Nov. 11, 2024

DAIICHIKOSHO CO., LTD.

Supplementary Briefing Material on Financial Results for the Second Quarter of the Year Ending March 31, 2025

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Overview of Financial Results for the Second Quarter of the Year Ending March 31, 2025

Overview of Financial Results for the Second Quarter of the Year Ending March 31, 2025: Summary

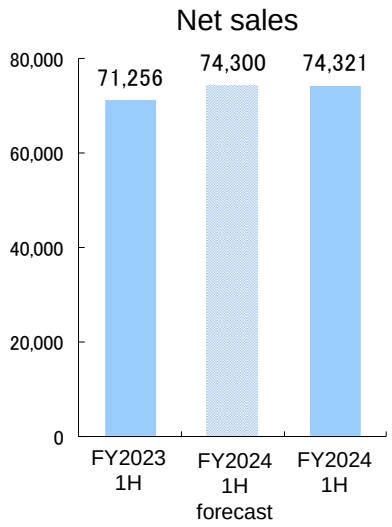
- The business environment continued its gradual improvement trend from the previous period, and first half performance advanced mostly in line with the performance forecast revised in August.
- Net sales and profit attributable to owners of parent represent a record high first half result.
  Operating profit and ordinary profit fell year on year due to impacts such as higher SG&A expenses.
  (Year-on-year comparison) Operating profit: -0.3 billion yen; ordinary profit: -0.7 billion yen; profit: +3.0 billion yen
- (Commercial karaoke)
  This segment gradually trended upward as a whole, mainly in the night business market and the seniors' market.
  Despite a downturn in product sales compared with the preceding fiscal year when new products were launched, the stable revenue base robustly expanded.

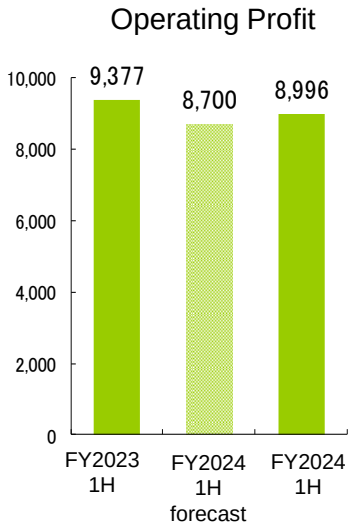
  (Karaoke cabins and restaurants)
  Although the slow-moving Typhoon Shanshan in August impacted business, the flow of customers continued its improvement trend from the previous period.
  Net sales at existing stores grew 4% year on year at both karaoke cabins and restaurants.
- A 4.4 billion yen gain on sale of non-current assets was posted in September 2024 from the sale of land, etc.
- A share repurchase of 4.0 billion yen was carried out from May to October of 2024 (1,879 thousand shares have been repurchased by the end of September for a total of 3.1 billion yen).
- The full-year forecast remains unchanged from the revised forecast announced on August 8, 2024:
  Net sales: 152.7 billion yen; operating profit: 18.8 billion yen; ordinary profit: 18.9 billion yen; profit: 16.2 billion yen

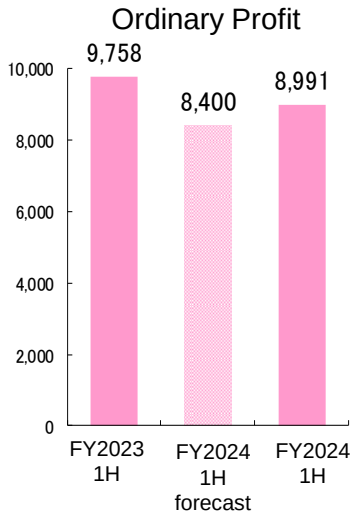
Overview of Financial Results for the Second Quarter of the Year Ending March 31, 2025: Performance comparison with FY2023 and forecast

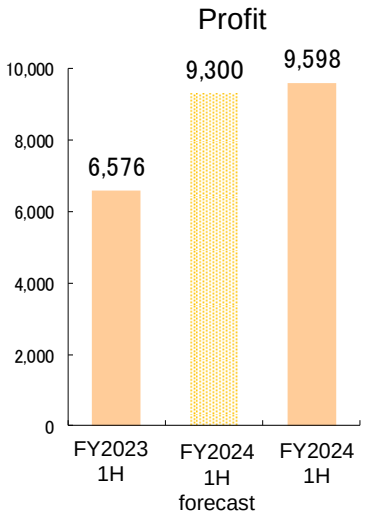
(Millions of yen)

	FY2023 1H	(vs. sales ratio)	FY2024 1H forecast	(vs. sales ratio)	FY2024 1H	(vs. sales ratio)	Change from FY2023	% change	Change from forecast	% change
Net sales	**71,256**	-	**74,300**	-	**74,321**	-	+3,065	+4.3%	+21	+0.0%
Operating Profit	**9,377**	(13.2%)	**8,700**	(11.7%)	**8,996**	(12.1%)	(381)	(4.1)%	+296	+3.4%
Ordinary Profit	**9,758**	(13.7%)	**8,400**	(11.3%)	**8,991**	(12.1%)	(767)	(7.9)%	+591	+7.0%
Profit	**6,576**	(9.2%)	**9,300**	(12.5%)	**9,598**	(12.9%)	+3,022	46.0%	+298	+3.2%







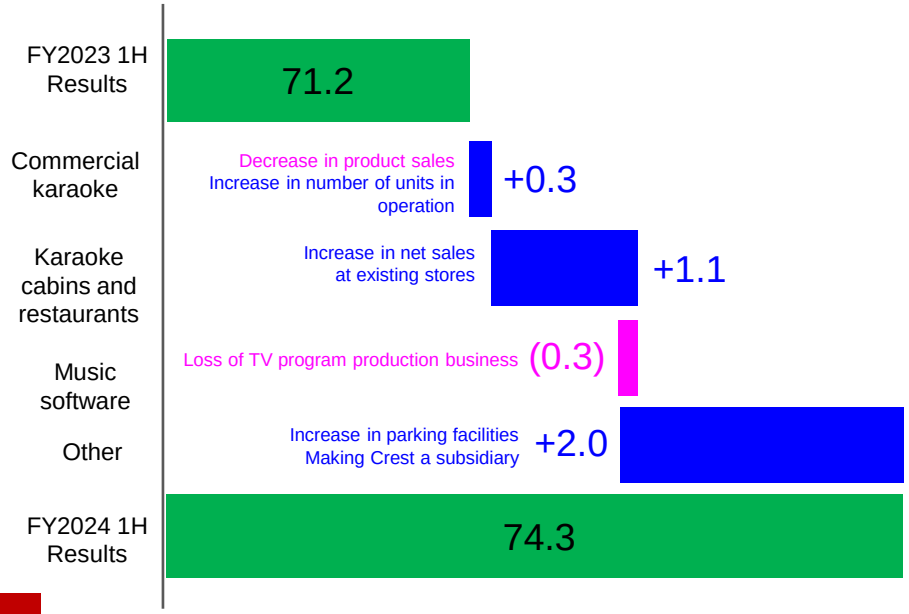


Overview of Financial Results for the Second Quarter of the Year Ending March 31, 2025: Factors for change of net sales/operating profit (YoY)

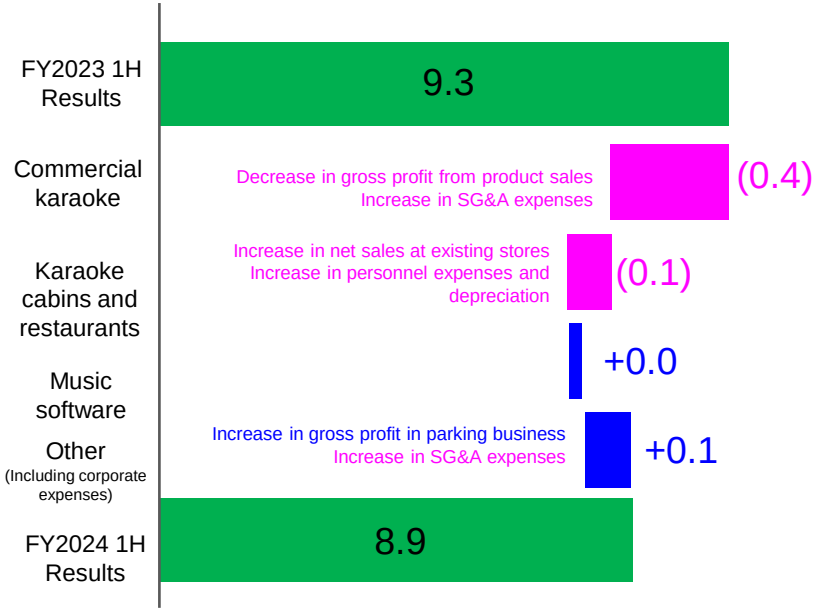
(Millions of yen)

Net sales	FY2023 1H	FY2024 1H	Change from FY2023	% change
Total	71,256	74,321	+3,065	+4.3%
Commercial karaoke	30,483	30,790	+307	+1.0%
Karaoke cabins and restaurants	30,685	31,820	+1,135	+3.7%
Music software	3,169	2,772	(397)	(12.5)%
Other	6,917	8,937	+2,020	+29.2%

Unit: Billions of yen



Operating Profit	FY2023 1H	FY2024 1H	Change from FY2023	% change
Total	9,377	8,996	(381)	(4.1)%
Commercial karaoke	6,947	6,480	(466)	(6.7)%
Karaoke cabins and restaurants	2,680	2,560	(119)	(4.5)%
Music software	156	189	+32	+21.1%
Other	795	1,148	+352	+44.3%
Corporate expenses	(1,202)	(1,382)	(179)	-

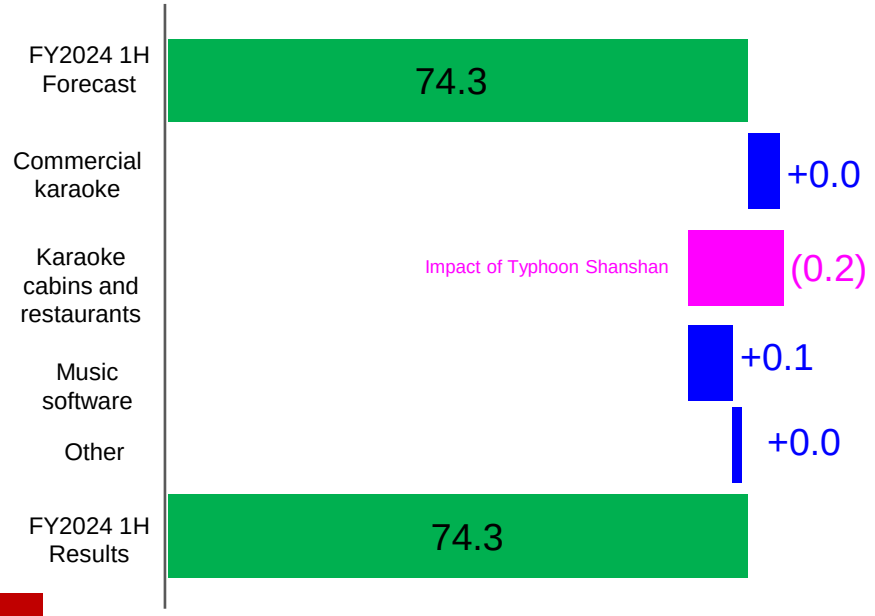


Overview of Financial Results for the Second Quarter of the Year Ending March 31, 2025: Factors for change of net sales/operating profit (comparison with forecast)

Net sales

	FY2024 1H forecast	FY2024 1H results	Change from forecast	% change
Total	74,300	74,321	+21	+0.0%
Commercial karaoke	30,700	30,790	+90	+0.3%
Karaoke cabins and restaurants	32,050	31,820	(230)	(0.7)%
Music software	2,650	2,772	+122	+4.6%
Other	8,900	8,937	+37	+0.4%

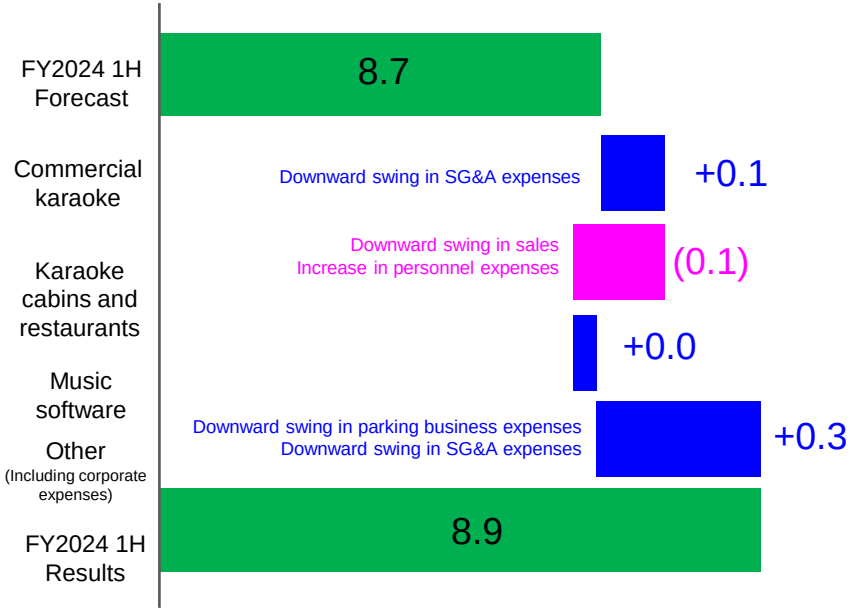
Unit: Billions of yen



Operating Profit

(Millions of yen)

	FY2024 1H forecast	FY2024 1H results	Change from forecast	% change
Total	8,700	8,996	+296	+3.4%
Commercial karaoke	6,330	6,480	+150	+2.4%
Karaoke cabins and restaurants	2,760	2,560	(200)	(7.2)%
Music software	150	189	+39	+26.0%
Other	980	1,148	+168	+17.1%
Corporate expenses	(1,520)	(1,382)	+137	-



[Non-operating income and expenses]

◇ Non-operating income 1,015 million yen (541 million yen for the same period of the previous fiscal year)

Main reason
- Compensation income 285 million yen

◆ Non-operating expenses 1,019 million yen (159 million yen for the same period of the previous fiscal year)

Main reason
- Loss on refund of subsidy* 653 million yen
- Interest expenses 214 million yen (70 million yen for the same period of the previous fiscal year)

*Due to compliance with a request from authorities to return a portion of pandemic employment adjustment subsidies that had been mistakenly paid

[Extraordinary income and losses]

◇ Extraordinary income 5,532 million yen (2 million yen for the same period of the previous fiscal year)

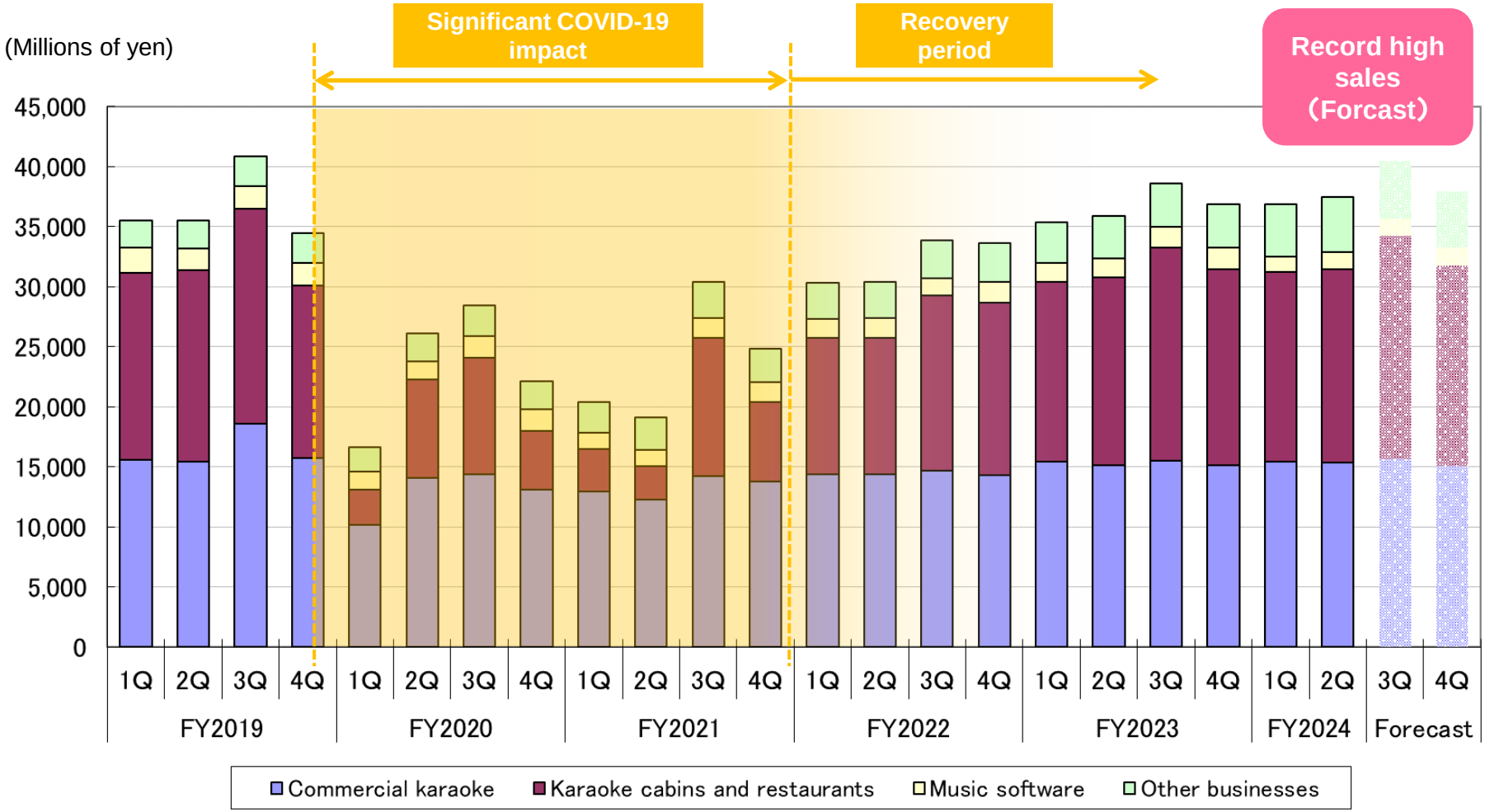
Main reason
- Gain on sale of non-current assets* 4,414 million yen
- Gain on sale of investment securities 1,118 million yen

*Sale of land in Shinagawa that had been acquired as a candidate site for the new head office building, but was no longer needed as such since another location was selected (site was used as a metered parking lot)

◆ Extraordinary losses 327 million yen (129 million yen for the same period of the previous fiscal year)

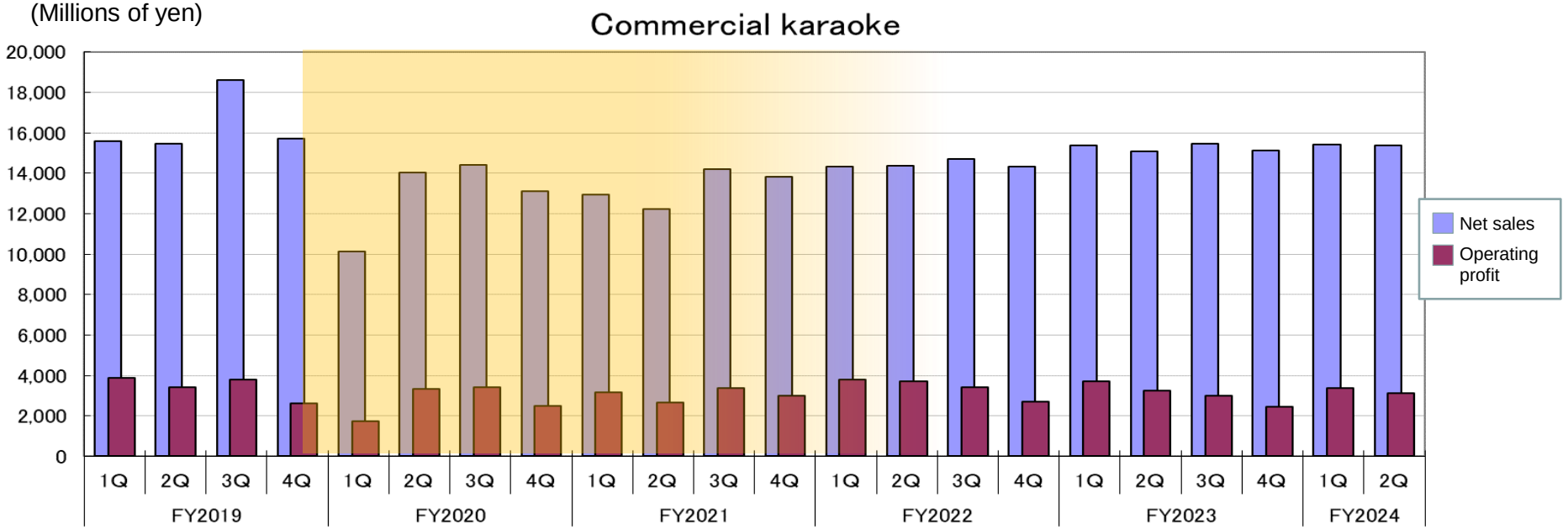
Main reason
- Impairment losses 249 million yen

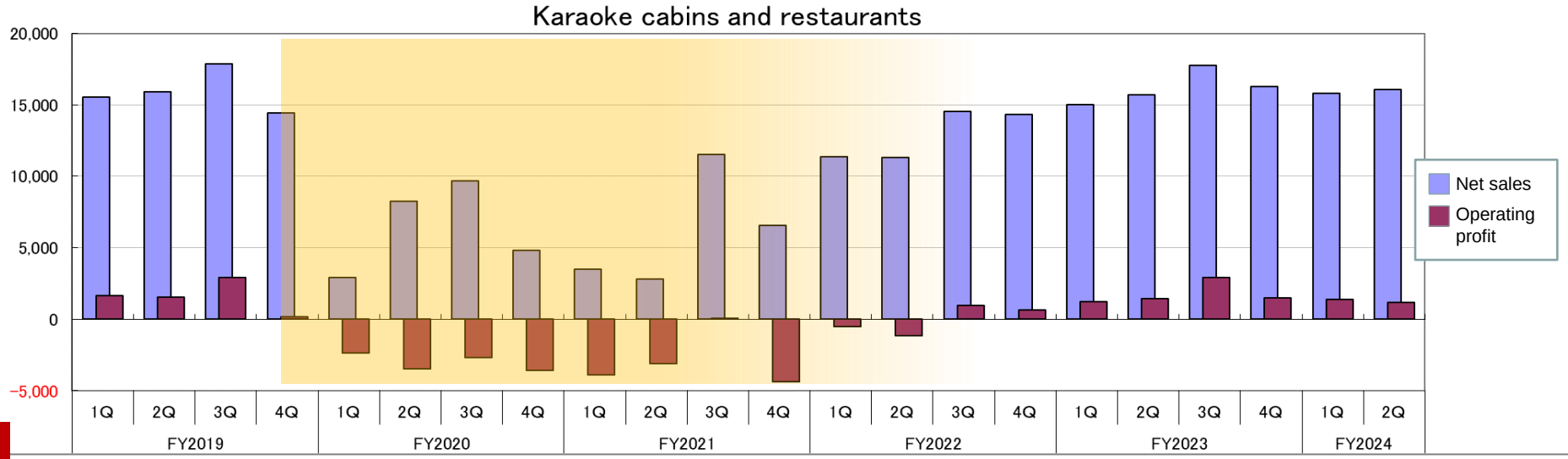
Overview of Financial Results for the Second Quarter of the Year Ending March 31, 2025: Quarterly sales performance



Overview of Financial Results for the Second Quarter of the Year Ending March 31, 2025: Performance by segment

(Millions of yen)

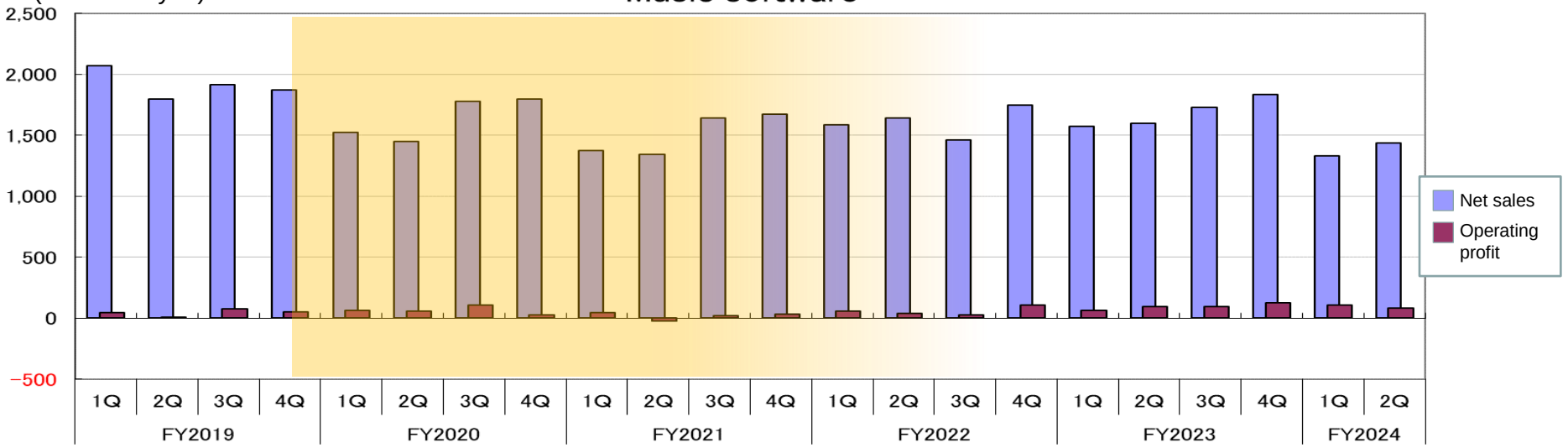




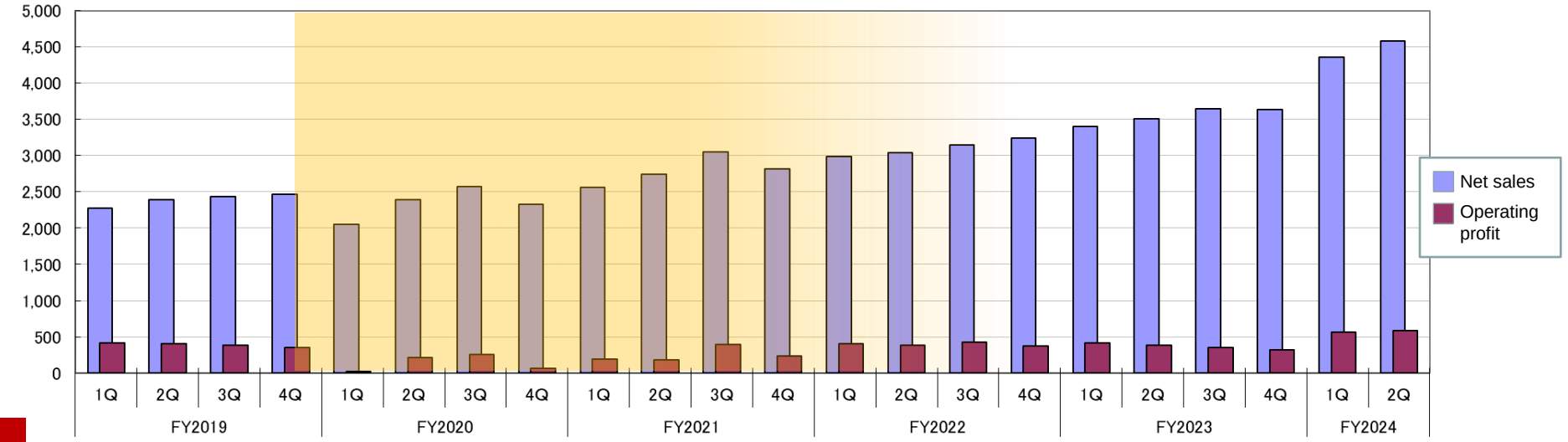
Overview of Financial Results for the Second Quarter of the Year Ending March 31, 2025: Performance by segment

(Millions of yen)

Music software



Other businesses



Overview of Financial Results for the Second Quarter of the Year Ending March 31, 2025: Commercial karaoke/Karaoke cabins and restaurants

Commercial karaoke

(Millions of yen)

	FY2023 1H	(vs. sales ratio)	FY2024 1H	(vs. sales ratio)	Change	% change
Net sales	**30,483**	(100.0%)	**30,790**	(100.0%)	+307	+1.0%
Operating profit	**6,947**	(22.8%)	**6,480**	(21.0%)	(466)	(6.7)%

[Notes]

- The segment's performance gradually improved, mainly in the night business market and the seniors' market; the number of DAM units in operation as of the end of the first half was up 2% year on year.
- Sought to strengthen the stable profit base by increasing the number of equipment rentals and expediting the replacement of previous models with newer ones.
- Strived to improve our Karaoke DAM products by further expanding our visual content, including live videos, animated videos, and music videos.
- Held online concerts and other promotional activities in the seniors' market to advertise new system functions that can help reduce the burden on nursing care staff.
- Although the novelty factor of new products faded, revenue increased by stock income growth driven by a rise in the number of equipment rentals. Profits shrank due to factors such as a decrease in gross profits from product sales and a rise in SG&A expenses.

Karaoke cabins and restaurants

(Millions of yen)

	FY2023 1H	(vs. sales ratio)	FY2024 1H	(vs. sales ratio)	Change	% change
Net sales	**30,685**	(100.0%)	**31,820**	(100.0%)	+1,135	+3.7%
Operating profit	**2,680**	(8.7%)	**2,560**	(8.0%)	(119)	(4.5)%

[Notes]

- Karaoke: Open 5, Close 4, Number of karaoke cabins at the period-end 507 Restaurant: Open 6, Close 10*, Number of restaurants at the period-end 155 *Including integration of mixed business operations
- The flow of customers continued its moderate upward trend from the previous period, but was blunted by the impact of the slowly moving Typhoon Shanshan in August.
- Existing stores year on year: Karaoke cabins 104%; Restaurants 104%
- Renovated BIG ECHO karaoke cabins, enhanced convenience and strived to create greater joy and fun through karaoke under the slogan of "BIG SMILE, BIG ECHO."
- Worked to improve quality of service at restaurants based on visualization of customer satisfaction.
- Despite increased revenue from higher net sales at existing stores, profits shrank slightly due to investment in equipment upgrades, increased personnel costs, and other factors.

Overview of Financial Results for the Second Quarter of the Year Ending March 31, 2025: Music software and other businesses

Music software

(Millions of yen)

	FY2023 1H	(vs. sales ratio)	FY2024 1H	(vs. sales ratio)	Change	% change
Net sales	**3,169**	(100.0%)	**2,772**	(100.0%)	(397)	(12.5)%
Operating profit	**156**	(4.9%)	**189**	(6.8%)	+32	+21.1%

[Notes]

- Worked to discover new artists and create hit songs, and construct a steady earnings model by also focusing on the music publishing business.
- Strong sales were generated by video product featuring pro figure skater Yuzuru Hanyu.
- Although revenue fell due to the loss of net sales from the TV program production business (sold off in the previous period through a transfer of shares), profits rose thanks to robust product sales and other positive factors.

Other businesses

(Millions of yen)

	FY2023 1H	(vs. sales ratio)	FY2024 1H	(vs. sales ratio)	Change	% change
Net sales	**6,917**	(100.0%)	**8,937**	(100.0%)	+2,020	+29.2%
Operating profit	**795**	(11.5%)	**1,148**	(12.8%)	+352	+44.3%

[Notes]

- The parking business operating under “The Park” brand was scaled up, growing to over 3,600 parking facilities and 40,000 parking spots as of the end of the first half.
- Crest Co., Ltd., a parking business acquired in the previous fiscal year, has contributed to sales since the start of the current fiscal year.
- Strong performances were also delivered by the BGM business, Stardigio Air, and the home-use karaoke service, Karaoke@DAM.

(Millions of yen)

	As of March 31, 2024	As of Sept. 30, 2024	Change	Notes
Assets	**211,386**	**202,631**	(8,755)	
Current assets	**73,479**	**65,285**	(8,194)	Decrease in cash and deposits (7,799)
Non-current assets	**137,906**	**137,346**	(560)	Increase in karaoke equipment for rental +834 Increase in karaoke cabin and restaurant facilities +1,173 Decrease in land (4,295)
Liabilities	**102,394**	**89,995**	(12,399)	
Current liabilities	**36,914**	**34,772**	(2,141)	Decrease in accounts and notes payable - trade (775)
Non-current liabilities	**65,480**	**55,223**	(10,257)	Decrease in long-term borrowings (10,370)
Net assets	**108,991**	**112,635**	+3,644	

Profitability

	FY2023 1H	FY2024 1H	Change
Operating profit to net sales (%)	**13.2%**	**12.1%**	**(1.1)%pt**
Basic earnings per share (yen)	**60.91**	**90.43**	**+29.52**

Soundness

	As of March 31, 2024	As of Sept. 30, 2024	Change
Net assets (Millions of yen)	**108,991**	**112,635**	**+3,644**
Equity ratio (%)	**50.9%**	**54.9%**	**+4.0%pt**

Cash flows

(Millions of yen)

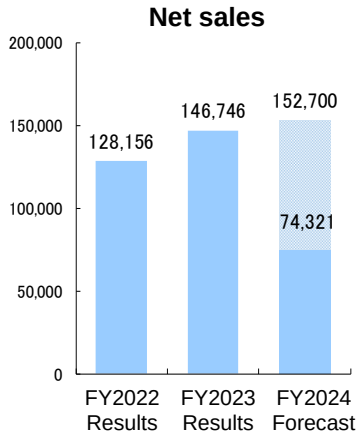
	FY2023 1H	FY2024 1H	Change
Cash flows from operating activities	**9,446**	**10,006**	**+559**
Cash flows from investing activities	**(9,676)**	**(1,222)**	**+8,453**
Cash flows from financing activities	**(19,450)**	**(16,575)**	**+2,875**
Net increase (decrease) in cash and cash equivalents	**(19,613)**	**(7,775)**	**+11,837**
Cash and cash equivalents at end of period	**51,810**	**41,530**	**(10,279)**
Free cash flows	**(229)**	**8,784**	**+9,013**

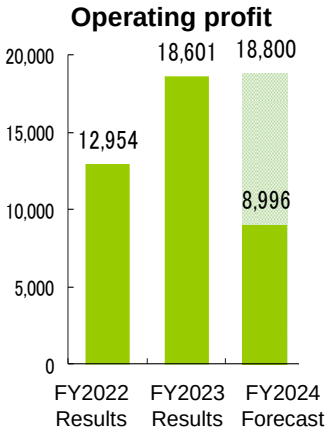
Outlook of Financial Results for the Year Ending March 31, 2025

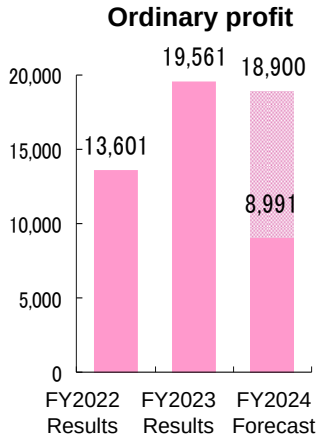
Outlook of Financial Results for the Year Ending March 31, 2025: Full-year consolidated performance forecasts

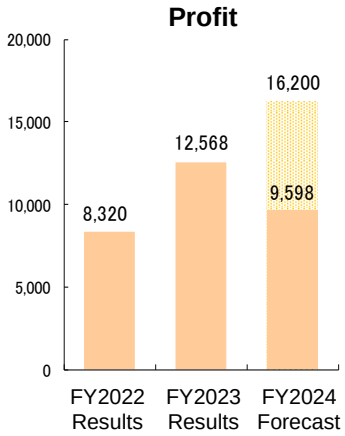
(Millions of yen)

	FY2022 (year ended March 31, 2023)		FY2023 (year ended March 31, 2024)		FY2024 (forecast) (year ending March 31, 2025)		FY2024 1H		Progress
Net sales	**128,156**	(100.0%)	**146,746**	(100.0%)	**152,700**	(100.0%)	**74,321**	(100.0%)	48.7%
Operating profit	**12,954**	(10.1%)	**18,601**	(12.7%)	**18,800**	(12.3%)	**8,996**	(12.1%)	47.9%
Ordinary profit	**13,601**	(10.6%)	**19,561**	(13.3%)	**18,900**	(12.4%)	**8,991**	(12.1%)	47.6%
Profit	**8,320**	(6.5%)	**12,568**	(8.6%)	**16,200**	(10.6%)	**9,598**	(12.9%)	59.3%
Earnings Per Share (EPS)*	**76.21 yen**		**117.01 yen**		**154.32 yen**		**90.43 yen**		-







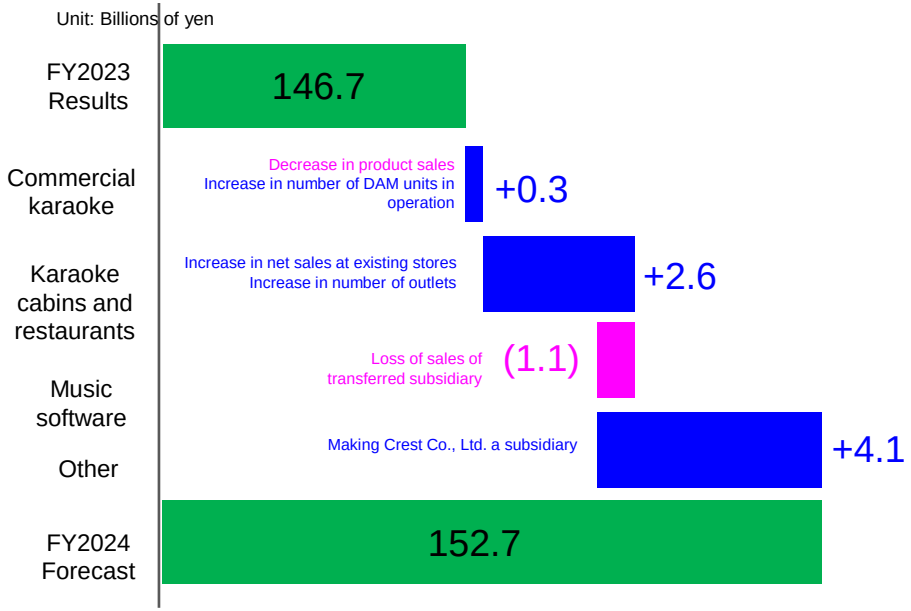


* The earnings forecast has been made based on information available as of the publication date of this material, and actual operating results may differ from such forecasts due to various factors.

Outlook of Financial Results for the Year Ending March 31, 2025: Factors for change of net sales/operating profit

Net sales

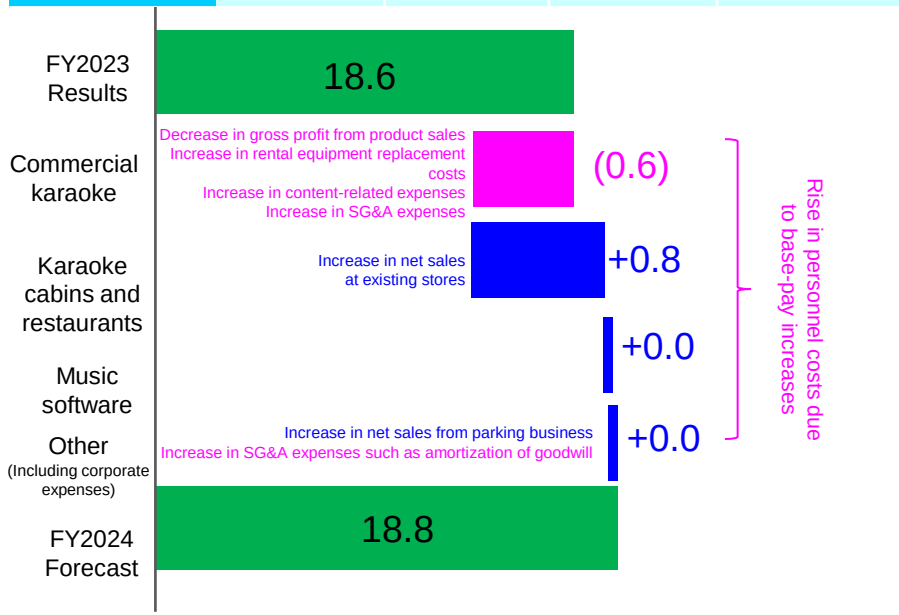
	FY2023 Results	FY2024 Forecast	Change	% change
Total	146,746	152,700	+5,953	+4.1%
Commercial karaoke	61,078	61,400	+321	+0.5%
Karaoke cabins and restaurants	64,733	67,350	+2,616	+4.0%
Music software	6,733	5,550	(1,183)	(17.6)%
Other	14,200	18,400	+4,199	+29.6%



Operating profit

(Millions of yen)

	FY2023 Results	FY2024 Forecast	Change	% change
Total	18,601	18,800	+198	+1.1%
Commercial karaoke	12,384	11,700	(684)	(5.5)%
Karaoke cabins and restaurants	7,100	7,910	+809	+11.4%
Music software	373	420	+46	+12.6%
Other	1,469	1,790	+320	+21.8%
Corporate expenses	(2,726)	(3,020)	(293)	-



Note: The breakdown of net sales and profit by business segment has been revised from the figures in the initial forecast.

Outlook of Financial Results for the Year Ending March 31, 2025: Corporate topics

Corporate topics

Optimization of business portfolio

- Full-year impacts of M&A during the current period
  (1) Music software business: The transfer of UNION TV & MOTION PICTURE CO., LTD. represents a loss of its contributions to net sales (1,500 million yen) and operating profit (100 million yen) in the current period.
  (2) Other businesses (parking): The acquisition of Crest Co., Ltd. as a subsidiary buoyed sales by 2,500 million yen but also pushed up goodwill amortization with a 470 million yen increase in SG&A expenses.

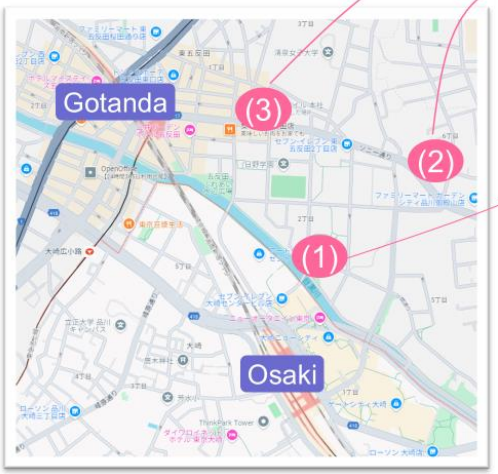
Rise in personnel costs due to base-pay increases

- Increased the base pay of our staff as of April 2024 (average increase: approx. 6%).
- The amount of the bottom-line impact is expected to be approx. 1,000 million yen (cost of sales + SG&A expenses).

Relocation of head office functions (planned for next fiscal year)

- Acquired non-current asset in Mita 3-chome, Minato-ku in February 2024 for relocating head office functions.
- In light of progress in preparations for the relocation, we expect that this move will be carried out in the next fiscal year (fiscal year ending March 31, 2026).
- Land purchased in Shinagawa as a candidate site for the relocation was sold off in September 2024.
  (See the July 29, 2024 “Notice on Transfer of Non-current Assets and Recording of Extraordinary Income” for details)
- Now exploring options for utilizing the current head office buildings ((1) & (2) in map) and other real estate we own, including possibly selling them off.

⇒ We forecast that our earnings will be boosted by higher sales in all business segments except music software, but operating profit will be mostly on par with the previous period due to the impact of increases in various costs.





[Current head office]
(1) 5-5-26 Kitashinagawa, Shinagawa-ku, Tokyo
(2) 6-5-27 Kitashinagawa, Shinagawa-ku, Tokyo
(3) 1-24-2 Higashigotanda, Shinagawa-ku, Tokyo
JRE Higashigotanda 1-chome Building (Leased)

[Relocation site]
★ 3-9-6 Mita, Minato-ku, Tokyo

Outlook of Financial Results for the Year Ending March 31, 2025: Initiatives by segment (1)

Commercial karaoke business

- We pursue investment into replacement of rental equipment assets, with a focus on LIVE DAM AiR, as well as investment into karaoke contents such as sound tracks and video. Strengthen stable profit base and aim to further increase value of DAM brand.
- We will seek to increase the number of DAM systems in operation and market share by implementing actions tailored to each market.

Market-focused initiatives

Market		Contribution to DAM sales	Challenges related to external environment/society	Actions
Night business market	Snack bars, bars, lounges, etc.	approx. 50%	•Number of young managers is growing •Demand is gravitating from provincial/suburban areas to large cities •Temporary post-COVID-19 rebound is sliding back to a slow market contraction	•In addition to the traditional focus on community-based sales, pursue sales that leverage websites like “Karaoke no Madoguchi (Karaoke Sales Portal)” and “Yorumise Navi (Searchable Nightlife Real Estate Directory)” •Offer content for making night life more exciting, such as “Honjitsu Shukkin” •Support efforts to attract customers by offering ideas for standing out from the competition, such as adoption of large screens or harmony microphones
Karaoke cabin market	Large chains Small operators	approx. 30%	•Demand is gravitating from provincial/suburban areas to large cities •Number of outlets has shrunk due to impact of COVID-19	•Improve product appeal of DAM karaoke systems (enhance lineup of song selections and video content) to capture end user loyalty •Propose ideas for various collaborations and campaigns •Support small operators by proposing franchising (Karaoke CLUB DAM)
Seniors’ market	Adult day care & other nursing care facilities Community centers & other community facilities	approx. 12%	•Senior population is increasing •Small facilities are struggling to stay afloat •Care workers are in short supply •FY2024 revisions to system of nursing/medical care reimbursement	•Expand sales of latest system, FREE DAM LIFE •Promote functions that reduce the burden on nursing care facility staff, such as automatic song selection and scheduling functions •Promote the use of karaoke in dementia prevention programs run by local governments
Other markets	Hotels/inns Wedding halls Mixed use facilities etc.	approx. 8%	•Demand for banquet services is falling •Nighttime economy demand of inbound/domestic tourists	•Encourage lodging establishments to add karaoke rooms to their facilities •Propose the installation of COCOKARA phone booth-style karaoke systems to create new places where people can sing (game arcades, commercial establishments, offices, etc.) •Explore opportunities for partnering with other industries, such as supermarkets

⇒ Although product sales will likely decline with the loss of the novelty factor of LIVE DAM AiR, segment net sales as a whole are expected to grow, buoyed by higher stock income from increases in the number of DAM systems in operation and equipment rentals, etc.
Profits are expected to contract as a result of rises in cost of sales and SG&A expenses due to upfront investments to strengthen profit base.

Outlook of Financial Results for the Year Ending March 31, 2025: Initiatives by segment (2)

Karaoke cabins and restaurants business

Karaoke cabin initiatives

- “BIG SMILE, BIG ECHO. Let’s sing, laugh, and do more with everyone.”
- Enhance quality of equipment as a chain directly operated by a karaoke system manufacturer (early deployment of top model, thorough aesthetics, etc.)
- Enhance quality of service through talent development/training and systematization (automated reception/payment, smartphone-based ordering, etc.)
- Attract casual users with collaborative projects involving diverse artists, characters, companies, etc.



Restaurant initiatives

- Amid the robust growth of reservations and orders, we will strive to visualize customer satisfaction using a system that can easily collect and quantify customer feedback.
- Develop new brands and spruce up existing brands based on precise identification of customer needs
- Promote the DK dining app to attract repeat customers

⇒ Sales and profits are expected to rise with growth in sales by existing stores and in the number of locations.

Music software business

- Work to discover new artists and create hit songs, and construct a solid revenue model by advancing the music publishing business
- The transfer of subsidiary (TV program production business) during the previous period represents the loss of its contributions to net sales and operating profit

⇒ Despite the decrease in revenue from the loss of the former subsidiary’s sales contributions, operating profit is anticipated to be mostly on par with the previous period.

Other businesses

- In the parking business, aim to grow size of business through development of new facilities, including M&As, while also working to spread awareness of The Park brand through methods such as television commercials.
- While sales by Crest Co., Ltd., acquired as a subsidiary during the previous period, are expected to contribute to full-year results, goodwill amortization will rise

⇒ Sales and profits are forecast to rise from the growth of the parking business.

Outlook of Financial Results for the Year Ending March 31, 2025: Shareholder returns

■ Dividend forecast

- The dividend forecast for the current fiscal year remains unchanged at 57 yen per share (annual dividend), the same amount as the results of the previous fiscal year.

	FY2023 (Year ended March 31, 2024)			FY2024 Forecast (Year ending March 31, 2025)		
	Interim	Year-end	Annual	Interim	Year-end	Annual
Dividend per share	28 yen	29 yen	57 yen	28 yen (forecast)	29 yen (forecast)	57 yen (forecast)
Dividend per equity	5.8%			5.4%		
Payout ratio	48.7%			36.9%		

■ Repurchasing of shares

- The Company repurchased the shares upon resolutions at the meetings of Board of Directors held on May 13, 2024 and August 8, 2024.

<Outline>

Period: From May 14, 2024 to October 31, 2024

Number of shares repurchased: 2,366,700 shares

Amount of shares repurchased: 3,999 million yen

		FY2023	FY2024 Initial forecast
Profit	(Millions of yen)	12,568	13,100
Return on equity (ROE)	(%)	11.7%	11.9%
Dividend per share (actual)	(Yen)	57.0	57.0
Dividend per share (after split	(Yen)	57.0	57.0
Payout ratio	(%)	48.7%	46.3%
Dividend on equity (DOE)	(%)	5.8%	5.5%
Repurchasing of shares	(Millions of yen)	6,000	2,000
Total return ratio	(%)	96.2%	61.5%

Posted gain on sale of non-current assets of 4.3 billion yen, etc.

Revised profit forecast (+3.1 billion yen)

Increased the maximum amount from 2.0 billion yen to 4.0 billion yen for the share repurchase conducted from May to August 2024
Extended the repurchase period to October
Dividend forecast remains unchanged

ROE forecast for the current fiscal year is 14.5%
Total return ratio is maintained at the level of the initial forecast

FY2024 Revised forecast (as of Aug. 8, 2024)
16,200
14.5%
57.0
57.0
36.9%
5.4%
4,000
61.6%

References

“Singing as we go”
～Let’s sing as we go everyday. If we sing, tomorrow will be a better day～

Singing as we go

Let’s sing when we’re happy.
Let’s sing when we’re sad to let it all go.
Let’s sing to make new friends.
Let’s sing when we’re alone to connect with ourselves.
Let’s laugh as we sing. Let’s cry as we sing.
Let’s cheer up as we sing.
Singing isn’t just fun.
Singing has the power to heal the mind and body,
And lead the world in a better direction.
Adults and kids, young people and old people,
Let’s all sing as we go everyday.
If we sing, tomorrow will be a better day.

DAIICHIKOSHO Group will spread the incredible power of singing throughout society through various actions.



DAIICHIKOSHO Group has created the new Group corporate message “Singing as we go” based on our aspiration to have more people enjoy karaoke that rejuvenates the mind and body.

Based on this message, we will spread the incredible power of singing throughout society through various actions and help enrich people’s daily lives.

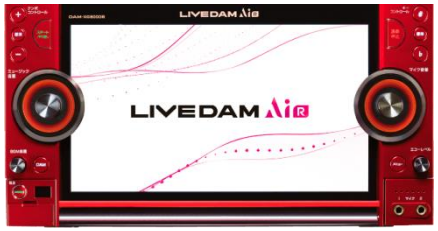
In addition, on Singing special website, we introduce the delightful effects of singing on the mind and body, the power of songs and music, as well as feature articles that will make you want to sing.

■Singing Special Website:
https://www.clubdam.com/singing/

Singing
歌いながらいこう

References (Commercial karaoke): Primary product lineup

LIVE DAM AiR
(DAM-XG8000R)



**The highest sound quality,
a live show experience
Further expands the AI experience**

● “Ai Assistant” voice recognition feature is compatible with foreign language speech ● Saitama Super Arena and Excite Live Hall are added to “Live Sound” feature ● Largest collection of actual artist/live show video contents in the industry (according to in-house investigation)

Cyber DAM ＋
(DAM-G100W)



Music lineup specialized for night time

● Equipped with the industry’s first double monitor, processed with anti-virus and anti-bacterial coating ● Add presence with “Live Echo” ● Substantially strengthened enka and pop songs, foreign songs, and duet songs that have been well-received in the night market

SmartDAM AiR
(TM30R)



**Easier to use! More enjoyable!
More intuitive confirmation of
reserved songs/manipulation of songs settings**

● Equipped with new operating panel for intuitive use of most common karaoke features ● New search function that encompasses popular songs in each genre ● Features antiviral/antibacterial coating

FREE DAM LIFE
(DAM-F850)



Clearer image and sound
DK elder system for the elderly

● Anti-virus and anti-bacterial specifications ● Function to automatically create progress programs by purpose ● Remote session function that can be enjoyed simultaneously between distant facilities

Party DAM 20Ⅴ
(DAM-PD20Ⅴ)



Integrated mobile type for hotels and event venues

● To allow usage as a podium for lectures, the display at the top can be stored in the main body ● Come with a wide variety of party contents for various usage scenes at hotels, inns, wedding halls, etc.

Harmony microphone
(WITM-500P/W)



Come with “DAM button” that changes user’s voice to a more singable sound quality

● Infrared wireless optimizes compatibility with DAM karaoke system ● High-quality sound eliminating mic feedback ● Come with a switch that changes the voice quality between Sharp ↔ Mild

References (Karaoke cabins and restaurant): Karaoke and restaurant brand list

Karaoke Shops

Big Echo

Karaoke Mac

Karaoke CLUB DAM

Mega Big

Restaurants/Bars

Private dining

Rakuzo

Minatoichiya

Senyaichiya

Umekono ie

Kyomachi shizuku

Seseragi wo kikinagara

Jibundoki

Atarayo **NEW**

Sushi ya Harenohi

Totouo

Tokachi Ishikari Hakodate

Bistro ya

Dining bars/bars

Kitchen

FOREST DINER

Amatsu

Ginten

Matsuri sakaba

Bars

CELTS

HIGHBALL BAR

J's Bar

Amusement bars

REGALO

Darts One

MARUNOUCHI BASE

Restaurants/cafes

Ginza Coffee

Mochinoki pasta

Time is Curry

Ichidan

References (Other businesses): Parking business

Parking business

Proposing land utilization and creating more value



TV commercial mascot character
Tochio Katsuyo

Armed with the trust we have built up with our customers nationwide as a leading company in the karaoke industry, we are developing our “The Park” brand to make it a new pillar of our earnings. This business proposes effective use of land that contributes to local communities which satisfy our customers with safety and security, and provides a thorough support, from establishment of a new facility to follow-up service.

As of September 30, 2024—eight years after we began growing the parking business nationwide—we had expanded to a scale of over 3,600 facilities and 40,000 parking spaces. Income from Crest Co., Ltd., which was made part of our Group in the previous fiscal year and operates “Break Parking,” has contributed to our revenue since the beginning of the current fiscal year. Going forward, we will continue working to scale up this business, and to spread awareness of The Park as an attractive option for making use of available land.

Strengths of The Park

第一興商のザ・パーク

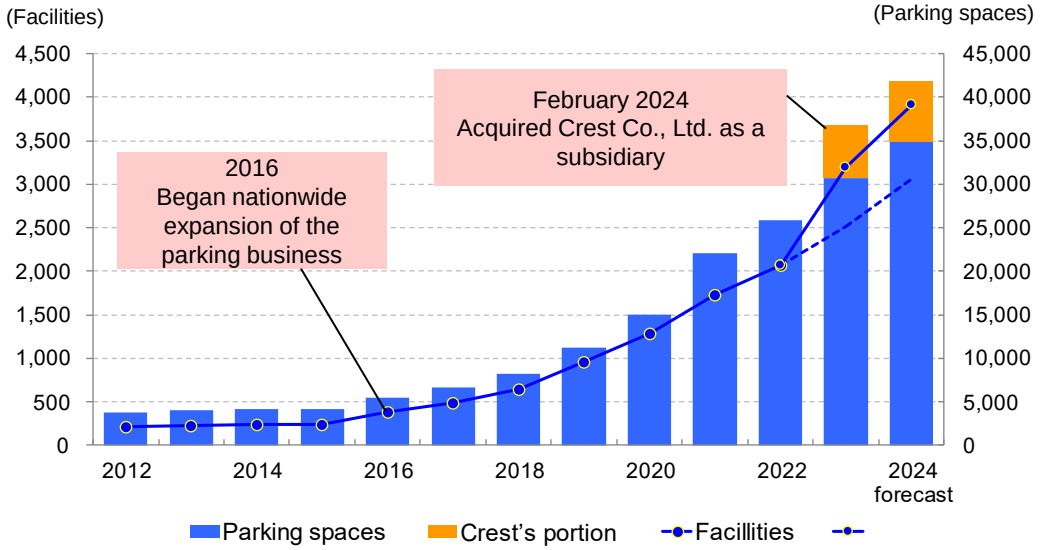
×

Strengths of Break Parking

Break Parking

- Nationwide business expansion leveraging our more than 130 karaoke sales offices across the country
- Strong relationships with real estate firms and landowners that we cultivated through our community-based karaoke sales
- Stable profit base

- Expertise in property development in metro areas (Tokyo & Osaka) accumulated from 20 years of specializing in the parking business



References (Other businesses):
Musicians of music software companies/other businesses

Musicians of music software companies

◆ Enka, Pop

Satono Suzume



◆ J-pop

BERRY GOODMAN



◆ Enka, Pop

Kaori Mizumori



◆ J-pop

Jams Collection



BGM Broadcasting Business

スターデジオAir トコトン、オンガク。

[Commercial use]
BGM service utilizing dedicated mobile network.

スターデジオ光 トコトン、オンガク。

[Commercial use]
BGM service utilizing NTT Flet's internet network.

*Star digio's service for households (satellite broadcasting) was terminated on March 31, 2024.

Online Business

DAM★とも

A karaoke user community service linked to the DAM karaoke system. It allows users to film and record karaoke performances and publish them on the Internet.

カラオケ@DAM

Internet streaming karaoke. A monthly subscription service that allows users to enjoy karaoke with video and lyrics with their computer.

The earnings forecast of this material has been made based on information available as of its publication date, and actual operating results may differ from such forecasts due to various factors.

For questions regarding this material, please contact Corporate Planning Division (TEL: 03-3280-2774).