kanagawa		4	219		4	219	1	5	299	1	6	379
Kyoto		9	628	1	10	705		10	705	1	11	765
Hyogo		14	974	2	16	1,124	4	20	1,444		20	1,444
Nara		5	329		5	329		5	329		5	329
Osaka		17	1,428	1	18	1,478	1	19	1,549	1	20	1,605
Shiga							1	1	80		1	80
Total	8	84	5,673	7	91	6,159	14	105	7,155	10	115	7,746

By Brand

Number of facilities	Average Monthly Usage Fee (No Prepaid Fee Plan)	FY2023/6			FY2024/6			FY2025/6			FY2026/6 (forecast)		
		New/Acquire	Year-end	Number of rooms	New/Acquire	Year-end	Number of rooms	New/Acquire	Year-end	Number of rooms	New/Acquire	Year-end	Number of rooms
Premier Grand	Tokyo Metropolitan Over ¥1M	2	5	169		5	169		5	169		5	169
	Kinki Metropolitan —												
Premier	Tokyo Metropolitan ¥500K or more	1	10	493		10	493		10	493		10	493
	Kinki Metropolitan ¥500K or more		1	62	1	2	139		2	139	1	3	199
Suite	Tokyo Metropolitan ¥300K–¥500K	3	16	1,082		16	1,082	5	21	1,435	5	26	1,746
	Kinki Metropolitan ¥250K–¥350K		15	1,084	1	16	1,165	5	21	1,556		21	1,556
Charm	Tokyo Metropolitan ¥200K–¥300K	2	8	570	3	11	779	2	13	909	2	15	1,024
	Kinki Metropolitan ¥200K–¥250K		23	1,602	1	24	1,671	1	25	1,751	1	26	1,807
Other	Tokyo Metropolitan —							1	1	42	1	2	91
	Kinki Metropolitan ¥200K–¥350K		6	611	1	7	661		7	661		7	661
Total		8	84	5,673	7	91	6,159	14	105	7,155	10	115	7,746

Note: Along with the monthly usage fee, long-term care fees based on the resident's level of care (average monthly amount of ¥200,000 to ¥210,000 per person) are also included in the revenue.

Note: It also includes facilities and hospice facilities operated by consolidation subsidiaries.

Rapidly Expanding the Number of Operated Facilities through M&A (1)

(1) Acquired four operating facilities through the acquisition of LIKE Co., Ltd. as a subsidiary

Acquisition date : November 1, 2021

Number of facilities (rooms) : Four fee-based homes for the elderly with long-term care (410 rooms in total)

Location : Kinki metropolitan area (Osaka City, Sakai City, Ikeda City, and Yao City, Osaka Prefecture)



(2) Subsidiary LIKE acquired “LIKE Habikino” through business transfer from Good Time Co., Ltd.

Acquisition date : June 1, 2024

Number of facilities (rooms) : One fee-based home for the elderly with long-term care (50 rooms)

Location : Kinki metropolitan area (Habikino City, Osaka Prefecture)



(3) Acquired five facilities through a business transfer from Care 21 Co., Ltd.

Acquisition date : September 1, 2024 & November 1, 2024

Number of facilities (rooms) : Four fee-based homes for the elderly with long-term care, one residential fee-based home for the elderly (368 rooms in total)

Location : Tokyo metropolitan area and Kinki metropolitan area



Rapidly Expanding the Number of Operated Facilities through M&A (2)

(4) Acquired CM Care Co., Ltd. as a subsidiary through a share acquisition from NRE Service Co., Ltd., together with two operating facilities and others

Acquisition date : October 1, 2024

Number of facilities (rooms) : Two fee-based homes for the elderly with long-term care (130 rooms in total) (also includes an in-home long-term care support office and a multifunctional long-term care/nursing in a small group home support office)

Location : Tokyo metropolitan area (Ota Ward, Tokyo / Kawasaki City, Kanagawa Prefecture)



New

(5) Acquired “Merci Masumi” through a business transfer from Biken Techno Co., Ltd. (scheduled to be renamed “Charm Ikeda Masumicho”)

Acquisition (Scheduled) date : Mar 1, 2026

Number of facilities (rooms) : One fee-based home for the elderly with long-term care (56 rooms)

Location : Kinki metropolitan area (Ikeda City, Osaka Prefecture)



We will promote early improvement of occupancy rates and operational efficiency by applying the Group’s expertise.

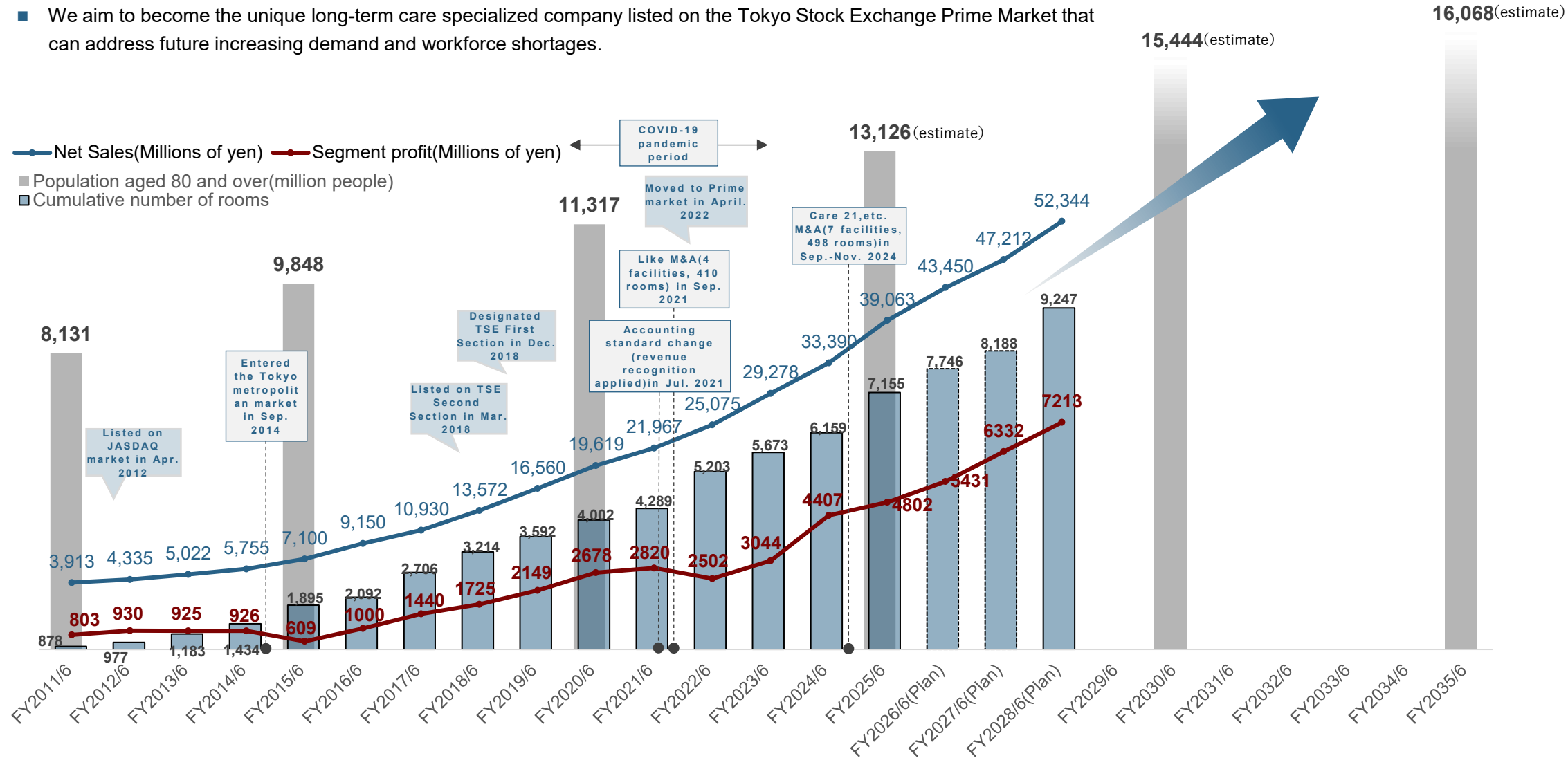
In addition, we are considering and examining several other M&A projects and **turnkey properties(*)**, focusing primarily on fee-based homes for the elderly with long-term care.⇒**Three turnkey properties have already been opened.**

(*) Turnkey properties have the advantage of requiring less time to open and often having lower rental costs compared to the current market rates.

Related
page:
[p.7](#)
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Trends and Future Prospects of the Standalone Long-Term Care Business

- We have experienced steady growth alongside increasing demand.
- With growth, we have gained a competitive advantage in all aspects—property development capabilities, resident acquisition strategies, facility operations, and talent recruitment.
- We aim to become the unique long-term care specialized company listed on the Tokyo Stock Exchange Prime Market that can address future increasing demand and workforce shortages.



Source: Future projections are based on the National Institute of Population and Social Security Research's "Population Projections for Japan" (April 2023 estimate). Mid-level births (deaths) estimates are based on the "Population Census" conducted by the Statistics Bureau of the Ministry of Internal Affairs and Communications (population adjusted proportionally for persons whose nationality or age are unknown).

New business as a peripheral business to the Long-Term Care Business (under consideration)

B2B Business

Considering the commercialization of an AI-based abuse prevention system service for long-term care providers

- We aim to prevent incidents between facility staff and residents, which have become a social issue. Dealing with residents can at times place excessive stress and mental strain on staff. When such stress accumulates, it may lead to inappropriate remarks or inappropriate care by staff and, in the worst-case scenario, abuse. To address this issue, Charm Care is considering the commercialization of an abuse prevention system—a primarily B2B service for long-term care providers—that monitors the speech content of staff and residents at care facilities to assess mental conditions, detect inappropriate care, and develop AI-based follow-up and predictive mechanisms.
- Product development has been completed to the stage where demonstration testing is possible, and the first phase of demonstration testing has been completed at Charm Care's facilities.
- We are currently conducting the second phase of demonstration testing as secondary development for the final product at Charm Care's facilities.

B2C Business

Regarding the consideration of commercialization of conversation services for the elderly and others

- We are currently developing and considering a prototype for a B2C business offering conversation services using AI technology.

Index

- 01 | FY2026/6 2nd Quarter Results
- 02 | Medium-Term Management Plan
- 03 | About us
- 04 | Current Topics**

Reference Document (1): Company Business Domains and Profit Structure, etc.
Reference Document (2): Environment Surrounding the Long-Term Care Industry

Partnership with DB Insurance Co., Ltd., the largest non-life insurance company in South Korea

Overview

- A basic agreement was signed between our company and DB Insurance Co., Ltd. to cooperate in the Long-Term Care Business in South Korea.
- This marks our company's first partnership with an overseas company.

Future Outlook

- We are currently in discussions on the details and terms of cooperation regarding the provision of our expertise in the development and operation of paid nursing homes, as well as in the training of caregiving personnel that we have cultivated over the years.
- By strengthening exchanges, including among executive management, we aim to solidify the partnership between both companies and will also consider future expansion into third countries with high caregiving needs.
- ◆ Currently awaiting developments regarding revisions to South Korea's long-term care insurance system



Signing ceremony held at Osaka Head Office of Charm Care on October 17, 2024

(From left) Jeong Jong-pyo, President & CEO of DB Insurance Co., Ltd.,
 Jeong Nam Kim, Vice Chairman of DB Group
 Takahiko Shimomura, Chairman and CEO of Charm Care
 Shiro Kokaji, President & COO of Charm Care

Promotion of Long-Term Care DX

We advance digital transformation (DX) at our facilities to improve services for residents as well as to streamline operations and reduce the burden on staff

Monitoring support equipment (sleep analysis system)

- Image of monitoring -



- We established a Long-Term Care DX Promotion Department to forge ahead with DX on the front line of long-term care.
- We are strengthening the Long-Term Care DX Promotion Department and further promoting DX in long-term care.
- We have been continuously selected to participate in the demonstration project by the Ministry of Health, Labour and Welfare's subcommittee on long-term care benefit expenditures since fiscal year 2022.
- **We are promoting the acquisition of the "Smart Caregiver" certification for all facility managers.**
- Improves the health and lifestyles of residents by monitoring their sleep patterns.
- It reduces the number of times staff go into residents' rooms to check on them during the night, resulting in helping residents sleep better and alleviating the burden on night shift staff.
- Number of units installed: **7,061 units / 7,476 rooms (94.4%)**(As of February 1, 2026), with plans to reach 75% installation during FY2025/6 (achieved) and 100%(existing facility) during FY2026/6.

- Monitoring screen -

本棟 1F									
101-1	102-1	103-1	104-1	105-1	106-1	107-1	108-1	109-1	110-1
25℃ 63%	26℃ 58%	26℃ 69%	25℃ 58%	27℃ 65%	26℃ 62%	27℃ 65%	26℃ 62%	27℃ 65%	26℃ 62%
寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています
54分	63分	67分	18分	70分	14分	14分	14分	14分	14分
110分	110分	110分	110分	110分	110分	110分	110分	110分	110分
107-2	108-2	109-2	110-2	111-2	112-2	113-2	114-2	115-2	116-2
27℃ 58%	25℃ 72%	27℃ 63%	26℃ 70%	27℃ 63%	26℃ 62%	27℃ 65%	26℃ 62%	27℃ 65%	26℃ 62%
センサに反応なし	センサに反応なし	センサに反応なし	センサに反応なし	センサに反応なし	センサに反応なし	センサに反応なし	センサに反応なし	センサに反応なし	センサに反応なし
110分	110分	110分	110分	110分	110分	110分	110分	110分	110分
本棟 2F									
201	202	203	204	205	206	207	208	209	210
29℃ 66%	28℃ 62%	25℃ 57%	27℃ 63%	26℃ 64%	29℃ 77%	28℃ 63%	25℃ 64%	27℃ 67%	26℃ 62%
寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています
63分	65分	65分	65分	65分	65分	65分	65分	65分	65分
110分	110分	110分	110分	110分	110分	110分	110分	110分	110分
211	212	213	214	215	216	217	218	219	220
30℃ 60%	31℃ 64%	27℃ 63%	27℃ 63%	27℃ 63%	27℃ 63%	27℃ 63%	27℃ 63%	27℃ 63%	27℃ 63%
寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています
72分	72分	72分	72分	72分	72分	72分	72分	72分	72分
110分	110分	110分	110分	110分	110分	110分	110分	110分	110分
221	222	223	224	225	226	227	228	229	230
26℃ 60%	26℃ 60%	26℃ 60%	26℃ 60%	26℃ 60%	26℃ 60%	26℃ 60%	26℃ 60%	26℃ 60%	26℃ 60%
センサに反応なし	センサに反応なし	センサに反応なし	センサに反応なし	センサに反応なし	センサに反応なし	センサに反応なし	センサに反応なし	センサに反応なし	センサに反応なし
110分	110分	110分	110分	110分	110分	110分	110分	110分	110分
231	232	233	234	235	236	237	238	239	240
27℃ 62%	27℃ 62%	27℃ 62%	27℃ 62%	27℃ 62%	27℃ 62%	27℃ 62%	27℃ 62%	27℃ 62%	27℃ 62%
寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています
67分	67分	67分	67分	67分	67分	67分	67分	67分	67分
110分	110分	110分	110分	110分	110分	110分	110分	110分	110分
241	242	243	244	245	246	247	248	249	250
27℃ 62%	27℃ 62%	27℃ 62%	27℃ 62%	27℃ 62%	27℃ 62%	27℃ 62%	27℃ 62%	27℃ 62%	27℃ 62%
寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています	寝ています
74分	74分	74分	74分	74分	74分	74分	74分	74分	74分
110分	110分	110分	110分	110分	110分	110分	110分	110分	110分

As shown in the image above, the PC screen displays an overview where sleep (blue), body movement (yellow), toilet use (red), long absence from bed (green), and no response (gray) can be monitored.

Promotion of Long-Term Care DX

Intercommunication systems (app-based)

- **Dramatically improves the efficiency of communication**, including instructions between staff and relaying of other information
- **Already implemented in all 110 facilities**(As of February 1, 2026)
(Introduced on the website of the manufacturer Science Arts, Inc.)
<https://www.buddycom.net/ja/example/example-article39.html> (Japanese)



Additional Long-Term Care Fees (Productivity Improvement Promotion System Addition)

A new additional long-term care fee system has been established (from April 2024), allowing **100 units per month** per resident by implementing a set of three items: monitoring support equipment, intercommunication systems, and care record systems, as well as meeting various conditions, such as implementing operational improvements based on productivity improvement guidelines and holding committee meetings.

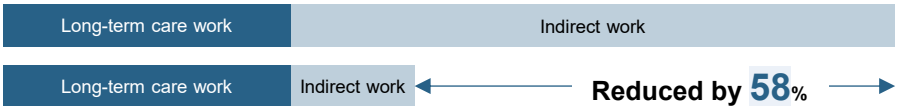
⇒ **We will obtain this addition fee from eligible facilities starting this fiscal year**

Food serving robots

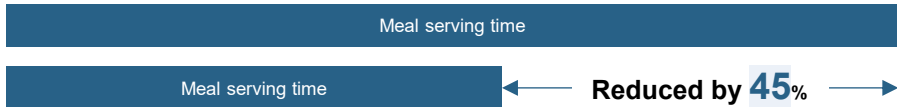
- Introducing food serving robots that use AI to select optimal routes and handle serving and clearing of meals to improve efficiency and save labor in meal provision, while also increasing resident satisfaction by shortening waiting times
- Already implemented in 22 facilities (25 units)
(As of February 1, 2026)



- **Shortens work**
Reduces staff labor time for serving meals by 58%



- **Shortens meal serving time**
Reduces meal serving time by 45%



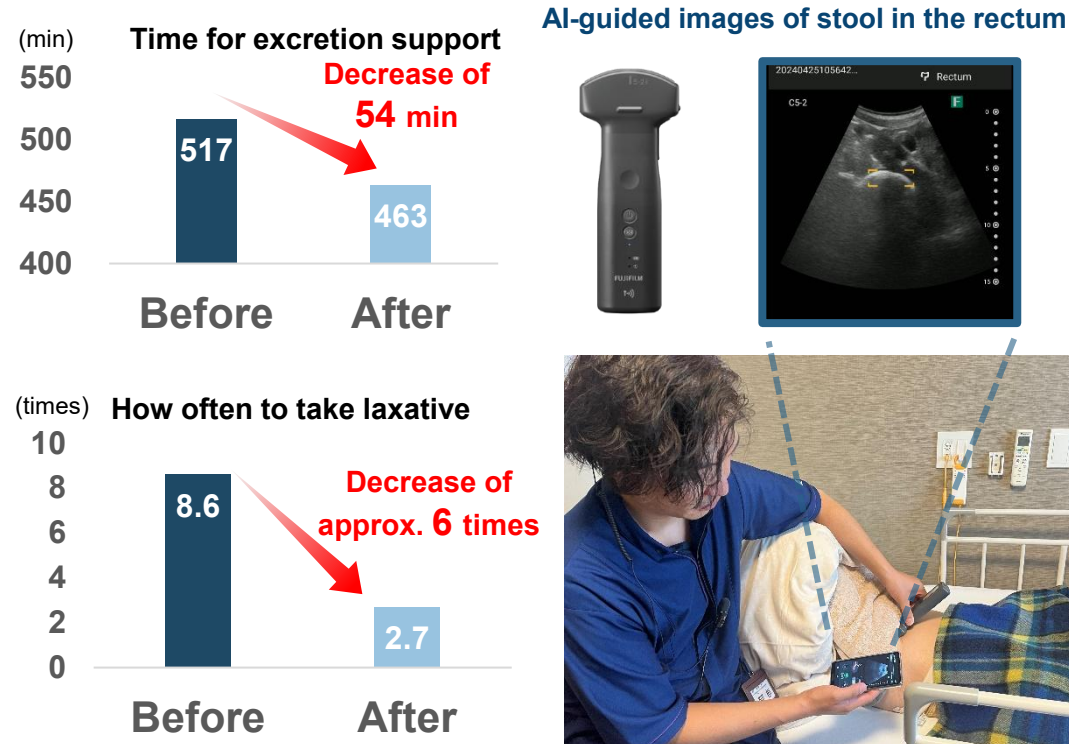
- **Shortens waiting time**
Reduces waiting time from seating to meal serving by 50%



Promotion of Long-Term Care DX

Advanced excretion support using portable ultrasound scanners

- The AI-guided portable ultrasound scanners "iViz air" has been **introduced to all our facilities**. **Industry's first Simultaneous Introduction to homes for the elderly!**
- Visualization of the bladder and rectum reduces stool and urinary incontinence, decreases time spent on excretion support, and reduces unnecessary administration of laxatives.
⇒Improves residents' quality of life and reduces staff burden.
- After conducting simultaneous technical training across all facilities, several "advanced trainers" have been assigned and follow-ups are currently being conducted



Our facility was featured on BS TV Tokyo's program Future of Work ～人とAIの共創～ as a case study for the introduction of portable ultrasound scanners.
<https://www.youtube.com/watch?v=nt2cYWwTJeU>
(Japanese)

Cleaning robot

- Using commercial cleaning robots mainly for cleaning the floors in common areas.

In the facility with the initial introduction, it was estimated that 90 hours per month could be saved and costs equivalent to 103 thousand yen per month could be reduced (a 67% reduction).

This resulted in effectively reducing the employees' burden for cleaning the facility. The time created can also be allocated to other Long-Term Care services, and it is expected to help curb the hiring of staff solely for cleaning tasks.

- Already implemented in 8 facilities (as of February 1, 2026)

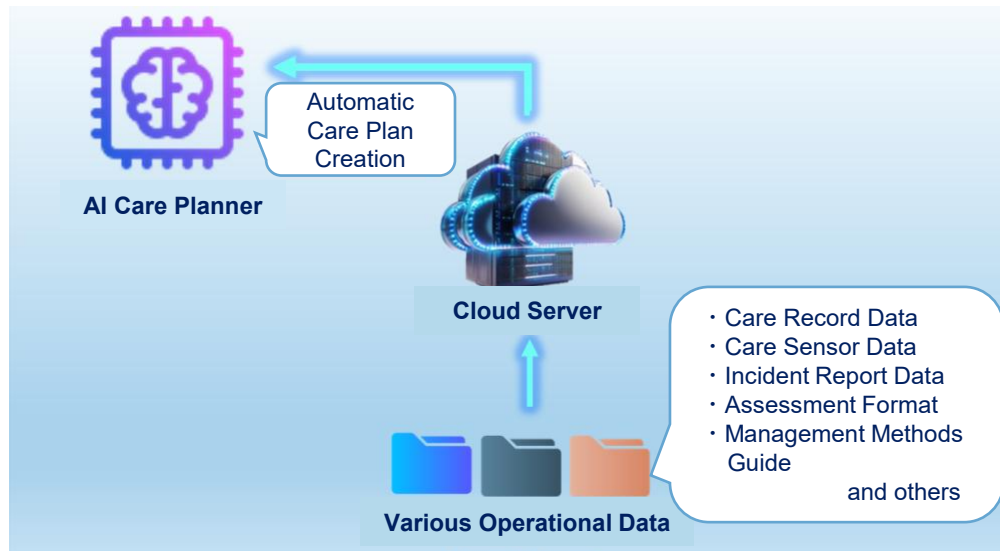


Promotion of Long-Term Care DX

Automated creation of care plans using generative AI

- Developed the generative AI system "AI Care Planner," **specialized in creating care plans for fee-based homes for the elderly**, in collaboration with NTT DX Partners. (Most existing systems are designed for home-based care.)
- By automating the majority of care plan creation, it is expected that care managers can **reduce the time spent on this task by approximately 35 hours per month**.
- Scheduled to be deployed in the field at fee-based homes for the elderly with long-term care operated by our company in spring 2026. **Started prototype testing at four pilot facilities** in January 2026.

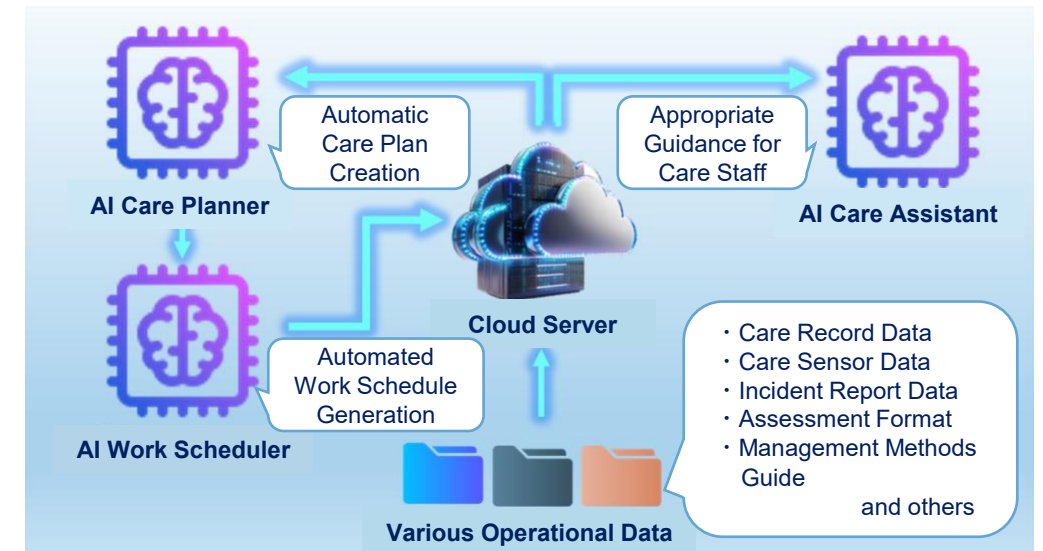
【Data Linkage Image】



Future Developments

- In addition to aiming for more detailed care plan creation through "AI Care Planner," we plan to expand the system to include the tentative "AI Care Assistant," which supports early onboarding and skill standardization of care staff, and the tentative "AI Work Scheduler," which automates staff work schedules to further reduce on-site workload. Through accelerating digital transformation (DX) for staff working in the Long-Term Care business, **we aim to improve productivity in the industry and address the issue of labor shortages**.

【System Expansion Concept】



Staffing Optimization, Productivity Enhancement, and Improved Employee Treatment

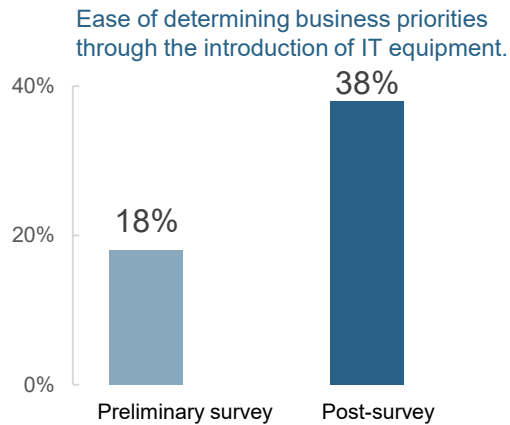
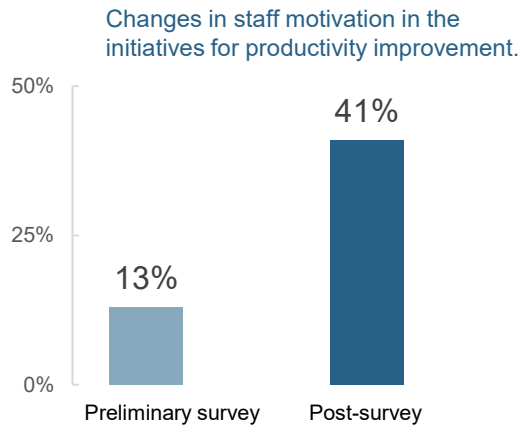
Introduced Associate Leaders to optimize staffing and improve productivity

- Introduced the role of Associate Leader for high-performing individuals, and reviewed work content and allocation centered on Associate Leaders as the core, while keeping service quality as the prerequisite, in order to achieve overall optimization and improve the benefits for staff by shifting to a small number of elite employees.
⇒ Since the fiscal year ended June 2024, we have been continuously working to improve productivity, and productivity continues to improve at present. (see [page 54](#))
- For the first time in Japan** (according to our research), (*) a staffing ratio of **3:0.9** (0.9 full-time equivalent caregiving and nursing staff for every 3 residents) has been approved at our 'Charm Nishinomiya Yōgaicho.'

In FYE June 2026, verification started with 10 facilities and is currently scheduled to be filed sequentially from March 2026.

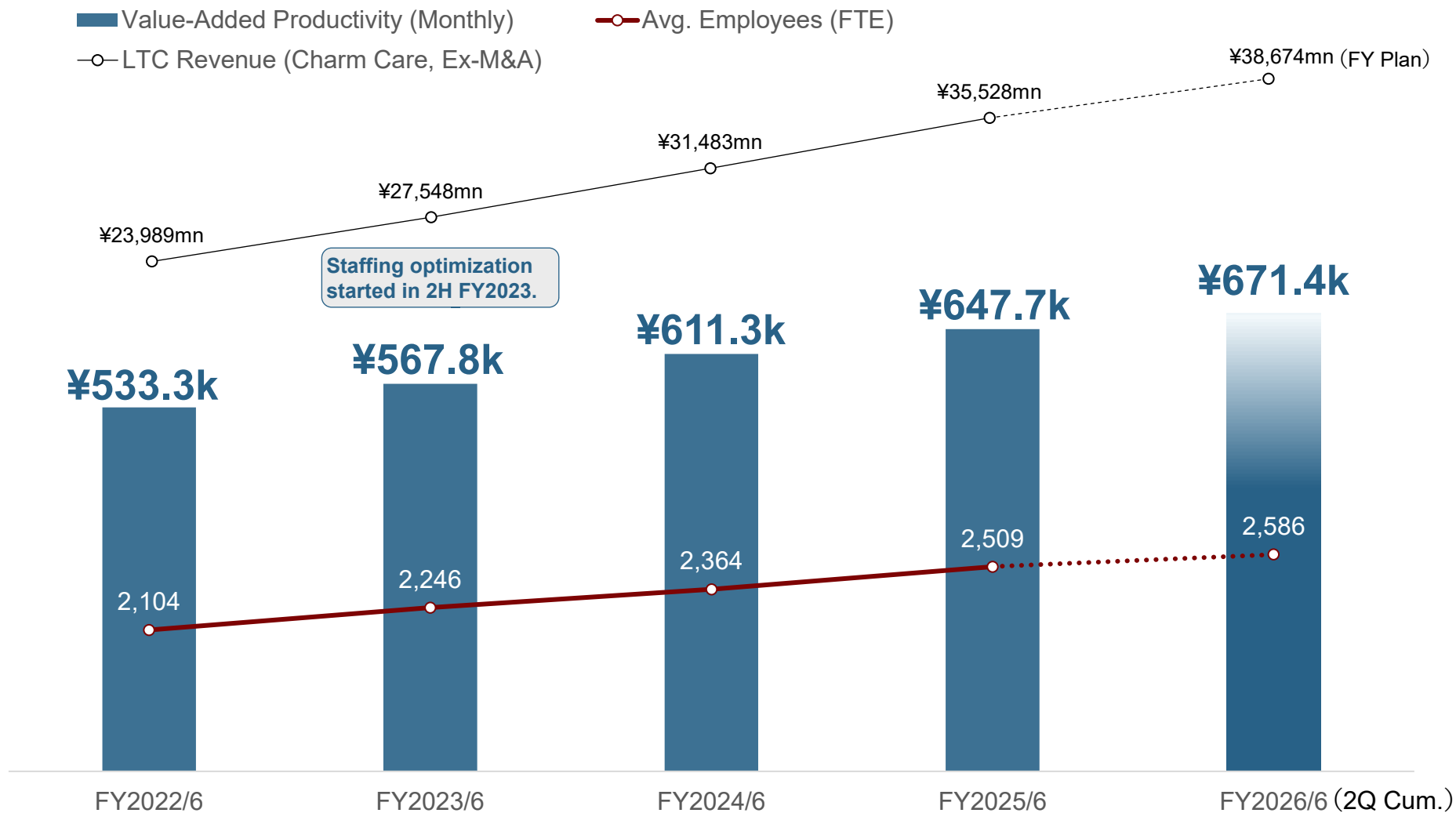
(*) Starting from April 2024, the previous staffing limit of 3:1 has been relaxed to 3:0.9. However, several conditions must be met, including holding committees to discuss productivity improvements, ensuring the quality of care services, utilizing multiple technologies such as monitoring devices, and demonstrating achievements in reducing staff burdens. Therefore, it is not simply a matter of automatic approval.

Discussions and deliberations in the Productivity Improvement Committee.



Staffing Optimization, Productivity Enhancement, and Improved Employee Treatment

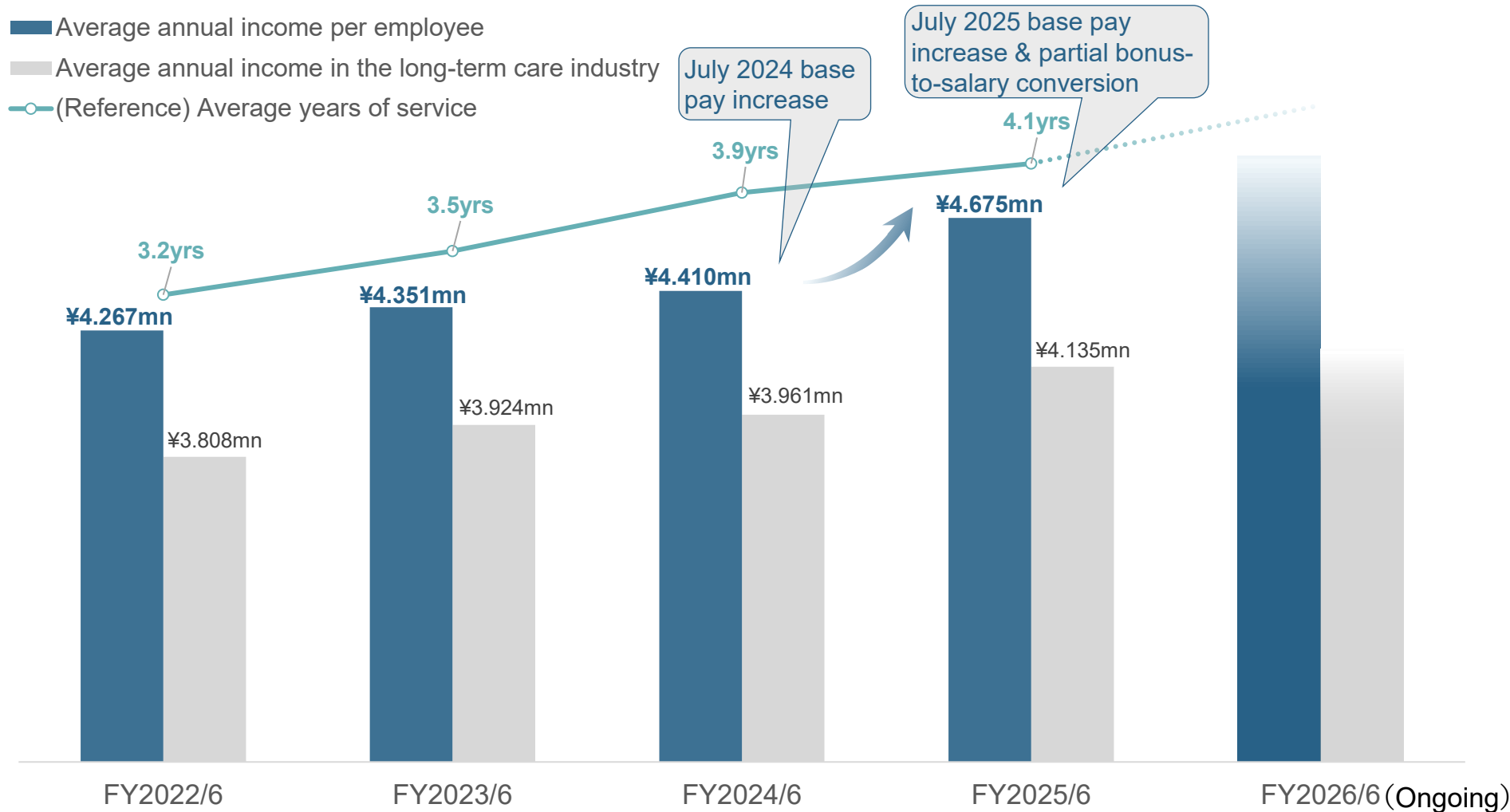
Transition in the Performance per Employee at Charm Care (Value-Added Labor Productivity)



※ Calculated as: (Gross profit excluding labor costs) / Employees (FTE)(Standalone, excluding M&A-acquired facilities)

Staffing Optimization, Productivity Enhancement, and Improved Employee Treatment

Trends in Average Annual Income per Charm Care Employee and Average Years of Service — Returning the benefits of productivity improvements to frontline employees through better treatment —



Note: The average annual income in the long-term care industry is based on a survey conducted by NCCU (UA Zensen Care Workers Union), to which the Company belongs.

Work environment improvement & staff retention

Introducing an optional four-day workweek

- As shown on [page 82](#), securing personnel is a major challenge in the care industry. To address this issue, we introduced **an optional four-day workweek** in July 2024, and about **60%** of our care staff have chosen this option.

This is **a pioneering initiative** in the 24/7 facility-based care sector.

A labor union survey also found that **75% of staff who selected the four-day workweek wish to continue with it.**

～Staff feedback～

“More days off,” **“less fatigue”** (*), “better work–life balance,” “able to take on side jobs”

(*) Under the five-day workweek, 8-hour day shifts and 16-hour night shifts are mixed, whereas the four-day workweek fixes each shift at 10 hours, which is considered beneficial for staff health.

- Optional four-day workweek boosts recruitment.

In new-graduate recruitment, the number of job offers extended far exceeded the previous year, allowing us to achieve our hiring target early. Because applications continued to increase, we closed the recruitment at 110 hires. Mid-career applications also rose by about 20% year on year, resulting in a reduction in cost per hire.



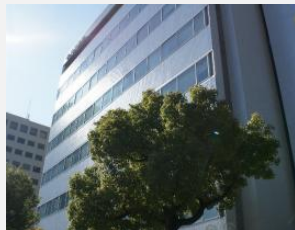
In addition, we are working to secure human resources through the following initiatives:

- ◆ Streamlining operations and reducing workload through the introduction of advanced technologies such as IT equipment and AI
- ◆ Optimizing staffing led by Associate Leaders
- ◆ Extending the mandatory retirement age from 60 to 65
- ◆ Establishing a system that allows managers, including Facility Directors, to work until age 75 under the contract employee annual salary system

Shifting the Education and Training System to a Field-Oriented Approach

- As part of our medium-term management plan, which emphasizes a “return to our roots” and “focus on the Long-Term Care business,” we are strengthening our education and training system to improve the quality of care services.
- We will fundamentally reform our current education and training system, which has primarily combined group training and online programs, and shift to a field-oriented approach centered on on-the-job training (OJT). This will ensure that care staff improve their skills and service quality through hands-on experience in actual care settings.
- To reinforce on-site education, we will increase the number of training department staff who conduct education and training directly at each facility, ensuring thorough implementation of practical training.
- As the new system will focus on on-site OJT, external career centers in Sannomiya and Ochanomizu will be discontinued as of August 2025.
- To support the opening of new facilities, we will enhance the management and sales capabilities of facility managers by providing mindset training from top management, with a focus on business perspectives.

Discontinued



Charm Care Career Center
Sannomiya



Charm Care Career Center
Senrioka



Charm Care Career Center
Fukasawa

Discontinued



Charm Care Career Center
Ochanomizu

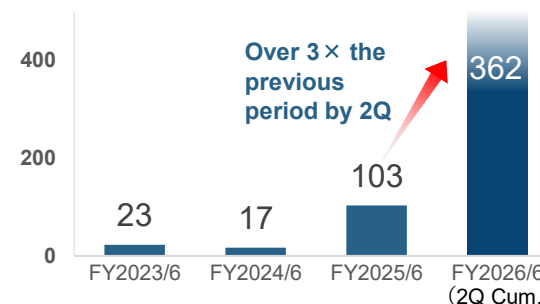
Shifting the Education and Training System to a Field-Oriented Approach

Strengthening OJT visits conducted by the Education and Training Department staff

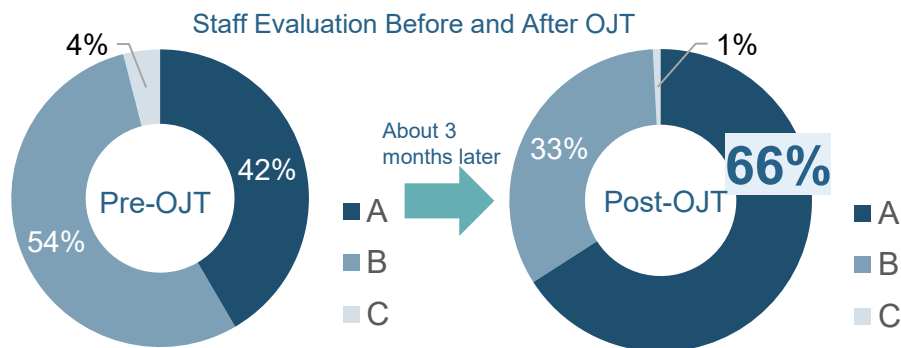
- As a result of fundamentally shifting our education and training framework to an OJT-centered approach at the facility level, the number of facility visits conducted by the Education and Training Department staff has increased significantly. In the six-month period up to the second quarter (July 2025 to December 2025), **the number of visits has already exceeded more than three times the total from the previous fiscal period.**



Facility Visits by Education & Training Dept.



- The percentage of staff members receiving an internal “A” evaluation for their long-term care skills and other competencies **improved by 24%** before and after the OJT visits. This improvement not only enhanced the motivation of the staff who were evaluated, but also **generated positive feedback from residents, who appreciated seeing head office staff actively involved at the facilities.**
- We conduct beautification inspections using a checklist covering more than 80 items. With our motto of “Providing a residence that ensures satisfaction,” we work every day to maintain and improve the living environment.



Working toward Sustainability

Basic Policy on Sustainability

Guided by its corporate philosophy, Charm Care Corporation defines its mission as contributing to the creation of a prosperous and rewarding aging society through its business. To fulfill the mission, we must properly address social, environmental, and other sustainability issues as our key management challenges. We are committed to helping create a sustainable society and enhancing corporate value over the medium to long term in collaboration with stakeholders.

Material Issues and Goals Addressed through Our Business

Key challenges (materialities) and KPIs have been updated.

For details, please refer to our website:

<https://www.charmcc.jp/corp/company/sdgs/> (Japanese)

	Key challenges (materialities)	Examples of major initiatives
Creation of “appealing value” contributing positively to an aging society	Establishing a position as a leading long-term care provider in Japan Growth into a complex business model centered on the Long-Term Care business Improving the quality of long-term care services	Care system that values “awareness” and high-quality service as long-term care professionals Unique real estate business leveraging know-how in opening fee-based homes for the elderly Promotion of long-term care DX, optimization of staffing, improvement of productivity
Developing a talent pool to create “appealing value”	Securing and developing human resources D&I (Diversity & Inclusion) Creating a better working environment	Offering a program that helps employees acquire qualifications and strengthening and enhancing our education and training system D&I policy and D&I action declaration, increasing the percentage of women in management positions Providing mental health support, introduction of an optional four-day workweek
Co-creation of value through community connections	Coexistence and co-prosperity with local communities Giving back to and supporting local communities	Support activities for disaster-affected areas Collaboration with a certified NPO addressing child poverty issues, support for young carers
Strengthening corporate governance for fairness and trust	Risk management	Establishment of the Risk and Compliance Committee
	Ensuring thorough compliance	Establishment of the Compliance Awareness Month
	Strengthening business continuity plans (BCPs)	Strengthening preparedness for natural disasters and infectious diseases, conclusion of disaster response agreements with municipalities
	Strengthening corporate foundation as a TSE Prime Market company	Ensuring disclosure of and compliance through corporate governance reports
Consideration and action for the global environment	Waste reduction Reduction of CO ₂ emissions	Recycling end-of-life uniforms Reducing CO ₂ emissions through solar power generation

Examples of Specific Activities

Support young carers

- We regularly hold meetings of the “Young Carer Gathering” with the Fusen-no-kai, a non-profit organization (Director: Professor Yoshie Hamashima).

Charm Care supports this initiative by providing venues, goods, and operational assistance. Going forward, we will continue to promote unique support tailored to the needs of young carers from the perspective of a long-term care provider.

- We regularly hold 'Children's Café' events at our Amagasaki, Kobe, Osaka, Yokohama, and Shinagawa facilities, where elementary and junior high school students can interact with residents and gain work experience in cooking, serving customers, and other roles.

'Children's Café' is an activity at our fee-based elderly homes where elementary and junior high school students take the lead, not only in cooking but also in serving customers, in a 'café run by children.'

It provides a place where children from various backgrounds and their guardians can gather, have fun, and spend time together in a safe environment, creating a third space apart from home and school. It not only serves as an opportunity for children to gain work experience but also fosters intergenerational interactions with the residents of the fee-based elderly homes.

- Our initiatives to support Young Carers in gaining employment have been featured in a book intended for school libraries and public libraries. The book introduces our efforts as one of seven case studies on Young Carer support, highlighting our job experience programs and Student loan support as examples of “employment support that helps young people build an independent life in the future.”



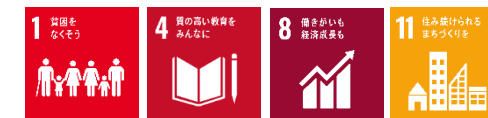
The Children's Café was held at Charm Premier GotenyamaⅢ.



Gakken Co., Ltd.

“A Book to Help Young Carers Like You Avoid Struggling Alone”
Supervised by Yoshie Hamashima

Examples of Specific Activities



Initiatives with a certified non-profit organization addressing child poverty issues

- We signed a comprehensive agreement on a collaborative project with Kidsdoor, a certified non-profit organization that works to address child poverty (Chuo-ku, Tokyo / Chairperson: Yumiko Watanabe). We aim to contribute to tackling child poverty, revitalizing a society with a declining birthrate and aging population, and improving education and welfare across generations.
- Based on this agreement, the certified non-profit organization Kidsdoor utilized the grant program "Children's Third Place" conducted by The Nippon Foundation, public interest incorporated foundation, to establish "Kids Port Tarumi," a place for elementary school students (providing learning support and meals) within Charm Suite Kobe Tarumi, which is operated by our company.
Reference: "Kids Port Tarumi" <https://kidsdoor.net/activity/study/kp-tarumi.html>
- At 'Charm Suite Nishi-Shinjuku,' which will open in April 2025, we will also establish a learning support facility offering 'place-based learning support,' creating an environment where residents and children can interact.
- Going forward, our company will continue to create spaces for intergenerational while continuing activities that value 'connections'.



Scenes of interaction between residents and children.

Examples of Specific Activities



Support young carers

- **Concluded a partnership agreement with Kobe City, Hyogo Prefecture, regarding support for carers who are children and young people (young carers)**

Charm Care started supporting young carers in 2021 and was one of the first private companies to undertake such initiatives unique to a long-term care provider. Kobe City was the first local government in Japan to establish a Young Carers Consultation and Support Office, leading the way ahead of other municipalities in addressing young carer issues.

Based on this experience, Charm Care and Kobe City concluded a partnership agreement in March 2024 to advance support for young carers and have started full-scale efforts (this was also reported in the Mainichi Shimbun and Kobe Shimbun newspapers).



01

Respite support (free rooms and meals)

We provide rooms in facilities that we operate to carers and persons requiring long-term care who want to leave home temporarily, want to spend some time at home without care-giving responsibilities, or have other needs.

02

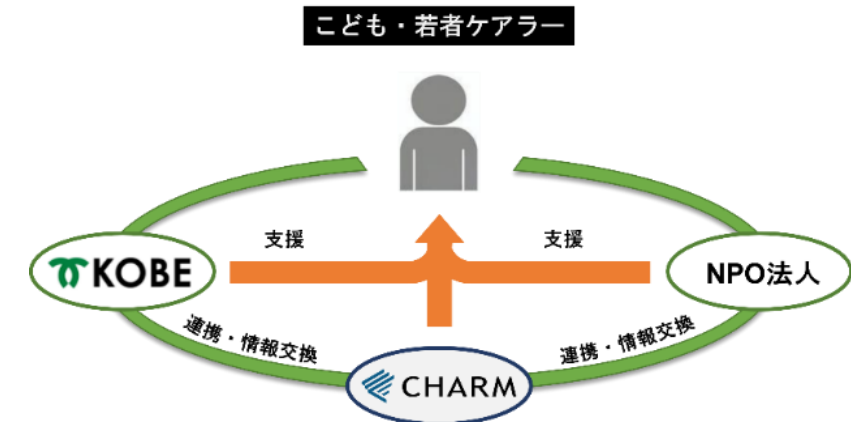
Transitional employment and job training support (flexible part-time work)

We provide employment opportunities and job training opportunities for general employment in the future to current and past carers who have difficulty getting employment due to family care-giving responsibilities.

03

Student loan support (student loan repayment)

We reduce the economic and psychological burden of students in households with financial difficulties due to family care-giving and provide an environment where students can focus on work for self-growth during the career-building stage of their twenties.



Examples of Specific Activities

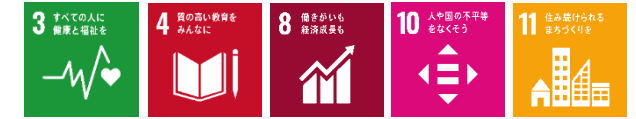


Support young carers

- **Concluded a partnership agreement with local governments regarding support for carers who are children and young people (young carers).** Following the agreement with **Kobe City**, concluded partnership agreements with Kyoto City, Kyoto Prefecture; Shinagawa City, Tokyo; and Hyogo Prefecture (**our first agreement with a prefectural government**).
- **Kyoto City** enacted the Ordinance on Promoting Support for Carers in November 2024. In June 2025, we signed a partnership agreement and launched a pilot project to support young carers, with Key initiatives: Respite support, Transitional employment and job training support, and Student loan support.
- **Shinagawa Ward** introduced a coordinator system led by former young carers in April 2023, becoming the first in Japan to promote support with lived experience. In June 2025, we signed a partnership agreement to advance support for young carers, with Key initiatives: Respite support, Transitional employment and job training support, Student loan support, and an intergenerational exchange event for carers.
- **Hyogo Prefecture** launched the “Consultation Service for Young and Youth Caregivers” in 2022 to reduce mental burdens and connect caregivers with support. In August 2025, we signed a partnership agreement to strengthen support for young caregivers, with Key initiatives: Respite support, Transitional employment and job training support, Student loan support, and an intergenerational exchange event for carers. Our initiatives are featured in the Hyogo Prefecture Young and Youth Caregiver Support Guidebook.



Examples of Specific Activities



Support for Artists with Disabilities

■ Signing of a Collaboration Agreement with Kobe City, Hyogo Prefecture

In September 2024, our company and Kobe City in Hyogo Prefecture signed a collaboration agreement aimed at supporting artists with disabilities by providing venues and opportunities to showcase their work. This initiative seeks to realize an inclusive society through art.

■ Areas of Collaboration

(1) Support and Development of Artists with Disabilities

- Purchase of works with high artistic value
- External promotion through publication on websites

(2) Realizing an Inclusive Society through Art

- Permanent exhibitions of disability art in the community
- Workshops open to everyone, regardless of disability

■ The award ceremony for the “Kobe Tarumi Art Project,” based on this agreement, was held in October 2024 at *Charm Suite Kobe Tarumi*, a fee-based home for the elderly with long-term care. Winners received certificates, plaques, and prizes, and all selected works were exhibited at the facility.

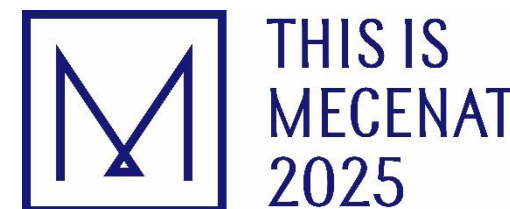
We will continue this initiative to support and foster artists with disabilities, contributing to a sustainable society. The project is also planned for *Charm Premier Konan Yamate* (Tentative), scheduled to open in 2027.



Examples of Specific Activities



Art Gallery Home activities at our facilities were recognized by the This is MECENAT 2025 certification system, four years in a row following the recognition in 2024.



■ About our Art Gallery Home activities

AGH (Art Gallery Home) is a support program for young artists undertaken by Charm Care, which develops long-term care businesses. We launched this initiative in 2014, focusing on the efficacy of art in enriching the spirits and lives of the elderly. Since then, 1,345 artworks of 452 artists (as of February 1, 2026) have been selected from submissions and displayed at our facilities.

This initiative contributes to the creation of achievements for the younger generation and leads to the creation of attractive spaces for our residents. In addition, we hold art programs for our residents by the participating artists, creating a place where both young artists and the elderly can learn and be stimulated by connecting with each other.

In these ways, we are committed to contributing to the creation of a sustainable society by utilizing our unique perspective as a long-term care company, facilitating interaction between the elderly and young artists, and leveraging synergies from it.



■ Art Gallery Home official website

1,273 works and 393 artists (as of February 1, 2026) exhibited are posted, and we actively provide support and disseminate information.

We will update the information from time to time.

<https://www.aghccc.com/>



Examples of Specific Activities



Hosting a Resident Recreation Program through Art “Connecting through Art – A Prescription for the Heart”

Leveraging our expertise in art initiatives, we hosted **an art-focused recreation program for residents** at our fee-based homes for the elderly with long-term care in the Tokyo metropolitan area. The program was co-developed with young artists who previously participated in our art contests and art-related NPOs.

This program is designed not just as a creative space, but as a way for residents to engage with colors and materials, connect with others, and stimulate memory to enhance brain activity, self-esteem, and quality of life. The approach strongly resonates with the concept of Social Prescribing, which is gaining attention in healthcare and welfare fields.

The program has been implemented at 13 homes, engaging about 480 residents. Participants shared positive feedback such as **“It reminded me of my school days,” “Art gives me freedom,” and “I’m truly glad I came to this home.”**

By exploring residents’ hobbies, past experiences, and values, the program also helps staff deepen understanding, **improve daily care quality, and build trust.**

We will continue to enhance art-based recreation programs that value creativity and dialogue, enabling residents to enjoy richer, more fulfilling lives.



Examples of Specific Activities

Held the 25th Art Gallery Home award ceremony

The 25th Art Gallery Home award ceremony was held in January 2026 at Charm Suite Gotokuji (opened on February 1, 2026). The ceremony was attended by the awardees, who were selected through a stringent screening process by the judges, as well as representatives from a special supporting company (Urbanet Corporation), supporting companies (Noriaki Okabe Architecture Network, Daiwa House Industry Co., Ltd., and Good Partners Co., Ltd.), and a cooperating company (Excel Support Service Co., Ltd.).

We will continue this initiative to support and nurture young artists and contribute to the realization of a sustainable society.

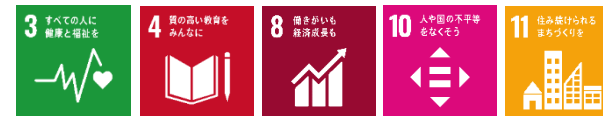


Mr. Shinji Hattori
Chairman & Chief Executive Officer, Urbanet Corporation

“I would like to extend my heartfelt congratulations on the grand success of the 25th Art Gallery Home Award Ceremony. I would also like to offer my sincere congratulations to all the artists who received awards. I understand that the creative process involves many challenges and moments of struggle, and I hold deep respect for the fact that your hard work and dedication have been recognized and honored on this special occasion. The activities of the Art Gallery Home program are profoundly meaningful, as they bring joy, purpose, and encouragement to residents living in senior care facilities. Our company has also supported the arts for many years, and we share a strong sense of empathy and admiration for your ongoing efforts. I sincerely wish for the continued growth of this wonderful initiative and for the further success and flourishing careers of all the participating artists.”

Art Gallery Home: <https://www.aghccc.com/>

Art Gallery Home official Instagram: https://www.instagram.com/charmcc_agh/



Grand Prix Award winner Momoka Mochizuki (right)
The Grand Prix work is titled “Walking by Touch” (left).



Awarded a certificate of commendation, a medal, and a list of prize money.

Examples of Specific Activities



■ Creating a better work environment and promoting women to management positions

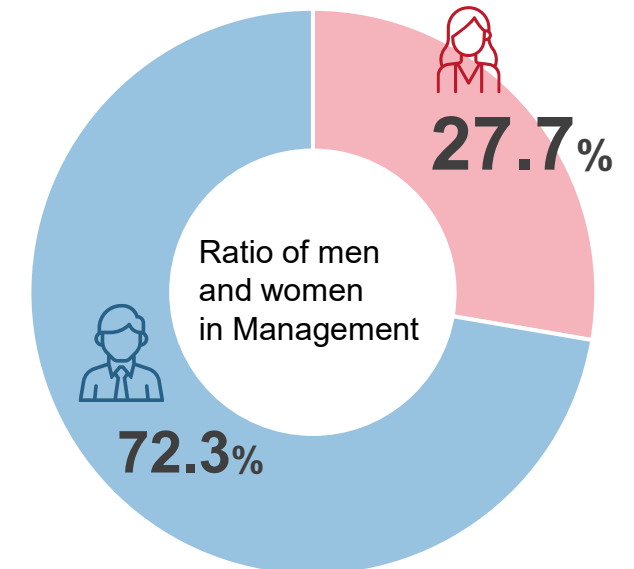
Charm Care is working to enhance utilization of various health and welfare programs to create a better working environment for its employees. We have received certification as a company supporting childcare that conforms with the general employer standards of Article 13 of the Act on Advancement of Measures to Support Raising Next-Generation Children, allowing employees with children to work with peace of mind.

We are also proactively promoting women to management positions and, as of December 31, 2025, over 25% of management positions were occupied by women.

We intend to increase this number to between 40% and 50% in the future.



■ Charm Care was certified as a Kurumin mark user in recognition of its support for raising of the next generation



Share Ownership (as of December 31, 2025)

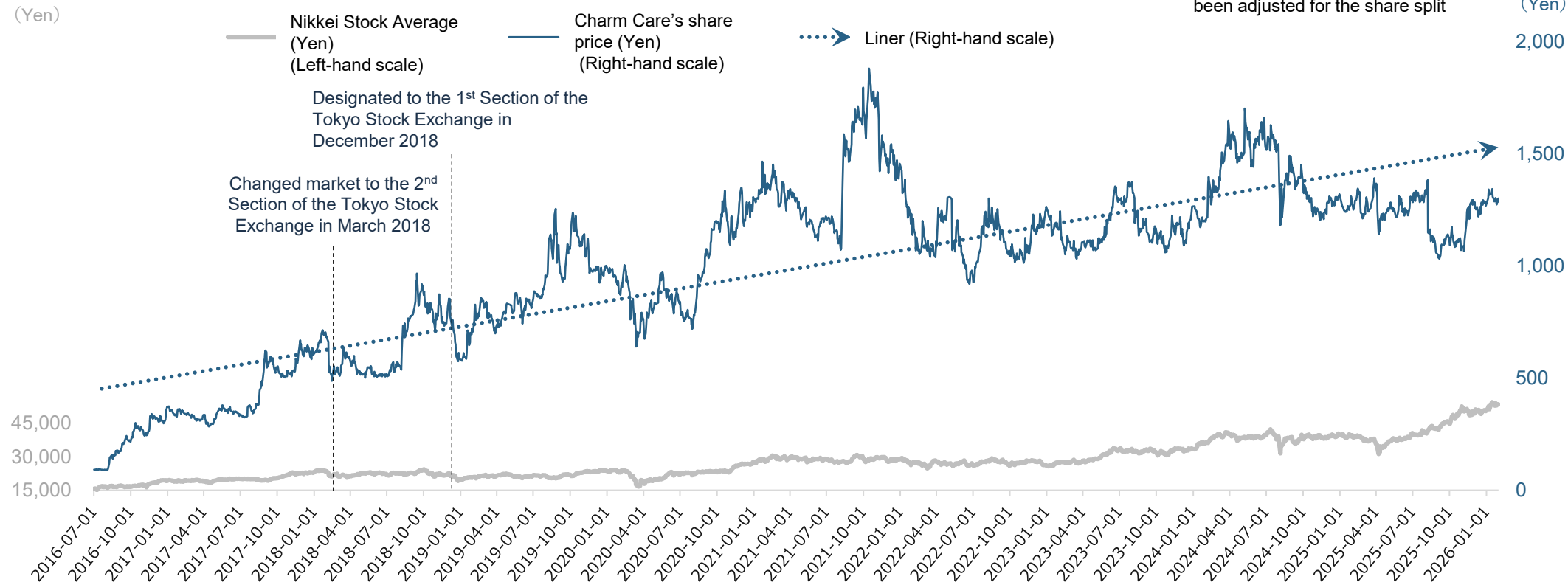
- Total number of issued shares: 32,712,000 shares (including 30,612 shares of treasury stock)
- Total number of shareholders: 7,725 (No. of shareholders with voting rights: 6,513)
- Foreign share ownership ratio: **16.8%** (as of the end of June 2025: 11.6%)
- Major shareholders (top ten)

	Shareholder	Shares held	Ratio held
1	S.T.K. Corporation (wholly-owned subsidiary of Ship Healthcare Holdings, Inc.)	9,600,000	29.35%
2	Takahiko Shimomura (Chairman and President)	5,308,600	16.23%
3	The Master Trust Bank of Japan, Ltd. (trust account)	2,226,800	6.81%
4	Nomura Securities Co., Ltd.	963,246	2.94%
5	Custody Bank of Japan, Ltd. (trust account)	917,100	2.80%
6	NORTHERN TRUST CO. (AVFC) RE IEDP AIF CLIENTS NONLENDING 15PCT TREATY ACCOUNT	617,070	1.89%
7	UBS AG LONDON A/CIPB SEGREGATED CLIENT ACCOUNT	491,900	1.50%
8	TOKYU LAND CORPORATION	396,500	1.21%
9	STATE STREET BANK AND TRUST COMPANY 505044	375,000	1.15%
10	THE BANK OF NEW YORK 134088	368,200	1.13%

Note: Ratio held includes treasury stock (30,612 shares)

Share Price Trends

July 1, 2016 – January 31, 2026
Charm Care Corporation share prices have been adjusted for the share split (Yen)



The initial price after listing on JASDAQ on April 27, 2012 was **¥1,000** (before split adjustment)

After a **16 for 1 share split** (four 2 for 1 splits):

Closing price on June 30, 2025: **¥1,296**

Reference:

Closing price on June 30, 2016: ¥1,464 (split adjusted share price: **¥91**)

Closing price on June 29, 2018: ¥1,038 (split adjusted share price: **¥519**)

Closing price on June 30, 2020: ¥1,686 (ditto: **¥843**)

Note: Charm Care Corporation carried out a 2 for 1 share split of its ordinary shares on January 1, 2017, June 1, 2017, April 1, 2018, and January 1, 2020.

Dividends

	Annual dividend	Payout ratio	Dividend on equity ratio
FY2022/6 (consolidated)	17.00円	18.8%	4.5%
FY2023/6 (consolidated)	22.00円	22.4%	4.7%
FY2024/6 (consolidated)	30.00円	22.9%	5.2%
FY2025/6 (consolidated)	34.00円	37.8%	5.4%
FY2026/6 forecast (consolidated)	37.00円	39.1%	5.3%

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Reference Document (1): Company Business Domains and Profit Structure, etc.

Reference Document (2): Environment Surrounding the Long-Term Care Industry

Mission, Corporate Philosophy and Codes of Conduct

[Mission]

Charm Care Corporation will contribute to the creation of a prosperous and fulfilling aging society.

[Corporate Philosophy]

Charm Care Corporation, focusing mainly on services to support the daily lives of the elderly, will respect the values of each and every customer to provide appealing lifestyles that suit each individual customer.

[Corporate Code of Conduct]

- Pledge to our Customers
We will continue to be a company that provides appealing long-term care services to our customers.
- Pledge to our Community
We will proactively disclose information, ensure legal compliance, and continue to be a company that is trusted by society.
- Pledge to Charm Staff
We will respect the ideas and ingenuity of our employees and continue to ensure a rewarding work environment that provides opportunities to take on new challenges.

[Employee Code of Conduct]

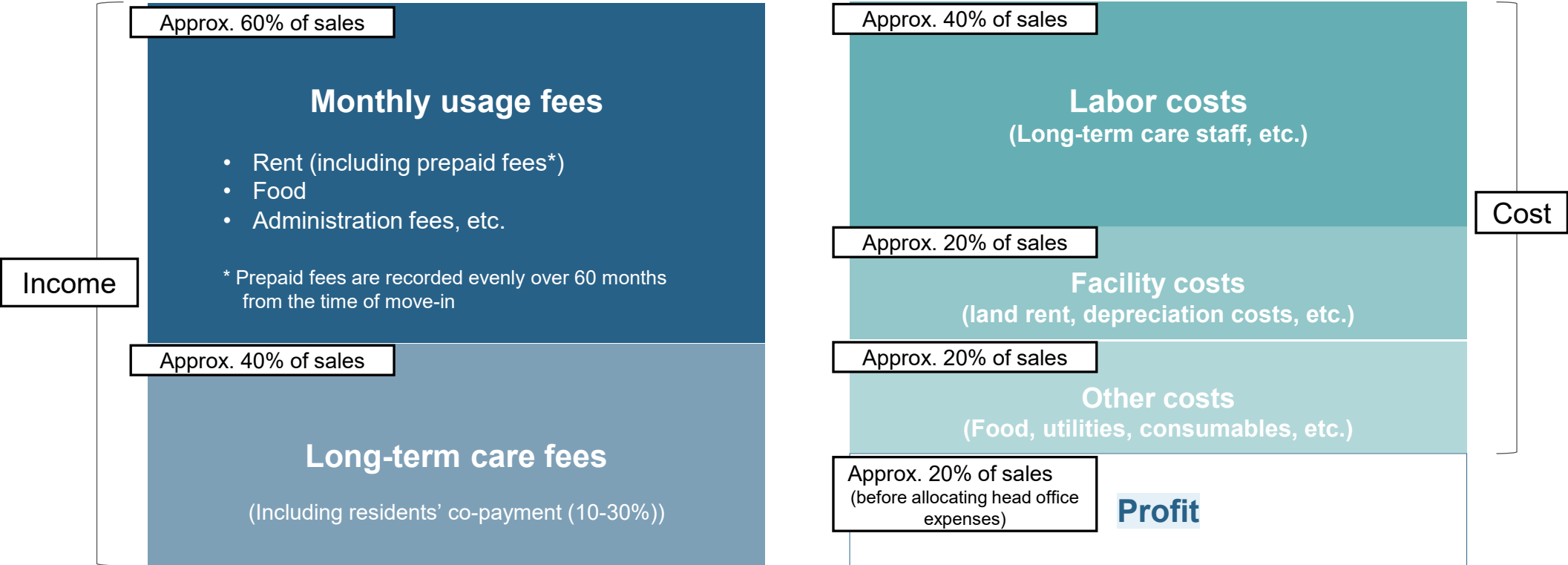
1. We will respect our customers' right to self-determination and will work to support their independence
2. We will interact daily with our customers in a cheerful manner and work to achieve nursing care that ensures the emotional wellbeing of our customers
3. We will work to improve our knowledge and skills as specialized workers
4. We will cultivate relationships of trust with everyone who shares our ideals, and work to create appealing care homes
5. We will abide by social ethics and corporate rules, and carry out our duties with integrity



The design of our new logo uses wings as a motif to represent our continuing commitment to constant reform and further evolution in the future.

Overview of Our Care Home Profit Structure

Note: The revenue structure depicted below represents a typical image of our standard facilities. In the case of high-end facilities, the proportion of monthly usage fees in the total revenue increases (Long-term care fees are fixed amounts based on the residents' required level of care).



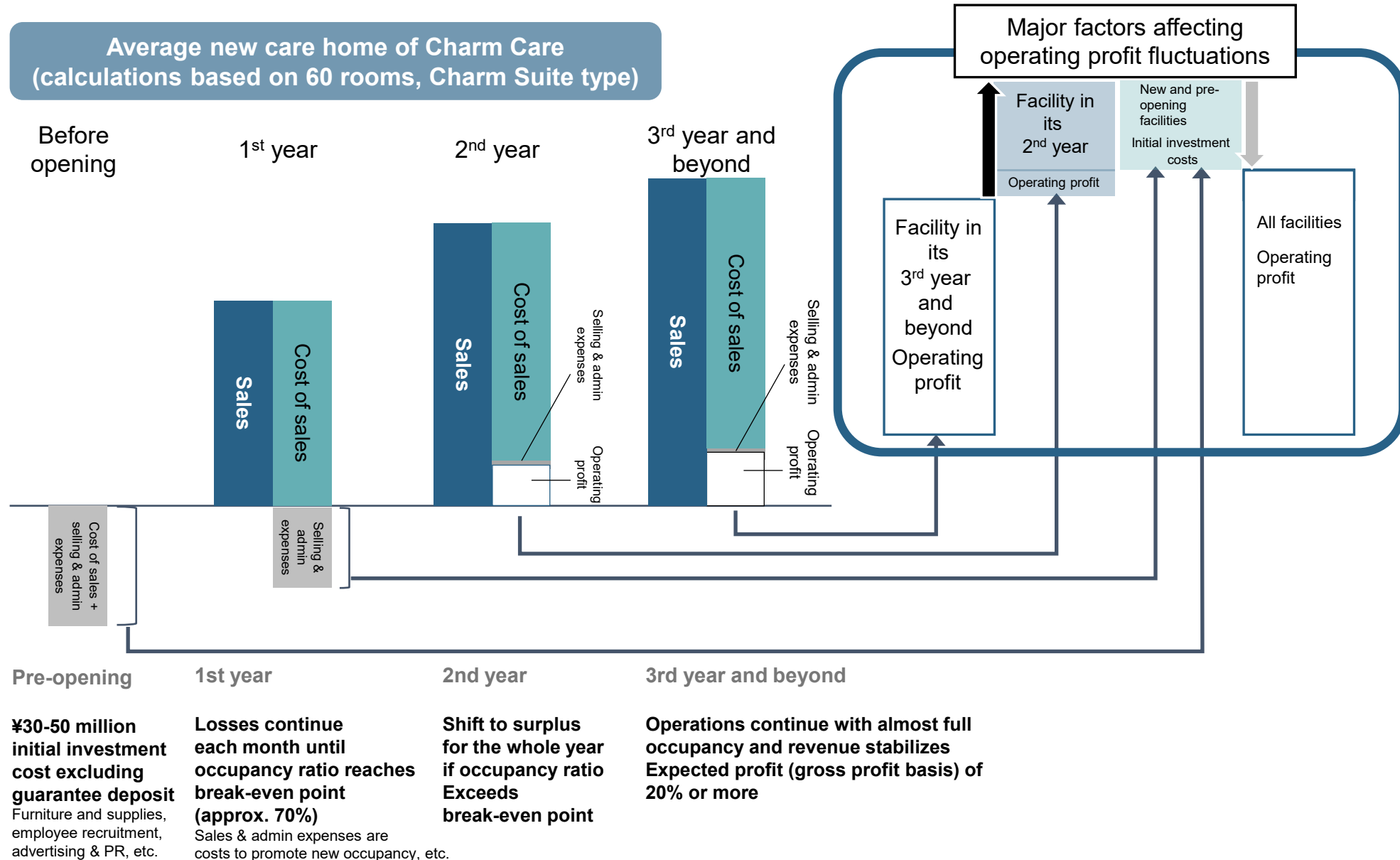
Monthly usage fees: Fees that can be set freely by the operator.

Long-term care fees: Fees established based on the Long-Term Care Insurance Act, which are a fixed amount for fee-based homes for the elderly with long-term care (see [page 35](#))

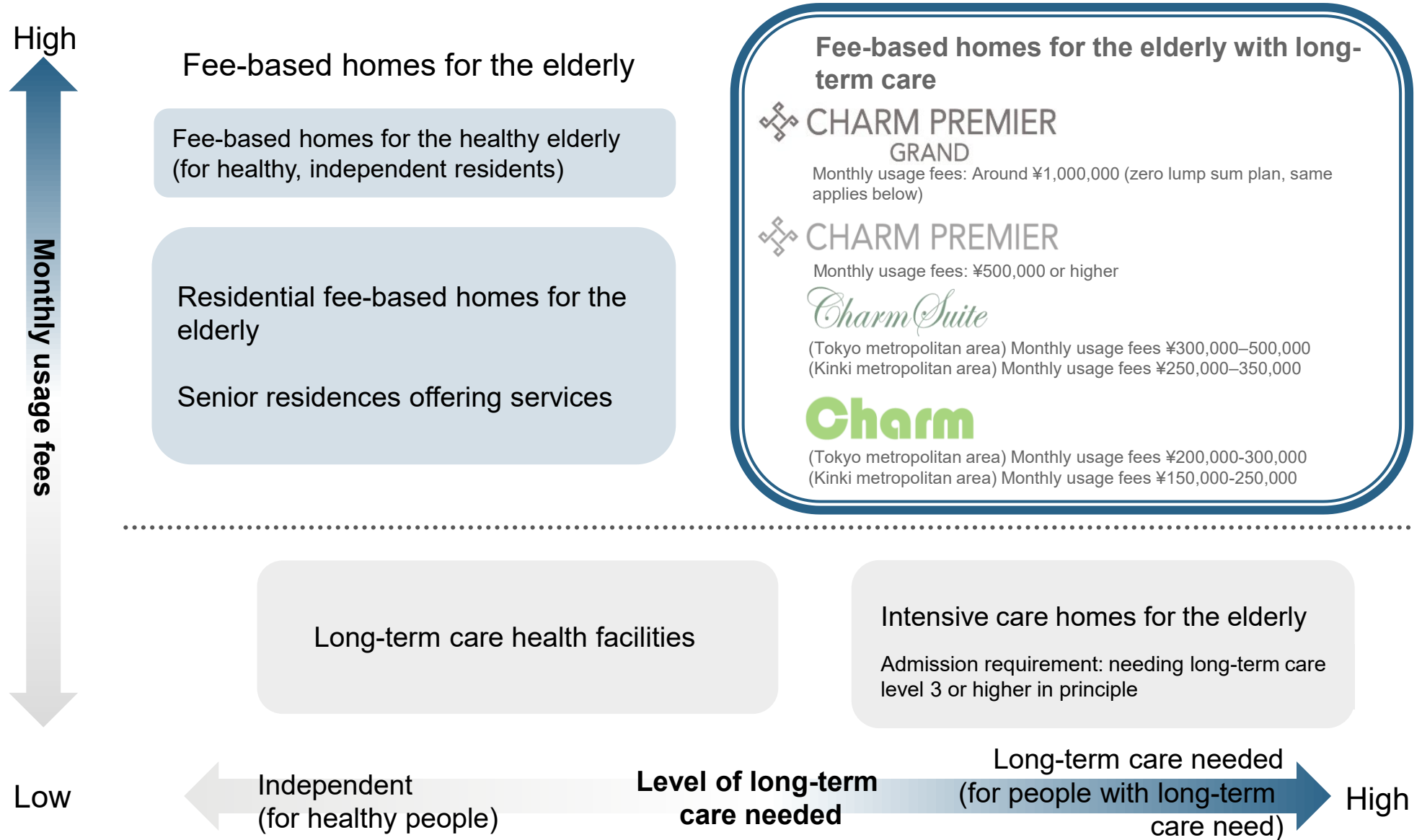
(Specified facilities only)	FY2019/6	FY2020/6	FY2021/6	FY2022/6	FY2023/6	FY2024/6	FY2025/6
Annual sales from operations per person (unit: ¥1,000)	5,656	5,849	6,093	6,166	6,429	6,690	6,801
Of which, long-term care fees from operations per person (unit: ¥1,000)	2,425	2,439	2,474	2,481	2,539	2,582	2,528
Ratio of long-term care fees in sales (%)	42.9%	41.7%	40.6%	40.2%	39.5%	38.6%	37.2%

Related
page:
[p.35](#)

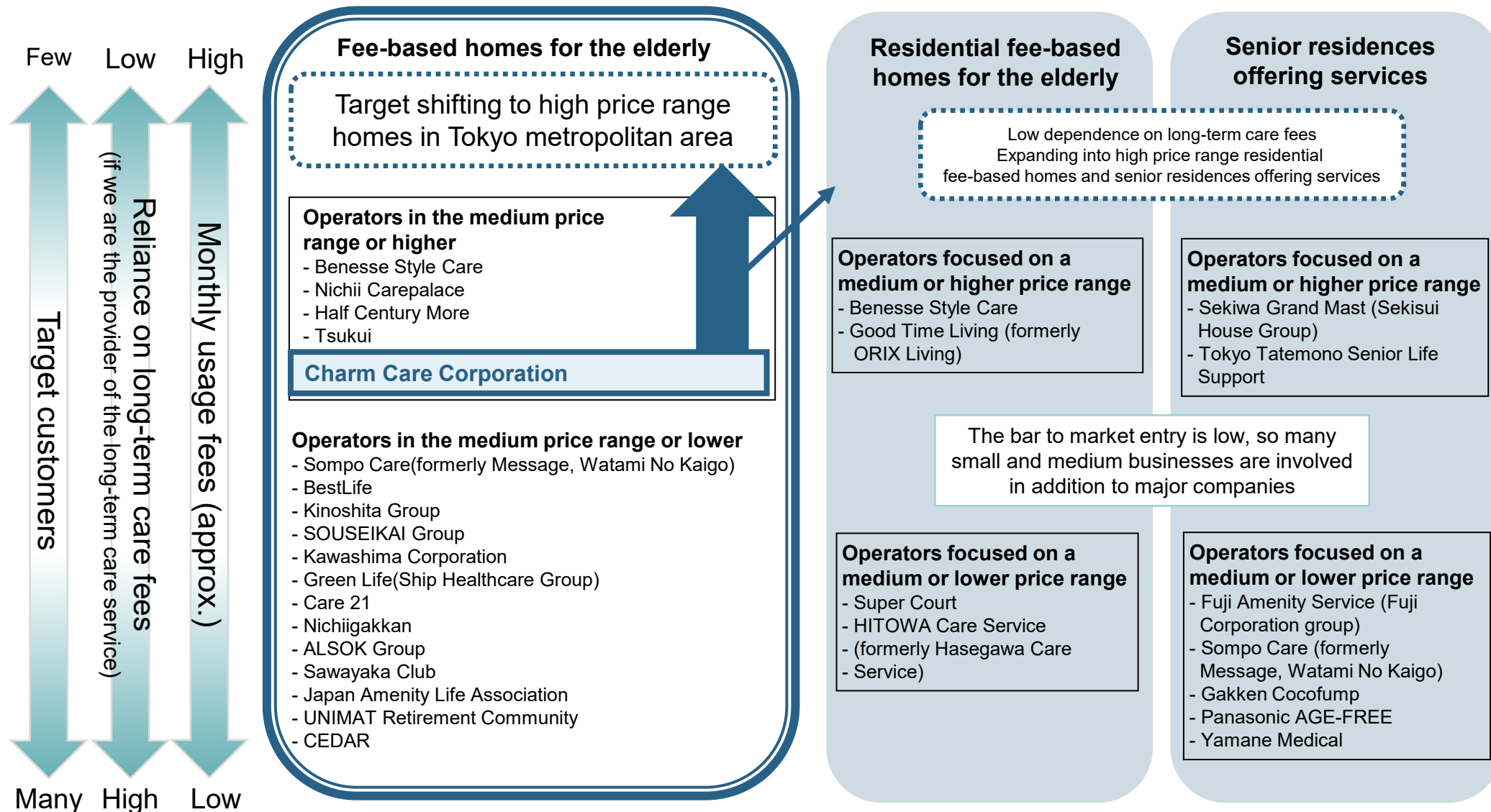
Monetization Trend for New Care Homes(Three-year Simulation)



Business Domains (Mainstay Facility-type Services)



Business Domains and Positioning Compared to Peers



Note: Businesses listed above are selected major companies with a track record of operating care homes above a certain size in the Tokyo metropolitan area (Tokyo, Kanagawa Pref.) and the Kinki metropolitan area (Osaka Pref., Kyoto Pref., Hyogo Pref., Nara Pref.). Price ranges were compiled by Charm Care Corporation and may differ according to area, etc.

Major Operators of Fee-Based Elderly Care Facilities (1) – Profit Margin Ranking

(According to our research)

Rank [Previous]	Company name	Profit Margin	Revenue (¥ bn)	Profit (¥ bn)
1	Company A	14.0%	12.6	1.7
2	Charm Care Corporation Group	12.3%	39.0	4.8
3	Company B	11.1%	13.7	1.5
4	Company C	7.2%	23.7	1.7
5	Company D	6.5%	181.3	11.8
6	Company E	5.7%	42.4	2.4
7	Company F	4.0%	55.3	2.2
8	Company G	2.8%	55.2	1.5
9	Company H	1.6%	23.6	0.3



And that's while opening 10 new facilities every year!

Note: Based on publicly disclosed materials, the latest fiscal year figures mainly for the long-term care business segment are used (profit figures are operating profit excluding corporate expenses). Comparison is made using facility-based long-term care services to the extent possible (hospice operators excluded).

Major Operators of Fee-Based Elderly Care Facilities (2) – Capacity Ranking

Note: The total number of Fee-based Homes (Fee-based homes for the elderly, Residential fee-based homes for the elderly, etc.) as of the end of June 2025.

Rank [Previous]	Company name	Fee-based homes for the Elderly No. of homes in operation	Fee-based homes for the elderly Capacity	Geographic area
1 [1]	Benesse Style Care	358 facilities [+ 7]	21,242 people	Mainly in Tokyo metropolitan area
2 [2]	Sompo Care	304 facilities [± 0]	19,640 people	Nationwide
3 [5]	Kawashima Corporation	155 facilities [+ 1]	15,042 people	Nationwide
4 [3]	BestLife	200 facilities [+ 8]	13,027 people	Mainly in Tokyo metropolitan area
5 [4]	Nichii Group	156 facilities [± 0]	9,593 people	Nationwide
6 [6]	SOUSEIKAI Group	172 facilities [+ 23]	9,325 people	Nationwide
7 [7]	Kinoshita-kaigo	133 facilities [+ 3]	8,894 people	Mainly in Tokyo metropolitan area
8 [8]	HITOWA Care Service (formerly Hasegawa Care Service)	128 facilities [+ 2]	8,057 people	Mainly in Tokyo metropolitan area
9 [10]	Charm Care Corporation Group	105 facilities [+ 14]	7,374 people	Tokyo/Kinki metropolitan areas
10 [–]	Half Century More	18 facilities [± 0]	7,128 people	Tokyo/Kinki metropolitan areas
11 [–]	Ambis Holdings	123 facilities [+ 28]	6,212 people	Nationwide
12 [9]	ALSOK Group	111 facilities [+ 1]	5,990 people	Tokyo metropolitan area
13 [11]	Sawayaka Club	72 facilities [(12)]	4,766 people	Nationwide
14 [13]	Green Life (Ship Healthcare Holdings)	64 facilities [± 0]	4,457 people	Nationwide
15 [12]	Japan Amenity Life Association	77 facilities [+ 4]	2,999 people	Tokyo metropolitan area
Total of 15 major companies [Market share]		2,176 / 16,543 facilities [Approx.13%]	—	

Source: Weekly Elderly Housing Newspaper (August 25, 2025, No. 812)

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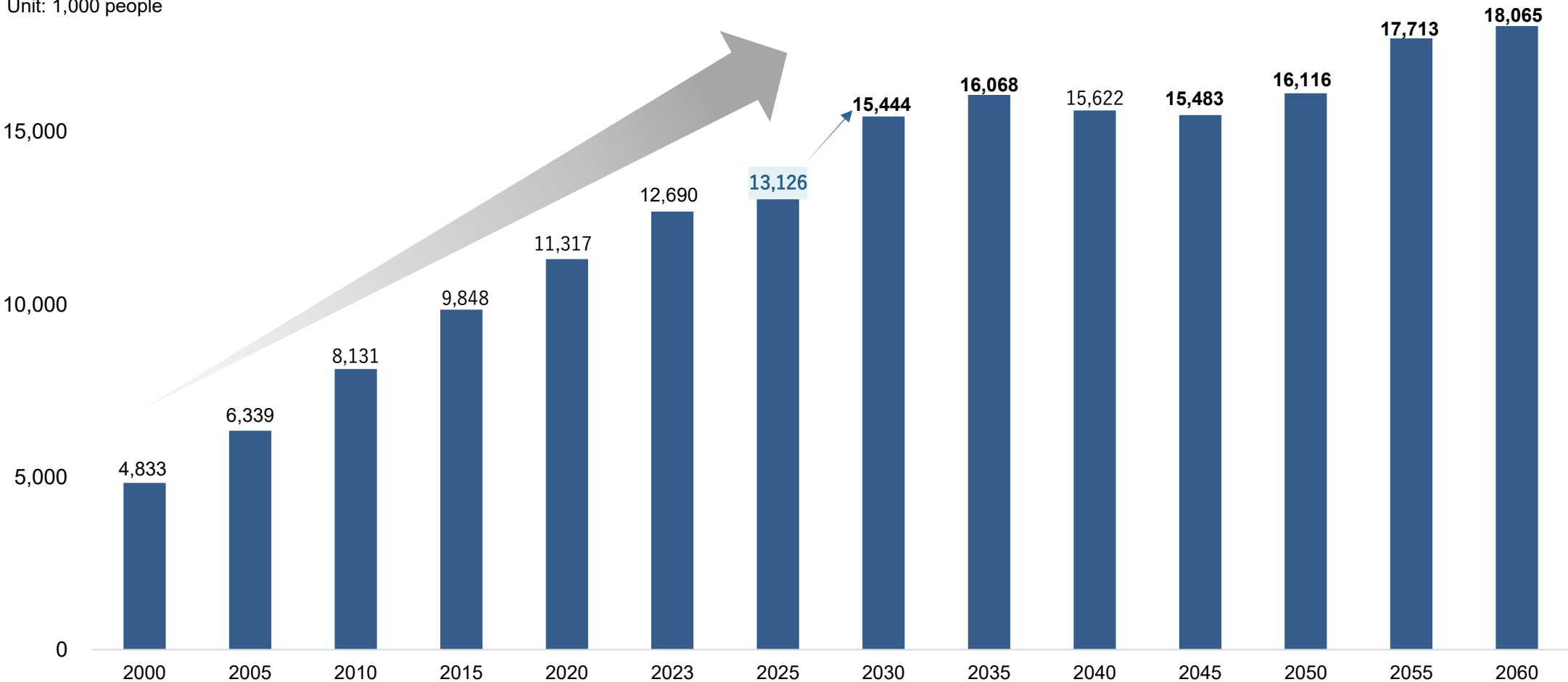
Reference Document (1): Company Business Domains and Profit Structure, etc.
Reference Document (2): Environment Surrounding the Long-Term Care Industry

Trends in the Population of Our Customers Aged 80 and Above

The population of our residents aged 80 and above, which constitutes our customer base, will continue to increase until 2035 and will keep growing thereafter.

Reference: The average age of our residents is **88 years and 9 months** old (as of June 30, 2025). (See [page 35](#))

Unit: 1,000 people



Source: Future projections are based on the National Institute of Population and Social Security Research's "Population Projections for Japan" (April 2023 estimate). Mid-level births (deaths) estimates are based on the "Population Census" conducted by the Statistics Bureau of the Ministry of Internal Affairs and Communications (population adjusted proportionally for persons whose nationality or age are unknown).

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Ratio of the Elderly by Prefecture

- Given the increase in the elderly and the elderly population overall, **Tokyo, Kanagawa Prefecture, and Osaka Prefecture are particularly promising markets.**
- Apart from the above, prefectures that will have over 1 million people aged 65 and over or an increase in the ratio of the elderly higher than the national average in 2045 include Kyoto Prefecture, Hyogo Prefecture, Nara Prefecture, Saitama Prefecture and Chiba Prefecture. **The ratio of the elderly is expected to rise rapidly in the future, mainly in the Tokyo/Kinki metropolitan areas, which are the main areas where our company will expand.** (see [page 38](#))

	2020			2045			Increase in the elderly (10,000 people)
	Total population (10,000 people)	Population aged 65 and over (10,000 people)	Ratio of the elderly (%)	Total population (10,000 people)	Population aged 65 and over (10,000 people)	Ratio of the elderly (%)	
Nationwide	12,533	3,619	28.9	10,642	3,919	36.8	+300 [+7.9%]
Tokyo	1,373	322	23.4	1,361	418	30.7	+96 [+7.3%]
Kanagawa Prefecture	914	236	25.8	831	292	35.2	+56 [+9.4%]
Kyoto Prefecture	257	76	29.5	214	81	37.8	+5 [+8.3%]
Osaka Prefecture	873	244	28.0	734	266	36.2	+22 [+8.2%]
Hyogo Prefecture	544	161	29.5	453	176	38.9	+15 [+9.4%]
Nara Prefecture	132	42	31.7	100	41	41.1	(1) [+9.4%]

Source: "Regional Population Projections for Japan (March 2018)," National Institute of Population and Social Security Research

Long-term Care Staff Recruitment Trends and Projected Future Supply and Demand

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[Active job openings-to-applicants ratio]

	2023/6	2024/6	2025/6	2025/12	Tokyo 2025/12	Osaka Prefecture 2025/12
Active job openings-to-applicants ratio	1.12	1.06	1.05	1.17	1.62	1.13
Long-term care staff	3.73	3.71	3.76	4.10	9.37	3.61

Source: "Employment Referrals for General Workers by Employment Pattern (Regular Workers Including Part-Timers)," Ministry of Health, Labour and Welfare; "Employment Referrals for General Workers," Tokyo Labor Bureau; "Active Job Openings-to-Applicants Ratio by Employment Pattern and Wages on Job Advertisements for Job Seekers," Osaka Labour Bureau

➤ Active job openings-to-applicants ratio for long-term care workers remains high. This trend is particularly noticeable in urban areas, including the Tokyo metropolitan area. Recruitment costs are also increasing along with salary levels.

[Required no. of additional long-term care workers and projection of supply and demand]

	FY2022	FY2026	FY2040
Projected demand	(Actual figure) 2.15 million	2.40 million	2.72 million
Required no. of additional workers	—	+ 250,000 (+63,000/year)	+ 570,000 (+32,000/year)

Source: "Required Number of Long-term Care Workers Based on the 9th Insured Long-Term Care Service Plan," Ministry of Health, Labour and Welfare (July 12, 2024)"

➤ By 2040, the demand for personnel is expected to reach approximately 2.72 million, while the estimated number of caregiving staff, based on current trends, is projected to be around 2.10 million, resulting in a **supply-demand gap of approximately 620,000**.

Source: "Required Number of Long-term Care Workers Based on the 9th Insured Long-Term Care Service Plan," Ministry of Health, Labour and Welfare

Past Revisions to Long-term Care Fees

Year of revision	Revised percentage	(Actual) Revised percentage	Main details
FY2015	- 2.27%	- 4.48%	<ul style="list-style-type: none"> ➢ Revised down for the first time in 9 years ➢ [Revision breakdown] improved benefits: + 1.65%; enhancement of long-term care services: +0.56% (conditions apply to increases); reduction of long-term care fee unit price: -4.48% ➢ The long-term care fee unit price was reduced significantly for highly profitable long-term care services (intensive care homes for the elderly requiring long-term care, long-term care at elderly day service centers)
FY2017	+ 1.14%	[No change]	<ul style="list-style-type: none"> ➢ Special revision (+1.14%) to improve benefits for long-term care workers
FY2018	+ 0.54%	+ 0.54%	<ul style="list-style-type: none"> ➢ First revision upward in 6 years (excluding the special revision) based on the management environment for long-term care businesses and improvement of benefits for long-term care workers, etc. ➢ Basic unit revised down for services intended for elderly people requiring a low level of long-term care including home-visit long-term care (support services for daily life), long-term care at large elderly day service centers, rental long-term care equipment, etc. ➢ Promotion of the introduction of outcome-based evaluations and the use of robots (monitoring devices) and ICT (teleconferencing) for selected long-term care services ➢ Basic unit for daily life long-term care admitted to specified facilities revised upward by an average of 0.3%
FY2019 (Special revision)	+ 2.13%	+ 0.39%	<ul style="list-style-type: none"> ➢ Special revision in response to the consumption tax revision in October 2019 to eliminate the effective burden on long-term care businesses (+0.39%) ➢ Additional improvement in benefits for workers with 10 years or more of consecutive service, mainly licensed long-term care workers (+1.67%)
FY2021	+ 0.70%	+ 0.40%	<ul style="list-style-type: none"> ➢ Revision of long-term care fees overall by +0.70% in response to the management environment, etc. for long-term care businesses, including the impact of price trends on non-personnel supplies, etc. and in consideration of the need to secure long-term care workers and improve benefits. ➢ 0.05% of the 0.70% figure was a special measure implemented in the first half of FY2021 (April – September 2021) in consideration of rising costs caused by responses to COVID-19. ➢ Basic long-term care fees increased by approx. 0.4% for daily life long-term care admitted to specified facilities (fee-based homes for the elderly). As for additional payments for individual items, an increase was made to the unit price for additional payments to improve the service provision system. The revision also made it possible to calculate new additional payments to maintain activities of daily living (ADL), etc.
FY2022 (Special revision)	+ 1.13%	[No change]	<ul style="list-style-type: none"> ➢ Special revision (+1.13%) to improve benefits for long-term care workers
FY2024	+ 1.59%	+ 0.61%	<ul style="list-style-type: none"> ➢ Improvement in benefits for long-term care workers: +0.98%; other revision: +0.61% ➢ Further developing and promoting the community-based integrated care system, implementing measures for self-reliance support and prevention of exacerbated conditions, creating worker-friendly workplaces to enable efficient provision of quality long-term care services (promoting utilization of care robots, ICT technologies, etc.), and ensuring stability and sustainability of systems.
New FY2026 (Special revision, Planned)	+ 2.03%	[No change]	<ul style="list-style-type: none"> ➢ Improvement in treatment of care staff: +1.95%, including approximately ¥100,000 per employee allocated to care providers, and approximately ¥70,000 per employee allocated to care staff at providers working on productivity improvements and operational collaboration. ➢ Increase in the standard monthly food cost: +0.09% (no impact on fee-based homes for the elderly).

Company Information

- **Name** Charm Care Corporation
- **Representative** Takahiko Shimomura, Chairman and CEO
Shiro Kokaji, President and COO
- **Listing market** Tokyo Stock Exchange Prime Market
- **Fiscal year end** June
- **Head office** Osaka Head Office: 6-32 Nakanoshima 3-Chome, Kita-ku, Osaka
Tokyo Head Office: 28-15 Shibuya 3-Chome, Shibuya-ku, Tokyo
- **Business** Operation of fee-based nursing homes, etc. (Long-Term Care Business),
peripheral businesses of the long-term care business (nursing staff dispatch and
recruitment, resident referral services, etc.)
- **Paid-in capital** ¥2,759,250,000
- **Number of issued shares** 32,712,000 shares (including 30,612 shares of treasury stock)
- **Employees** Approx. 3,500 (including part-time, contract, and dispatched employees, etc.)



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Notice

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Accordingly, actual results may differ from these business performance forecasts due to a variety of factors.

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