



Financial Results

for the 3rd Quarter

of the Fiscal Year Ending June 30, 2026

May 8, 2026

Charm Care Corporation

Tokyo Stock Exchange Prime Market 6062

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Summary of Consolidated Performance for the 3rd Quarter of FYE June 2026

- Consolidated net sales **increased at an even faster pace**, as the Long-Term Care Business remained strong in 3Q and the seasonal impact during winter was less pronounced than in the previous fiscal year. Growth in existing fee-based homes for the elderly with long-term care (facilities opened for two years or more), newly opened facilities (facilities opened for less than one year), and facilities acquired through M&A all contributed to strong overall performance.
- Consolidated operating profit achieved **high growth, with the amount of profit increase expanding significantly**, driven by the continued steady progress in productivity improvements in the Long-Term Care Business (please refer to [P14](#)).
- Furthermore, regarding **the relaxation of staffing criteria** (3:0.9 = 0.9 long-term care/nursing staff members on a full-time equivalent basis per three residents), in addition to one facility approved in the previous fiscal year, one facility has had its notification accepted so far in the current fiscal year, and notifications have already been submitted for several other facilities and are currently awaiting acceptance. Productivity improvements are continuing to advance (please refer to [P13](#)).

Consolidated Performance

(Millions of yen)

	3Q FY2025 / 6	3Q FY2026 / 6	YoY
Net sales	30,313	33,893	+ 11.8% [+3,580]
Operating profit	2,503	3,603	+ 43.9% [+1,099]
Ordinary profit	2,664	3,806	+ 42.9% [+1,142]
Ordinary profit margin	8.8%	11.2%	+ 2.4pt.
Profit attributable to owners of parent	1,842	2,560	+ 39.0% [+718]



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Segment Performance for the 3rd 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)

		3Q FY2025 / 6	3Q FY2026 / 6		FY2026 / 6
		Result	Result	YoY	Forecast
Long-Term Care <small>(details are provided on the next page)</small>	Net sales	28,766	32,349	+3,583 [+12.5%]	43,450
	Segment profit	3,386	4,532	+1,146 [+33.8%]	5,434
Other Businesses	Net sales	2,000	2,028	+28 [+1.4%]	5,734
	Segment profit	34	30	(3) [(10.6%)]	238
Good Partners (staffing services, etc.)	Net sales	1,954	1,913	(40) [(2.1%)]	2,643
	Operating profit	108	79	(29) [(26.7%)]	148
Amortization of goodwill		(24)	(24)	- [—%]	(32)
Charm Senior Living (Resident referral services)	Net sales	38	45	+7 [+18.7%]	88
	Operating profit	32	(4)	(36) [—%]	2
Real Estate	Net sales	7	69	+61 [+812.6%]	3,002
	Operating profit	(82)	(20)	+62 [—%]	128
Other Peripheral Businesses	Net sales	-	-	- [—%]	-
	Operating profit	-	-	- [—%]	-
Adjustments	Intersegment sales or transfers	(453)	(484)	(31) [—%]	(597)
	Segment profit <small>(Note 2)</small>	(916)	(959)	(42) [—%]	(1,213)
Consolidated	Net sales	30,313	33,893	+3,580 [+11.8%]	48,585
	Operating profit	2,503	3,603	+1,099 [+43.9%]	4,460
	Ordinary profit	2,664	3,806	+1,142 [+42.9%]	4,615
	Extraordinary Income and Losses	-	(2)	(2) [—%]	-
	Profit attributable to owners of parent	1,842	2,560	+718 [+39.0%]	3,090

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

Previous period figures are for a 11-month term.



(Note 1) Due to a change in the fiscal year, Good Partners' fiscal period for the 3rd quarter of FYE June 2025 is a 11-month term from May 1, 2024, to March 31, 2025.

(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)

		3Q FY2025 / 6	3Q FY2026 / 6		FY2026 / 6	
		Result	Result	YoY	Forecast	
Long-Term Care		Net sales	28,766	32,349	+3,583 [+12.5%]	43,450
		Segment profit	3,386	4,532	+1,146 [+33.8%]	5,434
		[Margin]	[11.8%]	[14.0%]	[+2.2pt.]	[12.5%]
Avg.occupancy rate [residents / capacity]		86.8% [6,092 / 7,020]	89.3% [6,767 / 7,582]	+2.5pt. [+675 / +562]	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	21,635	24,277	+2,641 [+12.2%]	32,676
		Operating profit	3,601	4,378	+776 [+21.6%]	5,375
		[Margin]	[16.6%]	[18.0%]	[+1.4pt.]	[16.4%]
	Avg.occupancy rate [residents / capacity]		94.4% [4,487 / 4,751]	94.5% [4,900 / 5,188]	±0.0pt. [+413 / +436]	94.8% [4,982 / 5,257]
	Existing Residential fee-based homes for the elderly (2+ years in operation)	Net sales	1,313	1,256	(57) [(4.3%)]	1,665
		Operating profit	191	190	(1) [(0.6%)]	291
		[Margin]	[14.6%]	[15.2%]	[+0.6pt.]	[17.5%]
	Avg.occupancy rate [residents / capacity]		96.4% [358 / 371]	97.1% [351 / 362]	+0.7pt. [(7) / (9)]	96.7% [350 / 362]
	2nd-year facilities (1–2 years since opening)	Net sales	2,003	2,337	+333 [+16.6%]	3,059
		Operating profit	152	202	+50 [+33.5%]	210
		[Margin]	[7.6%]	[8.7%]	[+1.1pt.]	[6.9%]
	Avg.occupancy rate [residents / capacity]		79.4% [339 / 427]	75.6% [501 / 663]	(3.8pt.) [+162 / +236]	78.6% [497 / 633]
Newly established facilities (less than 1 year in operation) (Including pre-opening facility costs)	Net sales	1,385	950	(434) [(31.4%)]	1,274	
	Operating profit	(375)	(207)	+167 [–%]	(417)	
	[Margin]	[–%]	[–%]	[–pt.]	[–%]	
Avg.occupancy rate [residents / capacity]		47.0% [312 / 663]	52.1% [208 / 400]	+5.1pt. [(103) / (263)]	49.0% [205 / 419]	

In 3Q 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 nine for 3Q and by twelve for the full-year forecast.

(Continued on the next page)

Breakdown of the Long-Term Care Business Segment

(Millions of yen)

		3Q FY2025 / 6	3Q FY2026 / 6		FY2026 / 6	
		Result	Result	YoY	Forecast	
M&A-acquired facilities	LIKE (Oct 2021–) (+1 facility in Jun 2024)	Net sales	1,584	1,646	+62 [+3.9%]	2,161
		Operating profit	290	339	+48 [+16.9%]	345
		[Margin]	[18.3%]	[20.6%]	[+2.3pt.]	[16.0%]
		Avg.occupancy rate [residents / capacity]	95.5% [439/460]	97.5% [448/460]	+2.0pt. [+9/±0]	97.7% [449/460]
		Amortization of goodwill	(136)	(136)	– [–%]	(181)
	Former CARE 21 (Sep 2024–)	Net sales	388	1,188	+800 [+206.2%]	1,716
		Operating profit	(296)	(248)	+48 [+55.5%]	(256)
		[Margin]	(–%)	(–%)	(–pt.)	(–%)
		Avg.occupancy rate [residents / capacity]	29.1% [76/261]	61.1% [228/374]	+32.0pt. [+153/+113]	63.1% [236/374]
	CM Care (Oct 2024–)	Net sales	454	682	+227 [+50.0%]	897
		Operating profit	(39)	27	+67 [–%]	70
		[Margin]	[–%]	[4.0%]	[–pt.]	[7.8%]
		Avg.occupancy rate [residents / capacity]	94.4% [82/87]	96.8% [126/130]	+2.5pt. [+44/+43]	96.9% [126/130]
		Amortization of goodwill	(1)	(2)	(0) [–%]	(3)
	Former Biken Techno (Mar 2026–)	Net sales	–	10	+10 [–%]	–
Operating profit		–	(11)	(11) [–%]	–	
[Margin]		[–%]	[–%]	[–%]	–	
	Avg.occupancy rate [residents / capacity]	–% [–/–]	62.5% [4/6]	–pt. [+4/+6]	–% [–/–]	

In 3Q 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.



Note: The numbers of residents and capacity represent monthly averages, calculated by dividing the total of end-of-month figures by nine for 3Q and by twelve for the full-year forecast.

Overview of Segment Performance for the 3rd Quarter of FYE June 2026

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Long-Term Care Business

- Our **existing fee-based homes for the elderly with long-term care** (facilities opened for two years or more) continued to achieve strong growth. Net sales increased by **¥2,641 million (+12.2%)** year on year, as occupancy at facilities newly added to this category steadily improved. Operating profit increased by **¥776 million (+21.6%)** year on year, supported by **an improvement in profit margins** driven by productivity gains that more than offset the impact of inflation and wage increases, including base pay increases and regular salary increases (please refer to [P14](#)).
- Our **second-year facilities** (facilities opened for one to less than two years) are making steady progress in promoting occupancy, with several facilities already fully occupied. **Newly opened facilities** (facilities opened for less than one year) are also steadily increasing occupancy, with some facilities nearly fully occupied within four to five months of opening.
- **Consolidated subsidiary LIKE** recorded higher net sales and profit, driven by progress in occupancy at one facility acquired through M&A in the previous fiscal year, as well as productivity improvements.
- With regard to facilities acquired through M&A in the previous fiscal year, **the former Care 21 facilities** are performing well in terms of occupancy, supported by our sales expertise. **CM Care facilities** are nearly fully occupied, but still have room for profit margin improvement through productivity gains, with full-scale initiatives now underway following the merger.
- At **Charm Ikeda Masumicho, acquired from Biken Techno Corporation** on March 1, 2026, early sales activities proved effective, and the occupancy rate **rose from 50.0% to 62.5%** in one month.
- For new openings from the next fiscal year onward, we are obtaining information through various channels and increasing the number of in-house development projects, resulting in steady growth in the pipeline of new facility openings (please refer to [P46](#)).

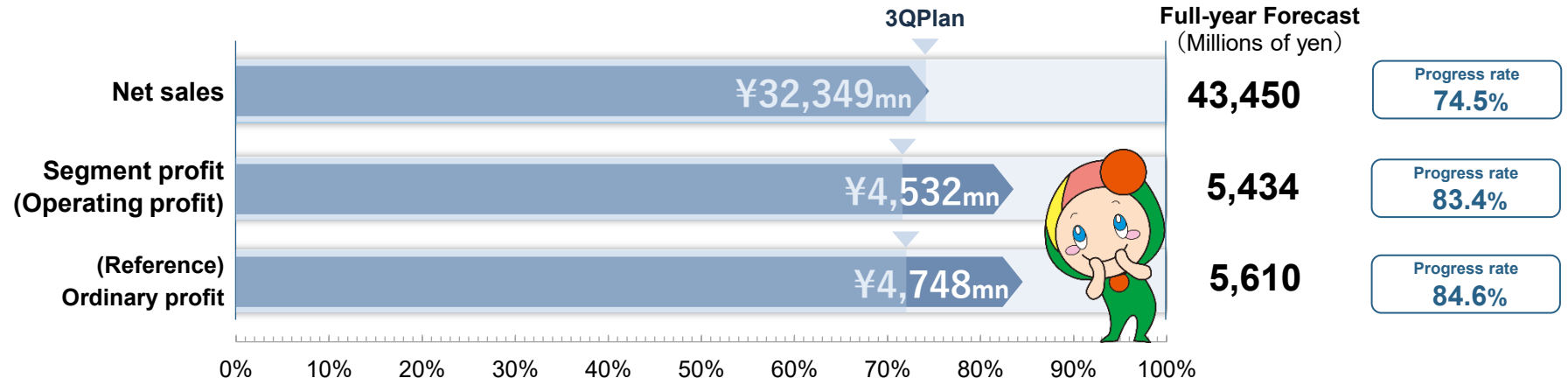
Other Businesses

- Businesses operated by consolidated subsidiary Good Partners recorded a year-on-year decrease in net sales, as the previous 3Q was based on an 11-month fiscal period due to a change in the fiscal year-end. In substance, however, these businesses achieved higher net sales and profit, as the Hospice facility Atenity Tamagawagakuen, opened in November 2024 with 42 rooms, and the Hospice facility Atenity Kugayama, opened in December 2025 with 49 rooms and a capacity of 52 residents, are both progressing steadily. Meanwhile, the temporary staffing business recorded lower net sales and profit due to the impact of spot work services, but continues to support operations by dispatching staff to facilities within the Group.
- The resident referral business for care facilities and other facilities operated by consolidated subsidiary Charm Senior Living is seeing an upward trend in the number of referrals, although progress against the net sales plan is somewhat behind schedule. At the same time, the business is contributing to occupancy growth at facilities within the Group.
- In the Real Estate Business, construction has been completed and the building has been finished for one development project scheduled for sale in 4Q, namely the Chofu-shi Kokuryo project. We are currently proceeding with contract procedures with the prospective buyer of property (please refer to [P17](#)).

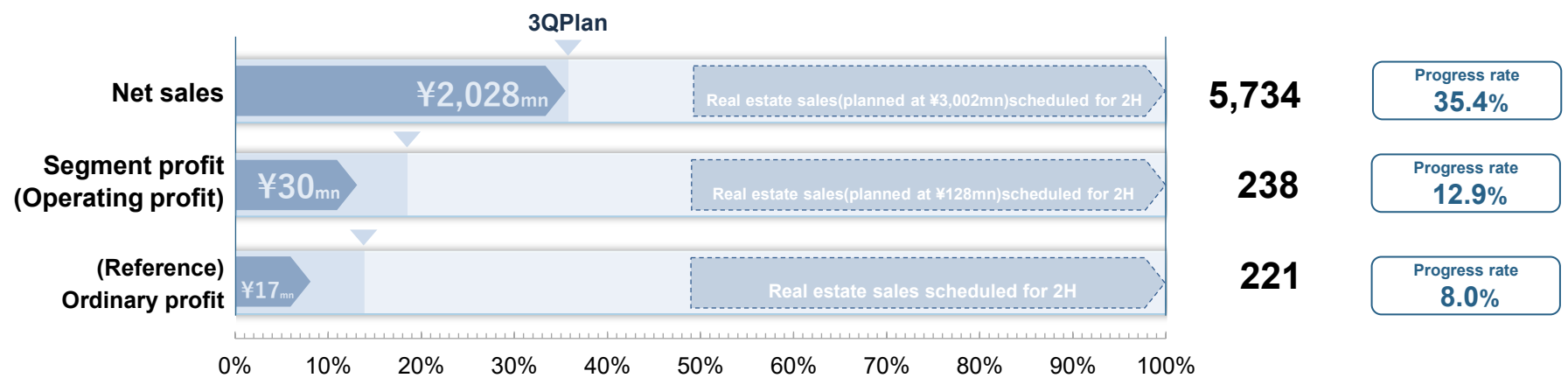


Segment Plan Achievement Rate for the 3rd Quarter of FYE June 2026

Long-Term Care Business



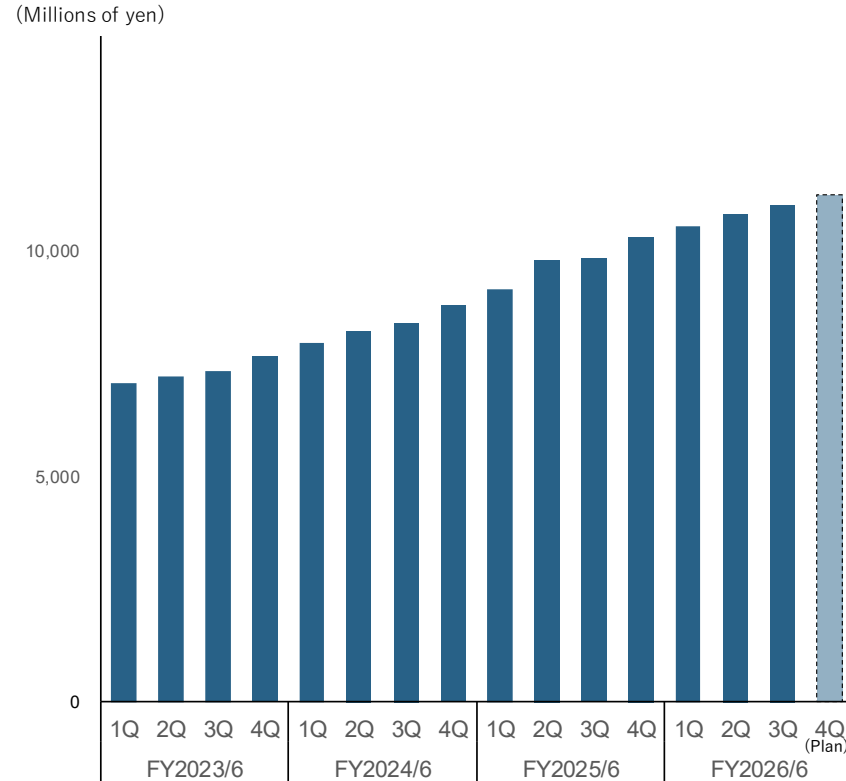
Other Businesses



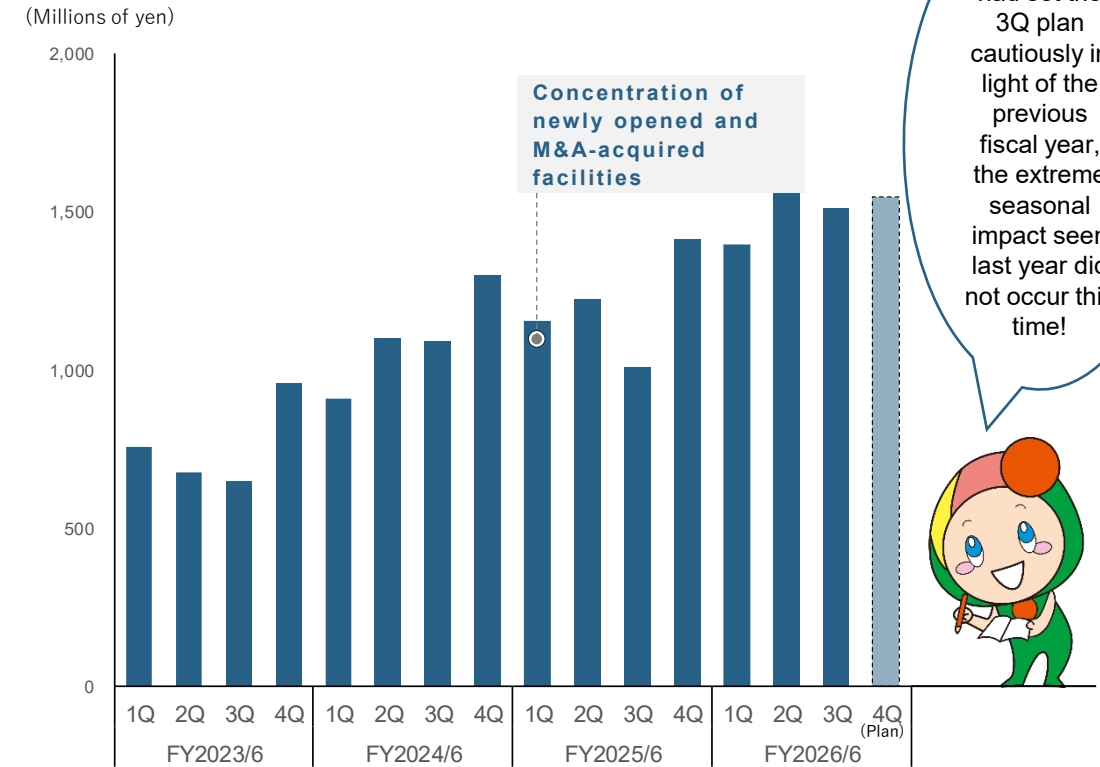
Quarterly Performance Trends of the Long-Term Care Business (3-month intervals)

- 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.

Transition of Facility Occupancy Rates(Excluding Facilities Acquired through M&A)

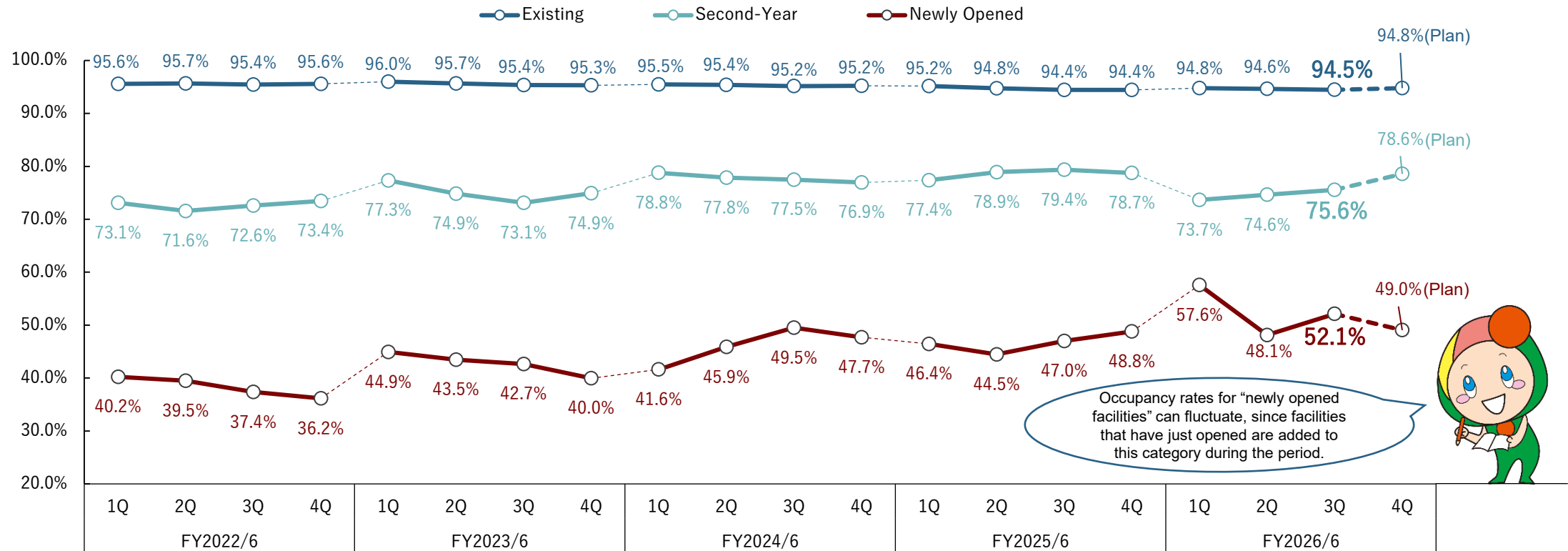
■ Average Occupancy Rates During the Period for FYE June 2026 3Q (July–March)*

- **Existing fee-based homes for the elderly with long-term care : 94.5%** (Occupancy rate as of the end of March : **94.1%**) ※From C Yamatokoriyama to CS Nigawa Nibankan
- **Second-year facilities : 75.6%** (Occupancy rate as of the end of March : **79.9%**) ※CP Kyoto Karasuma Rokkaku, C Mizumoto Park, C Fuchu Nishshincho, CS Hatanodai, CS Takarazuka Obana, CS Kurakuen, CS Kobe Tarumi, C Ritto
- **Newly opened facilities : 52.1%** (Occupancy rate as of the end of March : **56.7%**) ※CS Nishi Shinjuku, CS Kita Karasuyama, CS Honkomagome, C Seta, CS Nomidai, C Rokugo, CS Gotokuji, CS Chitose Karasuyama

*Method for Calculating Occupancy Rates

“Existing fee-based homes for the elderly with long-term care” : Average occupancy rates during the period are calculated for facilities for which 24 months have passed since the month of opening.
 “Second-year facilities” : Average occupancy rates during the period are calculated for facilities for which 12 months or more but less than 24 months have passed since the month of opening.
 “Newly opened facilities” : Average occupancy rates during the period are calculated for facilities for which less than 12 months have passed since the month of opening.

■ Cumulative average occupancy rate during the period by quarter



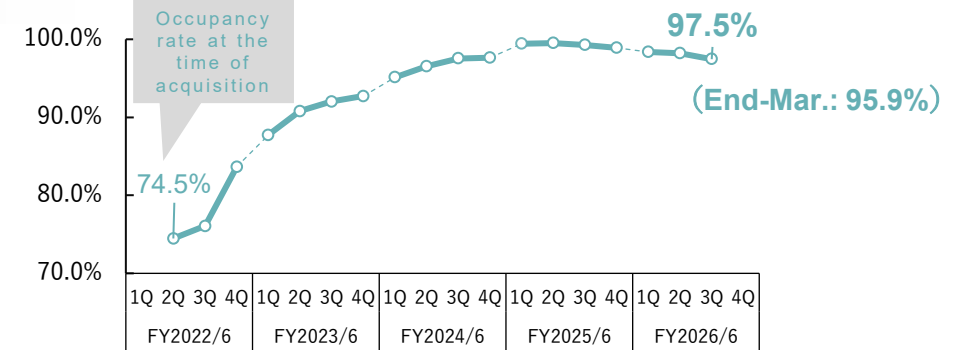
Transition of Occupancy Rates of M&A-Acquired Facilities

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① LIKE

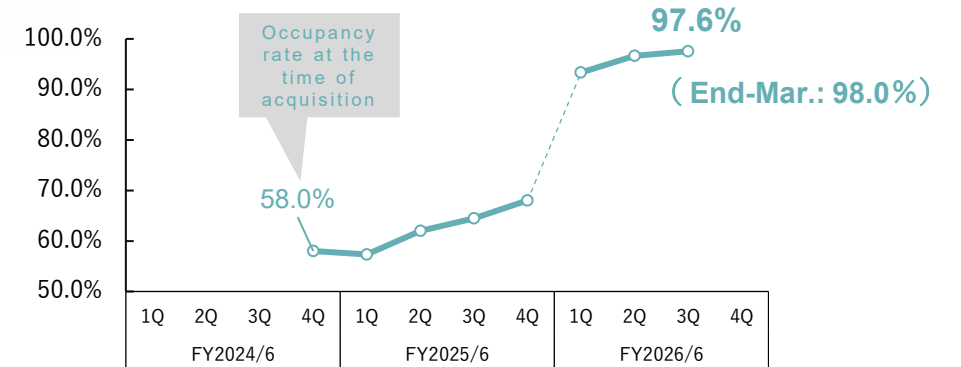
Acquisition date: November 1, 2021 (share transfer)
 Number of facilities (rooms): 4 fee-based homes for the elderly with long-term care (410 rooms in total)
 Location: Kinki metropolitan area (Osaka City, Sakai City, Ikeda City, and Yao City, Osaka Prefecture)

【Transition of Average Occupancy Rate During the Period】



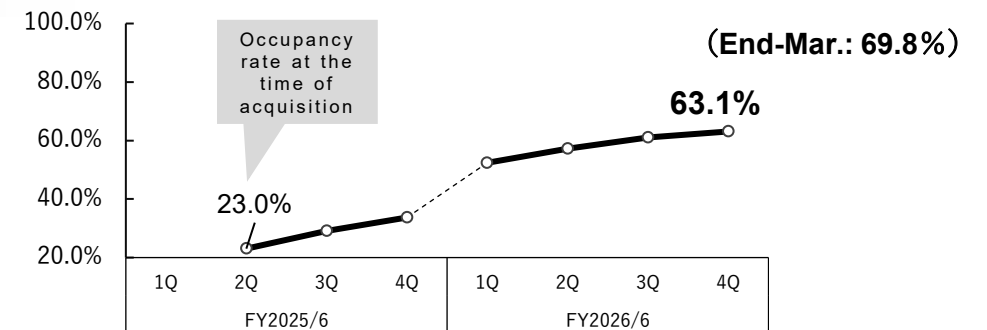
② LIKE Habikino

Acquisition date: June 1, 2024 (business transfer)
 Number of facilities (rooms): 1 fee-based home for the elderly with long-term care (50 rooms)
 Location: Kinki metropolitan area (Habikino City, Osaka Prefecture)



③ Former Care 21 Facilities

Acquisition date: September 1 and November 1, 2024 (business transfer)
 Number of facilities (rooms): 4 fee-based homes for the elderly with long-term care and 1 residential fee-based home for the elderly (368 rooms in total)
 Location: Tokyo metropolitan area and Kinki metropolitan area

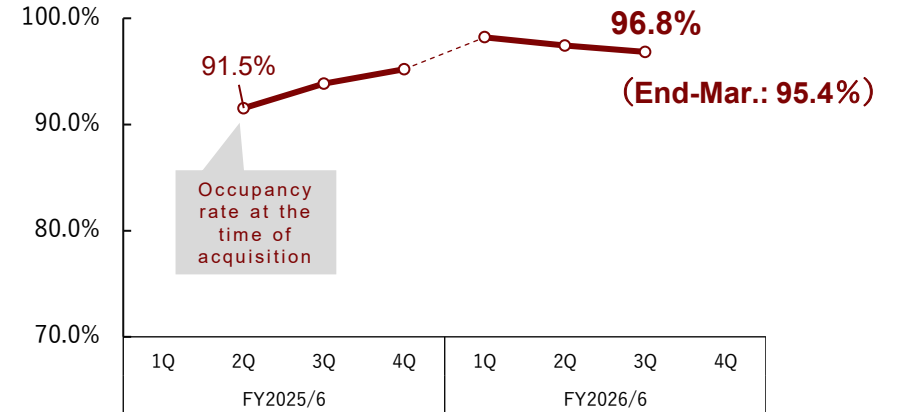


Transition of Occupancy Rates of M&A-Acquired Facilities

④ CM Care

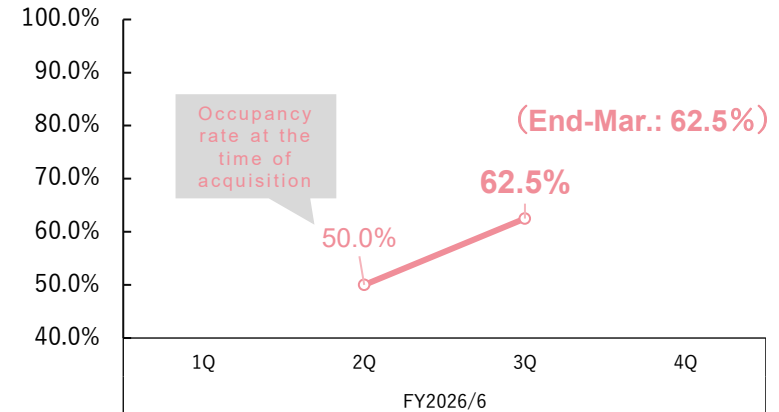
Acquisition date: October 1, 2024 (share transfer)
 Number of facilities (rooms): 2 fee-based homes for the elderly with long-term care (130 rooms in total)
 Location: Tokyo metropolitan area (Ota-ku, Tokyo and Kawasaki City, Kanagawa Prefecture)

【Transition of Average Occupancy Rate During the Period】



⑤ Former Biken Techno Facility (Charm Ikeda Masumicho)

Acquisition date: March 1, 2026 (business transfer)
 Number of facilities (rooms): 1 fee-based home for the elderly with long-term care (56 rooms)
 Location: Kinki metropolitan area (Ikeda City, Osaka Prefecture)



Acquired 13 facilities, totaling 1,014 rooms, over the past five years and improved occupancy rates across all facilities

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 [P14](#))

- 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 (79 rooms).

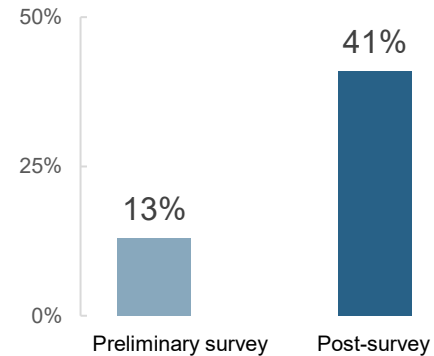
In FYE June 2026, verification is being conducted at 10 facilities, and notification for Charm Suite Ryokuchi Koen (128 rooms) was submitted and accepted, with application beginning in March 2026.

(*) 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.

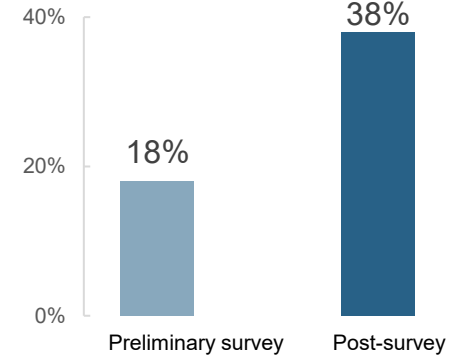
Discussions and deliberations in the Productivity Improvement Committee.



Changes in staff motivation in the initiatives for productivity improvement.

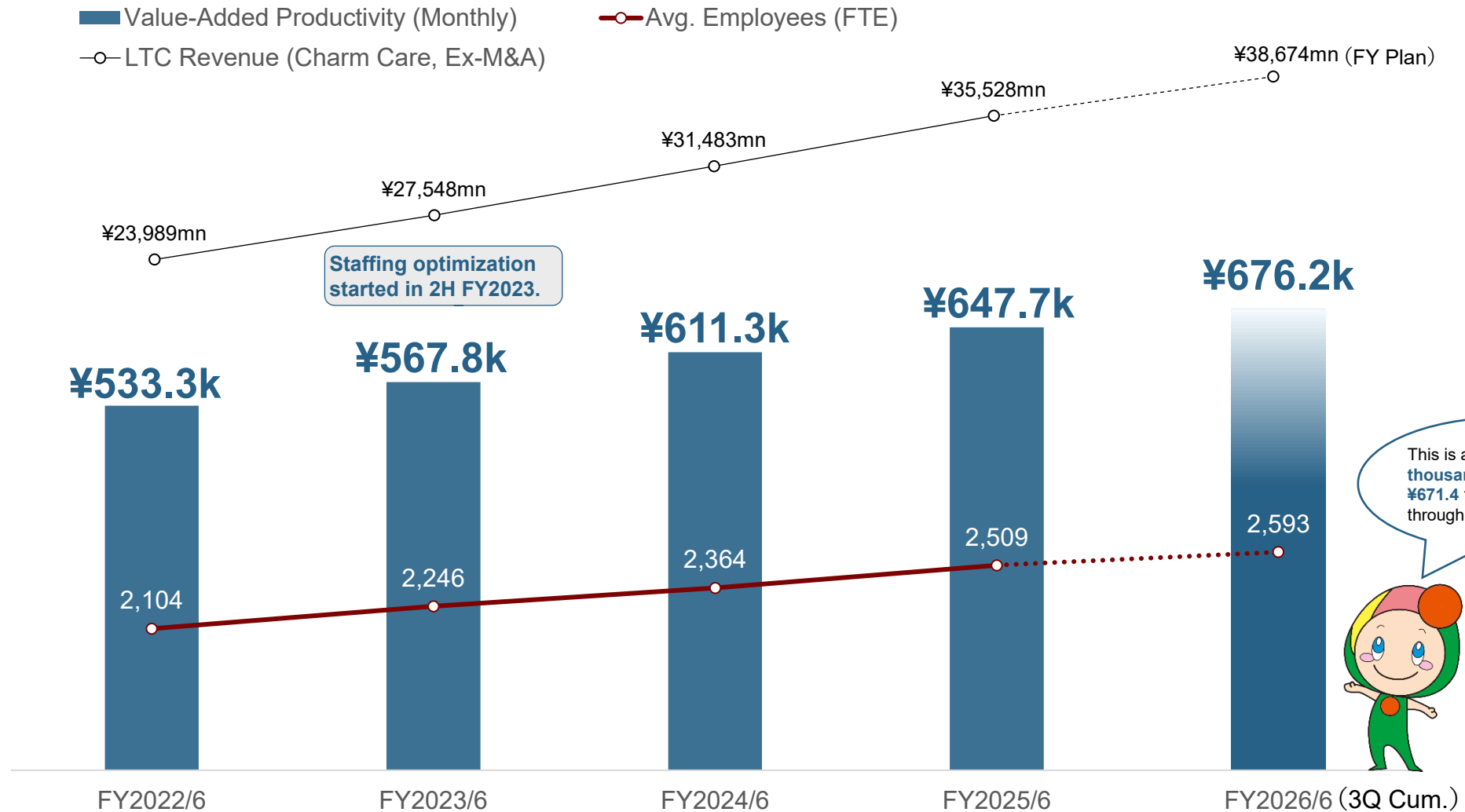


Ease of determining business priorities through the introduction of IT equipment.



Staffing Optimization, Productivity Enhancement, and Improved Employee Treatment

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

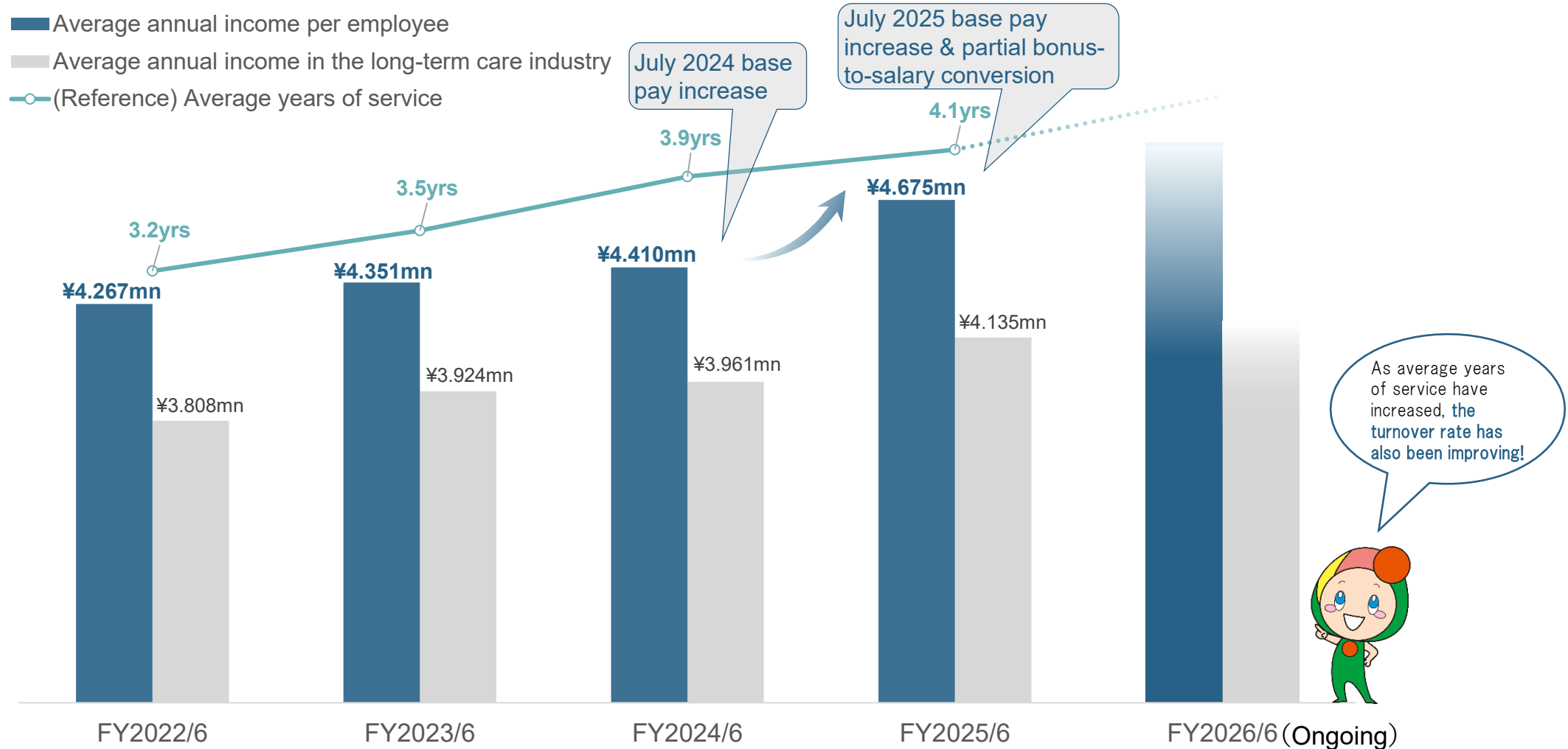


※ Calculated as: (Gross profit excluding labor costs) / Employees (FTE)(Standalone, excluding M&A-acquired facilities)

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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 [P81](#), 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~

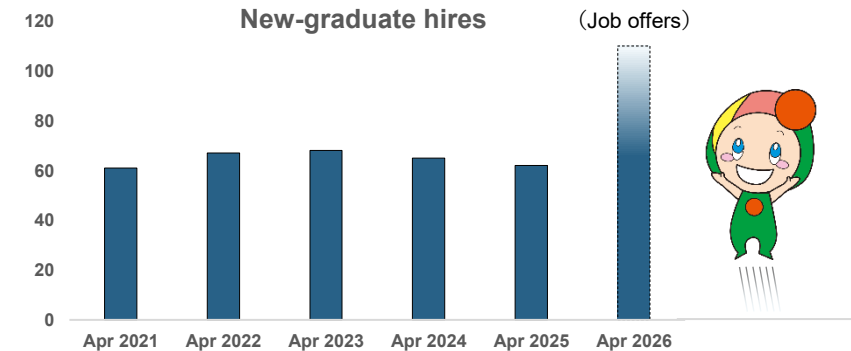
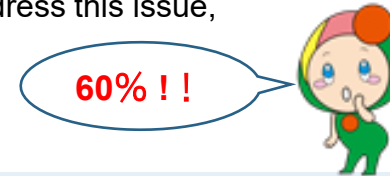
“More days off,” **“less fatigue”** (*), “better work–life balance,” “able to take on side jobs”

(*) 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 accepted far exceeded the previous year, allowing us to achieve our hiring target early. Because applications continued to increase, we ultimately closed recruitment at 110 hires. **New graduates will be assigned mainly to facilities in areas where recruitment is difficult, helping reduce the use of temporary staff.**

- Mid-career applications also rose by about 20% year on year, with an increasing number of applicants citing the appeal of the four-day workweek system as their reason for applying, 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

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	<ul style="list-style-type: none"> • Operator tentatively decided
	Feb. 2026	Building completed and handed over	<ul style="list-style-type: none"> • 97 rooms planned.
	May 2026	Real estate purchase and sale agreement expected to be concluded	
	Jun. 2026	Scheduled for sale	

Summary of Consolidated Balance Sheets

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(Millions of yen)	As of Jun. 30, 2025	As of Mar. 31, 2026	Change
Current assets	21,905	22,210	+305
Cash and deposits	9,149	7,499	(1,649)
Inventories (Note 1)	1,609	3,125	+1,516
Money held in trust (Note 2)	6,274	6,420	+145
Other	4,871	5,165	+293
Non-current assets	30,509	32,406	+1,897
Property, plant and equipment	16,492	18,238	+1,746
Intangible assets	2,613	2,557	(56)
Goodwill	2,389	2,225	(163)
Other	224	332	+107
Investments and other assets	11,403	11,610	+207
Investment securities	2,195	2,359	+164
Guarantee deposits	6,502	6,670	+167
Deferred tax assets	1,685	1,639	(46)
Other	1,019	940	(78)
Total assets	52,414	54,617	+2,203

Due to the start of interim dividends from the current fiscal year, cash outflows increased more than usual. This is a one-time factor for the current fiscal year.

Primarily the land and buildings of the Chofu-Kokuryo project (see p.17)

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

(Millions of yen)	As of Jun. 30, 2025	As of Mar. 31, 2026	Change
Current liabilities	23,582	25,502	+1,919
Short-term borrowings	5,787	7,380	+1,592
Current Portion of Long-Term Debt	1,114	1,000	(114)
Contract liabilities (Note 3)	12,884	12,450	(434)
Other	3,795	4,671	+875
Non-current liabilities	8,153	7,525	(628)
Long-term borrowings	6,175	5,451	(724)
Other	1,977	2,074	+96
Total liabilities	31,736	33,027	+1,291
Shareholders' equity	20,650	21,461	+811
Share capital	2,759	2,759	—
Capital surplus	2,768	2,772	+4
Retained earnings	15,157	15,953	+796
Treasury shares	(35)	(24)	+10
Total accumulated other comprehensive income	(6)	94	+100
Share acquisition right	34	34	—
Total net assets	20,678	21,590	+912
Total liabilities and net assets	52,414	54,617	+2,203

While retained earnings increased due to the accumulation of profit, the start of interim dividends from the current fiscal year has limited the increase in retained earnings, as both the annual dividend for the previous fiscal year, paid in September, and the interim dividend for the current fiscal year, paid in March, were recorded during the period. This is a special factor.

Approximately ¥1.7 billion decrease due to the previous fiscal year-end dividend and the current fiscal year interim dividend.



(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%	39.5%	+0.1pt.
Interest-Bearing Debt Ratio	65.2%	66.0%	+0.9pt.



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 27–28](#) of the Medium-Term Management Plan.

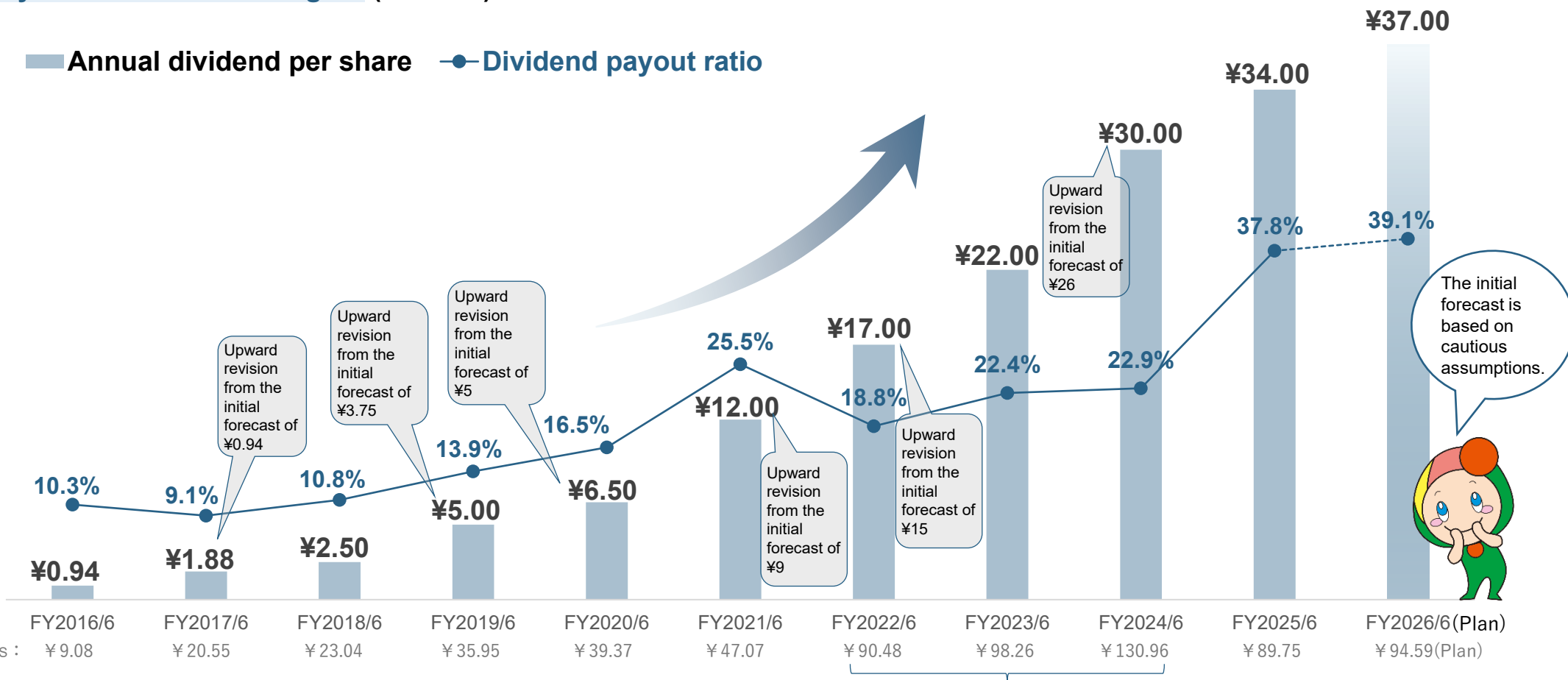
Dividends for the Fiscal Year Ending June 2026

👉 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	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 P30).



Net profit increased due to gains on the sale of real estate

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 3rd 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.

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

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 [P55](#)).

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 [P31](#) – 33. 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 [P25](#), the real estate business will be discontinued from the fiscal year ending June 2027 onward.**

Related page:

[p.31](#)

[p.32](#)

[p.33](#)

[p.25](#)

Segment Plans for the FYE June 2026 – FYE June 2028

(Millions of yen)

		FY2024 / 6	FY2025 / 6	FY2026 / 6	FY2027 / 6	FY2028 / 6
		Result	Result	Plan	Plan	Plan
Long-Term Care <i>(details are provided on the next page)</i>	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	3,501
	Operating profit	128	132	148	225	362
Amortization of goodwill		(34)	(32)	(32)	(32)	(32)
Charm Senior Living (Resident referral services)	Net sales	-	49	88	123	141
	Operating profit	-	43	2	3	5
Real Estate	Net sales	13,062	5,607	3,002	92	92
	Operating profit	1,874	65	128	(21)	(21)
Other Peripheral Businesses	Net sales	-	-	-	-	-
	Operating profit	-	-	-	-	-
Adjustments	Intersegment sales or transfers	(480)	(608)	(597)	(671)	(814)
	Segment profit <small>(Note)</small>	(990)	(1,150)	(1,213)	(1,260)	(1,256)
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.19](#)
[p.28](#)

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

(Millions of yen)

Related
page:
[p.11](#)
[p.19](#)
[p.27](#)

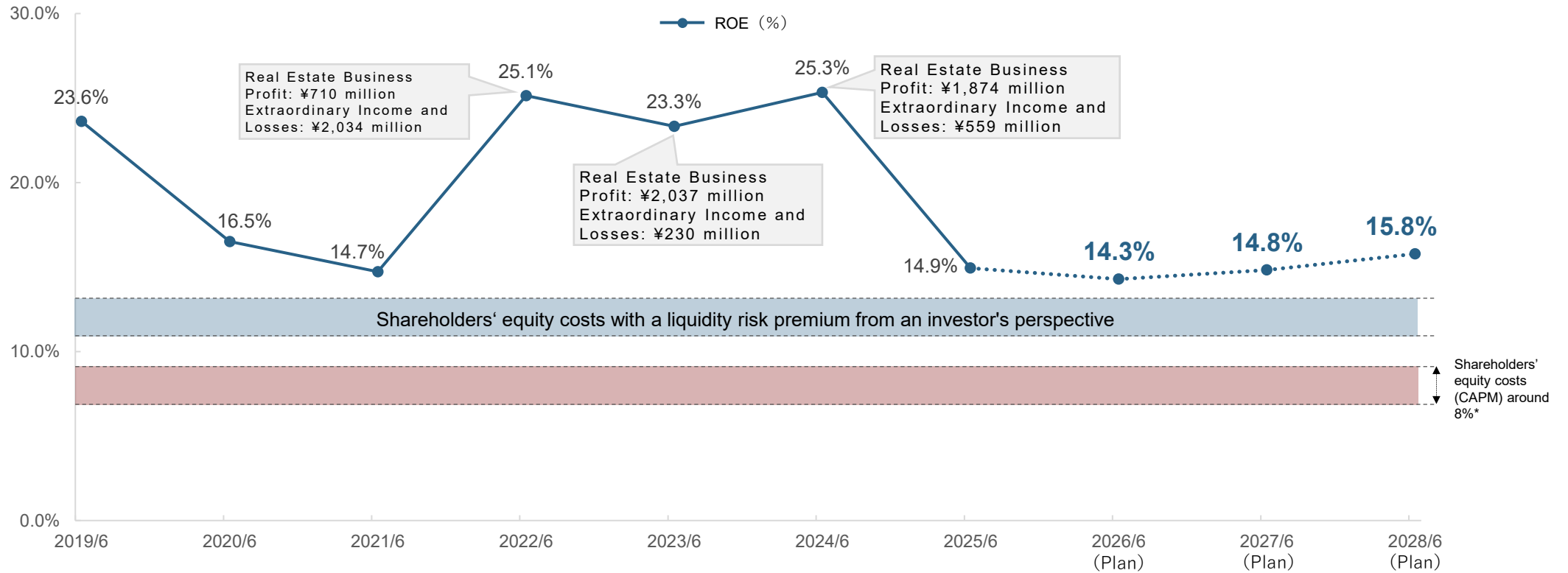
		FY2024 / 6	FY2025 / 6	FY2026 / 6	FY2027 / 6	FY2028 / 6
		Result	Result	Plan	Plan	Plan
Long-Term Care						
	Net sales	33,390	39,063	43,450	47,212	52,344
	Segment profit	4,407	4,802	5,434	6,381	7,258
	Avg.occupancy rate (residents / capacity)	90.5% (5,460/6,033)	87.1% (6,186/7,098)	89.7% (6,846/7,634)	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)
	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)	

Includes goodwill amortization (1 facility acquisition)

Includes Jun. 2024 acquisition; differs from P11 figures

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)

- 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 [P21](#)).
- 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.

Related page: [p.21](#)

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.26](#)

	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]	10 facilities [591 / 606]	6 facilities [442 / 466]	<u>14 facilities</u> <u>[1,004 / 1,068]</u>
Of which, Tokyo metropolitan area	3 facilities	8 facilities	8 facilities	4 facilities	<u>11</u> facilities
Of which, Kinki metropolitan area	4 facilities	6 facilities	<u>2</u> facilities	2 facilities	3 facilities
Cumulative facilities	91 facilities	105 facilities	115 facilities	121 facilities	<u>135 facilities</u>
Of which, Tokyo metropolitan area	42 facilities	50 facilities	58 facilities	62 facilities	<u>73</u> facilities
Of which, Kinki metropolitan area	49 facilities	55 facilities	57 facilities	59 facilities	62 facilities
Rooms [Capacity]	6,159 rooms [6,359 people]	7,155 rooms [7,374 people]	7,746 rooms [7,980 people]	8,188 rooms [8,446 people]	<u>9,192 rooms</u> <u>[9,514 people]</u>
Of which, Tokyo metropolitan area	2,523 facilities	3,048 facilities	3,523 facilities	3,795 facilities	<u>4,555</u> facilities
Of which, Kinki metropolitan area	3,636 facilities	4,107 facilities	4,223 facilities	4,393 facilities	4,637 facilities

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

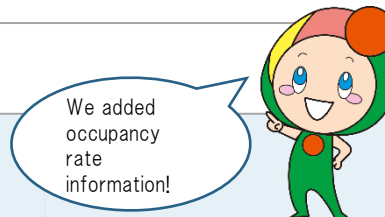
List of Planned New Facility Openings

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

*As of the end of March 2026

No.	New Opened/Acquired Facilities	Rooms	Opening	Latest Occupancy Rate*
1	Opened Charm Suite Kitakarasuyama (Setagaya-ku)	55	Aug.2025	30.9%
2	Opened Charm Suite Honkomagome (Bunkyo-ku)	55 (56 people)	Aug.2025	64.3%
3	Opened Charm Seta [turnkey property] (Setagaya-ku)	47 (50 people)	Oct.2025	56.0%
4	Opened Charm Rokugo (Ota-ku)	68	Nov.2025	<u>97.1%</u>
5	Opened Charm Suite Nokendai (Kanazawa-ku, Yokohama City)	80	Dec.2025	<u>97.5%</u>
6	Opened ATTENITY Kugayama [turnkey-property] (Suginami-ku)	49 (52 people)	Dec.2025	51.9%
7	Opened Charm Suite Gotokuji (Setagaya-ku)	58 (62 people)	Feb.2026	25.8%
8	Opened Charm Suite Chitosekarasuyama (Setagaya-ku)	63	Mar.2026	4.8%
9	Acquired Charm Ikeda Masumicho [M&A-acquired] (Ikeda City, Osaka)	56	Mar.2026	62.5%
10	Opened Charm Premier Kyoto Okazaki (Higashiyama-ku, Kyoto City)	60 (64 people)	May 2026	— %
Total	10 facilities (Tokyo area: 8, Kinki area: 2)	591 (606 people)		



Related page: [p.26](#)

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	Sep.2026
2	Charm Suite Kyoto Matsugasaki (Sakyo-ku, Kyoto City) <small>Construction started</small>	80(84)	Sep.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

At this point, there have been no specific delays in the timing of openings. We are closely monitoring inflation trends.



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.

Name changed from "Charm Suite Kyoto Shogoin"

FYE June 2028

No.	New Opened/Acquired Facilities	Rooms (People)	Opening
1	(Tent.)Charm Suite Higashi Totsuka (Totsuka-ku, Yokohama City) <small>Construction started</small>	87	July.2027
2	(Tent.) Charm Soka Hikawacho (Soka City, Saitama)	80	Sep.2027
3	(Tent.)Charm Premier Konanyamate (Higashinada-ku, Kobe City) <small>Construction started</small>	94(100)	Aug.2027
4	(Tent.)Charm Suite Kokubunji Hikarimachi (Kokubunji City, Tokyo) <small>Construction started</small>	71	Oct.2027
5	(Tent.)Charm Amagasaki Nishikoya [In-house] (Amagasaki City, Hyogo)	100	Nov.2027
6	(Tent.)ATTENITY Amagasaki Nishikoya [In-house] (Amagasaki City, Hyogo)	50	Nov.2027
7	(Tent.)Charm Suite Aobadai (Aoba-ku, Yokohama city)	69	Dec.2027
8	(Tent.) Charm Premier 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 Koshigaya Akayamacho (Koshigaya City, Saitama)	101	Mar.2028
13	(Tent.)Charm Premier Sendagaya (Shibuya-ku)	49(50)	Mar.2028
14	(Tent.)Charm Suite Yukigayaotsuka (Ota-ku)	90	May 2028

Total **14 facilities** (Tokyo area: **11**, Kinki area: 3) **1,004(1,068)**

FYE June 2029~

(Tent.)Charm Suite Kakio (Machida City, Tokyo) [In-house] – 79 rooms planned
 (Tent.)Charm Suite **Jingu Marutamachi** (Sakyo-ku, Kyoto City) – **56** rooms (**72**) [In-house] planned
 (Tent.)Charm Suite Tsukimino (Yamato City, Kanagawa) – 74 rooms [In-house] planned
(Tent.)Charm Premier Kugenuma Kaigan (Fujisawa City, Kanagawa) – 79 rooms 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

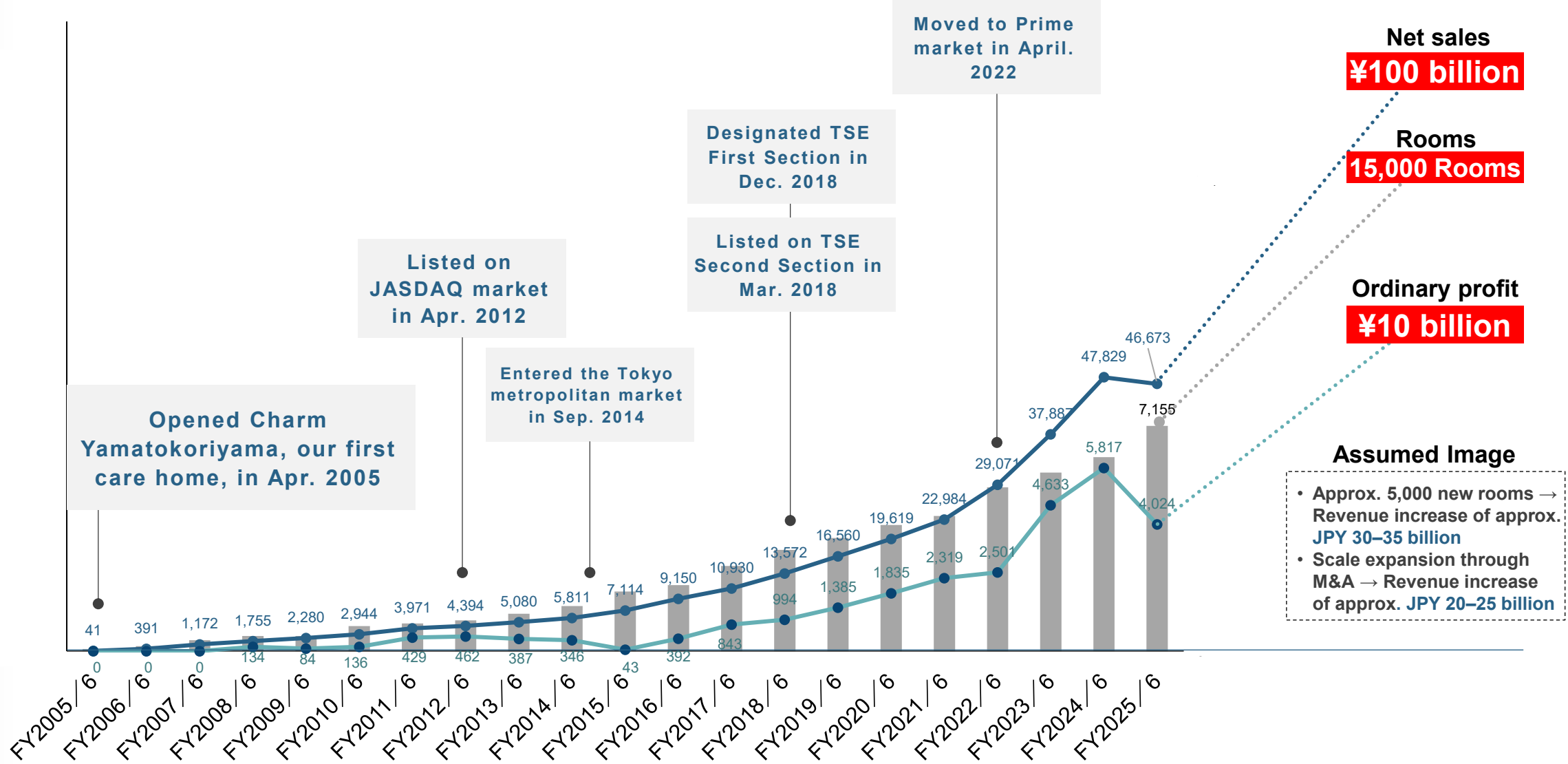
- Currently reviewing multiple M&A opportunities in long-term care-related businesses.
- By consolidating such businesses, there is potential for revenue growth through the incorporation of revenues currently outside the Group, as well as improved management efficiency by converting existing external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

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

Growth Outlook Beyond the Mid-term Management Plan

■ Rooms ● Net sales ● Ordinary profit

FYE June 20XX



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01 | FY2026/6 3rd Quarter Results

02 | Medium-Term Management Plan

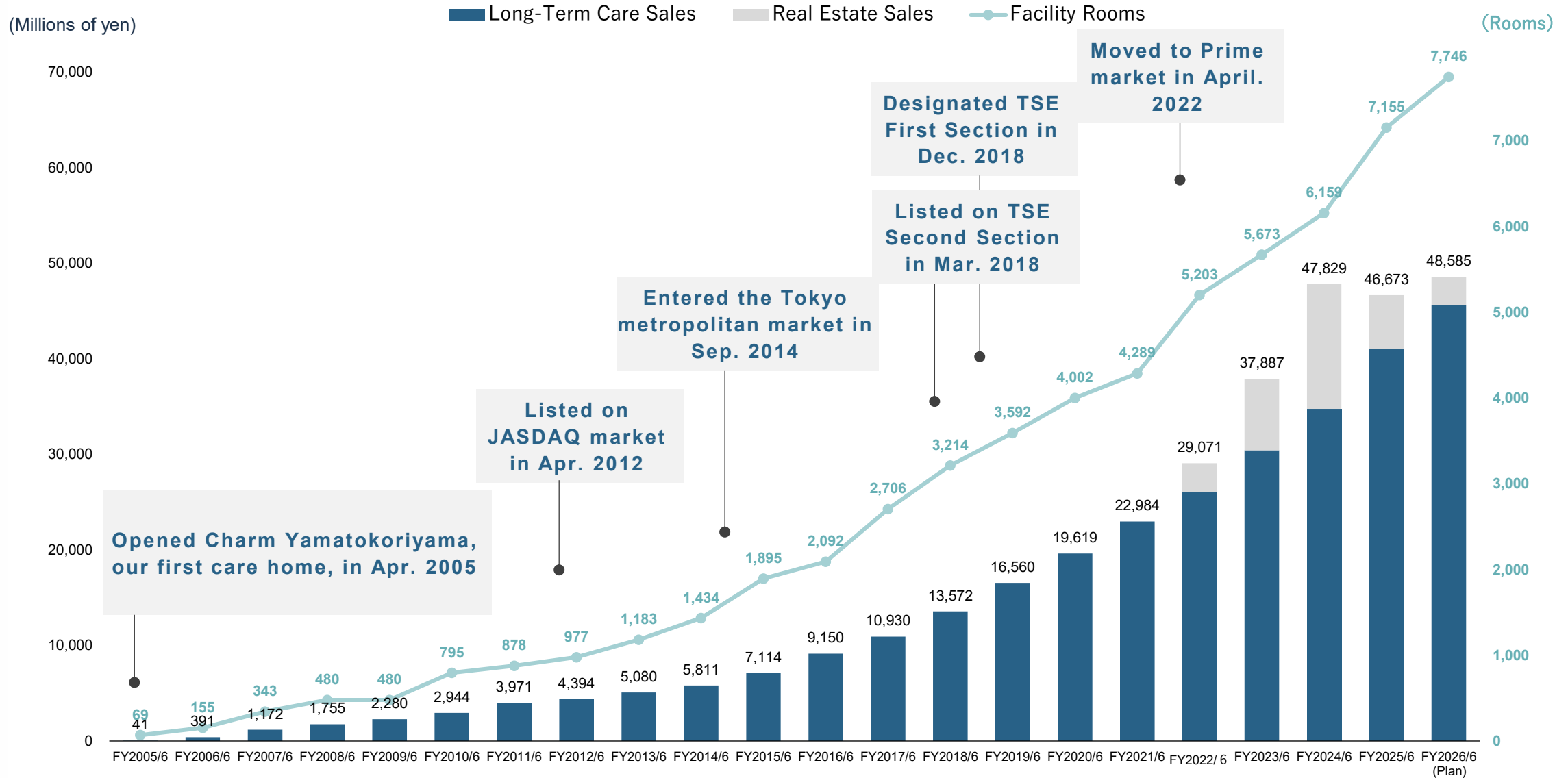
03 | About us

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

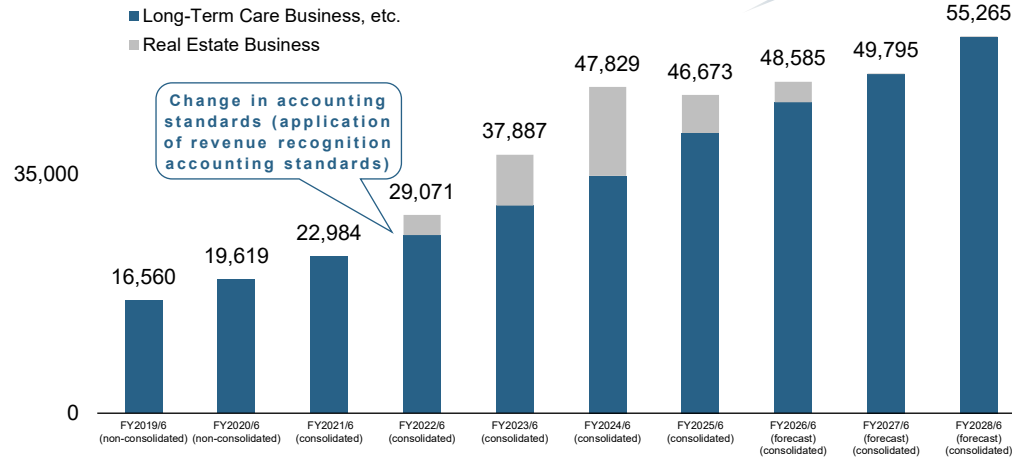


Note: The total number of rooms includes facilities and hospice facilities operated by consolidated subsidiaries.

Performance Trends

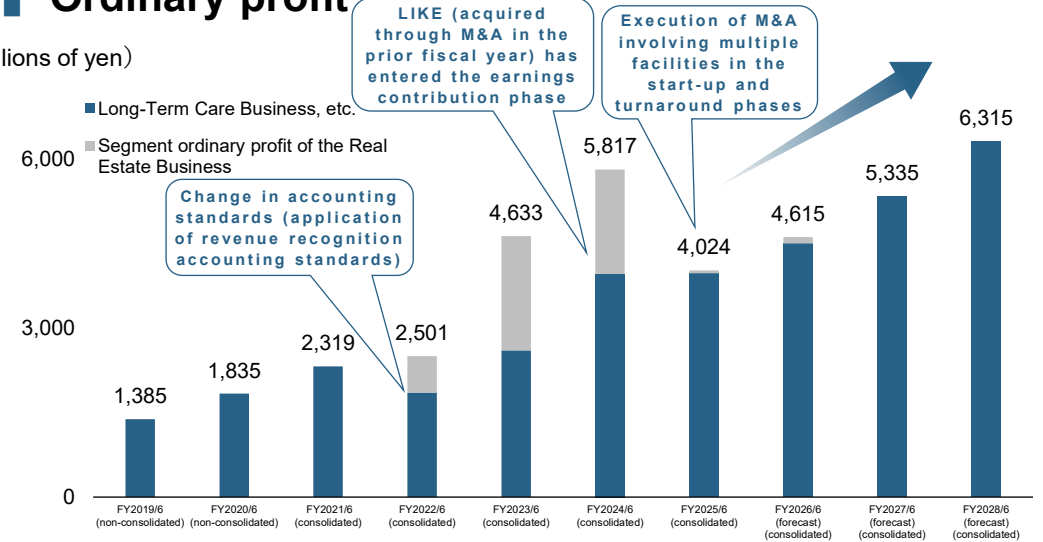
Net sales

(Millions of yen)



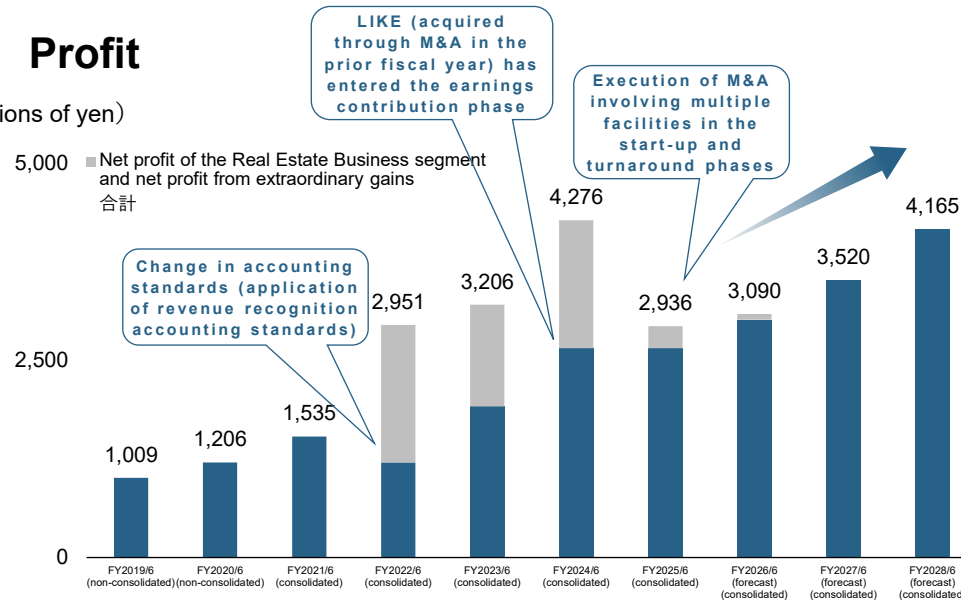
Ordinary profit

(Millions of yen)



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 [P41](#) and [P72](#)) .

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:

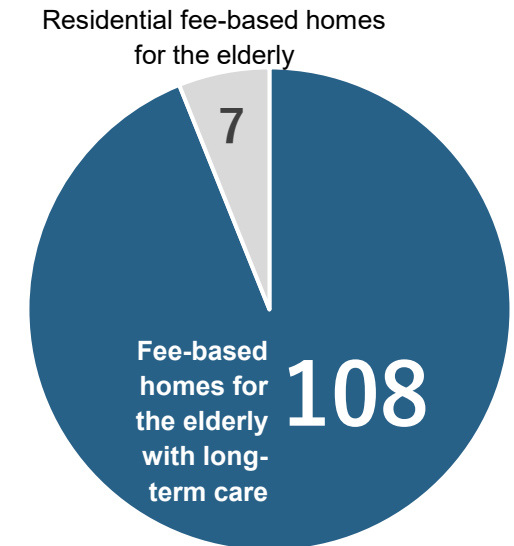
Fee-based homes for the elderly with long-term care are **more likely to be chosen by customers (= high occupancy rate)** due to their safety and security, such as a 24-hour long-term care system.

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 [P79](#)) .

(*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 May1, 2026

Characteristics of the Long-Term Care Business (1)

► For Reference: Main types of facility-based services

Related page: [p.40](#)

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>

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)

Related page: [p.80](#)

Advantage 1:

High customer needs (see [P80](#))

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:

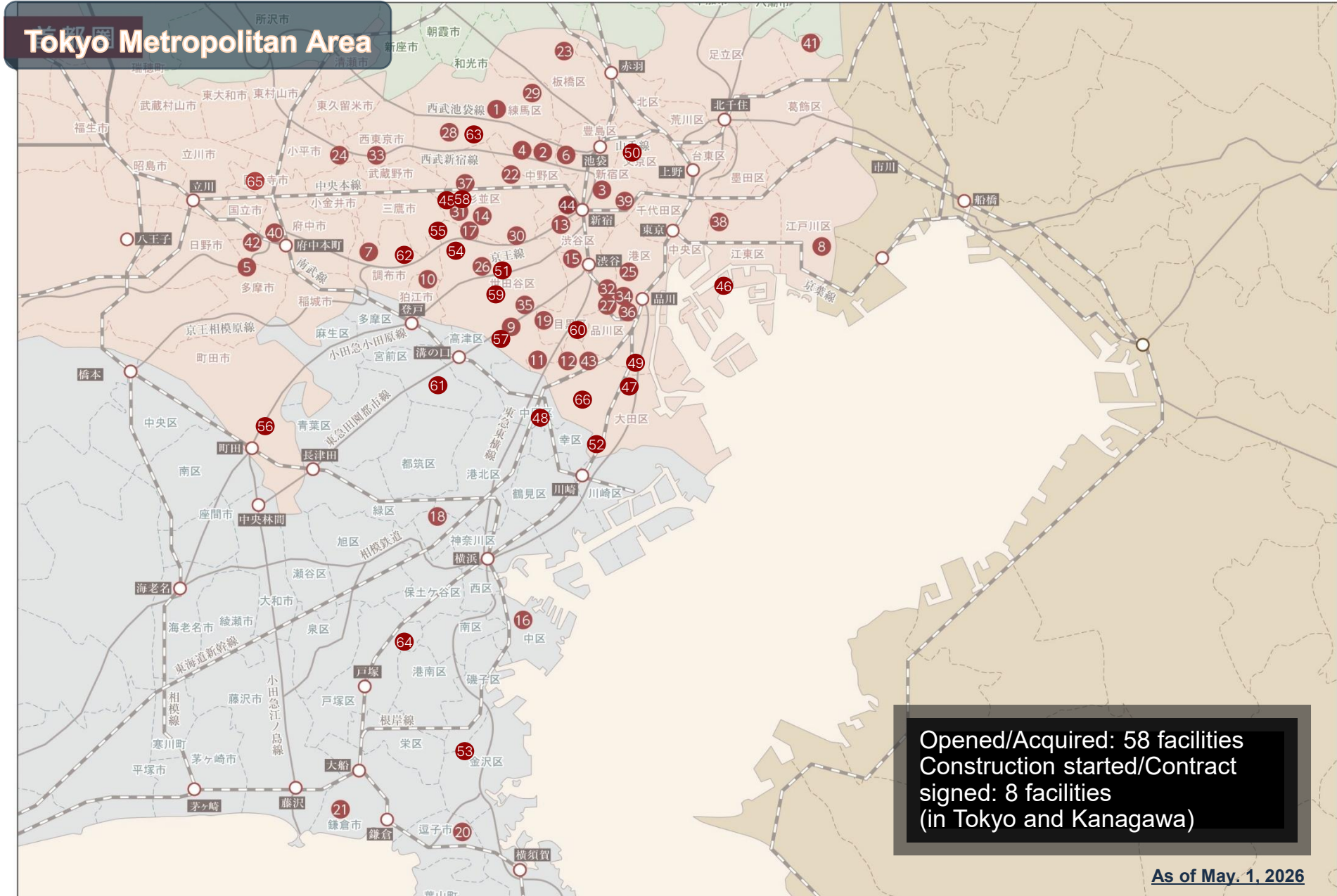
Management efficiency

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

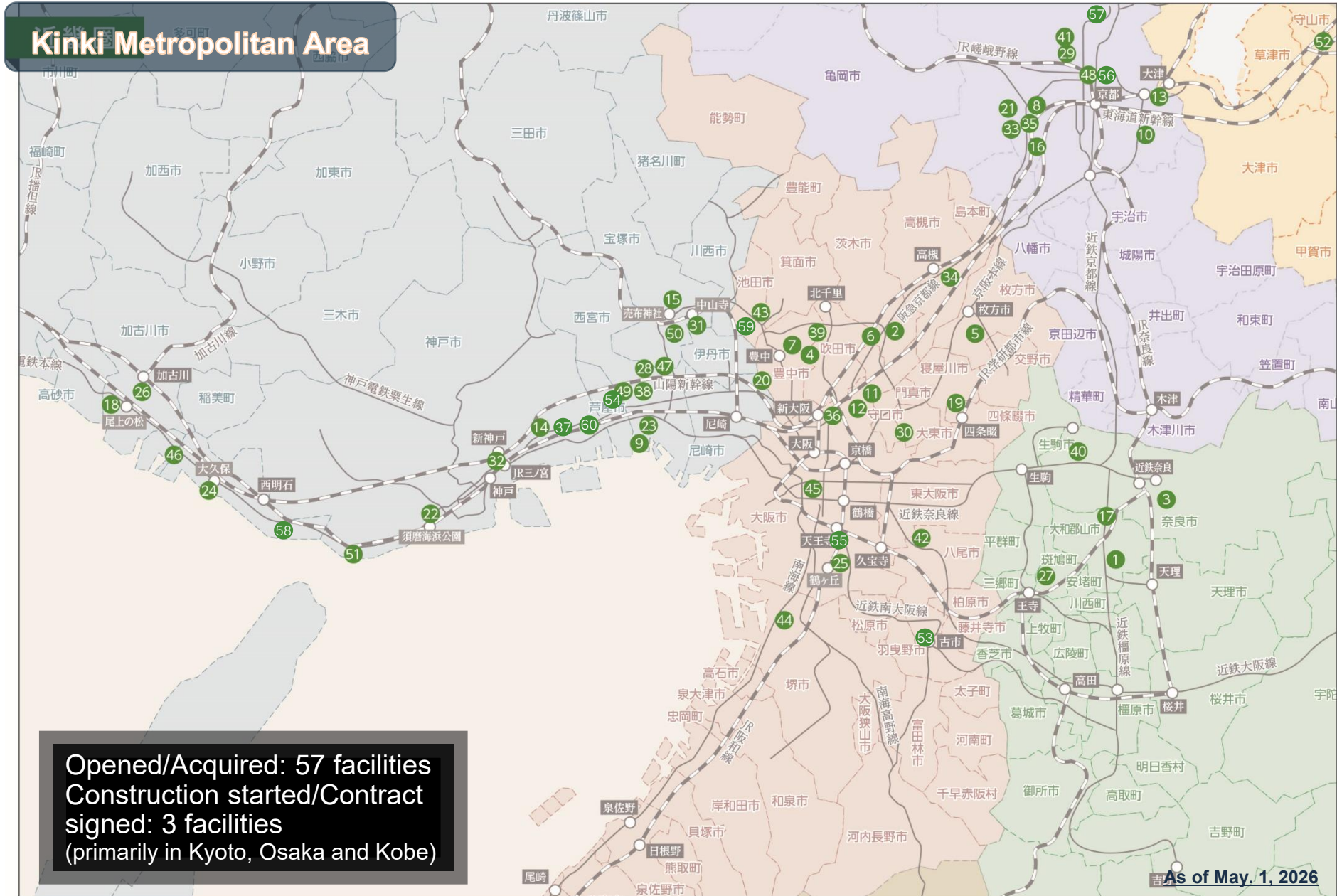


Charm Suite Nishi-Shinjuku [Opened April 2025]
(Approx. 2-minute walk from Nishi-Shinjuku-Gochome Station, Toei Oedo Line)

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

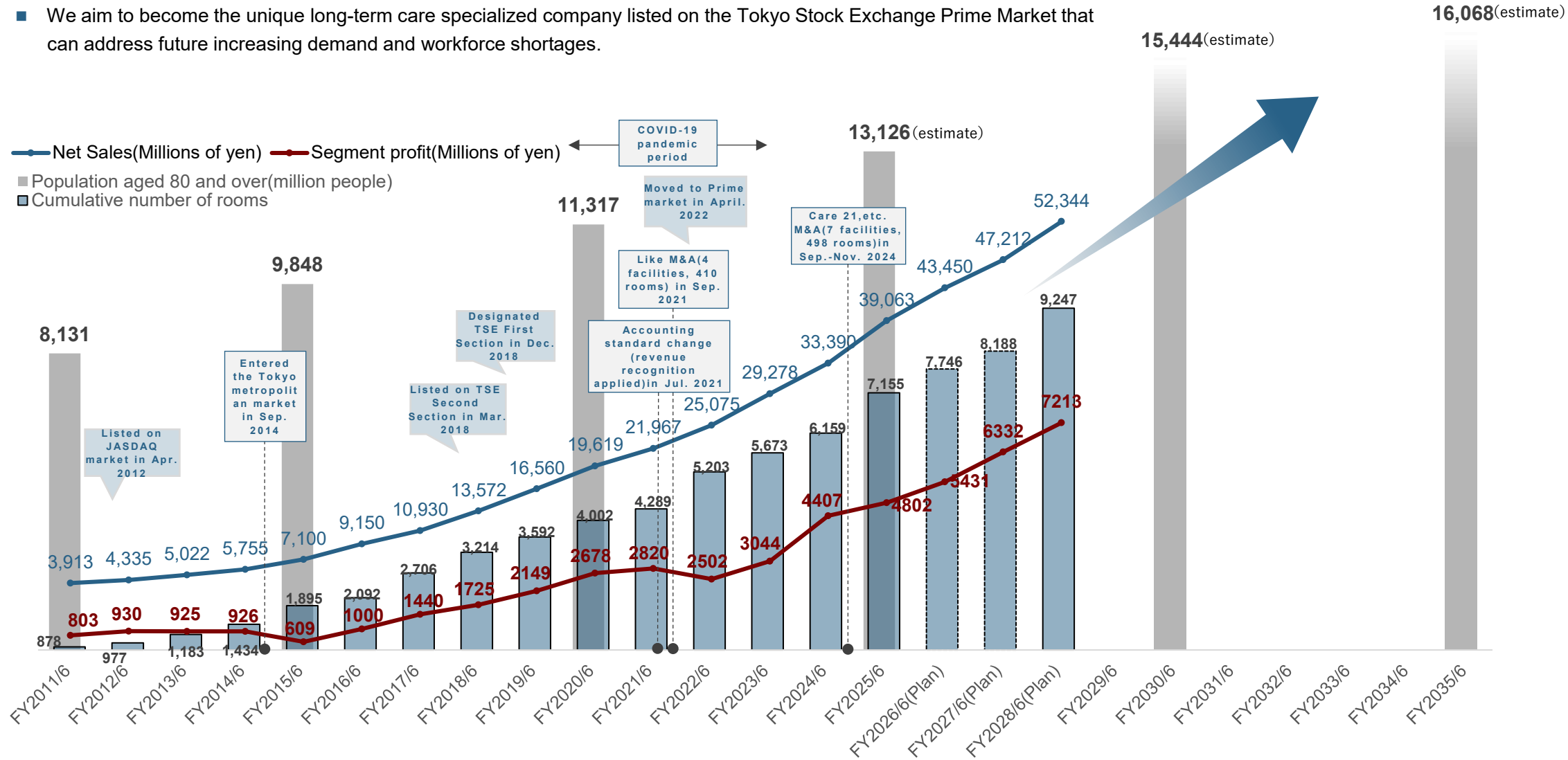
Number of facilities	*Average Monthly Usage Fee (No Prepaid Fee Plan)	FY2023/6			FY2024/6			FY2025/6			FY2026/6 (forecast)			
		New/Acquire	Year-end	Number of rooms	New/Acquire	Year-end	Number of rooms	New/Acquire	Year-end	Number of rooms	New/Acquire	Year-end	Number of rooms	
Premier Grand	Tokyo Metropolitan	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.

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.



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.

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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

- 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.**

Monitoring support equipment (sleep analysis system)

- 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: **7,189 units / 7,655 rooms (93.9%)**(As of May 1, 2026), with plans to reach 75% installation during FY2025/6 (achieved) and 100%(existing facility) during FY2026/6.

- Image of monitoring -



- Monitoring screen -

本棟 1F									
101	102-1	103-1	102-2	105-1	102-2	106-1	105-2	101	106
25℃ 63%	26℃ 58%	26℃ 69%	25℃ 58%	27℃ 65%	27℃ 65%	26℃ 62%	27℃ 62%	27℃ 62%	27℃ 62%
寝ています 11:00時	寝ています 12:00時	寝ています 12:00時	寝ています 12:00時	見守り停止中 12:00時	寝ています 12:00時	トイレにいます 12:00時	見守り停止中 12:00時	見守り停止中 12:00時	見守り停止中 12:00時
本棟 2F									
201	202	203	205	206	207	208	210	209	211
29℃ 66%	28℃ 62%	25℃ 72%	25℃ 57%	29℃ 77%	29℃ 63%	28℃ 64%	25℃ 64%	28℃ 64%	28℃ 64%
体動あり 12:00時	寝ています 12:00時	体動が大きくなっています 12:00時	センサーに反応なし 12:00時	センサーに反応なし 12:00時	センサーに反応なし 12:00時	寝ています 12:00時	トイレにいます 12:00時	寝ています 12:00時	センサーに反応なし 12:00時
210	215	216	217	218	220	221	222	223	224
30℃ 60%	31℃ 64%	27℃ 63%	27℃ 68%	27℃ 68%	27℃ 70%	27℃ 67%	26℃ 62%	26℃ 62%	28℃ 69%
寝ています 12:00時	センサーに反応なし 12:00時	センサーに反応なし 12:00時	センサーに反応なし 12:00時	センサーに反応なし 12:00時	体動あり 12:00時	センサーに反応なし 12:00時	寝ています 12:00時	寝ています 12:00時	センサーに反応なし 12:00時
226	227	228	230	231	232	233	235	236	237
26℃ 60%	30℃ 56%	26℃ 58%	26℃ 64%	32℃ 47%	27℃ 70%	28℃ 70%	27℃ 60%	29℃ 72%	27℃ 63%
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238	240	241	242	243	244	245	246	247	248
27℃ 62%	26℃ 61%	29℃ 54%	26℃ 63%	27℃ 57%	27℃ 63%	26℃ 63%	27℃ 64%	27℃ 64%	27℃ 64%
トイレにいます 12:00時	体動あり 12:00時	センサーに反応なし 12:00時	寝ています 12:00時	寝ています 12:00時	寝ています 12:00時	センサーに反応なし 12:00時	寝ています 12:00時	寝ています 12:00時	センサーに反応なし 12:00時

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 113 facilities**(As of May 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.

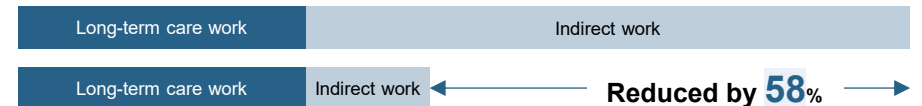
⇒ **We will obtain this addition fee from eligible facilities starting this fiscal year**

Food serving robots

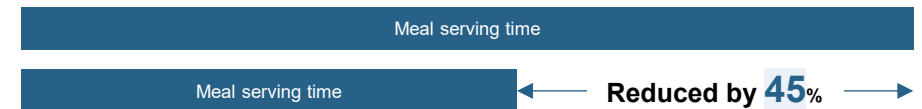
- Introducing food serving robots that use AI to select optimal routes and handle serving and clearing of meals to improve efficiency and save labor in meal provision, while also increasing resident satisfaction by shortening waiting times
- Already implemented in 22 facilities (25 units)
(As of May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



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



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



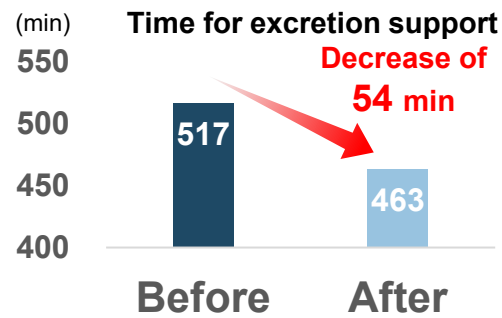
- **Shortens waiting time**
Reduces waiting time from seating to meal serving by 50%



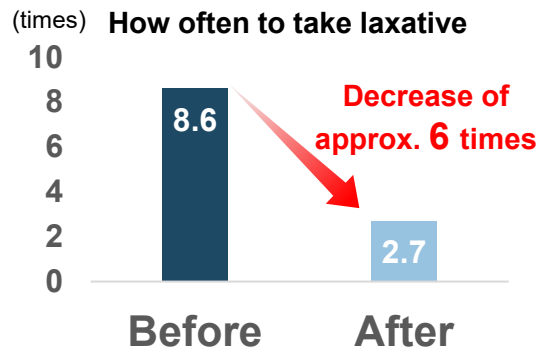
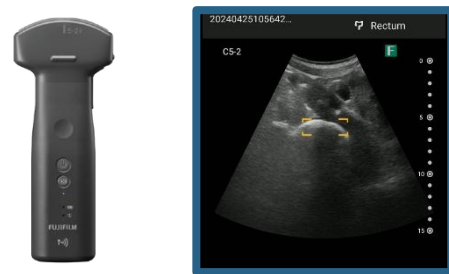
Promotion of Long-Term Care DX

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



AI-guided images of stool in the rectum



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 May 1, 2026)

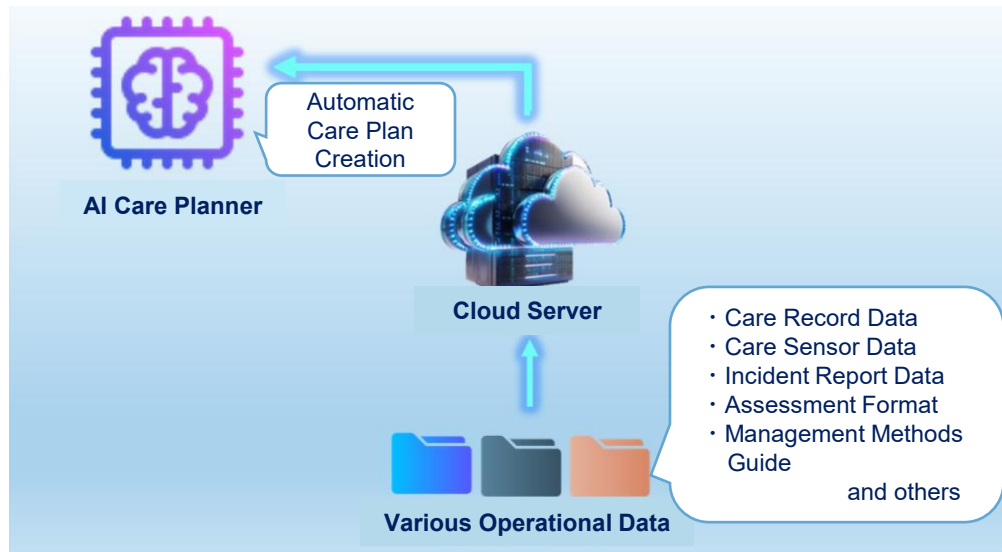


Promotion of Long-Term Care DX

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.
- Prototype testing began at four pilot facilities in January 2026, and deployment in the field at all fee-based homes for the elderly with long-term care operated by our company is scheduled to start in June 2026.

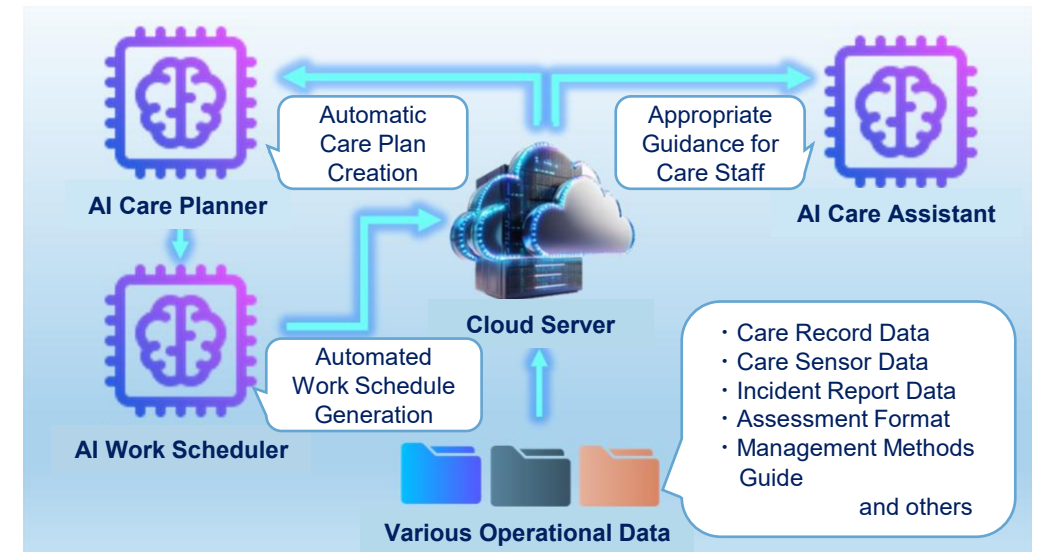
【Data Linkage Image】



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】



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

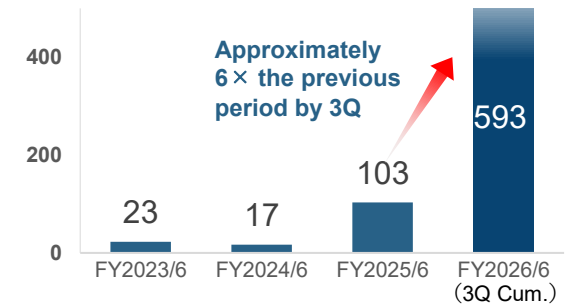
Shifting the Education and Training System to a Field-Oriented Approach

Strengthening OJT visits conducted by the Education and Training Department staff

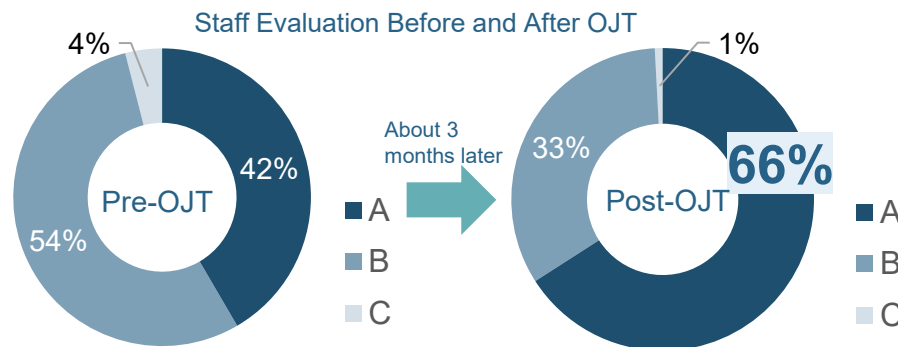
- As a result of fundamentally shifting our education and training framework to an OJT-centered approach at the facility level, the number of facility visits conducted by the Education and Training Department staff has increased significantly. By the cumulative total through 3Q (July 2025 to March 2026), **the number of visits reached approximately six times the total for 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	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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”	<ul style="list-style-type: none"> Securing and developing human resources D&I (Diversity & Inclusion) Creating a better working environment 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Coexistence and co-prosperity with local communities Giving back to and supporting local communities 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Waste reduction Reduction of CO₂ emissions 	<ul style="list-style-type: none"> Recycling end-of-life uniforms Reducing CO₂ 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.”

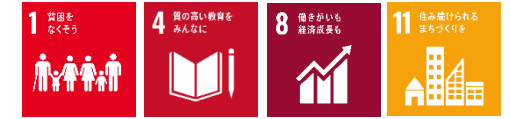


The Children's Café was held at Charm Premier Gotenyama III.



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)

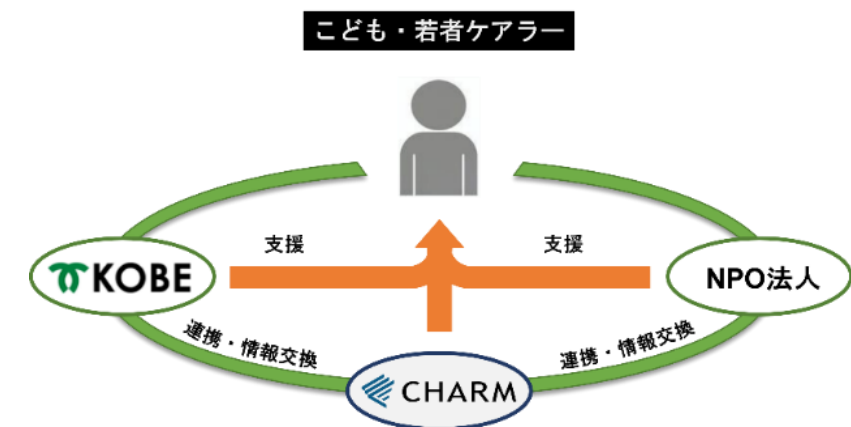
We provide rooms in facilities that we operate to carers and persons requiring long-term care who want to leave home temporarily, want to spend some time at home without care-giving responsibilities, or have other needs.

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

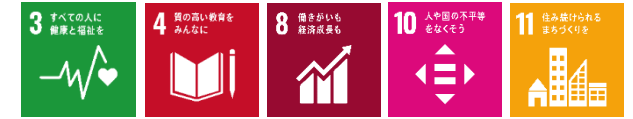


Support young carers

- 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, 1,365 artworks of 472 artists (as of May 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

1,303 works and 410 artists (as of May 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.

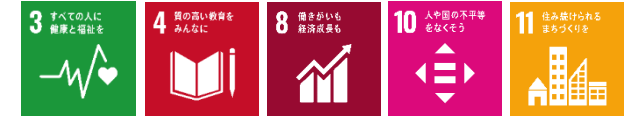
The program has been implemented at 72 homes, engaging about 1,600 residents. Participants shared positive feedback such as **“It reminded me of my school days,” “Art gives me freedom,” and “I’m truly glad I came to this home.”**

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 Kyoto Okazaki Art Project award ceremony

The awards ceremony for the Kyoto Okazaki Art Project was held in April 2026 at Charm Premier Kyoto Okazaki (opened on May 1, 2026). The ceremony was attended by the award winners and selected entries chosen through a rigorous screening process by the judges, as well as representatives from a special supporting company (JR West Real Estate Development Company, Limited), supporting companies (SD Sekkeishitsu Co., Ltd., Okano Gumi Co., Ltd., SATOH HANAMISE Co., Ltd., and TOLI Corporation), and a cooperating company (LEOC Co., Ltd.). We will continue this initiative to support and nurture young artists and contribute to the realization of a sustainable society.



Mr. Toru Oyamada
President, Kyoto City University of Arts

“Congratulations to all the award recipients. I would also like to extend my heartfelt appreciation to the companies whose support made this valuable opportunity possible. Such encouragement is a tremendous source of motivation for those who have just embarked on their creative paths. The awarded works convey a sincere and humble approach to embracing and expressing nature and human life, and it is this perspective that I believe was so highly commended. In an age marked by misunderstanding, inequality, and ongoing conflict, art possesses the power to cultivate tolerance and acceptance of others. You are already fulfilling this important role through your work. Pursuing a life in art is by no means easy. Nevertheless, I encourage you to persevere and continue expressing yourselves. Each effort you make has the potential to bring about change in society. Art is not only a profession, but also a way of living. Once again, my sincere congratulations to you all.”

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

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



Grand Prix Award winner Matsuuru Haru (right)
The Grand Prix work is titled “Up to the Window” (left).



Examples of Specific Activities



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

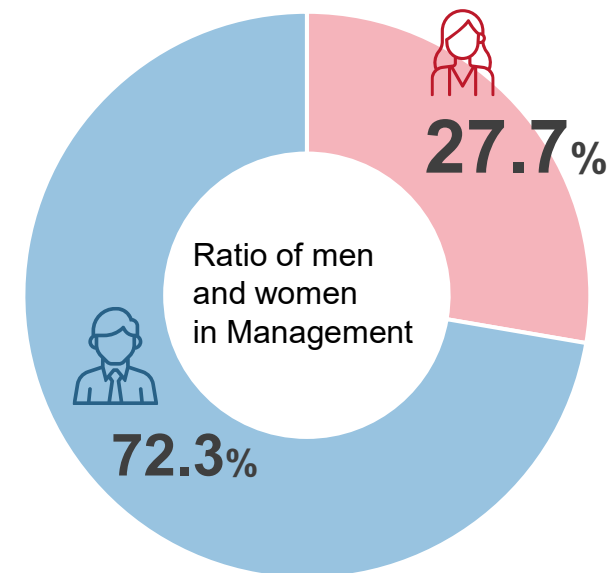
Charm Care is working to enhance utilization of various health and welfare programs to create a better working environment for its employees. We have received certification as a company supporting childcare that conforms with the general employer standards of Article 13 of the Act on Advancement of Measures 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 Information (as of December 31, 2025)

Share Ownership

Total number of issued shares:

32,712,000 shares

Treasury stock : 30,612 shares

Total number of shareholders : 7,725

Overseas investor ownership is on the rise, with growing participation from long-term investors!

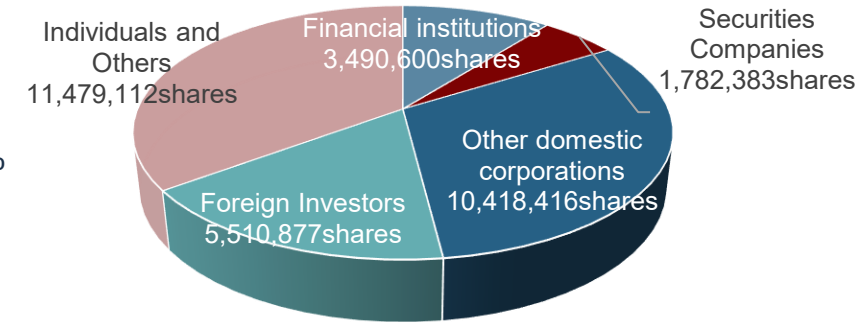


Breakdown of Shares by Shareholder Type

- Financial institutions : 10.7%
- Securities Companies : 5.4%
- Other domestic corporations : 31.8%
- Individuals and Others : 35.1%
- Foreign Investors : **16.8%**

(As of the end of June 2025 : 11.6%)

(Our shareholder base includes long-term global investors such as Ártica Gestão de Recursos.)

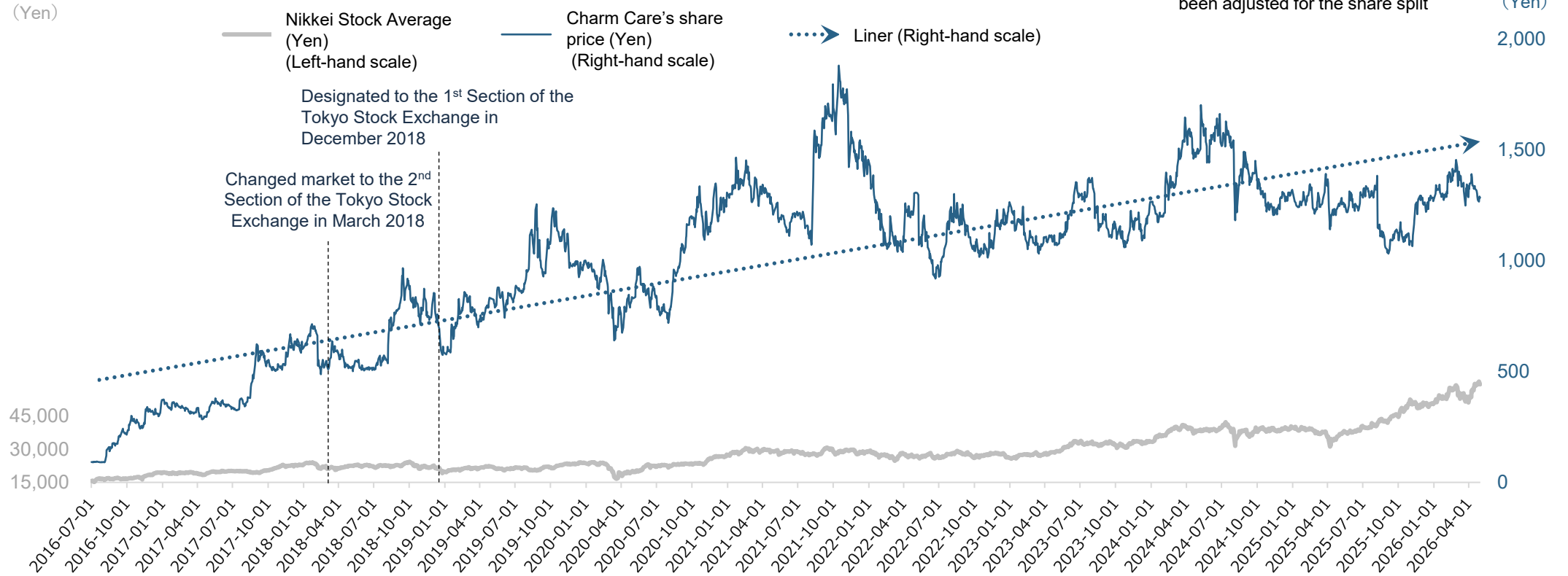


	Shareholder	Shares held	Ratio held
1	S.T.K. Corporation (wholly-owned subsidiary of Ship Healthcare Holdings, Inc.)	9,600,000	29.37%
2	Takahiko Shimomura (Chairman and President)	5,308,600	16.24%
3	The Master Trust Bank of Japan, Ltd. (trust account)	2,226,800	6.81%
4	Nomura Securities Co., Ltd.	963,246	2.95%
5	Custody Bank of Japan, Ltd. (trust account)	917,100	2.81%
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	1.51%
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 excludes treasury stock (30,612 shares)

Share Price Trends

July 1, 2016 – April 30, 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%

Index

01 | **FY2026/6 3rd 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**

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

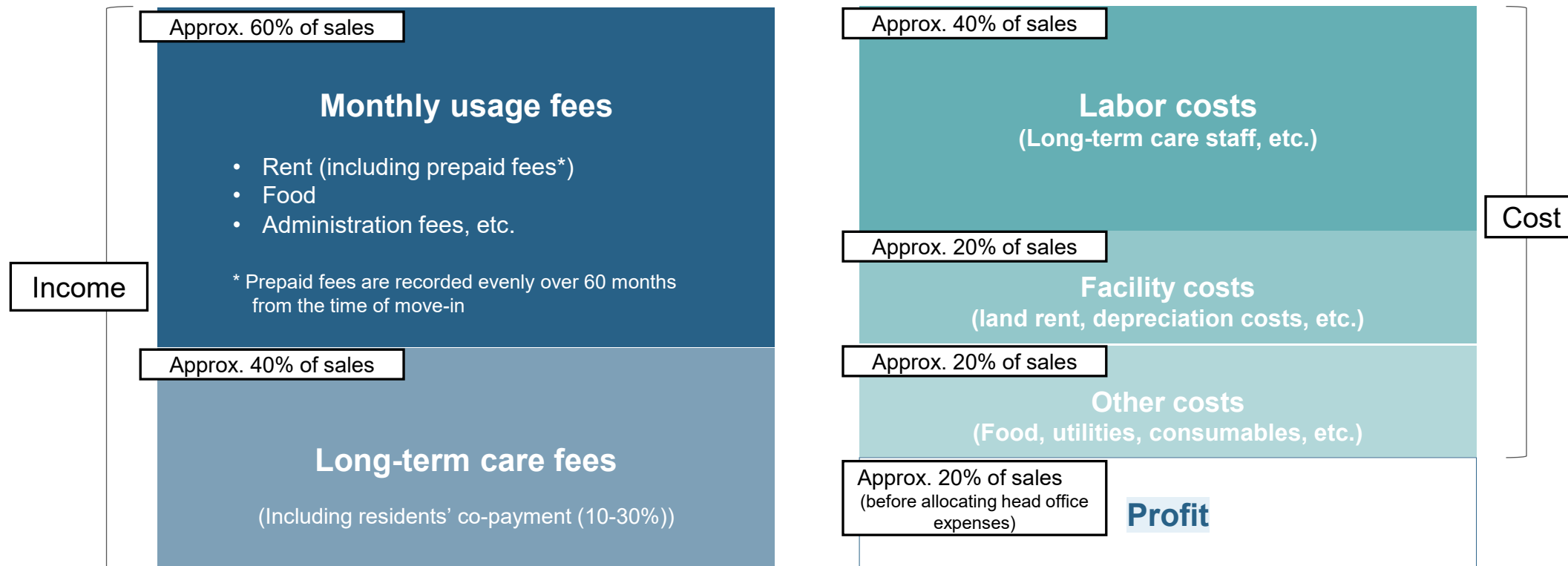


The design of our new logo uses wings as a motif to represent our continuing commitment to constant reform and further evolution in the future.



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.

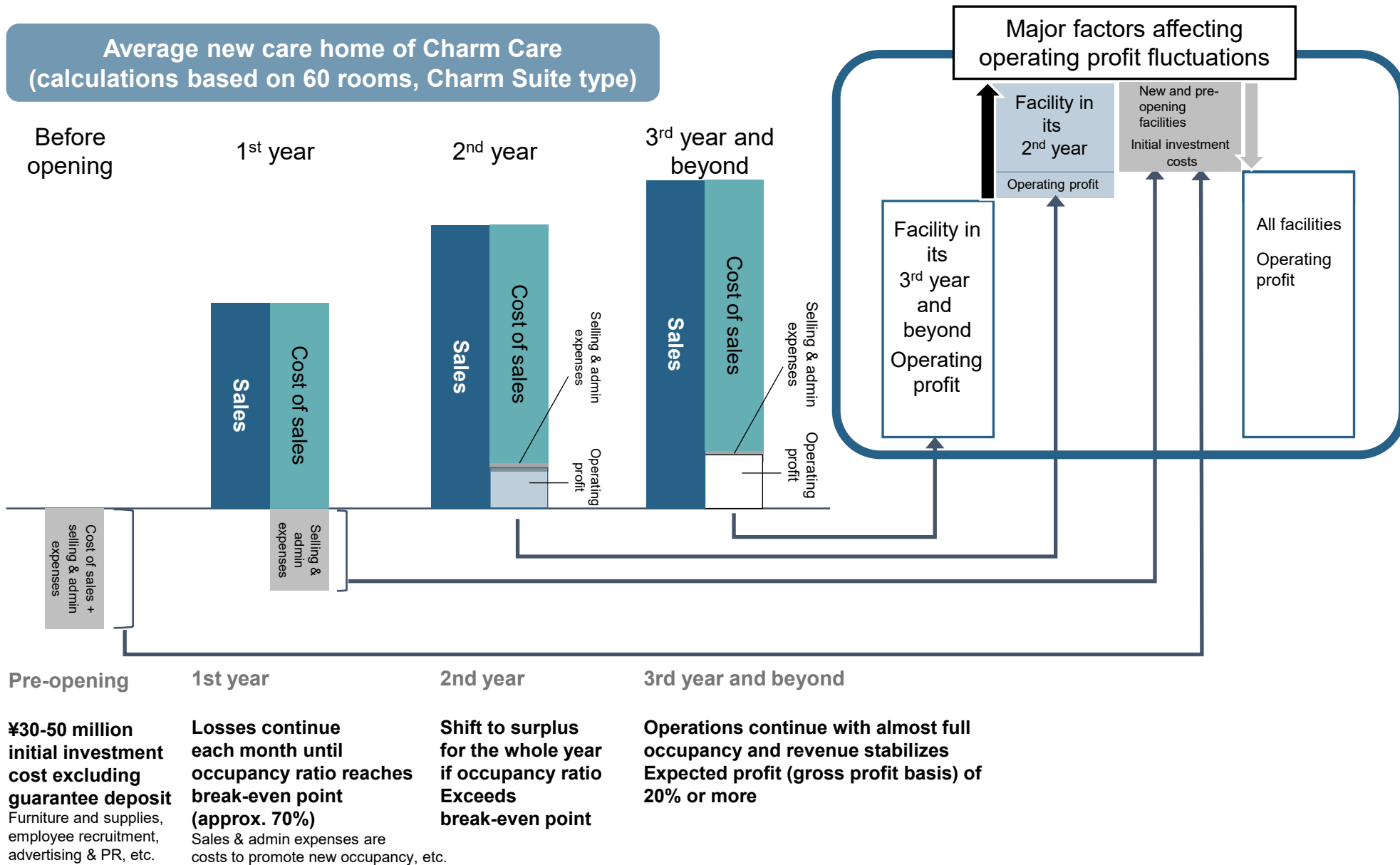
Long-term care fees: Fees established based on the Long-Term Care Insurance Act, which are a fixed amount for fee-based homes for the elderly with long-term care (see [P40](#))

(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%

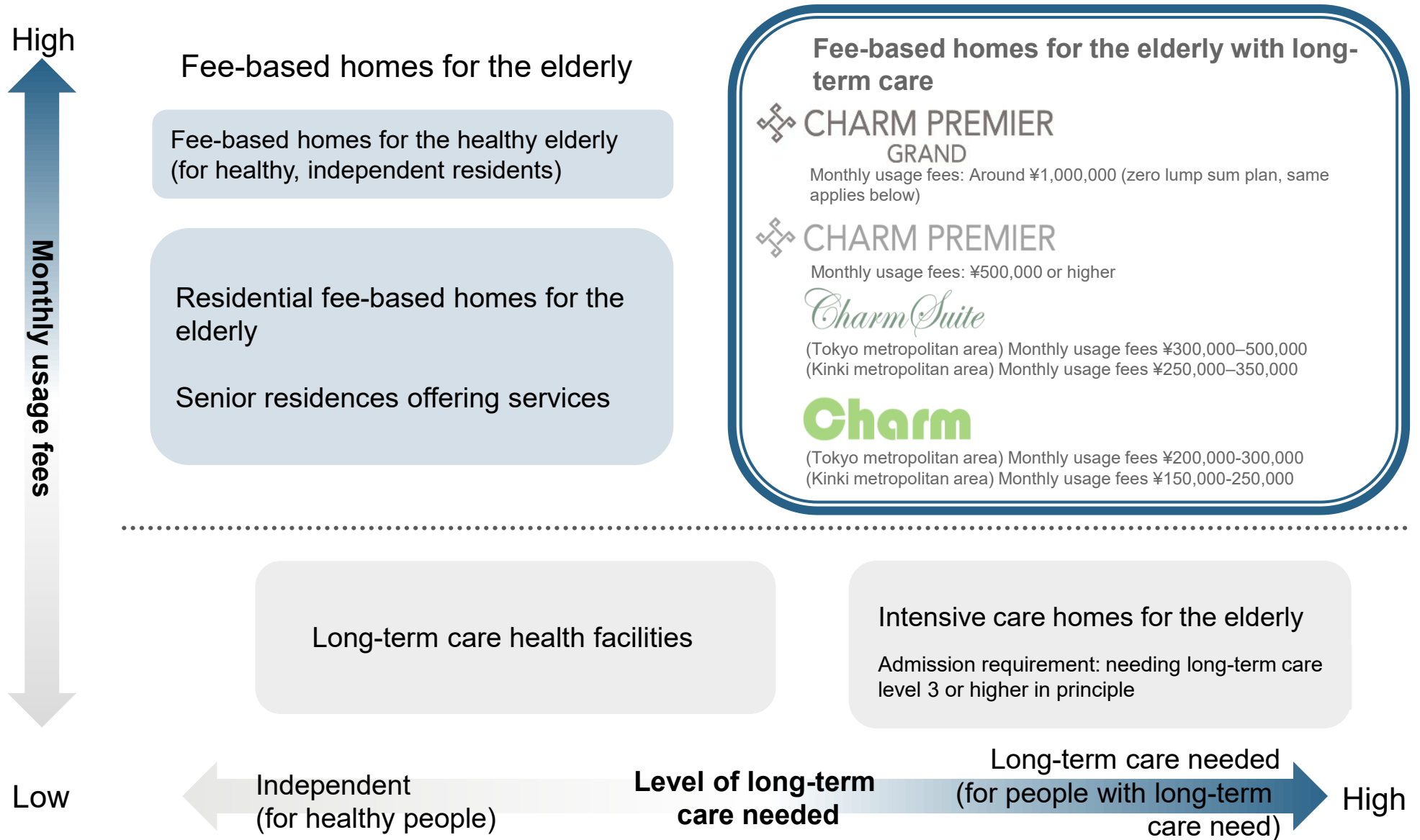
Related page: [p.40](#)



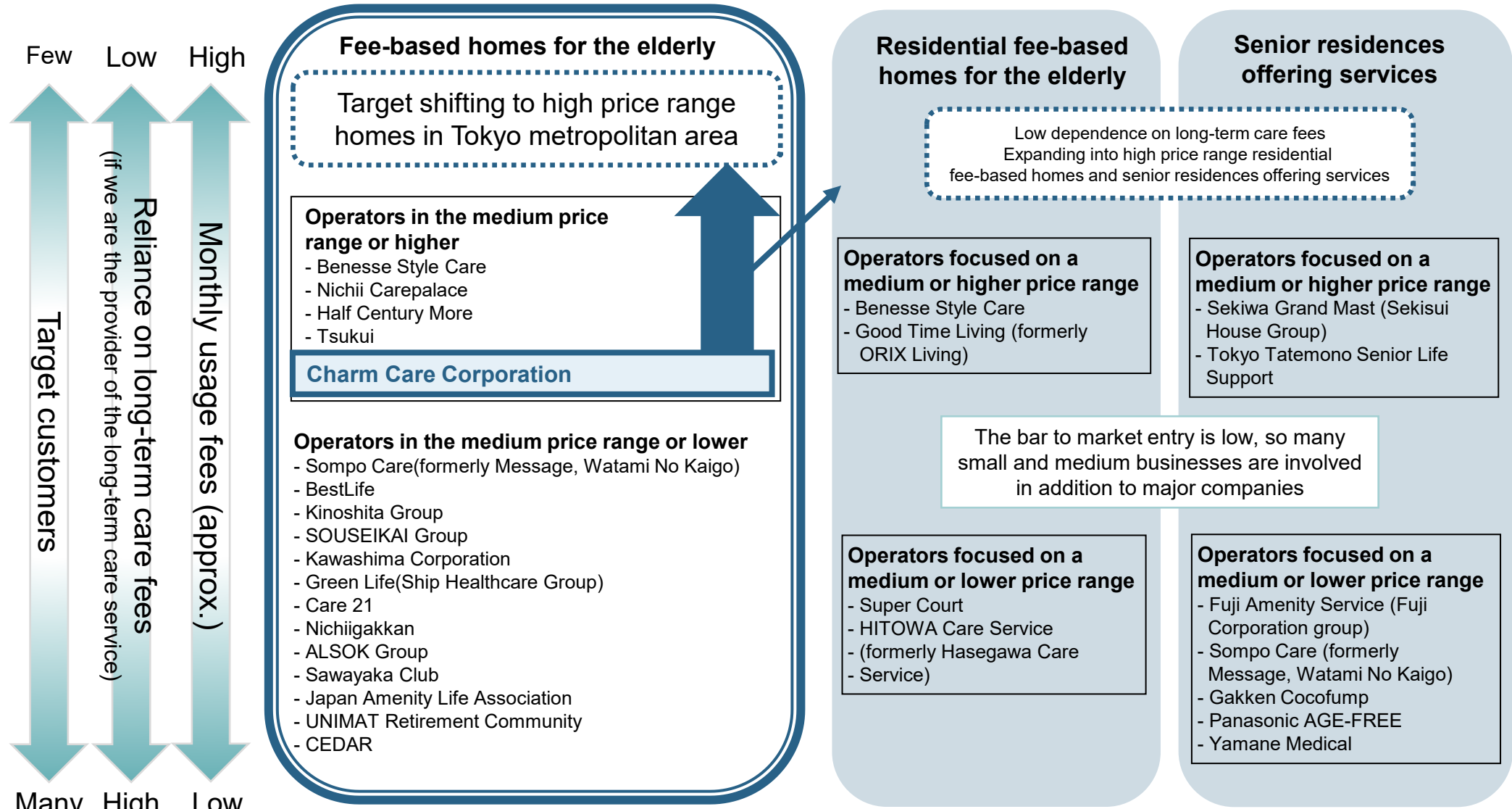
Monetization Trend for New Care Homes(Three-year Simulation)



Business Domains (Mainstay Facility-type Services)



Business Domains and Positioning Compared to Peers

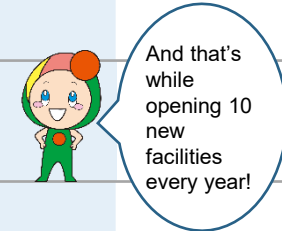


Note: Businesses listed above are selected major companies with a track record of operating care homes above a certain size in the Tokyo metropolitan area (Tokyo, Kanagawa Pref.) and the Kinki metropolitan area (Osaka Pref., Kyoto Pref., Hyogo Pref., Nara Pref.). Price ranges were compiled by Charm Care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



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%]	–	



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

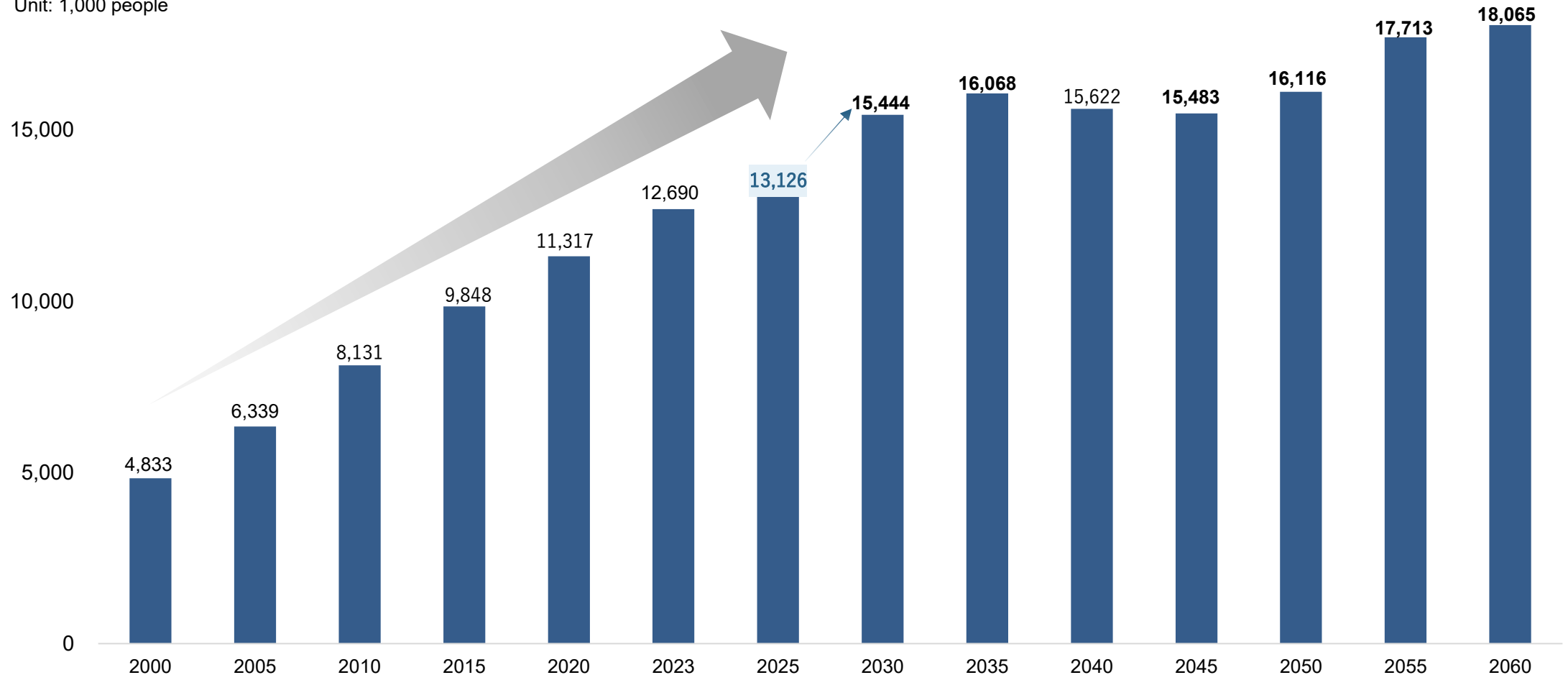
Reference Document (2): Environment Surrounding the Long-Term Care Industry

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 [P40](#))

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).

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 [P43](#))

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	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

Related page: [p.16](#)

[Active job openings-to-applicants ratio]

	2023/6	2024/6	2025/6	2026/3	Tokyo 2026/3	Osaka Prefecture 2026/3
Active job openings-to-applicants ratio	1.12	1.06	1.05	1.10	1.53	1.07
Long-term care staff	3.73	3.71	3.76	3.63	8.29	3.28

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.
FY2026 (Special revision)	+ 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. 3,600 (including part-time, contract, and dispatched employees, etc.)



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Notice

The information in this document is not intended to solicitate the buying or selling, etc. of Charm Care shares.

Business performance forecasts and future projections, etc. contained in this document are forecasts determined by Charm Care based on the information available at the time this document was compiled. These forecasts therefore involve potential risk and uncertainty.

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