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August 7, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: FRANCE BED HOLDINGS CO., LTD.
Listing: Tokyo Stock Exchange
Securities code: 7840
URL: https://francebed-hd.co.jp/en/
Representative: Shigeru Ikeda, Representative Director, Chairman and President
Inquiries: Akihiko Osada, Director (in charge of Accounting/General Affairs Group)
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Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: None
Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	14,968	4.2	990	26.6	1,028	30.0	634	33.0
June 30, 2025	14,362	(3.0)	781	(24.1)	791	(23.7)	477	(26.9)

Note: Comprehensive income For the three months ended June 30, 2026: ¥522 million [47.1%]
For the three months ended June 30, 2025: ¥354 million [(34.8)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	19.02	18.44
June 30, 2025	14.13	13.70

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2026	68,167	39,884	58.5	1,195.11
March 31, 2026	67,747	40,162	59.2	1,203.46

Reference: Equity
As of June 30, 2026: ¥39,884 million
As of March 31, 2026: ¥40,162 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	–	17.00	–	24.00	41.00
Fiscal year ending March 31, 2027	–				
Fiscal year ending March 31, 2027 (Forecast)		17.00	–	25.00	42.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. 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 attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	63,400	2.6	4,600	6.1	4,700	8.3	3,070	11.7	92.00

Note: Revisions to the earnings forecasts most recently announced: None

* **Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2026	34,747,500 shares
As of March 31, 2026	34,747,500 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2026	1,374,956 shares
As of March 31, 2026	1,374,956 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2026	33,372,544 shares
Three months ended June 30, 2025	33,767,690 shares

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: None

* Explanation regarding appropriate use of earnings forecasts, and other special matters

Caution regarding forward-looking statements

This document contains forward-looking statements including performance forecasts based on information available to the Company at the time of disclosure and certain assumptions that the Company believes to be reasonable. The Company makes no assurances as to their outcomes. Actual performance may differ substantially from these forecasts owing to a wide range of factors.

Attached Material

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1. Summary of Operating Results, etc.

(1) Summary of Operating Results for the Three Months Ended June 30, 2026

During the three months ended June 30, 2026 (the "period under review"), the Japanese economy experienced a gradual recovery against the backdrop of improvement in the employment and income environment. At the same time, however, the situation remains uncertain due to factors such as ongoing price increases, persistently high raw material and energy prices, and the destabilization of international conditions.

Under these circumstances, the Group bases itself on the management policy of intensively allocating its management resources in the senior-care business and enhancing its operations, which was presented in the medium-term management plan announced in May 2024, and continues to focus our business operations on this field.

During the period under review, the core welfare equipment rental business remained strong against the backdrop of an expanding market, while in the Home Furnishings and Health Business, sales of merchandise with high added value grew. However, in transactions for hospitals and elderly care facilities, the recording of sales from large-scale projects was lower than the level in the same period of the previous fiscal year.

As a result, in terms of operating results of the Group, net sales amounted to 14,968 million yen, up 4.2% year on year, operating profit amounted to 990 million yen, up 26.6% year on year, ordinary profit amounted to 1,028 million yen, up 30.0% year on year, and profit attributable to owners of parent amounted to 634 million yen, up 33.0% year on year.

The performance of each business segment for the period under review is described below:

(i) Medical Services Business

In the core welfare equipment rental business, amid continued market expansion, we focused on strengthening sales personnel, delivery, and maintenance systems, particularly in urban areas, while making efforts to improve labor productivity, such as by streamlining sales, logistics, and maintenance operations. Additionally, we continuously promoted customer transfers to expand rental sales while strengthening services not covered by the long-term care insurance system, focusing on hearing aids, as part of our efforts to enhance services that contribute to improving the quality of life for elderly persons.

In transactions for hospitals and elderly care facilities, the number of orders and the value of orders per project remained weak due to factors such as the deterioration of the market environment caused by the impact of high prices.

In the linen supply business, the bottleneck in the receiving and sorting process that occurred in the previous fiscal year was resolved, leading to improvements in productivity and profitability.

As a result, the Medical Services Business recorded net sales of 9,925 million yen, up 3.2% year on year, and ordinary profit of 745 million yen, up 15.7% year on year.

(ii) Home Furnishings and Health Business

In the Home Furnishings and Health Business, as the slump in consumer confidence for durable consumer goods seen during the previous fiscal year eased, demand for mid- to high-priced products remained strong due to increasing health consciousness.

At nationwide showrooms and exhibitions, we focused on the sales of merchandise with high added value, such as the "LIFE TREATMENT Lex" core mattress series and down quilts, while making efforts to strengthen proposal-based sales through events.

In sales for hotels, we addressed the demand for equipment upgrades and promoted the enhancement of rental service proposals that address demand fluctuations.

As a result, the Home Furnishings and Health Business posted net sales of 4,896 million yen, up 5.8% year on year, and ordinary profit of 303 million yen, up 73.2% year on year.

(2) Summary of Financial Position for the Three Months Ended June 30, 2026

Assets

Total assets increased by 419 million yen from the end of the previous fiscal year ("the previous year-end"), to 68,167 million yen as of June 30, 2026. Current assets increased by 817 million yen to 36,148 million yen from the previous year-end. This was primarily due to a decrease of 1,476 million yen in trade receivables, which was partially offset by increases of 899 million yen in cash and deposits, 500 million yen in securities and 655 million yen in inventories. Non-current assets decreased by 394 million yen from the previous year-end to 31,993 million yen. This result was primarily due to the purchase, depreciation and amortization of property, plant and equipment and intangible assets, as well as a decrease in deferred tax assets which is included in investments and other assets.

Liabilities

Total liabilities increased by 697 million yen from the previous year-end to 28,282 million yen. This result was primarily due to an increase of 1,802 million yen in accrued expenses, despite decreases of 128 million yen in trade payables, 240 million yen in income taxes payable, and 843 million yen of provision for bonuses.

Net assets

Net assets decreased by 278 million yen from the previous year-end to 39,884 million yen. This was primarily due to decreases resulting from the 800 million yen payment of dividends from surplus, which was offset by the 634 million yen profit attributable to owners of parent.

As a result, the equity-to-asset ratio decreased from 59.2% at the previous year-end to 58.5%.

(3) Explanation of Forward-looking Statements Including Consolidated Earnings Forecasts

The consolidated earnings forecasts that we announced in the Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 on May 15, 2026 remain unchanged.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	6,355	7,255
Notes and accounts receivable - trade	9,796	8,488
Electronically recorded monetary claims - operating	1,471	1,303
Securities	8,500	9,000
Merchandise and finished goods	5,476	5,878
Work in process	454	505
Raw materials and supplies	2,124	2,328
Other	1,160	1,392
Allowance for doubtful accounts	(9)	(2)
Total current assets	35,330	36,148
Non-current assets		
Property, plant and equipment		
Land	6,917	6,917
Other, net	13,890	13,871
Total property, plant and equipment	20,808	20,789
Intangible assets		
Goodwill	222	164
Other	739	799
Total intangible assets	962	963
Investments and other assets		
Retirement benefit asset	7,129	7,086
Other	3,488	3,154
Total investments and other assets	10,617	10,240
Total non-current assets	32,388	31,993
Deferred assets	28	25
Total assets	67,747	68,167
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,320	2,187
Electronically recorded obligations - operating	986	991
Short-term borrowings	1,540	1,540
Current portion of long-term borrowings	890	890
Income taxes payable	339	99
Provision for bonuses	1,705	861
Other provisions	45	9
Asset retirement obligations	41	20
Other	5,699	7,663
Total current liabilities	13,568	14,262
Non-current liabilities		
Bonds payable	1,500	1,500
Convertible-bond-type bonds with share acquisition rights	5,029	5,027
Long-term borrowings	3,630	3,585
Provisions	105	92
Retirement benefit liability	427	414
Asset retirement obligations	352	352
Other	2,971	3,048
Total non-current liabilities	14,016	14,020
Total liabilities	27,584	28,282

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Net assets		
Shareholders' equity		
Share capital	3,000	3,000
Capital surplus	0	0
Retained earnings	36,802	36,636
Treasury shares	(1,699)	(1,699)
Total shareholders' equity	38,103	37,936
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(18)	(25)
Deferred gains or losses on hedges	15	15
Remeasurements of defined benefit plans	2,062	1,957
Total accumulated other comprehensive income	2,059	1,947
Total net assets	40,162	39,884
Total liabilities and net assets	67,747	68,167

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income

Quarterly Consolidated Statement of Income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales	14,362	14,968
Cost of sales	6,295	6,487
Gross profit	8,066	8,481
Selling, general and administrative expenses	7,284	7,490
Operating profit	781	990
Non-operating income		
Interest income	14	25
Dividend income	3	19
Other	24	21
Total non-operating income	42	66
Non-operating expenses		
Interest expenses	18	19
Other	15	8
Total non-operating expenses	33	28
Ordinary profit	791	1,028
Extraordinary income		
Gain on sale of non-current assets	0	2
Total extraordinary income	0	2
Extraordinary losses		
Loss on retirement of non-current assets	1	0
Total extraordinary losses	1	0
Profit before income taxes	789	1,030
Income taxes - current	53	46
Income taxes - deferred	258	348
Total income taxes	311	395
Profit	477	634
Profit attributable to owners of parent	477	634

Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit	477	634
Other comprehensive income		
Valuation difference on available-for-sale securities	2	(6)
Deferred gains or losses on hedges	(8)	(0)
Remeasurements of defined benefit plans, net of tax	(116)	(105)
Total other comprehensive income	(122)	(112)
Comprehensive income	354	522
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	354	522
Comprehensive income attributable to non-controlling interests	–	–

(3) Notes Regarding Quarterly Consolidated Financial Statements

Notes on Segment Information, etc.

Information on net sales and profit (loss) by reporting segment

Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(Millions of yen)

	Reporting segment			Other (Note 1)	Total	Adjustments (Note 2)	Amounts reported on quarterly consolidated statement of income (Note 3)
	Medical Services	Home Furnishings and Health	Total				
Net sales							
Sales to external customers	9,608	4,625	14,233	128	14,362	–	14,362
Internal sales among segments or transfers	1	52	53	3	56	(56)	–
Total	9,610	4,677	14,287	131	14,418	(56)	14,362
Segment profit (loss)	643	175	819	0	820	(29)	791

Three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(Millions of yen)

	Reporting segment			Other (Note 1)	Total	Adjustments (Note 2)	Amounts reported on quarterly consolidated statement of income (Note 3)
	Medical Services	Home Furnishings and Health	Total				
Net sales							
Sales to external customers	9,925	4,896	14,821	147	14,968	–	14,968
Internal sales among segments or transfers	0	44	45	1	47	(47)	–
Total	9,925	4,940	14,866	149	15,016	(47)	14,968
Segment profit (loss)	745	303	1,049	1	1,050	(21)	1,028

Notes: 1. The "Other" segment is a business segment not included in any of the reporting segments and includes such businesses as real estate leasing.

2. The details of "Adjustments" are as follows.

Segment profit (loss) (Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Elimination of inter-segment transactions	354	349
Corporate revenue and expenses*	(383)	(370)
Total	(29)	(21)

* Corporate revenue and expenses are primarily revenue and expenses that do not belong to the reporting segments pertaining to the company submitting the consolidated financial statements.

3. Segment profit (loss) is adjusted to be consistent with ordinary profit reported in the quarterly consolidated statements of income.

Notes Regarding Significant Changes in the Amount of Shareholders' Equity

Not applicable.

Notes Regarding the Going Concern Assumption

Not applicable.

Notes Regarding Quarterly Consolidated Statement of Cash Flows

A quarterly consolidated statement of cash flows has not been prepared for the three months ended June 30, 2026. Depreciation (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the three months ended June 30, 2025 and June 30, 2026 are as follows.

(Millions of yen)

	Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)	Three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)
Depreciation	1,269	1,260
Amortization of goodwill	58	58

Notes on Significant Subsequent Events

Absorption-type merger of consolidated subsidiaries

At a meeting of the Board of Directors held on September 26, 2025, the Company resolved to conduct an absorption-type merger with an effective date of July 1, 2026, between its consolidated subsidiary FRANCE BED CO., LTD. and FRANCE BED FURNITURE CO., LTD., a subsidiary of FRANCE BED CO., LTD., with FRANCE BED CO., LTD. as the surviving company. The merger became effective on July 1, 2026.

This merger was conducted between consolidated subsidiaries wholly owned by the Company.

The overview of the merger is as follows.

(i) Method of merger

Absorption-type merger with FRANCE BED CO., LTD. as the surviving company and FRANCE BED FURNITURE CO., LTD. as the disappearing company

(ii) Details of allotments pertaining to the merger

As this merger was conducted between wholly owned subsidiaries under the Company’s complete control, there is no allocation of shares or other monetary considerations.

(iii) Date of merger

July 1, 2026

(iv) Status of transferred assets and liabilities

The assets and liabilities of the dissolved company have been transferred to the surviving company on the date of the merger.

(v) Purpose of merger

To strengthen the revenue base through the consolidation of production bases and reorganization of subsidiaries in the Home Furnishings and Health Business.