

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2026 (Based on Japanese GAAP)

May 13, 2026

Company name: DAIHO CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 1822 URL <https://www.daiho.co.jp>
 Representative: President and Chief Executive Officer Hiroshi Masuda
 Executive Officer, General Manager of
 Inquiries: Accounting Department Yoshinori Umehara TEL 03-3297-7406
 Scheduled date of ordinary general meeting of shareholders: June 26, 2026
 Scheduled date to file Securities Report: June 23, 2026
 Scheduled date to commence dividend payments: June 29, 2026
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2026	139,818	(2.5)	6,895	24.6	7,332	40.9	4,557	23.5
Year ended March 31, 2025	143,394	(12.1)	5,533	—	5,204	313.2	3,691	—

Note: Comprehensive income For the fiscal year ended March 31, 2026 ¥6,737 million [46.6%]
 For the fiscal year ended March 31, 2025 ¥4,595 million [—%]

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2026	51.64	51.57	6.2	4.8	4.9
Year ended March 31, 2025	41.91	41.79	5.3	3.3	3.9

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2026 ¥— million

For the fiscal year ended March 31, 2025 ¥— million

Note: The Company conducted a 5-for-1 share split of its common shares on April 1, 2025. Earnings per share and diluted earnings per share were calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	155,902	77,225	48.4	854.48
As of March 31, 2025	149,842	73,065	47.7	810.64

Reference: Equity As of March 31, 2026 ¥75,463 million

As of March 31, 2025 ¥71,472 million

Note: The Company conducted a 5-for-1 share split of its common shares on April 1, 2025. Net assets per share were calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2026	3,888	153	(1,160)	24,783
Year ended March 31, 2025	11,776	(876)	(6,621)	21,657

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2025	—	—	—	147.00	147.00	2,609	70.2	3.7
Year ended March 31, 2026	—	—	—	34.00	34.00	3,020	65.8	4.1
Year ending March 31, 2027 (Forecast)	—	—	—	38.00	38.00		71.4	

Note: The Company conducted a 5-for-1 share split of its common shares on April 1, 2025. The actual amount of dividends paid before the share split is shown for the fiscal year ended March 31, 2025. Taking into account the share split, the fiscal year-end dividend per share for the fiscal year ended March 31, 2025 is ¥29.40.

3. Forecast of consolidated financial results for the year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	157,000	12.3	6,800	(1.4)	8,000	9.1	4,700	3.1	53.22

4. Notes

(1) Significant changes in the scope of consolidation during the year ended March 31, 2026: No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2026	90,415,815 shares	As of March 31, 2025	90,415,815 shares
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Number of treasury shares at the end of the period

As of March 31, 2026	2,099,930 shares	As of March 31, 2025	2,247,935 shares
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Average number of shares during the period

Year ended March 31, 2026	88,242,231 shares	Year ended March 31, 2025	88,074,595 shares
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Note: The Company conducted a 5-for-1 share split of its common shares on April 1, 2025. “Total number of issued shares at the end of the period (including treasury shares),” “number of treasury shares at the end of the period” and “average number of shares during the period” were calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

Note: The Company has introduced a share distribution trust system for delivering shares to the Company’s Directors, etc. via a trust. The Company’s shares that are owned by the trust (530,100 shares for the fiscal year ended March 31, 2026 and 585,500 shares for the fiscal year ended March 31, 2025) are included in “number of treasury shares at the end of the period,” and in calculating and presenting “average number of shares during the period,” the Company has considered the shares owned by said trust to be included.

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2026	102,938	3.9	4,660	61.0	5,819	77.0	4,010	36.4
Fiscal year ended March 31, 2025	99,030	(18.7)	2,895	—	3,287	—	2,940	—

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended March 31, 2026	45.45	45.39
Fiscal year ended March 31, 2025	33.38	33.29

Note: The Company conducted a 5-for-1 share split of its common shares on April 1, 2025. Basic earnings per share and diluted earnings per share were calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	124,046	61,213	49.3	692.76
As of March 31, 2025	117,719	57,686	48.9	653.53

Reference: Equity As of March 31, 2026 ¥61,181 million

As of March 31, 2025 ¥57,620 million

Note: The Company conducted a 5-for-1 share split of its common shares on April 1, 2025. Net assets per share were calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

2. Non-consolidated earnings forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	110,000	6.9	4,200	(9.9)	6,200	6.5	3,900	(2.8)	44.16

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

Forward-looking statements, including the consolidated forecasts stated in these materials, are based on information currently available to the Company and certain assumptions deemed reasonable. Results may differ materially from the consolidated forecasts due to various factors.

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	21,669	24,810
Notes receivable, accounts receivable from completed construction contracts and other	88,397	90,554
Electronically recorded monetary claims - operating	393	46
Costs on construction contracts in progress	1,312	1,328
Short-term loans receivable	29	5
Advances paid	7,408	3,568
Consumption taxes refund receivable	—	2,565
Other	861	947
Allowance for doubtful accounts	(6)	(109)
Total current assets	120,066	123,718
Non-current assets		
Property, plant and equipment		
Buildings and structures	12,064	11,550
Machinery, vehicles, tools, furniture and fixtures	7,899	7,749
Land	8,569	7,528
Leased assets	221	222
Construction in progress	38	42
Accumulated depreciation	(11,949)	(11,985)
Total property, plant and equipment	16,842	15,108
Intangible assets	510	871
Investments and other assets		
Investment securities	11,491	14,061
Deferred tax assets	262	259
Long-term loans receivable	1	1,188
Other	2,911	3,045
Allowance for doubtful accounts	(2,244)	(2,350)
Total investments and other assets	12,422	16,203
Total non-current assets	29,776	32,184
Total assets	149,842	155,902

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	23,769	23,635
Electronically recorded obligations - operating	7,124	7,298
Short-term borrowings	850	2,350
Current portion of convertible-bond-type bonds with share acquisition rights	18	—
Income taxes payable	748	2,573
Accrued consumption taxes	2,265	42
Advances received on construction contracts in progress	8,472	5,703
Deposits received	16,816	18,922
Provision for warranties for completed construction	767	620
Provision for bonuses	647	784
Provision for loss on construction contracts	1,702	1,741
Provision for shareholder benefit program	12	35
Provision for performance-linked compensation	31	55
Other	635	784
Total current liabilities	63,861	64,549
Non-current liabilities		
Long-term borrowings	6,000	6,000
Deferred tax liabilities	465	1,294
Provision for share awards	182	168
Provision for retirement benefits for directors (and other officers)	26	33
Provision for retirement benefits for directors (and executive officers)	26	35
Retirement benefit liability	5,552	5,909
Other	663	687
Total non-current liabilities	12,916	14,128
Total liabilities	76,777	78,677
Net assets		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	42,377	42,334
Retained earnings	17,911	19,858
Treasury shares	(1,950)	(1,834)
Total shareholders' equity	68,338	70,359
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,270	4,440
Foreign currency translation adjustment	(72)	(105)
Remeasurements of defined benefit plans	936	769
Total accumulated other comprehensive income	3,133	5,104
Share acquisition rights	65	31
Non-controlling interests	1,527	1,729
Total net assets	73,065	77,225
Total liabilities and net assets	149,842	155,902

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	143,394	139,818
Cost of sales	130,258	124,658
Gross profit	13,136	15,160
Selling, general and administrative expenses	7,602	8,265
Operating profit	5,533	6,895
Non-operating income		
Interest income	22	56
Dividend income	189	212
Foreign exchange gains	—	677
Rental income	33	32
Other	55	62
Total non-operating income	299	1,041
Non-operating expenses		
Interest expenses	94	176
Guarantee commission	76	57
Provision of allowance for doubtful accounts	55	208
Foreign exchange losses	248	—
Commission expenses	103	125
Other	50	36
Total non-operating expenses	629	604
Ordinary profit	5,204	7,332
Extraordinary income		
Gain on sale of non-current assets	241	865
Gain on sale of investment securities	61	405
Reversal of allowance for doubtful accounts	224	0
Total extraordinary income	528	1,271
Extraordinary losses		
Loss on sale and retirement of non-current assets	2	50
Loss on litigation	31	7
Loss on valuation of investment securities	—	425
Impairment losses	126	464
Other	7	5
Total extraordinary losses	167	953
Profit before income taxes	5,565	7,650
Income taxes - current	1,073	3,049
Income taxes - deferred	524	(166)
Total income taxes	1,598	2,883
Profit	3,967	4,766
Profit attributable to non-controlling interests	276	209
Profit attributable to owners of parent	3,691	4,557

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit (loss)	3,967	4,766
Other comprehensive income		
Valuation difference on available-for-sale securities	(236)	2,170
Foreign currency translation adjustment	(14)	(32)
Remeasurements of defined benefit plans, net of tax	880	(166)
Total other comprehensive income	628	1,970
Comprehensive income	4,595	6,737
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,319	6,527
Comprehensive income attributable to non-controlling interests	276	209

Consolidated statements of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,000	42,446	14,698	(2,116)	65,028
Changes during period					
Dividends of surplus			(478)		(478)
Profit (loss) attributable to owners of parent			3,691		3,691
Purchase of treasury shares				(5)	(5)
Disposal of treasury shares		(69)		172	102
Net changes in items other than shareholders' equity					—
Total changes during period		(69)	3,212	166	3,309
Balance at end of period	10,000	42,377	17,911	(1,950)	68,338

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	2,507	(58)	56	2,505	126	1,258	68,919
Changes during period							
Dividends of surplus							(478)
Profit (loss) attributable to owners of parent							3,691
Purchase of treasury shares							(5)
Disposal of treasury shares							102
Net changes in items other than shareholders' equity	(236)	(14)	880	628	(61)	268	835
Total changes during period	(236)	(14)	880	628	(61)	268	4,145
Balance at end of period	2,270	(72)	936	3,133	65	1,527	73,065

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,000	42,377	17,911	(1,950)	68,338
Changes during period					
Dividends of surplus			(2,609)		(2,609)
Profit (loss) attributable to owners of parent			4,557		4,557
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(42)		116	74
Net changes in items other than shareholders' equity					
Total changes during period		(42)	1,947	115	2,020
Balance at end of period	10,000	42,334	19,858	(1,834)	70,359

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	2,270	(72)	936	3,133	65	1,527	73,065
Changes during period							
Dividends of surplus							(2,609)
Profit (loss) attributable to owners of parent							4,557
Purchase of treasury shares							(0)
Disposal of treasury shares							74
Net changes in items other than shareholders' equity	2,170	(32)	(166)	1,970	(33)	202	2,139
Total changes during period	2,170	(32)	(166)	1,970	(33)	202	4,160
Balance at end of period	4,440	(105)	769	5,104	31	1,729	77,225

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	5,565	7,650
Depreciation	1,046	894
Impairment losses	126	464
Loss on litigation	31	7
Increase (decrease) in allowance for doubtful accounts	(168)	205
Increase (decrease) in provision for warranties for completed construction	(258)	(147)
Increase (decrease) in provision for bonuses	(163)	137
Increase (decrease) in retirement benefit liability	0	189
Increase (decrease) in provision for retirement benefits for directors (and other officers)	6	6
Increase (decrease) in provision for retirement benefits for executive officer (and other officers)	6	9
Increase (decrease) in provision for loss on construction contracts	(2,044)	38
Increase (decrease) in provision for share awards	25	14
Increase (decrease) in provision for shareholder benefit program	12	23
Increase (decrease) in provision for performance-based compensation	31	24
Loss (gain) on sale and retirement of non-current assets	(239)	(814)
Interest and dividend income	(211)	(268)
Interest expenses	94	176
Foreign exchange losses (gains)	159	(323)
Loss (gain) on sale of investment securities	(55)	(410)
Loss (gain) on valuation of investment securities	—	425
Decrease (increase) in trade receivables	17,013	(1,806)
Decrease (increase) in inventories	(48)	(10)
Increase (decrease) in trade payables	(13,788)	183
Increase (decrease) in advances received on construction contracts in progress	3,327	(2,768)
Decrease (increase) in other assets	1,404	1,082
Increase (decrease) in other liabilities	(113)	64
Other loss (gain)	82	0
Subtotal	11,844	5,048
Interest and dividends received	211	260
Interest paid	(96)	(174)
Income taxes paid	(626)	(1,270)
Income taxes refund	464	28
Payments for loss on litigation	(20)	(3)
Net cash provided by (used in) operating activities	11,776	3,888

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from investing activities		
Payments into time deposits	(10)	(10)
Proceeds from withdrawal of time deposits	10	10
Purchase of property, plant and equipment	(451)	(355)
Proceeds from sale of property, plant and equipment	523	1,656
Payments for retirement of property, plant and equipment	(25)	(43)
Purchase of intangible assets	(157)	(526)
Purchase of investment securities	(955)	(58)
Proceeds from sale of investment securities	182	613
Proceeds from refund of investment securities	35	30
Decrease (increase) in short-term loans receivable	(21)	8
Long-term loan advances	—	(1,169)
Other, net	(3)	—
Net cash provided by (used in) investing activities	(876)	153
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(6,100)	1,500
Redemption of convertible bonds	—	(7)
Purchase of treasury shares	(5)	(0)
Dividends paid	(482)	(2,613)
Dividends paid to non-controlling interests	(7)	(7)
Repayments of lease liabilities	(21)	(19)
Other, net	(3)	(10)
Net cash provided by (used in) financing activities	(6,621)	(1,160)
Effect of exchange rate change on cash and cash equivalents	(145)	244
Net increase (decrease) in cash and cash equivalents	4,134	3,126
Cash and cash equivalents at beginning of period	17,523	21,657
Cash and cash equivalents at end of period	21,657	24,783

Non-consolidated financial statements
Non-consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	13,953	15,779
Notes receivable - trade	26	—
Electronically recorded monetary claims - operating	388	46
Accounts receivable from completed construction contracts	65,190	70,388
Costs on construction contracts in progress	863	998
Short-term loans receivable	797	799
Advances paid	7,109	2,794
Consumption taxes refund receivable	—	1,527
Other	593	717
Allowance for doubtful accounts	(10)	(6)
Total current assets	88,913	93,045
Non-current assets		
Property, plant and equipment		
Buildings and structures	10,819	10,248
Accumulated depreciation	(3,938)	(3,986)
Buildings and structures, net	6,881	6,262
Machinery and vehicles	5,558	5,240
Accumulated depreciation	(5,321)	(5,039)
Machinery and vehicles, net	237	200
Tools, furniture and fixtures	1,488	1,633
Accumulated depreciation	(1,315)	(1,386)
Tools, furniture and fixtures, net	173	247
Land	7,752	6,697
Leased assets	210	210
Accumulated depreciation	(164)	(182)
Leased assets, net	46	27
Construction in progress	38	45
Total property, plant and equipment	15,128	13,482
Intangible assets		
Software	399	470
Other	78	374
Total intangible assets	478	845
Investments and other assets		
Investment securities	10,478	12,916
Shares of subsidiaries and associates	2,134	2,137
Long-term loans receivable from subsidiaries and associates	374	1,601
Long-term prepaid expenses	49	91
Other	2,653	2,737
Allowance for doubtful accounts	(2,489)	(2,812)
Total investments and other assets	13,199	16,673
Total non-current assets	28,806	31,001
Total assets	117,719	124,046

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes payable - trade	153	91
Electronically recorded obligations - operating	4,390	4,157
Accounts payable for construction contracts	16,951	17,012
Short-term borrowings	650	2,150
Current portion of convertible-bond-type bonds with share acquisition rights	18	—
Lease liabilities	19	16
Income taxes payable	226	2,179
Accrued consumption taxes	1,535	—
Advances received on construction contracts in progress	6,100	3,828
Deposits received	15,539	17,690
Provision for warranties for completed construction	654	521
Provision for bonuses	367	493
Provision for loss on construction contracts	1,301	1,354
Provision for shareholder benefit program	12	35
Provision for performance-linked compensation	31	55
Other	486	638
Total current liabilities	48,439	50,227
Non-current liabilities		
Long-term borrowings	6,000	6,000
Lease liabilities	30	14
Deferred tax liabilities	463	1,282
Provision for retirement benefits	4,648	4,797
Provision for share awards	182	168
Other	268	344
Total non-current liabilities	11,594	12,605
Total liabilities	60,033	62,833
Net assets		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus		
Legal capital surplus	10,000	10,000
Other capital surplus	32,377	32,334
Total capital surplus	42,377	42,334
Retained earnings		
Legal retained earnings	1,105	1,105
Other retained earnings		
Reserve for tax purpose reduction entry of non-current assets	109	104
General reserve	815	815
Retained earnings brought forward	3,028	4,434
Total retained earnings	5,058	6,459
Treasury shares	(1,950)	(1,834)
Total shareholders' equity	55,485	56,959
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2,135	4,221
Total valuation and translation adjustments	2,135	4,221
Share acquisition rights	65	31
Total net assets	57,686	61,213
Total liabilities and net assets	117,719	124,046

Non-consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales		
Net sales of completed construction contracts	99,030	102,938
Total net sales	99,030	102,938
Cost of sales		
Cost of sales of completed construction contracts	91,034	92,617
Total cost of sales	91,034	92,617
Gross profit		
Gross profit on completed construction contracts	7,995	10,320
Total gross profit	7,995	10,320
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	185	186
Employees' salaries and allowances	2,096	2,293
Provision for bonuses	87	122
Retirement benefit expenses	113	95
Provision for share awards	25	14
Provision for shareholder benefit program	12	35
Provision for performance-linked compensation	31	55
Legal welfare expenses	354	386
Welfare expenses	74	76
Repair and maintenance expenses	15	21
Stationery expenses	60	74
Communication and transportation expenses	241	277
Power utilities expenses	27	29
Research study expenses	292	340
Advertising expenses	37	43
Entertainment expenses	104	115
Donations	8	18
Rent expenses on land and buildings	151	149
Depreciation	348	418
Taxes and dues	295	343
Insurance expenses	64	60
Miscellaneous expenses	470	499
Total selling, general and administrative expenses	5,100	5,660
Operating profit	2,895	4,660
Non-operating income		
Interest income	51	79
Dividend income	846	1,056
Foreign exchange gains	—	663
Other	69	68
Total non-operating income	967	1,867
Non-operating expenses		
Interest expenses	94	179
Guarantee commission	61	45
Commission expenses	103	125
Provision of allowance for doubtful accounts	12	322
Foreign exchange losses	253	—
Other	49	35
Total non-operating expenses	574	709
Ordinary profit	3,287	5,819

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Extraordinary income		
Gain on sale of non-current assets	240	864
Gain on sale of investment securities	61	405
Reversal of allowance for doubtful accounts	224	0
Other	0	—
Total extraordinary income	527	1,270
Extraordinary losses		
Loss on sale and retirement of non-current assets	2	50
Loss on litigation	8	6
Impairment losses	126	464
Loss on valuation of investment securities	—	425
Other	7	5
Total extraordinary losses	144	952
Profit before income taxes	3,670	6,137
Income taxes - current	225	2,268
Income taxes - deferred	504	(141)
Total income taxes	729	2,126
Profit	2,940	4,010

Non-consolidated statements of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus		Retained earnings				Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Legal retained earnings	Other retained earnings				
					Reserve for tax purpose reduction entry of non-current assets	General reserve	Retained earnings brought forward		
Balance at beginning of period	10,000	10,000	32,446	1,105	111	2,915	(1,535)	(2,116)	52,927
Changes during period									
Reversal of reserve for tax purpose reduction entry of non-current assets					(2)		2		–
Reversal of general reserve						(2,100)	2,100		–
Dividends of surplus							(478)		(478)
Profit (loss)							2,940		2,940
Purchase of treasury shares								(5)	(5)
Disposal of treasury shares			(69)					172	102
Net changes in items other than shareholders' equity									–
Total changes during period	–	–	(69)	–	(2)	(2,100)	4,564	166	2,558
Balance at end of period	10,000	10,000	32,377	1,105	109	815	3,028	(1,950)	55,485

	Valuation and translation adjustments		Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	2,264	2,264	126	55,318
Changes during period				
Reversal of reserve for tax purpose reduction entry of non-current assets				–
Reversal of general reserve				–
Dividends of surplus				(478)
Profit (loss)				2,940
Purchase of treasury shares				(5)
Disposal of treasury shares				102
Net changes in items other than shareholders' equity	(129)	(129)	(61)	(190)
Total changes during period	(129)	(129)	(61)	2,367
Balance at end of period	2,135	2,135	65	57,686

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus		Retained earnings				Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Legal retained earnings	Other retained earnings				
					Reserve for tax purpose reduction entry of non-current assets	General reserve	Retained earnings brought forward		
Balance at beginning of period	10,000	10,000	32,377	1,105	109	815	3,028	(1,950)	55,485
Changes during period									
Reversal of reserve for tax purpose reduction entry of non-current assets					(4)		4		–
Dividends of surplus							(2,609)		(2,609)
Profit (loss)							4,010		4,010
Purchase of treasury shares								(0)	(0)
Disposal of treasury shares			(42)					116	74
Net changes in items other than shareholders' equity									–
Total changes during period	–	–	(42)	–	(4)	–	1,406	115	1,474
Balance at end of period	10,000	10,000	32,334	1,105	104	815	4,434	(1,834)	56,959

	Valuation and translation adjustments		Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	2,135	2,135	65	57,686
Changes during period				
Reversal of reserve for tax purpose reduction entry of non-current assets				–
Dividends of surplus				(2,609)
Profit (loss)				4,010
Purchase of treasury shares				(0)
Disposal of treasury shares				74
Net changes in items other than shareholders' equity	2,086	2,086	(33)	2,052
Total changes during period	2,086	2,086	(33)	3,527
Balance at end of period	4,221	4,221	31	61,213