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Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)

November 6, 2025

Company name: Daitobo Co., Ltd.
 Listing: Tokyo Stock Exchange / Nagoya Stock Exchange
 Securities code: 3202 URL: <https://www.daitobo.co.jp/>
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 Scheduled date of submission of semiannual report: November 6, 2025
 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.)

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025, to September 30, 2025)

(1) Consolidated operating results (cumulative)

(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	%
Six months ended								
September 30, 2025	1,919	(4.0)	132	(22.9)	36	(50.7)	31	(17.1)
September 30, 2024	2,000	6.2	171	20.4	73	27.4	38	(21.0)

Note: Comprehensive income For the six months ended September 30, 2025: 67 million yen (8.5%)
 For the six months ended September 30, 2024: 73 million yen (17.6%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended		
September 30, 2025	1.06	1.06
September 30, 2024	1.28	1.27

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
September 30, 2025	20,188	4,892	24.2
March 31, 2025	20,036	4,924	24.5

Reference: Equity As of September 30, 2025: 4,885 million yen
 As of March 31, 2025: 4,918 million yen

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 31,2025	-	0.00	-	3.00	3.00
Fiscal year ending March 31,2026	-	0.00			
Fiscal year ending March 31,2026 (Forecast)			-	3.00	3.00

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

3. Consolidated Financial Forecast for the Fiscal Year Ending March 2026 (from April 1, 2025, to March 31, 2026)

(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
Year ending March 31,2026	4,600	12.0	370	17.3	160	31.2	100	82.0	3.33

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

*** Notes**

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

Newly included: - company (Company name)

Excluded: - company (Company name)

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

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

① Changes in accounting policies due to revisions to accounting standards and other regulations: None

② Changes in accounting policies due to other reasons: None

③ Changes in accounting estimates: None

④ Restatement: None

(4) Number of issued shares (common shares)

① Total number of issued shares at the end of the period (including treasury shares)

As of September 30,2025	30,360,000 shares
As of March 31,2025	30,360,000 shares

② Number of treasury shares at the end of the period

As of September 30,2025	438,788 shares
As of March 31,2025	333,713 shares

③ Average number of shares outstanding during the period (interim)

Six months ended September 30 2025	29,955,023 shares
Six months ended September 30 2024	30,063,758 shares

* The financial results for the second quarter (interim period) are not subject to review by certified public accountants or audit corporations.

* Proper use of earnings forecasts, and other special matters

The business forecasts are judged based on information available at present, and actual results may differ from the forecast figures due to various factors in the future.

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1. Overview of Operating Results and Financial Position

(1) Overview of Operating Results for the Current Interim Period

During the interim consolidated accounting period, Japan's economy continued its moderate recovery, with personal consumption rebounding due to improvements in employment and income conditions. However, the impact of U.S. tariff measures and the prolonged record heat affected some industries, such as the automotive industry and autumn demand, which showed sluggish growth. Additionally, the continued rise in prices posed a risk of dampening consumer sentiment, and there was a need to pay attention to various domestic and international trends, such as fluctuations in the domestic financial capital market and geopolitical risks.

In this context, our group has been diligently working on various measures based on the medium-term management plan "Jumping over the 130th – Towards a Future of Growth".

In the Commercial Property Business, although there is an increased depreciation burden due to ongoing equipment renewal investments at "SUN TO MOON Kakitagawa," one of the leading commercial facilities in Shizuoka Prefecture, the market conditions have remained firm, and we have been accurately responding to the needs of local residents and tenants. Especially in the summer, the success of hit Japanese films contributed to the overall performance of the facility, and the business continued to perform well. In the Health Care Business, although the market conditions have remained firm due to the increasing demand for health, delays in material procurement in the manufacturing department in response to increased demand, and time-consuming internal activities such as inventory disposal have hindered new development activities, resulting in stagnant sales and difficulties. In this situation, we have continued to strengthen integrated production and sales activities, such as enhancing efforts to improve productivity. In the Textile Business, the gradual recovery of the apparel industry and the continued steady movement in the government demand uniform industry, centered on defense-related areas, have led to generally favorable business performance.

As a result, for the interim consolidated accounting period, net sales were 1,919 million yen (down 4.0% year-on-year), operating profit was 132 million yen (down 22.9% year-on-year), and ordinary profit, including interest expenses, was 36 million yen (down 50.7% year-on-year). After accounting for corporate tax adjustments, interim net profit attributable to owners of the parent was 31 million yen (down 17.1% year-on-year).

The operating results by segment are as follows.

(Commercial Property Business)

In the Commercial Property Business, at "SUN TO MOON Kakitagawa," one of the leading commercial facilities in Shizuoka Prefecture, sales exceeded the previous year's level due to improved market conditions. However, the increase in depreciation expenses due to continued equipment renewal investments impacted on operating profit, which fell below the previous year's level.

As a result, while net sales in the Commercial Facility Business increased to 1,119 million yen (up 1.1% year-on-year), the increased depreciation burden affected profitability, and operating profit was 445 million yen (down 2.8% year-on-year).

(Health Care Business)

In the Health Business Division, despite solid demand, overall performance was sluggish due to delays in material procurement and the prolonged heatwave, resulting in sales falling below the previous year's level. In the General Bedding Division, although spring items were sluggish due to adverse weather conditions, there was a trend of early procurement of winter items, and staple products like alpaca blankets performed well, resulting in sales exceeding the previous year's level. In terms of profitability, although there was a reduction in sales and administrative expenses due to a decrease in personnel, the decline in sales and gross profit margin impacted results, leading to a wider operating loss.

As a result, net sales in the Health Care Business were 466 million yen (down 13.3% year-on-year), and the operating loss was 16 million yen (compared to an operating loss of 8 million yen in the previous year).

(Textile Business)

In the Textile Division, while government demand uniforms continued to perform well, they remained at the same level as the previous year, which was also strong. In the Products Division, although there were new orders, the loss of major clients impacted sales, which fell below the previous year's level. In terms of profitability, while the Products Division remained flat, the Textile Division was unable to absorb the increase in labor costs due to personnel expansion and the rise in some material costs, resulting in operating profit falling below the previous year's level.

As a result, net sales in the Textile Business were 333 million yen (down 5.9% year-on-year), and operating profit was 8 million yen (down 65.6% year-on-year), but we maintained a profit.

(2) Overview of Financial Position for the Current Interim Period

(Assets, Liabilities, and Net Assets)

The balance of total assets at the end of the interim consolidated accounting period was 20,188 million yen, an increase of 151 million yen from the end of the previous period. The main factors were an increase of 155 million yen in cash and deposits in current assets, a decrease of 113 million yen in notes and accounts receivable due to collection of receivables, and an increase of 98 million yen in tangible fixed assets due to 345 million yen in capital investment and 246 million yen in depreciation expenses in fixed assets.

The balance of liabilities was 15,296 million yen, an increase of 183 million yen from the end of the previous period. The main factors were a decrease of 67 million yen in notes and accounts payable due to payment of purchase obligations, a reversal of 46 million yen in provision for shareholder benefit program, an increase of 109 million yen in borrowings due to new borrowings of 400 million yen and scheduled repayments of 290 million yen, and an increase of 174 million yen in other liabilities due to an increase of 263 million yen in lease obligations.

The balance of net assets was 4,892 million yen, a decrease of 31 million yen from the end of the previous period. The main factors were a decrease of 58 million yen in retained earnings due to the payment of 90 million yen in dividends against the interim net profit attributable to owners of the parent of 31 million yen, and an increase of 43 million yen in valuation difference on available-for-sale securities due to the rise in the stock price of held shares.

(Cash Flow)

The cash flow status and their factors during the interim consolidated accounting period are as follows.

(Cash flows from operating activities.)

Cash flows from operating activities were a positive 269 million yen (up 192.9% year-on-year). This was mainly due to interim net profit before tax adjustments of 36 million yen, depreciation expenses of 254 million yen, a decrease of 46 million yen in provision for shareholder benefit program, a decrease of 97 million yen in sales receivables, and a decrease of 67 million yen in purchase obligations.

(Cash flows from investing activities.)

Cash flows from investing activities were a negative 100 million yen (compared to a negative 79 million yen in the previous year). This was due to expenditures of 100 million yen for the acquisition of tangible and intangible fixed assets.

(Cash flows from financing activities.)

Cash flows from financing activities were a negative 13 million yen (compared to a negative 180 million yen in the previous year). This was mainly due to income of 400 million yen from long-term borrowings, expenditures of 290 million yen for the repayment of long-term borrowings, expenditures of 21 million yen for the repayment of lease obligations, an increase in treasury stock of 10 million yen and dividend payments of 89 million yen.

As a result of these activities, the balance of cash and cash equivalents at the end of the interim consolidated accounting period was 1,104 million yen (up 20.0% year-on-year), an increase of 155 million yen from the end of the previous period.

(3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Information.

There are no changes to the forecast figures announced on May 8, 2025. Please note that the earnings forecast is based on information available as of the date of this document's release, and actual results may differ from the forecast figures due to several factors in the future.

2. Interim Consolidated Financial Statements and Main Notes

(1) Interim Consolidated Balance Sheet

(Unit: Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current Assets		
Cash and Deposits	959,664	1,114,746
Notes and Accounts Receivable - Trade	572,866	458,884
Inventories	820,792	795,092
Others	51,380	41,376
Allowance for Doubtful Accounts	(1,290)	(1,120)
Total Current Assets	2,403,413	2,408,980
Non-current Assets		
Property, Plant and Equipment		
Buildings and Structures, net	7,387,514	7,249,075
Land	9,267,467	9,267,467
Other, net	301,228	538,493
Total Property, Plant and Equipment	16,956,210	17,055,036
Intangible Assets		
Goodwill	113,664	106,460
Others	6,406	4,918
Total Intangible Assets	120,071	111,378
Investments and Other Assets		
Investment Securities	443,136	510,624
Bankruptcy and reorganization claims	83,256	83,256
Deferred Tax Assets	1,914	2,121
Others	108,965	97,091
Allowance for Doubtful Accounts	(80,228)	(80,228)
Total Investments and Other Assets	557,043	612,865
Total Non-current Assets	17,633,325	17,779,281
Total Assets	20,036,739	20,188,262

(Unit: Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current Liabilities		
Notes and Accounts Payable-Trade	351,682	284,048
Short-term Borrowings	581,328	4,356,020
Income Taxes Payable	3,069	19,227
Provision for Bonuses	39,953	41,612
Provision for Shareholder Benefit Program	46,500	-
Others	700,663	627,784
Total Current Liabilities	1,723,196	5,328,693
Non-current Liabilities		
Long-term Borrowings	8,967,610	5,302,254
Long-term Deposits Received	1,255,809	1,223,391
Deferred Tax Liabilities	19,154	24,110
Deferred Tax Liabilities on Revaluation	2,536,636	2,536,636
Retirement Benefit Liability	313,580	332,962
Asset Retirement Obligations	71,022	75,026
Others	225,722	473,052
Total Non-current Liabilities	13,389,534	9,967,434
Total Liabilities	15,112,730	15,296,127
Net Assets		
Shareholders' Equity		
Share Capital	100,000	100,000
Capital Surplus	30,466	30,466
Retained Earnings	132,531	74,163
Treasury Shares	(33,002)	(43,434)
Total Shareholders' Equity	229,996	161,196
Accumulated Other Comprehensive Income		
Valuation Difference on Available-for-sale Securities	68,022	111,036
Deferred Gains or Losses on Hedges	15,712	8,205
Revaluation Reserve for Land	4,604,723	4,604,723
Total Accumulated Other Comprehensive Income	4,688,458	4,723,965
Share Acquisition Rights	5,554	6,973
Total Net Assets	4,924,009	4,892,134
Total Liabilities and Net Assets	20,036,739	20,188,262

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

(Interim Consolidated Income Statement)

(Unit: Thousands of yen)

	Six Months Ended September 30, 2024	Six Months Ended September 30, 2025
Net Sales:	2,000,641	1,919,867
Cost of Sales	1,334,305	1,290,562
Gross Profit	666,336	629,304
Selling, General and Administrative Expenses	494,404	496,693
Operating Profit	171,932	132,611
Non-Operating Income		
Interest Income	3	25
Dividend Income	4,844	9,753
Share of Profit of Entities Accounted for Using Equity Method	1,121	873
Others	204	364
Total Non-operating Income	6,173	11,016
Non-Operating Expenses		
Interest Expense	102,385	104,911
Others	1,996	2,401
Total Non-operating Expenses	104,381	107,312
Ordinary Profit	73,723	36,315
Interim Net Profit Before Income Taxes	73,723	36,315
Income Taxes – Current	6,666	19,227
Income Taxes - Deferred	28,683	(14,733)
Total Income Taxes	35,350	4,493
Interim Net Profit	38,373	31,821
Interim Net Profit Attributable to Owners of Parent	38,373	31,821

(Interim Consolidated Statement of Comprehensive Income)

(Unit: Thousands of yen)

	September 30, 2024	Six Months Ended September 30, 2025
Interim Net Profit	38,373	31,821
Other Comprehensive Income		
Valuation Difference on Available-for-sale Securities	(21,221)	43,013
Deferred Gains or Losses on Hedges	56,469	(7,506)
Total Other Comprehensive Income	35,248	35,507
Interim Comprehensive Income	73,622	67,328
Comprehensive Income Attributable to		
Interim Comprehensive Income Attributable to Owners of Parent	73,622	67,328
Interim Comprehensive Income Attributable to Non- controlling Interests	-	-

(3) Interim Consolidated Statement of Cash Flows

(Unit: Thousands of yen)

	Six Months Ended September 30, 2024	Six Months Ended September 30, 2025
Cash Flow from Operating Activities		
Interim Net Profit Before Income Taxes	73,723	36,315
Depreciation	243,430	254,763
Increase (Decrease) in Allowance for Doubtful Accounts (*1)	(50)	(170)
Increase (Decrease) in Provision for Bonuses (*1)	1,424	1,659
Increase (Decrease) in Provision for Shareholder Benefit Program (*1)	(29,000)	(46,500)
Increase (Decrease) in Retirement Benefit Liability	20,207	19,382
Interest and Dividend Income	(4,847)	(9,779)
Interest Expenses	102,385	104,911
Share of Loss (Gain) of Entities Accounted for Using Equity Method (*2)	(1,121)	(873)
Decrease (Increase) in Trade Receivables (*3)	81,008	97,707
Decrease (Increase) in Inventories (*3)	(46,449)	25,699
Increase (Decrease) in Trade Payables (*1)	(122,954)	(67,633)
Increase (Decrease) in Deposit Guarantee (*1)	(29,340)	(32,418)
Others	(96,306)	(14,652)
sub-total	192,110	368,412
Interest and Dividends-received	4,847	9,779
Interest Expenses	(104,063)	(106,040)
Income Taxes Paid	(1,011)	(3,069)
Cash Flow from Operating Activities	91,882	269,081
Cash Flow from Investment Activities		
Expenditures for Property, Plant and Equipment, Intangible Fixed Assets	(79,182)	(100,601)
Cash Flow from Investment Activities	(79,182)	(100,601)
Cash Flow from Financing Activities		
Proceeds from Long-term Borrowings	200,000	400,000
Repayments of Long-term Borrowings	(279,037)	(290,664)
Repayments of Lease Obligations	(8,072)	(21,123)
Dividends Paid	(60,582)	(89,117)
Others	(32,439)	(12,494)
Cash Flow from Financing Activities	(180,131)	(13,398)
Net Increase (Decrease) in Cash and Cash Equivalents (*1)	(167,431)	155,082
Cash and Cash Equivalents at the Beginning of the Period	1,087,570	949,478
Cash and Cash Equivalents at the End of the Interim Period	920,138	1,104,560

(*1) () indicates decrease

(*2) () indicates gain

(*3) () indicates increase.

(4) Notes to Interim Consolidated Financial Statements

(Notes on Segment Information)

【 SEGMENT REPORTING 】

I Previous Interim Consolidated Accounting Period (From April 1, 2024, to September 30, 2024)

1. Information on Net Sales and Profit or Loss by Reportable Segment and Breakdown of Revenue

(Unit: Thousands of yen)

	reportable segments				Adjusted amount. (Note 1)	Amount recorded on interim consolidated income statement (Note 2)
	Commercial Property Business	Health Care Business	Textile Business	Total		
Net Sales						
Revenues from Contracts with Customers	165,538	538,594	353,998	1,058,131	-	1,058,131
Other Profit	942,510	-	-	942,510	-	942,510
Sales to Customers	1,108,048	538,594	353,998	2,000,641	-	2,000,641
Internal Sales or Transfers between Segments	228	-	101	329	(329)	-
Total	1,108,276	538,594	354,099	2,000,970	(329)	2,000,641
Segment Profit or (Loss)	458,653	(8,794)	23,286	473,145	(301,212)	171,932

(Note) 1. The Adjusted Amount of Segment Profit or (Loss) of (301,212) thousand yen is Corporate Expenses not Allocated to Each Reportable Segment. Corporate Expenses are General Administrative Expenses Not Attributable to Reportable Segments.

2. Segment Profit or (Loss) is Reconciled with Operating Profit in the Interim Consolidated Income Statement.

2. Information on Impairment Loss on Non-current Assets and Goodwill by Reportable Segment
Not Applicable.

II Current Interim Consolidated Accounting Period (From April 1, 2025, to September 30, 2025)

1. Information on Net Sales and Profit or Loss by Reportable Segment and Breakdown of Revenue

(Unit: Thousands of yen)

	reportable segments				Adjusted amount. (Note 1)	Amount recorded on interim consolidated income statement (Note 2)
	Commercial Property Business	Health Care Business	Textile Business	Total		
Net Sales						
Revenues from Contracts with Customers	173,576	466,926	333,231	973,734	-	973,734
Other Profit	946,132	-	-	946,132	-	946,132
Sales to Customers	1,119,709	466,926	333,231	1,919,867	-	1,919,867
Internal Sales or Transfers between Segments	228	-	-	228	(228)	-
Total	1,119,937	466,926	333,231	1,920,095	(228)	1,919,867
Segment Profit or (Loss)	445,764	(16,972)	8,015	436,806	(304,195)	132,611

(Note) 1. The Adjusted Amount of Segment Profit or (Loss) of (304,195) thousand yen is Corporate Expenses not Allocated to Each Reportable Segment. Corporate Expenses are General Administrative Expenses Not Attributable to Reportable Segments.

2. Segment Profit or (Loss) is Reconciled with Operating Profit in the Interim Consolidated Income Statement.

2. Information on Impairment Loss on Non-current Assets and Goodwill by Reportable Segment
Not Applicable.

(Notes in the Event of Significant Changes in the Amount of Shareholders' Equity)

Based on a resolution at a Board of Directors' meeting held on May 8, 2025, the Company acquired 100,000 shares of treasury stock. As a result, during the interim consolidated cumulative period, treasury stock increased by 10,431 thousand yen, including the purchase of shares less than one unit, and at the end of the interim consolidated accounting period, treasury stock amounted to 43,434 thousand yen.

(Notes on Going Concern Assumptions)

There are no relevant matters.