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May 15, 2026

## Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

Company name: FRANCE BED HOLDINGS CO., LTD.  
 Listing: Tokyo Stock Exchange  
 Securities code: 7840  
 URL: <https://francebed-hd.co.jp>  
 Representative: Shigeru Ikeda, Representative Director, Chairman and President  
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 Scheduled date of annual general meeting of shareholders: June 24, 2026  
 Scheduled date to commence dividend payments: June 25, 2026  
 Scheduled date to file annual securities report: June 22, 2026  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes

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

### 1. Consolidated financial results for the fiscal 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	%
Fiscal year ended March 31, 2026	61,769	1.9	4,335	(7.7)	4,335	(7.4)	2,746	(6.8)
March 31, 2025	60,561	2.3	4,696	2.3	4,686	0.6	2,946	(5.9)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥2,411 million [(35.0)%]  
 For the fiscal year ended March 31, 2025: ¥3,713 million [9.1%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	82.04	73.49	6.7	6.2	7.0
March 31, 2025	85.28	76.89	7.4	6.7	7.7

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: ¥22 million

#### (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
March 31, 2026	67,747	40,162	59.2	1,203.46
March 31, 2025	70,888	40,607	57.2	1,175.06

Reference: Equity  
 As of March 31, 2026: ¥40,162 million  
 As of March 31, 2025: ¥40,607 million

### (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
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	6,333	(4,323)	(2,876)	12,355
March 31, 2025	7,448	(4,929)	(2,498)	13,223

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	–	17.00	–	23.00	40.00	1,382	46.9	3.5
Fiscal year ended March 31, 2026	–	17.00	–	24.00	41.00	1,368	49.9	3.4
Fiscal year ending March 31, 2027 (Forecast)	–	17.00	–	25.00	42.00		45.6	

### 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

**\* Notes**

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

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2026	34,747,500 shares
As of March 31, 2025	34,747,500 shares

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

As of March 31, 2026	1,374,956 shares
As of March 31, 2025	189,920 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	33,471,884 shares
Fiscal year ended March 31, 2025	34,552,595 shares

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

\* 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. For the assumptions underlying the forecasts and precautions when using the forecasts, please refer to 1. Summary of Operating Results, etc.; (4) Future Outlook on page 5 of the accompanying materials.

How to obtain supplementary material on financial results

The Company is scheduled to make a presentation of financial results for institutional investors and securities analysts on Thursday, June 4, 2026. The presentation's handout materials will be posted on the Company's website by the day before the presentation.

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## 1. Summary of Operating Results, etc.

### (1) Summary of Operating Results for the Fiscal Year Ended March 31, 2026

During the fiscal year ended March 31, 2026 (the “period under review”), the Japanese economy saw a trend of gradual recovery against the backdrop of improvement in the employment and income environment and escalating demand from inbound tourists, among others. At the same time, however, the world economic outlook remains uncertain and continues to require a careful assessment of the outlook, on the back of the impact of U.S. tariff policy and increased costs due to continuously rising prices and higher personnel costs as well as growing tensions in the Middle East situation toward the end of the fiscal year.

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 April 2024, and continues to focus our business operations on this field.

In the period under review, in the Medical Services Business, the core welfare equipment rental business remained strong, with an expansion of its contractual base through customer transfers, in addition to a steady response to demand for home care. Additionally, transactions for hospitals and elderly care facilities increased due to the expansion of subsidies aimed at promoting labor-saving measures for businesses. At the same time, in the Home Furnishings and Health Business, property transactions for hotels remained strong against the backdrop of an increase in the number of foreign visitors to Japan. However, the wholesale sales to furniture stores continued to face a severe environment due to a decrease in the number of customers visiting furniture stores and events, on the back of sluggish demand for durable consumer goods as a result of continuously rising prices.

As a result, in terms of operating results of the Group, net sales amounted to 61,769 million yen, up 1.9% year on year.

In terms of profit, operating profit amounted to 4,335 million yen, down 7.7% year on year, ordinary profit amounted to 4,335 million yen, down 7.4% year on year, and profit attributable to owners of parent amounted to 2,746 million yen, down 6.8% year on year, primarily due to increased investments for business expansion, especially in the Medical Services Business, including investments in response to surging distribution costs and expansion in demand, in addition to an increase in personnel expenses resulting from wage hikes.

Effective from the fiscal year ended March 31, 2025, the fiscal year-end of HOMECARE SERVICE YAMAGUCHI Co., Ltd., a consolidated subsidiary, has been changed from October 31 to March 31 in alignment with the consolidated balance sheet date. The fiscal period for said consolidated subsidiary is to encompass the 14 months from February 1, 2024 to March 31, 2025, with respect to the fiscal year ended March 31, 2025 due to this change in the fiscal year-end, and the effect associated with this change in the fiscal year-end has been adjusted through the consolidated statement of income.

Said consolidated subsidiary posted net sales of 415 million yen, operating profit of 71 million yen, ordinary profit of 73 million yen, and profit before income taxes of 72 million yen for the period from February 1, 2024 to March 31, 2024. In regards to the Group’s year on year changes excluding this impact, net sales increased by 1,622 million yen, up 2.6% year on year, operating profit decreased by 290 million yen, down 6.2% year on year, and ordinary profit decreased by 277 million yen, down 6.0% 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 the increasing population of late elderly persons as the baby-boomer generation turns 75 years or older, we increased our number of bed rentals to elderly persons who need low-level care (needed support condition and condition of need for long-term care level 1) in order to meet the demand for home care for elderly persons expected to progress to medium- to high-level care needs under the long-term care insurance system, and also hired sales personnel to increase the number of continual rental contracts and upgraded our fleet of delivery vehicles. Additionally, in response to rising costs such as personnel expenses, we are continuing efforts to improve labor productivity by streamlining service centers with storage and maintenance functions and digitizing contract documents. Furthermore, with respect to the customer transfer initiatives, which are our main focus, we advanced several projects, including a large-scale contract succession that was conducted in June 2025, and thereby contributed to the expansion of rental sales. In addition, on the development side, we are pushing ahead with initiatives for the future, including the adoption of our research and development project for a multifunctional nursing care bed (tentative name) equipped with transfer support functions as a project to receive support from the Japan Agency for Medical Research and Development (AMED).

In transactions for hospitals and elderly care facilities, we proceeded with selling IoT sensor-equipped beds and related IoT equipment as products aimed at enhancing productivity in medical settings and streamlining operations through the introduction of care technology in nursing facilities. Moreover, sales for hospitals in Vietnam expanded against the backdrop of the modernization of the country's medical infrastructure.

In the linen supply business, while increased orders received resulted in temporary costs due to the strain on our laundry capacity in the six months ended September 30, 2025, progress in the development of the system in the nine months ended December 31, 2025 and thereafter led to the expansion of sales with an upward trend in profitability.

As a result, the Medical Services Business recorded net sales of 41,830 million yen, up 3.2% year on year, and ordinary profit of 3,369 million yen, down 6.2% year on year.

In regards to the year on year changes excluding the impact associated with the change of fiscal year for the aforementioned consolidated subsidiary, net sales increased by 1,736 million yen, up 4.3% year on year, and ordinary profit decreased by 149 million yen, down 4.2% year on year.

(ii) Home Furnishings and Health Business

In the Home Furnishings and Health Business, under a challenging environment where spending trends for durable consumer goods were stagnant, we forged ahead with a product strategy primarily targeting the well-off customer base which places value on quality and functionality, rather than relying on price appeals. In addition to a complete overhaul of our "LIFE TREATMENT" core mattress series, we worked to bolster our business performance, primarily through the launch of the "LT Lex" series, a new model featuring enhanced environmental considerations, and the expansion of our product lineup with a focus on merchandise with high added value such as the "Master Select" down quilts.

In sales for hotels, as the number of foreign visitors to Japan exceeded 40 million for the first time in 2025, leading to increased hotel capital investments, there was an increase in orders for the industry's first Eco Mark-certified mattresses, "HOTEL ECO COLLECTION," and demand for bed rentals for hotels expanded, contributing to the growth in sales.

As a result, the Home Furnishings and Health Business posted net sales of 19,380 million yen, down 0.5% year on year, and ordinary profit of 952 million yen, down 10.7% year on year.

**(2) Summary of Financial Position for the Fiscal Year Ended March 31, 2026**Assets

Total assets decreased by 3,140 million yen from the previous year-end to 67,747 million yen as of March 31, 2026. Current assets decreased by 3,152 million yen to 35,330 million yen from the previous year-end. This was primarily due to decreases of 867 million yen in cash and deposits, 1,500 million yen in securities, and 1,231 million yen in inventories. Non-current assets increased by 24 million yen from the previous year-end to 32,388 million yen. This result was primarily due to the purchase and depreciation and amortization of property, plant and equipment, and intangible assets.

Liabilities

Total liabilities decreased by 2,696 million yen from the previous year-end to 27,584 million yen. This result was primarily due to decreases of 1,377 million yen in trade payables, 1,338 million yen in income taxes payable, and 290 million yen in long-term borrowings (including current portion).

Net assets

Net assets decreased by 444 million yen from the previous year-end to 40,162 million yen. This was primarily due to decreases resulting from the 1,362 million yen payment of dividends from surplus and the 1,500 million yen purchase of treasury shares, which was partially offset by the 2,746 million yen profit attributable to owners of parent.

As a result, the equity-to-asset ratio increased from 57.2% at the previous year-end to 59.2%.

**(3) Summary of Cash Flows for the Fiscal Year Ended March 31, 2026**

Cash and cash equivalents decreased by 867 million yen from the previous year-end to 12,355 million yen as of March 31, 2026. Details of individual cash flow items are as follows:

Cash flows from operating activities

Net cash provided by operating activities amounted to 6,333 million yen, compared with 7,448 million yen for the same period of the previous fiscal year. Operating cash inflows included profit before income taxes of 4,253 million yen, the reporting of depreciation (a non-cash item) of 5,033 million yen, and a decrease in inventories of 1,231 million yen, which were partially offset by cash outflows that included a decrease in trade payables of 1,377 million yen and income taxes paid of 2,555 million yen.

Cash flows from investing activities

Net cash used in investing activities amounted to 4,323 million yen, compared with 4,929 million yen for the same period of the previous fiscal year. Investing cash outflows included purchase of securities of 4,500 million yen and purchase of property, plant and equipment of 5,132 million yen, which were partially offset by cash inflows that included redemption of securities of 6,000 million yen.

Cash flows from financing activities

Net cash used in financing activities amounted to 2,876 million yen, compared with 2,498 million yen for the same period of the previous fiscal year. Financing cash outflows included purchase of treasury shares of 1,503 million yen, repayments of finance lease liabilities of 2,899 million yen, and payment of cash dividends of 1,359 million yen, which were partially offset by cash inflows that included sales and leasebacks of 3,175 million yen.

Reference: Cash flow metrics

	FY2022	FY2023	FY2024	FY2025	FY2026
Equity-to-asset ratio (%)	58.3	58.9	55.7	57.2	59.2
Equity-to-asset ratio at market value (%)	49.0	58.9	64.8	63.5	63.6
Ratio of interest-bearing debt to cash flow (number of years)	2.5	1.6	1.6	1.6	1.9
Interest coverage ratio (times)	79.9	100.0	95.2	83.1	78.3

Equity-to-asset ratio: shareholders' equity / total assets

Equity-to-asset ratio at market value: total market capitalization / total assets

Ratio of interest-bearing debt to cash flow: interest-bearing debt / cash flow

Interest coverage ratio: cash flow / interest payment

Notes: 1. Each indicator has been calculated on the basis of consolidated financial figures.

2. Total market capitalization has been calculated on the basis of the number of shares issued excluding treasury shares.

3. Cash flow refers to cash flows from operating activities.

4. Interest-bearing debt includes all liabilities recorded on the consolidated balance sheet on which interest is paid.

**(4) Future Outlook**

We expect the business environment to remain uncertain going forward, given the impact on consumer sentiment of rising prices, etc., persistently high raw material and logistics costs, foreign exchange fluctuation risk, and other factors.

Based on such assessment of the business environment, in the fiscal year ending March 31, 2027, we will put emphasis on improving our profit structure rather than expanding sales volume. We will focus our management resources on businesses and fields with high profit-generating capabilities, review our company-wide cost structure, and work to reduce fixed costs. Specifically, for our Medical Services Business, we will strengthen our organizational structure to expand rental services, particularly in urban areas, enhance our service center functions, and improve cost efficiency by reviewing our business processes. For the Home Furnishings and Health Business, we expect to see the results of the structural reform measures, such as factory reorganization, that were decided upon during the fiscal year ended March 31, 2026, and we will strive to improve profitability by reducing manufacturing and logistics costs, optimizing inventory management, and reviewing our cost structure. At the same time, we will continue to reduce fixed costs by reviewing business processes and consolidating functions across our indirect departments, including our headquarters, and work to improve the company-wide profit structure.

Accordingly, the Group's consolidated results forecasts for the fiscal year ending March 31, 2027 are net sales of 63,400 million yen, operating profit of 4,600 million yen, ordinary profit of 4,700 million yen, and profit attributable to owners of parent of 3,070 million yen.

**(5) Basic Policy for Profit Distribution, and Dividends in FY2026 and FY2027**

To maximize its shareholder value, the Company regards profit distribution to shareholders as one of its key management priorities. The Company decides its dividends by comprehensively taking into account its performance, operating environment and the necessity of enhancing its financial soundness in line with its basic policy of making every effort to maintain stable dividend payments.

Based on this policy, the Company plans to pay a year-end dividend of 24.0 yen per share for FY2026 as announced on May 15, 2025.

The Company plans to place this matter on the proposal of the 23rd annual general meeting of shareholders scheduled for June 2026.

Additionally, for FY2027, the Company plans to pay an interim dividend of 17.0 yen per share and a year-end dividend of 25.0 yen per share for an annual dividend of 42.0 yen per share.

## **2. Basic Approach to Selection of Accounting Standards**

The Group applies the J-GAAP as accounting standards to ensure the comparability of its consolidated financial statements from period to period and among entities.

The Group will appropriately respond to the application of the International Financial Reporting Standards (IFRS) upon taking into account circumstances both in Japan and abroad.

### 3. Consolidated Financial Statements and Primary Notes

#### (1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
Current assets		
Cash and deposits	7,223	6,355
Notes receivable - trade	365	193
Accounts receivable - trade	9,275	9,603
Electronically recorded monetary claims - operating	1,161	1,471
Securities	10,000	8,500
Merchandise and finished goods	6,517	5,476
Work in process	454	454
Raw materials and supplies	2,315	2,124
Other	1,173	1,160
Allowance for doubtful accounts	(2)	(9)
Total current assets	38,483	35,330
Non-current assets		
Property, plant and equipment		
Assets for lease	5,475	5,652
Accumulated depreciation	(3,799)	(4,072)
Assets for lease, net	1,676	1,580
Buildings and structures	18,753	19,209
Accumulated depreciation	(12,485)	(12,911)
Buildings and structures, net	6,268	6,298
Machinery, equipment and vehicles	5,829	6,132
Accumulated depreciation	(4,579)	(4,759)
Machinery, equipment and vehicles, net	1,249	1,372
Tools, furniture and fixtures	3,550	3,661
Accumulated depreciation	(3,160)	(3,183)
Tools, furniture and fixtures, net	390	478
Land	6,914	6,917
Leased assets	14,531	13,972
Accumulated depreciation	(10,813)	(9,851)
Leased assets, net	3,717	4,120
Construction in progress	405	39
Total property, plant and equipment	20,621	20,808
Intangible assets		
Goodwill	457	222
Leased assets	204	55
Software	520	398
Other	119	285
Total intangible assets	1,301	962
Investments and other assets		
Investment securities	326	747
Long-term loans receivable	52	40
Deferred tax assets	1,718	1,609
Retirement benefit asset	7,203	7,129
Other	*1 1,228	*1 1,189
Allowance for doubtful accounts	(89)	(98)
Total investments and other assets	10,440	10,617
Total non-current assets	32,363	32,388
Deferred assets		
Bond issuance costs	41	28
Total deferred assets	41	28
Total assets	70,888	67,747

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	2,666	2,320
Electronically recorded obligations - operating	2,018	986
Short-term borrowings	1,540	1,540
Current portion of long-term borrowings	290	890
Lease liabilities	2,322	2,430
Income taxes payable	1,677	339
Accrued consumption taxes	323	384
Contract liabilities	221	318
Provision for bonuses	1,642	1,705
Provision for bonuses for directors (and other officers)	15	17
Provision for business restructuring	–	28
Asset retirement obligations	14	41
Other	2,813	2,566
Total current liabilities	15,546	13,568
Non-current liabilities		
Bonds payable	1,500	1,500
Convertible-bond-type bonds with share acquisition rights	5,039	5,029
Long-term borrowings	4,520	3,630
Lease liabilities	1,997	2,177
Deferred tax liabilities	20	19
Provision for retirement benefits for directors (and other officers)	90	96
Provision for contingent loss	8	9
Retirement benefit liability	405	427
Asset retirement obligations	361	352
Other	790	775
Total non-current liabilities	14,734	14,016
Total liabilities	30,281	27,584
Net assets		
Shareholders' equity		
Share capital	3,000	3,000
Capital surplus	–	0
Retained earnings	35,418	36,802
Treasury shares	(205)	(1,699)
Total shareholders' equity	38,213	38,103
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(33)	(18)
Deferred gains or losses on hedges	(10)	15
Remeasurements of defined benefit plans	2,437	2,062
Total accumulated other comprehensive income	2,393	2,059
Total net assets	40,607	40,162
Total liabilities and net assets	70,888	67,747

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

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	60,561	61,769
Cost of sales	*1 27,505	*1 27,955
Gross profit	33,056	33,813
Selling, general and administrative expenses	28,359	29,478
Operating profit	4,696	4,335
Non-operating income		
Interest income	34	69
Dividend income	7	8
Subsidy income	10	32
Share of profit of entities accounted for using equity method	22	-
Other	129	101
Total non-operating income	205	211
Non-operating expenses		
Interest expenses	76	72
Compensation expenses	87	92
Other	52	45
Total non-operating expenses	215	210
Ordinary profit	4,686	4,335
Extraordinary income		
Gain on sale of non-current assets	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on sale of non-current assets	45	-
Loss on retirement of non-current assets	7	5
Loss on valuation of investment securities	16	-
Loss on sale of investment securities	4	-
Business restructuring expenses	-	*2 78
Impairment losses	14	-
Total extraordinary losses	88	83
Profit before income taxes	4,599	4,253
Income taxes - current	2,105	1,253
Income taxes - deferred	(453)	254
Total income taxes	1,652	1,507
Profit	2,946	2,746
Profit attributable to owners of parent	2,946	2,746

**Consolidated Statement of Comprehensive Income**

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	2,946	2,746
Other comprehensive income		
Valuation difference on available-for-sale securities	(12)	14
Deferred gains or losses on hedges	(47)	25
Remeasurements of defined benefit plans, net of tax	827	(374)
Total other comprehensive income	767	(334)
Comprehensive income	3,713	2,411
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,713	2,411
Comprehensive income attributable to non-controlling interests	—	—

**(3) Consolidated Statement of Changes in Equity**

FY2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,000	–	37,755	(4,170)	36,584
Changes during period					
Dividends of surplus			(1,347)		(1,347)
Profit attributable to owners of parent			2,946		2,946
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		4		25	29
Cancellation of treasury shares		(3,940)		3,940	–
Transfer from retained earnings to capital surplus		3,936	(3,936)		–
Net changes in items other than shareholders' equity					
Total changes during period	–	–	(2,336)	3,965	1,628
Balance at end of period	3,000	–	35,418	(205)	38,213

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	(20)	37	1,609	1,626	38,211
Changes during period					
Dividends of surplus					(1,347)
Profit attributable to owners of parent					2,946
Purchase of treasury shares					(0)
Disposal of treasury shares					29
Cancellation of treasury shares					–
Transfer from retained earnings to capital surplus					–
Net changes in items other than shareholders' equity	(12)	(47)	827	767	767
Total changes during period	(12)	(47)	827	767	2,395
Balance at end of period	(33)	(10)	2,437	2,393	40,607

FY2026 (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,000	–	35,418	(205)	38,213
Changes during period					
Dividends of surplus			(1,362)		(1,362)
Profit attributable to owners of parent			2,746		2,746
Purchase of treasury shares				(1,500)	(1,500)
Disposal of treasury shares		0		5	6
Net changes in items other than shareholders' equity					
Total changes during period	–	0	1,383	(1,494)	(110)
Balance at end of period	3,000	0	36,802	(1,699)	38,103

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	(33)	(10)	2,437	2,393	40,607
Changes during period					
Dividends of surplus					(1,362)
Profit attributable to owners of parent					2,746
Purchase of treasury shares					(1,500)
Disposal of treasury shares					6
Net changes in items other than shareholders' equity	14	25	(374)	(334)	(334)
Total changes during period	14	25	(374)	(334)	(444)
Balance at end of period	(18)	15	2,062	2,059	40,162

**(4) Consolidated Statement of Cash Flows**

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
<b>Cash flows from operating activities</b>		
Profit before income taxes	4,599	4,253
Depreciation	5,094	5,033
Impairment losses	14	–
Amortization of goodwill	234	234
Loss (gain) on sale of non-current assets	44	(0)
Loss on retirement of non-current assets	7	5
Increase (decrease) in allowance for doubtful accounts	(30)	15
Increase (decrease) in provision for bonuses	75	62
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(59)	5
Increase (decrease) in retirement benefit liability	(40)	22
Increase (decrease) in provision for business restructuring	–	28
Decrease (increase) in retirement benefit asset	(539)	(464)
Increase (decrease) in provision for bonuses for directors (and other officers)	(1)	1
Loss (gain) on sale of investment securities	4	–
Loss (gain) on valuation of investment securities	16	–
Interest and dividend income	(42)	(77)
Interest expenses	76	72
Share of loss (profit) of entities accounted for using equity method	(22)	–
Decrease (increase) in trade receivables	205	(465)
Decrease (increase) in inventories	(851)	1,231
Increase (decrease) in trade payables	(161)	(1,377)
Increase (decrease) in accrued expenses	(131)	59
Other, net	(87)	254
<b>Subtotal</b>	<b>8,403</b>	<b>8,893</b>
Interest and dividends received	34	76
Interest paid	(89)	(80)
Income taxes paid	(900)	(2,555)
<b>Net cash provided by (used in) operating activities</b>	<b>7,448</b>	<b>6,333</b>

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(4,736)	(5,132)
Proceeds from sale of property, plant and equipment	319	0
Purchase of securities	(7,500)	(4,500)
Proceeds from redemption of securities	7,000	6,000
Purchase of investment securities	–	(299)
Proceeds from sale of investment securities	0	–
Purchase of shares of subsidiaries and associates	(54)	(100)
Proceeds from sale of shares of subsidiaries and associates	247	–
Proceeds from collection of loans receivable	9	11
Purchase of intangible assets	(214)	(289)
Payments for asset retirement obligations	–	(14)
Other, net	0	(0)
Net cash provided by (used in) investing activities	(4,929)	(4,323)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(530)	–
Repayments of long-term borrowings	(290)	(290)
Purchase of treasury shares	(0)	(1,503)
Proceeds from sale and leaseback transactions	2,661	3,175
Repayments of lease liabilities	(2,995)	(2,899)
Dividends paid	(1,344)	(1,359)
Net cash provided by (used in) financing activities	(2,498)	(2,876)
Effect of exchange rate change on cash and cash equivalents	–	–
Net increase (decrease) in cash and cash equivalents	20	(867)
Cash and cash equivalents at beginning of period	13,202	13,223
Cash and cash equivalents at end of period	* 13,223	* 12,355

**(5) Notes Regarding Consolidated Financial Statements**  
**Notes Regarding the Going Concern Assumption**

Not applicable.

**Basis of Preparation of Consolidated Financial Statements**

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 8

Names of consolidated subsidiaries:

FRANCE BED CO., LTD.

FRANCE BED FURNITURE CO., LTD.

FRANCE BED SALES CO., LTD.

FB TOMONOKAI CO., LTD.

TOKYO BED CO., LTD.

TSUBASA CO., LTD.

KASHIDASU CO., Ltd.

HEMOCARE SERVICE YAMAGUCHI Co., Ltd.

(2) Names of unconsolidated subsidiaries:

JIANGSU FRANCE BED CO., LTD.

FRANCE BED MEDICAL SERVICE Co., Ltd.

Reason for exclusion from the scope of consolidation

The unconsolidated subsidiaries have been excluded from the scope of consolidation as they are all small in size and their total amounts in terms of total assets, net sales, profit or loss (amount corresponding to equity interest) and retained earnings (amount corresponding to equity interest) do not materially impact the consolidated financial statements.

2. Application of the equity method

(1) Number of affiliates accounted for using equity method:

Not applicable.

(2) The major unconsolidated subsidiaries and affiliates (JIANGSU FRANCE BED CO., LTD. and FRANCE BED MEDICAL SERVICE Co., Ltd.) are not accounted for using the equity method, as their exclusion has a minor impact on the consolidated financial statements in terms of profit or loss (amount corresponding to equity interest) and retained earnings (amount corresponding to equity interest), and is considered immaterial from the overall perspective.

3. Fiscal year of the consolidated subsidiaries

The fiscal year-end for all the consolidated subsidiaries are in alignment with the consolidated balance sheet date.

## 4. Notes regarding accounting policies

## (1) Valuation standards and methods for important assets

## (i) Securities

## a. Available-for-sale securities

- Items other than stock, etc. without market price

Stated at market value. (The difference in valuation is fully charged to net assets, with the cost of securities sold calculated by the moving average method.)

- Stock, etc. without market price

Stated at cost determined by the moving average method.

## b. Investments in other securities of subsidiaries and associates

Stated at cost determined by the moving average method.

## (ii) Derivatives

Stated at market value.

## (iii) Inventories

## a. Merchandise, finished goods and work in process

Stated at cost determined by the first-in, first-out method. (Balance sheet values are calculated by reducing the book values of these assets based on a decline in profitability.)

## b. Raw materials and supplies

Stated at cost determined by the last purchase method. (Balance sheet values are calculated by reducing the book values of these assets based on a decline in profitability.)

## (2) Depreciation method for important depreciable assets

## (i) Property, plant and equipment

The straight-line method is applied.

The estimated useful lives of assets are principally as follows:

Assets for lease	3 to 10 years
Buildings and structures	2 to 50 years
Machinery, equipment and vehicles	2 to 13 years
Tools, furniture and fixtures	2 to 20 years

Assets for lease whose acquisition cost is less than 200,000 yen are equally depreciated over 3 years as lump-sum depreciable assets.

## (ii) Intangible assets

The straight-line method is applied.

Software for internal use is amortized using the straight-line method over the estimated usable period for office use (5 years or 10 years).

## (iii) Leased assets

## a. Leased assets related to finance lease transactions that transfer ownership

The same depreciation method applied to non-current assets owned by the Company is applied.

b. Leased assets related to finance lease transactions that do not transfer ownership

Leased assets related to finance lease transactions not involving the transfer of ownership are depreciated on the straight-line method over the lease period of the leased assets, assuming the lease period as the useful life and no residual value.

(iv) Long-term prepaid expenses

Long-term prepaid expenses are equally amortized over the years.

(3) Accounting standards for significant allowances and provisions

(i) Allowance for doubtful accounts

The allowance for doubtful accounts is provided at an amount of possible losses from accounts receivable - trade and other receivables, based on the historical rate of credit losses for general receivables and on the individual collectability for specific receivables such as receivables with default possibility.

(ii) Provision for bonuses

The provision for bonuses for employees is provided at the amount borne for the fiscal year under review of the estimated amounts to be paid.

(iii) Provision for bonuses for directors (and other officers)

The provision for bonuses for directors (and other officers) is provided at an amount based on the estimated amount to be paid in the fiscal year under review.

(iv) Provision for retirement benefits for directors (and other officers)

The provision for retirement benefits for directors (and other officers) is provided at an amount required to be paid at the end of the fiscal year under review, based on internal rules and regulations.

(v) Provision for contingent loss

The provision for contingent loss is provided at an amount considered necessary, with a reasonable estimate for possible future contingencies.

(vi) Provision for business restructuring

The provision for business restructuring is provided at a reasonably estimated amount for the fiscal year under review for possible losses from a consolidation and reorganization plan of production bases in the Home Furnishings and Health Business.

(4) Method and period of goodwill amortization

Goodwill is amortized equally over the reasonably estimated period of time during which the investment is expected to yield benefits.

(5) Accounting method for retirement benefits

(i) Method for attributing expected retirement benefits to periods of service

In calculating the amount of retirement benefit obligations, the projected benefit method is adopted for attributing estimated retirement benefits over the period up to the end of the fiscal year under review.

(ii) Treatment of actuarial gains or losses and prior service costs

Prior service costs are amortized using the straight-line method over a certain number of years (10 years) within the average remaining years of service of the eligible employees at the time of occurrence of such costs.

Actuarial gains or losses are amortized using the straight-line method over a certain number of years (primarily 10 years) within the average remaining years of service of the eligible employees at the time of recognition, and allocated proportionately from the fiscal year following the respective fiscal year of recognition.

- (iii) Accounting treatment of unrecognized actuarial gains or losses and unrecognized prior service costs

Unrecognized actuarial gains or losses and unrecognized prior service costs are recorded after adjustments for tax effects, as remeasurements of defined benefit plans under accumulated other comprehensive income in net assets.

- (iv) Adoption of the simplified method by companies that are small in size

Certain consolidated subsidiaries, in the calculation of retirement benefit liability and retirement benefit expenses, apply the simplified method in which the amount to be required at the year-end for voluntary termination is used as retirement benefit obligations.

- (6) Accounting standards for significant income and expenses

The Group's main business is the manufacture, rental, retail sale, and wholesale of medical and nursing-care beds and welfare equipment; home renovation; linen supply for hospitals, hotels, and other facilities in the Medical Services Business, as well as the manufacture and wholesale of beds, furniture, bedding, health equipment, and other products in the Home Furnishings and Health Business.

Income related to the sale of merchandise or goods is mainly from wholesale or from sale through manufacturing, etc., and the Group bears a performance obligation to deliver merchandise or goods in accordance with sales contracts concluded with customers. At the moment of delivery of merchandise or goods, the customer gains control over the merchandise or goods and the performance obligation is deemed to be satisfied, with revenue recognized at the time of arrival or acceptance of the merchandise or goods.

For construction contracts, in cases where control over goods or services is transferred to the customer for a certain period of time, we recognize revenue over a certain period of time as we satisfy the performance obligation to transfer goods or services to the customer. For construction contracts in which the period from the date of commencement of transactions to the time when the performance obligation is expected to be fully satisfied is very short, we recognize revenue when the performance obligation has been fully satisfied by applying alternative treatment, without recognizing revenue over a certain period of time.

Rental transactions in the Medical Services Business fall under "lease transactions," which are exempted from the Revenue Recognition Accounting Standard, and thus are not included in the revenue generated from contracts with customers.

Consideration for transactions is received within 1 year of fulfilling the performance obligation and does not include significant financial components.

- (7) Significant hedge accounting

- (i) Method of hedge accounting

Deferral hedge accounting has been adopted. Designated hedge accounting is applied to certain monetary receivables and payables denominated in foreign currencies hedged by forward exchange.

- (ii) Hedging instruments and hedged items

- a. Hedging instruments

Derivative transactions (forward exchange contracts)

- b. Hedged items

Monetary receivables and payables denominated in foreign currencies exposed to exchange rate fluctuation risk (including foreign currency denominated forecasted transactions).

## (iii) Hedging policy

Derivative transactions are conducted mainly for the purpose of hedging the foreign exchange fluctuation risks associated with imports of raw materials and merchandise. In undertaking derivative transactions, they are controlled so that the hedge ratio is maintained to be over a certain level with the planned transaction amount as the maximum limit.

## (iv) Method of evaluating hedge effectiveness

## a. Prospective test

Verifies whether the transaction is consistent with the “Market Risk Management Rules” and the “Risk Management Guidelines.”

## b. Retrospective test

Verifies whether the market and cash flow fluctuations were avoided, for exchange rate fluctuation risk in foreign currency denominated transactions.

## (8) Scope of cash and cash equivalents in the consolidated statement of cash flows

Cash and cash equivalents are composed of cash on hand, deposits that can be withdrawn at any time and short-term investments that are readily convertible into cash and face only slight risks of fluctuation in value with redemption due dates arriving within three months from the acquisition date.

## (9) Treatment of deferred assets

Bond issuance costs are amortized over the redemption period of the bonds using the straight-line method.

## (10) Other significant matters for preparing consolidated financial statements

## Accounting for non-deductible consumption taxes

Non-deductible consumption taxes related to non-current assets are treated as periodic expenses attributable to the fiscal year under review.

**Notes on Changes in Method of Presentation**

## Consolidated Statement of Income

“Compensation income” under “non-operating income,” which was separately shown in the fiscal year ended March 31, 2025, is included in “other” from the fiscal year ended March 31, 2026, because the amount was not more than 10/100 of the total non-operating income. “Subsidy income,” which was included in “other” under “non-operating income” in the fiscal year ended March 31, 2025, is separately shown from the fiscal year ended March 31, 2026, because the amount exceeded 10/100 of the total non-operating income. Consolidated financial statements for the fiscal year ended March 31, 2025 have been restated in order to reflect these changes in the method of presentation.

As a result, “compensation income” of 37 million yen and “other” of 103 million yen, which were shown under “non-operating income” in the consolidated statement of income for the fiscal year ended March 31, 2025, have been reclassified as “subsidy income” of 10 million yen and “other” of 129 million yen.

**Notes Regarding Consolidated Balance Sheet****\*1. Pledged assets and secured liabilities**

Assets pledged as collateral are as follows:

(Millions of yen)		
	As of March 31, 2025	As of March 31, 2026
Other (guarantee deposits)	9	9

There are no secured liabilities corresponding to the above assets pledged as collateral.

**2. Contingent liabilities (Guarantee obligations)**

(1) The Group provides guarantees for the following loans.

(Millions of yen)		
	As of March 31, 2025	As of March 31, 2026
Employees	2	1

(2) The Group provides guarantees for a lease contract by the following company.

(Millions of yen)		
	As of March 31, 2025	As of March 31, 2026
KASHIDASU CO., Ltd.	34	61

(3) There is a possibility that the following liability will be incurred in relation to the following company's deposit entrustment contract for the security money for prepaid services.

(Millions of yen)		
	As of March 31, 2025	As of March 31, 2026
FB TOMONOKAI CO., LTD.	534	531

**Notes Regarding Consolidated Statement of Income**

\*1. The balance sheet values of inventories reflected a reduction in book value due to a decline in profitability, and the following loss on valuation of inventories was included in cost of sales.

(Millions of yen)		
	FY2025 (from April 1, 2024 to March 31, 2025)	FY2026 (from April 1, 2025 to March 31, 2026)
	180	217

**\*2. Business restructuring expenses**

Business restructuring expenses refer to losses from a consolidation and reorganization plan of production bases in the Home Furnishings and Health Business, which are mainly comprised of loss on disposal of inventories at FRANCE BED CO., LTD., and loss on disposal of inventories, loss on disposal of non-current assets, and special additional retirement benefits at FRANCE BED FURNITURE CO., LTD. Both companies are consolidated subsidiaries.

Business restructuring expenses include provision for business restructuring of 28 million yen.

**Notes Regarding Consolidated Statement of Changes in Equity**

FY2025 (from April 1, 2024 to March 31, 2025)

## 1. Class and total number of issued shares, and class and number of treasury shares

(Thousand shares)

	Number of shares at beginning of the fiscal year	Increase	Decrease	Number of shares at end of the fiscal year
Issued shares				
Common shares (Note 1)	38,397	–	3,650	34,747
Total	38,397	–	3,650	34,747
Treasury shares				
Common shares (Notes 2, 3)	3,859	3	3,673	189
Total	3,859	3	3,673	189

- Notes: 1. The decrease of 3,650 thousand shares in the total number of issued common shares consists of cancellation of treasury shares by resolution of the Board of Directors.
2. The increase of 3 thousand shares in the number of common shares held as treasury shares consists of a gratis acquisition of 3 thousand shares through restricted stock-based remuneration and a purchase of 0 thousand shares representing less than one unit.
3. The decrease of 3,673 thousand shares in the number of common shares held as treasury shares consists of a cancellation of 3,650 thousand treasury shares and a disposal of 23 thousand treasury shares by resolution of the Board of Directors.

## 2. Dividends

## (1) Amounts paid

(Resolution)	Class of shares	Total dividends paid (Millions of yen)	Dividend per share (Yen)	Dividend record date	Effective date
June 25, 2024 Annual general meeting of shareholders	Common shares	759	22.00	March 31, 2024	June 26, 2024
November 8, 2024 Board of Directors' meeting	Common shares	587	17.00	September 30, 2024	December 5, 2024

## (2) Dividends for which the record date is during the fiscal year under review, but the effective date is in the following fiscal year

(Resolution)	Class of shares	Total dividends paid (Millions of yen)	Source of dividends	Dividend per share (Yen)	Dividend record date	Effective date
June 24, 2025 Annual general meeting of shareholders	Common shares	794	Retained earnings	23.00	March 31, 2025	June 25, 2025

FY2026 (from April 1, 2025 to March 31, 2026)

## 1. Class and total number of issued shares, and class and number of treasury shares

(Thousand shares)

	Number of shares at beginning of the fiscal year	Increase	Decrease	Number of shares at end of the fiscal year
Issued shares				
Common shares	34,747	–	–	34,747
Total	34,747	–	–	34,747
Treasury shares				
Common shares (Notes 1, 2)	189	1,189	4	1,374
Total	189	1,189	4	1,374

Notes: 1. The increase of 1,189 thousand shares in the number of common shares held as treasury shares consists of a purchase of 1,184 thousand treasury shares, a gratis acquisition of 4 thousand shares through restricted stock-based remuneration, and a purchase of 0 thousand shares representing less than one unit by resolution of the Board of Directors.

2. The decrease of 4 thousand shares in the number of common shares held as treasury shares consists of a disposal of 4 thousand treasury shares by resolution of the Board of Directors.

## 2. Dividends

## (1) Amounts paid

(Resolution)	Class of shares	Total dividends paid (Millions of yen)	Dividend per share (Yen)	Dividend record date	Effective date
June 24, 2025 Annual general meeting of shareholders	Common shares	794	23.00	March 31, 2025	June 25, 2025
November 7, 2025 Board of Directors' meeting	Common shares	567	17.00	September 30, 2025	December 5, 2025

(2) Dividends for which the record date is during the fiscal year under review, but the effective date is in the following fiscal year

The following matters are to be resolved.

(Resolution)	Class of shares	Total dividends paid (Millions of yen)	Source of dividends	Dividend per share (Yen)	Dividend record date	Effective date
June 24, 2026 Annual general meeting of shareholders	Common shares	800	Retained earnings	24.00	March 31, 2026	June 25, 2026

**Notes Regarding Consolidated Statement of Cash Flows**

- \* Reconciliation of closing balance of cash and cash equivalents and the related account on the consolidated balance sheet

	(Millions of yen)	
	FY2025 (from April 1, 2024 to March 31, 2025)	FY2026 (from April 1, 2025 to March 31, 2026)
Cash and deposits	7,223	6,355
Securities	10,000	8,500
Designated joint operating money trust, etc. with maturities of more than three months when purchased	(4,000)	(2,500)
Cash and cash equivalents	13,223	12,355

**Notes on Segment Information, etc.**

## 1. Summary of reporting segments

The reportable segments of the Group are components of the Group for which discrete financial information is available and regularly reviewed by the Board of Directors to make decisions about allocation of managerial resources and to assess their performance.

The Group identifies the business segments based on similarities in the goods and services provided and other factors. It has two reporting segments: the Medical Services Business, and the Home Furnishings and Health Business.

The main goods and services of each reporting segment are as follows.

Medical Services: Manufacture, procurement, rental, retail sale and wholesale of medical and nursing-care beds and welfare equipment, and linen supply for hospitals, hotels, and other facilities

Home Furnishings and Health: Manufacture, procurement, wholesale and door-to-door sale of beds, furniture, bedding, health appliances, and other products, and advertising and setting up of exhibition venues

## 2. Method of calculating net sales, profit (loss), assets and other items by reporting segment

The accounting method for the business segments that are reportable is the same as described in “Basis of Preparation of Consolidated Financial Statements.”

Profit figures for reporting segments are expressed in terms of ordinary profit.

Intersegment revenue or transfers are based on actual market price.

3. Information on net sales, profit (loss), assets and other items by reporting segment  
FY2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reporting segment			Other (Note 1)	Total	Adjustments (Note 2)	Carrying amount (Note 3)
	Medical Services	Home Furnishings and Health	Total				
Net sales							
Sales to external customers	40,509	19,481	59,990	571	60,561	–	60,561
Internal sales among segments or transfers	1	313	315	12	327	(327)	–
Total	40,511	19,794	60,306	583	60,889	(327)	60,561
Segment profit	3,592	1,067	4,660	4	4,664	22	4,686
Segment assets	48,207	25,424	73,632	826	74,458	(3,570)	70,888
Other items							
Depreciation	4,535	537	5,072	14	5,087	6	5,094
Impairment losses	–	–	–	14	14	–	14
Increase in property, plant and equipment and intangible assets	4,637	306	4,944	0	4,944	–	4,944

FY2026 (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reporting segment			Other (Note 1)	Total	Adjustments (Note 2)	Carrying amount (Note 3)
	Medical Services	Home Furnishings and Health	Total				
Net sales							
Sales to external customers	41,830	19,380	61,211	557	61,769	–	61,769
Internal sales among segments or transfers	3	313	317	11	328	(328)	–
Total	41,834	19,694	61,528	569	62,097	(328)	61,769
Segment profit	3,369	952	4,322	3	4,326	9	4,335
Segment assets	47,355	24,985	72,341	813	73,155	(5,407)	67,747
Other items							
Depreciation	4,450	559	5,010	16	5,026	7	5,033
Impairment losses	–	–	–	–	–	–	–
Increase in property, plant and equipment and intangible assets	4,711	282	4,994	–	4,994	1	4,995

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

(Millions of yen)

	FY2025	FY2026
Elimination of inter-segment transactions	1,576	1,615
Corporate revenue and expenses*	(1,554)	(1,606)
Total	22	9

\* 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.

Segment assets (Millions of yen)

	FY2025	FY2026
Elimination of inter-segment transactions	(23,771)	(23,244)
Corporate assets*	20,201	17,837
Total	(3,570)	(5,407)

\* Corporate assets are primarily assets that do not belong to the reporting segments pertaining to the company submitting the consolidated financial statements.

3. Segment profit is adjusted to be consistent with ordinary profit reported in the consolidated financial statements.

### Notes on Per Share Information

(Yen)

	FY2025 (from April 1, 2024 to March 31, 2025)	FY2026 (from April 1, 2025 to March 31, 2026)
Net assets per share	1,175.06	1,203.46
Basic earnings per share	85.28	82.04
Diluted earnings per share	76.89	73.49

Note: The basis for calculating basic earnings per share and diluted earnings per share is as follows:

	FY2025 (from April 1, 2024 to March 31, 2025)	FY2026 (from April 1, 2025 to March 31, 2026)
Basic earnings per share		
Profit attributable to owners of parent (Millions of yen)	2,946	2,746
Amount not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent relating to common shares (Millions of yen)	2,946	2,746
Average number of common shares outstanding during the fiscal year (Thousand shares)	34,552	33,471
Diluted earnings per share		
Adjustments to profit attributable to owners of parent (Millions of yen)	(6)	(6)
(Interest expenses included in the above, after deducting the amount equivalent to taxes) (Millions of yen)	(6)	(6)
Increase in the number of common shares (Thousand shares)	3,678	3,796
(Convertible-bond-type bonds with share acquisition rights included in the above) (Thousand shares)	3,678	3,796
Summary of potentially dilutive shares not included in the calculation of diluted earnings per share due to the absence of dilutive effects	—	—

### Notes on Significant Subsequent Events

Not applicable.