PARAMOUNT BED
HOLDINGS

43rd

Business Report

From April 1, 2024 to March 31, 2025

Securities code: 7817 PARAMOUNT BED HOLDINGS CO., LTD.

WELL-BEING for all beings

Top Message

We create comfortable healthcare environments through cutting-edge technology with a human touch.

Tomohiko Kimura
President and Chief Executive Officer

We extend our heartfelt thanks to our shareholders for their ongoing support.
The Company hereby provides reports in relation to the overview of business and the financial results for the 43rd term (from April 1, 2024 to March 31, 2025).

Business Results for the Fiscal Year under Review

With regard to consolidated business results for the fiscal year under review, domestic medical and nursing care facilities, our main customers, continued to face a challenging business environment due to chronic labor shortages and persistently high utility costs. However, our efforts to expand sales of products and services to help improve operational efficiency for medical and nursing care staff and enhance overall management performance, as well as other efforts, led to an increase in net sales of 2.4% year on year to ¥108,583 million, a new record high. In terms of profits, operating profit came to ¥12,977 million (down 6.1% year on year) mainly due to increased personnel expenses and various investment expenses for future growth, despite increased gross profit. Ordinary profit came to ¥12,846 million (down 19.3% year on year) mainly due to foreign exchange losses, while profit attributable to owners of parent came to ¥9,083 million (down 14.5% year on year).
The Company paid a year-end dividend of ¥49 per share for the fiscal year under review. As a result, in combination with the interim dividend of ¥48 per share, the annual dividend increased by ¥32 year on year to ¥97 per share.
Following on from last year, the Company again reviewed the dividend level. While we have previously set a dividend on equity ratio (DOE) of 4.0% and payout ratio of 50%, we will change to a DOE of 5.0% as the benchmark from the next fiscal year (fiscal year ending March 31, 2026) to promote management that is conscious of the cost of capital and stock price and to enhance the return of profits to shareholders.
The Company intends to pay interim and year-end dividends of ¥62 and ¥63 per share, respectively, resulting in an annual dividend of ¥125 per share for the next fiscal year, an increase of ¥28 year on year.

Future Business Development

Based on the second phase of our medium-term business plan "Paramount Vision 2030," the final year of which ends March 31, 2027, we are currently focused on expanding business to further enhance corporate value through "expansion of recurring business," "evolution of health promotion business," and "rapid growth in focused areas in Asia" as key measures.
In the health promotion business, the "Active Sleep BED," an automatic adjustable bed that was updated last year, received the Gold Award in the smart home appliance category of the Home Appliance Awards 2024-2025. On April 18, 2025, "PARAMOUNT BED Nemuri Gallery KITTE OSAKA" opened at the KITTE OSAKA commercial complex, which is directly connected to JR Osaka Station. Building on the positive momentum of receiving an award and opening a new store, we are strengthening our promotional efforts and marketing a new sleep style that encourages sleeping at an inclined angle.
Going forward, we humbly ask our shareholders for their understanding and support.

Topics

- Full update of the "Active Sleep BED," electric beds for general household use
- Underwrote the capital increase of Hightec Systems Corporation
- Launched the TOKI-KANRI work volume record app
- Acquired a toilet sensor business

Made HeartLab, Inc. a subsidiary

HeartLab,Inc.

We made HeartLab, Inc. a subsidiary. The company has developed the RST® Calculation Program for remotely monitoring respiratory stability time (RST), a quantitative evaluation index of respiratory stability, and is driving a project to apply this to heart failure monitoring. This subsidiary company is contributing to preventing the progression of severe heart failure through early detection and treatment.

- Launched a well-being project in collaboration with NISSIN FOOD PRODUCTS CO., LTD.
- Launched collaborative research on snoring with Kurume University

Received the Gold Award in the smart home appliance category of the Home Appliance Awards 2024-2025 for the "Active Sleep BED"

The Active Sleep BED, an automatic adjustable bed updated in April of last year, received the Gold Award in the smart home appliance category of the Home Appliance Awards 2024-2025 jointly organized by magazine GetNavi and website KADEN Watch.

2024

Apr. May Jun. Jul. Aug. Sep. Oct. Nov. Dec.

2025

Jan. Feb. Mar.

- Launched femtech service for businesses
- Partnership with AS PARTNERS Co., Ltd. for nursing care DX
- Paramount Care Service established Sapporo Branch and relocated and integrated Sapporo Maintenance Center
- Paramount Care Service established Kochi Branch
- Launched scale-equipped Espacia bed

Launched "Active Sleep BEDSIDE LIGHT" multipurpose light

This product allows you to choose from nine different light colors and eight types of music to help you fall asleep, including two original songs, creating a relaxing sleeping environment. By linking it with the "Active Sleep BED," the product can be programmed to turn on or off light or sound according to the sleep state of the user.

Usage example

- Paramount Care Service established Tachikawa Branch

Began full operations of new factory in India

In addition to increasing the in-house production rate through the introduction of new painting equipment, this factory has doubled production capacity compared to the previous factory. In response to demand in the rapidly growing medical market in India, we are working to ensure stable operation of the new factory and expand our lineup to meet local needs.

Special Feature

Launch of the Nemuri Gallery at KITTE OSAKA

On April 18, 2025, Paramount Bed Co., Ltd. relocated its directly managed Nemuri Gallery OSAKA to the KITTE OSAKA commercial complex, which is directly connected to JR Osaka Station, and reopened it as “Nemuri Gallery KITTE OSAKA.” This directly managed showroom features the “Active Sleep BED,” an electric bed designed to deliver a new level of sleeping comfort, as well as the “INTIME” series of electric beds for home use. Visitors can experience the comfort of our beds and mattresses firsthand at this location. This is the first Nemuri Gallery showroom in a commercial facility. By opening this showroom in a highly accessible commercial facility in the Umekita area of Osaka, which is currently drawing attention as the largest redevelopment project in the Kansai region, we have created an environment where visitors can more easily experience our products.

Store Information

Address: 3rd Floor, KITTE OSAKA, 3-2-2 Umeda, Kita-ku, Osaka 530-0001
Business Hours: 11:00 a.m. to 8:00 p.m.
Closed: Depending on open/close of KITTE OSAKA
Phone: +81-6-6485-7633

Financial Review

Consolidated Financial Statements

Consolidated Balance Sheet (Summary)

(Millions of Yen)

Item	Previous Fiscal Year (As of March 31, 2024) Amount	Current Fiscal Year (As of March 31, 2025) Amount
Total current assets	95,496	94,531
Total non-current assets	84,523	88,495
Total assets	180,020	183,027
Total liabilities	44,004	45,742
Total net assets	136,016	137,284
Total liabilities and net assets	180,020	183,027

Consolidated Statement of Income (Summary)

(Millions of Yen)

Item	Previous Fiscal Year (From April 1, 2023 to March 31, 2024) Amount	Current Fiscal Year (From April 1, 2024 to March 31, 2025) Amount
Net sales	106,016	108,583
Operating profit	13,818	12,977
Ordinary profit	15,920	12,846
Profit attributable to owners of parent	10,622	9,083

Consolidated Statement of Cash Flows (Summary)

(Millions of Yen)

Item	Previous Fiscal Year (From April 1, 2023 to March 31, 2024) Amount	Current Fiscal Year (From April 1, 2024 to March 31, 2025) Amount
Cash and cash equivalents at beginning of year	45,663	39,740
Cash flows from operating activities	7,521	10,045
Cash flows from investing activities	(8,163)	264
Cash flows from financing activities	(5,969)	(8,804)
Effect of exchange rate change on cash and cash equivalents	688	191
Increase (decrease) in cash and cash equivalents	(5,922)	1,696
Cash and cash equivalents at end of year	39,740	41,437

Website Information

PARAMOUNT BED HOLDINGS IR ENGLISH   Search

For more detailed financial information, please refer to the various materials made available on the Company website.

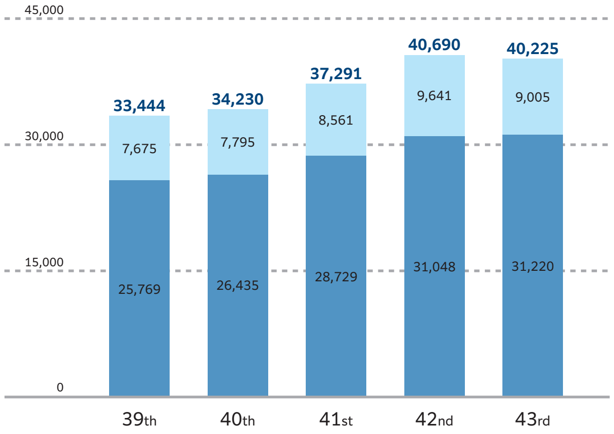
https://www.paramountbed-hd.co.jp/english/ir

Consolidated Net Sales by Business

Medical Care Business

Domestic Overseas

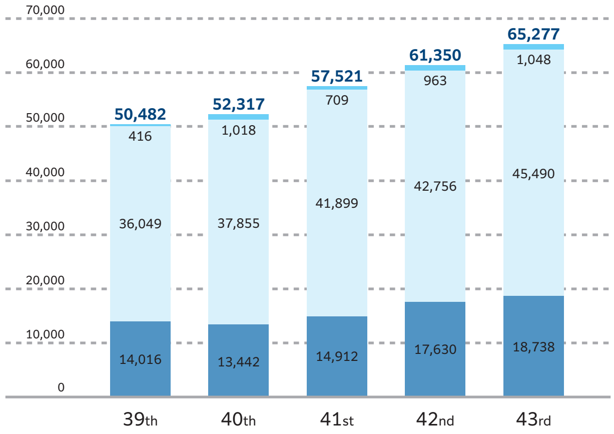
(Millions of Yen)



Nursing Care Business

Domestic nursing homes Domestic homecare Overseas

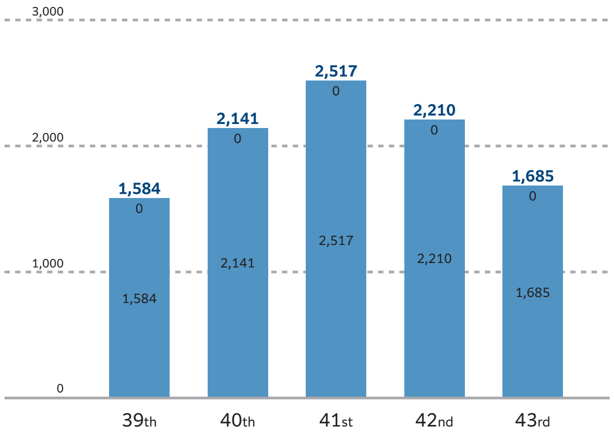
(Millions of Yen)



Health Promotion Business

Domestic Overseas

(Millions of Yen)



Main Companies of the Paramount Bed Holdings Group

- PARAMOUNT BED HOLDINGS CO., LTD.

<Consolidated subsidiaries in Japan>

- Paramount Bed Co., Ltd.
- Paratechno Co., Ltd.
- Paramount Care Service Co., Ltd.

<Non-consolidated subsidiaries in Japan>

- KP Service Co., Ltd.
- PARAMOUNT BED Healthcare Fund

<Consolidated subsidiaries overseas>

- Paramount Bed Asia Pacific Pte. Ltd.
- PT. Paramount Bed Indonesia
- Paramount Bed (China) Co., Ltd.
- Paramount Bed Vietnam Co., Ltd.

<Non-consolidated subsidiaries overseas>

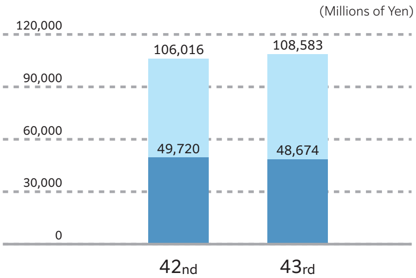
- Paramount Bed (Thailand) Co., Ltd.
- Paramount Bed India Pvt. Ltd.
- Paramount Bed Mexico S.A. de C.V.
- Paramount Bed USA Corporation

Financial Highlight (Consolidated)

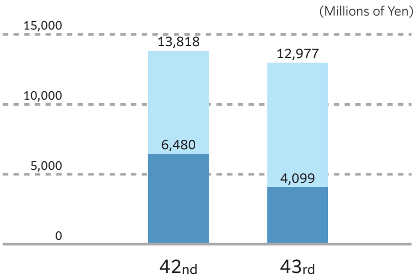
Key Points for the Fiscal Year under Review

- Net sales increased 2.4% year on year due to continued growth in the recurring business, reaching a new record high, despite sluggish sales of beds for domestic medical facilities and nursing care facilities.
- Operating profit decreased 6.1% year on year as a result of increased personnel expenses, higher investment expenses centered on R&D expenses for medium- to long-term growth, and increased expenses due to inflation.

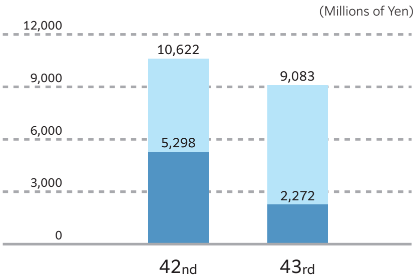
Net sales
¥108,583 million



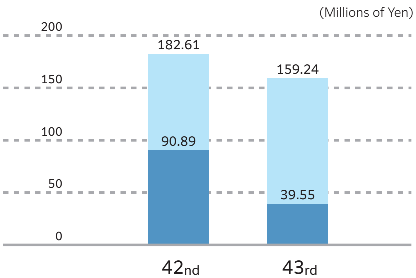
Operating profit
¥12,977 million



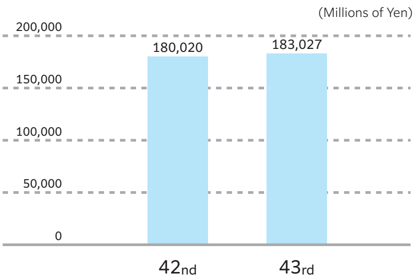
Profit attributable to owners of parent
¥9,083 million



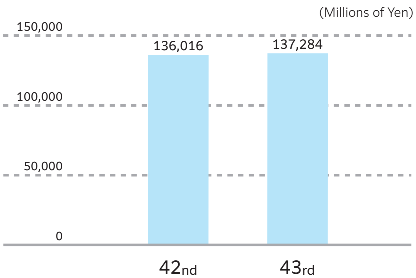
Basic earnings per share
¥159.24



Total assets
¥183,027 million



Net assets
¥137,284 million



Full year Half year

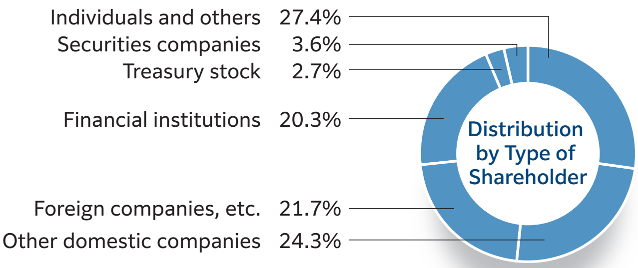
Share Information
(As of March 31, 2025)

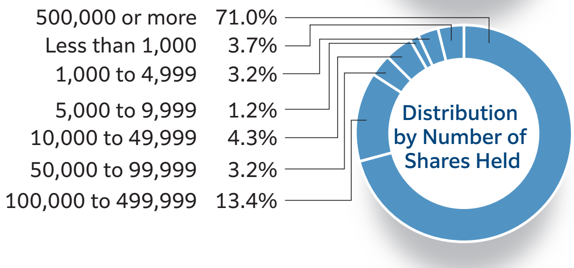
- Number of Shares Authorized 252,000,000
- Total Number of Shares Issued 57,598,692
- Number of Shareholders 26,659
- Principal Shareholders

Name of shareholders	Shareholders' investment in the Company	
	Number of shares held (Thousands of shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	7,113	12.7
CTOK Co., LTD.	4,266	7.6
LLAGE WOOD Co.	4,146	7.4
Custody Bank of Japan, Ltd. (Trust Account)	1,879	3.4
Tomohiko Kimura	1,774	3.2
Kenji Kimura	1,725	3.1
Kyosuke Kimura	1,724	3.1
Michihide Kimura	1,718	3.1
State Street Bank and Trust Company 505001	1,717	3.1
Paramount Bed Group employee stock ownership plan	1,590	2.8

* Although the Company holds 1,531,117 shares of treasury stock, the shareholding ratio is calculated after deducting the shares of treasury stock.

- Distribution of Shares





Company Information
(As of March 31, 2025)

Company Name	PARAMOUNT BED HOLDINGS CO., LTD.
Head Office	14-5, Higashisuna 2-chome, Koto-ku, Tokyo, Postal code 136-8671, Japan
Established	October 1982
Capital	¥4,207 million
Number of Employees	4,360 (Consolidated)

Business Lines

Control or management of operating companies involved in the manufacture and sale of beds and mattresses, hospital furniture, medical equipment, etc. for medical and nursing care environments; services such as the inspection, maintenance, disinfection, and maintenance leases for beds and mattresses; the rental wholesale business for assistive products; etc. through the ownership of shares or through an equity interest.

Shareholder Memo

Business year
From April 1 of each year to March 31 of the following year

Ordinary general meeting of shareholders
June of each year

Record dates

Ordinary general meeting of shareholders	March 31 of each year
Year-end dividend	March 31 of each year
Interim dividend	September 30 of each year

Shareholder register administrator and administrative organization for special accounts
Sumitomo Mitsui Trust Bank, Limited

Handling office of shareholder register administrator
Stock Transfer Agency Business Planning Department, Sumitomo Mitsui Trust Bank, Limited
1-4-1 Marunouchi, Chiyoda-ku, Tokyo

Mailing address
Stock Transfer Agency Business Planning Department, Sumitomo Mitsui Trust Bank, Limited
2-8-4 Izumi, Suginami-ku, Tokyo 168-8522

Phone
0120-49-7009 (toll-free number within Japan)
Business Hours: 9:00 a.m. to 5:00 p.m. (excluding weekends and national holidays)

Website
https://www.smtb.jp/personal/procedure/agency/ (in Japanese)

FAQ
https://faq-agency.smtb.jp/?site_domain=personal (in Japanese)

[Inquiries regarding address change and other procedures related to shares]

For shareholders who have an account with a securities company, contact your securities company. Sumitomo Mitsui Trust Bank, Limited is unable to handle procedures for these accounts.
For shareholders who do not have an account with a securities company, call the phone number above. For more information on procedures and frequently asked questions, see the FAQ site above.

[Other matters]

Method of public notice	Posted on our website
Listed exchange	Tokyo Stock Exchange

[Applications for change of address, purchase of shares less than one unit, etc.]

Please send such notifications or applications to the securities company where your account is held.
For shareholders with a special account that is not a securities company account, please contact Sumitomo Mitsui Trust Bank, Limited, which is the administrative organization for special accounts.

[Applications for payment of dividends payable]

Please contact Sumitomo Mitsui Trust Bank, Limited, which is the shareholder register administrator.

[Special accounts]

For shareholders who did not use the services of Japan Securities Depository Center, Incorporated (JASDEC) prior to the dematerialization of share certificates, an account ("special account") has been opened with Sumitomo Mitsui Trust Bank, Limited, which is the shareholder register administrator.
For inquiries about special accounts and requests for address changes, call the above phone number.

- Contact

TEL: +81-3-3648-1100 (Main)
FAX: +81-3-3648-5781
Business Hours: Monday to Friday, 9:00 a.m. to 5:20 p.m.
* Excludes national holidays, summer holidays, and new year holidays.