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

August 3, 2026

Company name: Daitobo Co., Ltd.
Listing: Tokyo Stock Exchange / Nagoya Stock Exchange
Securities code: 3202 URL: https://www.daitobo.co.jp/
Representative: Kazuhiro Yamauchi President and Chief Executive Officer
Inquiries: Koji Matsuda Director and Manager of Accounting Department, Corporate Administration Division
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Scheduled date to commence dividend payments: -
Preparation of supplementary materials on financial results: No
Holding of financial results briefing: No

(Amounts are rounded down to the nearest million yen.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2026 (April 1, 2026 - 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	898	2.4	44	(23.5)	1	(91.8)	3	(87.4)
June 30, 2025	877	(3.6)	58	(10.8)	14	(34.4)	25	250.8

Note: Comprehensive income For the three months ended June 30, 2026: 46 million yen 75.1%
For the three months ended June 30, 2025: 26 million yen (64.2%)

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	0.11	0.11
June 30, 2025	0.86	0.86

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	19,920	4,940	24.8
March 31,2026	20,075	5,003	24.9

Reference: Equity As of June 30, 2026: 4,935 million yen
As of March 31,2026: 4,999 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, 2026	-	0.00	-	3.00	3.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		0.00	-	3.00	3.00

Note: Revisions to the forecast for cash dividends most recently announced: No

3. Consolidated Financial Forecast for the Fiscal Year Ending March 2027 (April 1, 2026 - March 31, 2027)

(Percentages represent year-on-year changes for the full fiscal year and year-on-year changes for the quarter)

	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
Second Quarter ending September 30, 2026 (cumulative)	2,200	14.6	160	20.7	50	37.7	30	(5.7)	1.00
Full Year	4,700	17.1	400	28.8	190	63.8	120	32.1	4.00

Note: Whether there has been any revision to the most recently announced earnings forecast: No

* **Notes**

(1) Significant changes in the scope of consolidation during the current quarterly cumulative period: No
Newly included: - company (Company name)
Excluded: - company (Company name)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement
①Changes in accounting policies due to revisions to accounting standards and other regulations: No
②Changes in accounting policies due to other reasons: No
③Changes in accounting estimates: No
④Restatement: No

(4) Number of issued shares (common shares)

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

As of June 30, 2026	30,360,000 shares
As of March 31,2026	30,360,000 shares

②Number of treasury shares at the end of the period

As of June 30, 2026	537,539 shares
As of March 31,2026	387,839 shares

③Average number of shares outstanding during the period (quarterly cumulative)

Three months ended June 30, 2026	29,917,890 shares
Three months ended June 30, 2025	29,976,631 shares

* Quarterly consolidated financial statements attached and review by a certified public accountant or an audit corporation: Yes (voluntary)

* Proper use of earnings forecasts, and other special matters
The earnings forecasts are based on information currently available, and actual results may differ materially from these forecasts due to various factors in the future.

○Contents of the Attached Materials

1. Overview of Operating Results and Financial Position

(1) Overview of Operating Results for the Current Quarter

In the first quarter of fiscal year under review, the Japanese economy continued its gradual upward trend, supported by various policy effects and improvements in employment and income conditions, despite heightened inflationary pressures such as rising energy costs due to the situation in the Middle East.

However, some weakness was observed in consumer sentiment partly due to the impact of rising prices.

Under these circumstances, the Group entered the final year of its medium-term management plan "Jumping over the 130th – Towards a Future of Growth" and diligently pursued various measures.

In the Commercial Property Business, at "SUN TO MOON Kakitagawa," one of the largest commercial facilities in Shizuoka Prefecture, new tenant openings and promotional events coincided around the Golden Week holiday period, resulting in steady customer traffic.

In the Health Care Business, Net Sales remained at a slight increase due to consumer restraint from purchasing accompanying price increases.

In the Textile Business, while apparel OEM sales struggled, efforts were made to explore a wide range of needs including sustainable products and disaster prevention/extreme heat countermeasure products.

As a result, for the first quarter of fiscal year under review, Net Sales increased to 898 million yen (up 2.4% year-on-year), however, Operating profit decreased to 44 million yen (down 23.5% year-on-year), a decrease of approximately 14 million yen compared to the same period of the previous year, impacted by one-time expense increases such as removal costs associated with capital investments. Ordinary profit, which includes Interest Expense, was also affected by the decrease in Operating profit, resulting in 1 million yen (down 91.8% year-on-year), a decrease of approximately 13 million yen compared to the same period of the previous year.

After adding Corporate Tax Adjustments, Quarterly net profit Attributable to Owners of Parent was 3 million yen (down 87.4% year-on-year).

Operating results by segment are as follows.

(Commercial Property Business)

Regarding the Commercial Property Business, at "SUN TO MOON Kakitagawa," one of the leading commercial facilities in Shizuoka Prefecture, despite a decline in reaction to hit Japanese films in the same period of the previous year, net sales exceeded the same period of the previous year due to factors such as the opening of new tenants and promotional events.

In terms of profit and loss, operating profit fell below the same period of the previous year due to one-time removal costs associated with air conditioning equipment replacement and increased depreciation expense accompanying facility renewal investments.

As a result, although net sales of the Commercial Property Business increased to 572 million yen (up 2.8% year-on-year), in terms of profit and loss, removal costs and increased depreciation expense had an impact, resulting in operating profit of 226 million yen (down 1.3% year-on-year).

(Health Care Business)

Regarding the Health Business Division, sales of bio-hemp products using our proprietary technology grew, and net sales exceeded the same period of the previous year.

Regarding the General Bedding Division, sales of blanket products remained sluggish, and net sales fell below the same period of the previous year.

In terms of profit and loss, the gross profit margin declined due to the impact of rising costs, and the operating loss widened compared to the same period of the previous year.

As a result, net sales of the Health Care Business were 223 million yen (up 6.5% year-on-year), and operating loss after goodwill amortization was 13 million yen (operating loss of 8 million yen in the same period of the previous year).

(Textile Business)

Regarding the Textile Division, business progressed steadily, and net sales maintained the same level as the same period of the previous year.

Regarding the Products Division, apparel OEM struggled mainly due to unseasonable weather, and net sales fell below the same period of the previous year.

In terms of profit and loss, operating profit fell below the same period of the previous year due in part to delays in delivery schedules in the Textile Division.

As a result, net sales of the Textile Business were 102 million yen (down 6.9% year-on-year), and operating loss was 14 million yen (operating loss of 7 million yen in the same period of the previous year).

(2) Overview of Financial Position for the Current Quarter

Total assets at the end of the Current First Quarter Consolidated Period were 19,920 million yen, a decrease of 154 million yen compared to the end of the previous fiscal year.

The main factors were in Current Assets, Cash and Deposits decreased by 234 million yen, Notes and Accounts Receivable decreased by 227 million yen due to collection of sales receivables, Inventories increased by 59 million yen due to increased orders; and in Non-current Assets, Property, Plant and Equipment increased by 188 million yen due to capital investments of 316 million yen, and Depreciation expense of 128 million yen.

Liabilities were 14,980 million yen a decrease of 91 million yen compared to the end of the previous fiscal year.

The main factors were reversal of Provision for shareholder benefit program of 53 million yen, Others decreased by 90 million yen due to decrease in deposits from tenants, and borrowings increased by 105 million yen due to increased borrowing at refinancing and scheduled repayments.

Net assets were 4,940 million yen a decrease of 63 million yen compared to the end of the previous fiscal year.

The main factors were Shareholders' Equity decreased by 106 million yen due to recording of Quarterly net profit Attributable to Owners of Parent, increase in Treasury Shares through market purchases, and dividend payments; and Valuation Difference on Available-for-sale Securities increased by 47 million yen due to rising stock prices of held securities.

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

There are no changes to the forecast figures announced on May 8, 2026.

Please note that the earnings forecast is based on information available as of the date of this announcement, and actual results may differ from the forecast figures due to various factors in the future.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly Consolidated Balance Sheets

(Unit: Thousands of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	1,203,366	968,524
Notes and accounts receivable - trade	527,044	299,974
Inventories	664,582	723,765
Others	67,873	61,354
Allowance for doubtful accounts	(1,050)	(680)
Total current assets	2,461,816	2,052,938
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,050,240	7,251,245
Land	9,267,467	9,267,467
Other, net	519,807	507,411
Total property, plant and equipment	16,837,515	17,026,124
Intangible assets		
Goodwill	99,256	95,654
Others	3,842	3,314
Total intangible assets	103,099	98,968
Investments and other assets		
Investment securities	594,416	668,142
Deferred tax assets	2,127	2,163
Others	76,364	72,477
Total investments and other assets	672,907	742,783
Total non-current assets	17,613,522	17,867,876
Total assets	20,075,339	19,920,815

(Unit: Thousands of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	224,188	235,585
Short-term borrowings	641,320	654,440
Income taxes payable	28,810	3,764
Provision for bonuses	38,621	28,398
Provision for shareholder benefit program	53,300	—
Others	735,006	644,263
Total current liabilities	1,721,245	1,566,450
Non-current liabilities		
Long-term borrowings	8,696,294	8,788,889
Long-term guarantee deposits	1,222,128	1,201,553
Deferred tax liabilities	61,999	81,384
Deferred tax liabilities on revaluation	2,536,636	2,536,636
Retirement benefit liability	305,149	289,092
Asset retirement obligations	75,367	73,597
Others	453,100	443,124
Total non-current liabilities	13,350,677	13,414,278
Total liabilities	15,071,922	14,980,729
Net assets		
Shareholders' equity		
Share capital	100,000	100,000
Capital surplus	29,916	29,916
Retained earnings	133,150	46,379
Treasury shares	(38,704)	(58,703)
Total shareholders' equity	224,363	117,593
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	165,592	212,991
Deferred gains or losses on hedges	4,607	—
Revaluation reserve for land	4,604,723	4,604,723
Total accumulated other comprehensive income	4,774,923	4,817,715
Share acquisition rights	4,129	4,777
Total net assets	5,003,416	4,940,086
Total liabilities and net assets	20,075,339	19,920,815

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

(Quarterly Consolidated Statements of Income)

(Unit: Thousands of yen)

	For the three months from April 1, 2025 to June 30, 2025	For the three months from April 1, 2026 to June 30, 2026
Net sales	877,369	898,754
Cost of sales	567,186	604,145
Gross profit	310,182	294,608
Selling, general and administrative expenses	252,067	250,160
Operating profit	58,115	44,447
Non-operating income		
Interest income	0	89
Dividend income	9,753	10,754
Share of profit of entities accounted for using equity method	852	319
Other	6	1,654
Total non-operating income	10,611	12,816
Non-operating expenses		
Interest expense	52,582	55,235
Other	1,791	853
Total non-operating expenses	54,373	56,088
Ordinary profit	14,353	1,176
Quarterly profit before income taxes	14,353	1,176
Income taxes – current	4,513	2,051
Income taxes – deferred	(16,022)	(4,131)
Income taxes	(11,508)	(2,080)
Quarterly profit	25,861	3,256
Profit attributable to owners of parent	25,861	3,256

(Quarterly Consolidated Statement of Comprehensive Income)

(Unit: Thousands of yen)

	For the three months from April 1, 2025 to June 30, 2025	For the three months from April 1, 2026 to June 30, 2026
Quarterly profit	25,861	3,256
Other comprehensive income		
Valuation difference on available-for-sale securities	6,184	47,399
Deferred gains or losses on hedges	(5,746)	(4,607)
Total other comprehensive income	437	42,791
Quarterly comprehensive income	26,299	46,048
(Breakdown)		
Quarterly comprehensive income related to owners of the parent company	26,299	46,048
Quarterly comprehensive income related to non-controlling interests	—	—

(3) Notes to the Quarterly Consolidated Financial Statements

(Notes on Segment Information, etc.)

I. For the three months ended June 30, 2025

1. Information on net sales and profit or loss by reportable segment, and disaggregation of revenue

(Unit: Thousands of yen)

	Reportable Segments				Adjustments (Note 1)	Amounts recorded in the quarterly consolidated statements of income (Note 2)
	Commercial Property Business	Health Care Business	Textile Business	Total		
Net sales						
Revenue from contracts with customers	88,014	209,462	110,371	407,847	—	407,847
Other revenue	469,521	—	—	469,521	—	469,521
Sales to external customers	557,536	209,462	110,371	877,369	—	877,369
Inter-segment sales or transfers	114	—	—	114	(114)	—
Total	557,650	209,462	110,371	877,483	(114)	877,369
Segment profit (loss)	228,923	(8,860)	(7,541)	212,520	(154,405)	58,115

(Note.) 1. The adjustment amount of (154,405) thousand yen for segment profit or (loss) represents company-wide expenses not allocated to each reporting segment. Company-wide expenses are general and administrative expenses not attributable to reporting segments.

2. Segment profit or (loss) is reconciled with operating profit in the quarterly consolidated income statement.

2. Information regarding impairment losses or goodwill on fixed assets for each reporting segment.

Not applicable.

II For the three months ended June 30, 2026

1. Information on net sales and profit or loss by reportable segment, and disaggregation of revenue

(Unit: Thousands of yen)

	Reportable Segments				Adjustments (Note 1)	Amounts recorded in the quarterly consolidated statements of income (Note 2)
	Commercial Property Business	Health Care Business	Textile Business	Total		
Net sales						
Revenue from contracts with customers	91,938	223,128	102,739	417,806	—	417,806
Other revenue	480,947	—	—	480,947	—	480,947
Sales to external customers	572,886	223,128	102,739	898,754	—	898,754
Inter-segment sales or transfers	114	—	—	114	(114)	—
Total	573,000	223,128	102,739	898,868	(114)	898,754
Segment profit (loss)	226,019	(13,168)	(14,205)	198,646	(154,198)	44,447

(Note.) 1. The adjustment amount of (154,198) thousand yen for segment profit or (loss) represents company-wide expenses not allocated to each reporting segment. Company-wide expenses are general and administrative expenses not attributable to reporting segments.

2. Segment profit or (loss) is reconciled with operating profit in the quarterly consolidated income statement.

2. Information regarding impairment losses or goodwill on fixed assets for each reporting segment.

Not applicable.

(Notes on Significant Changes in Shareholders' Equity)

Based on a resolution of the board of directors held on May 8, 2026, the Company acquired 149,700 treasury shares.

As a result, treasury shares increased by 19,999 thousand yen during the first quarter of fiscal year under review, and treasury shares totaled 58,703 thousand yen at the end of the current first quarter consolidated period.

(Notes on Going Concern Assumption)

Not applicable.

(Notes on the Quarterly Consolidated Statements of Cash Flows)

The quarterly consolidated statements of cash flows for the three months ended June 30, 2026, have not been prepared.

However, depreciation and amortization for the three months ended June 30, 2026 (including amortization of intangible assets other than goodwill) and amortization of goodwill are as follows.

	For the three months from April 1, 2025 to June 30, 2025	For the three months from April 1, 2026 to June 30, 2026
Depreciation expenses	121,825 thousand yen	128,886 thousand yen
Amortization of goodwill	3,602 thousand yen	3,602 thousand yen

Independent Auditor's Interim Review Report on Quarterly Consolidated Financial Statements

August 3, 2026

Daitobo Co., Ltd.

To the Board of Directors

Sincere Audit Corporation

Chiyoda-Ku, Tokyo

Designated member Partners administering the affairs	Certified Public Accountant	Eitaro Konno
Designated member Partners administering the affairs	Certified Public Accountant	Hirokazu Osada
Designated member Partners administering the affairs	Certified Public Accountant	Kaizo Ogawa

Auditor's Conclusion

We have conducted an interim review of the quarterly consolidated financial statements of Daitobo Co., Ltd. included in the "Attachments" of the quarterly financial results report, comprising the quarterly consolidated balance sheet, quarterly consolidated income statement, quarterly consolidated statement of comprehensive income, and notes for the first quarterly consolidated accounting period (from April 1, 2026 to June 30, 2026) and the first quarterly consolidated cumulative period (from April 1, 2026 to June 30, 2026) of the consolidated fiscal year from April 1, 2026 to March 31, 2027.

Based on our interim review, nothing has come to our attention that causes us to believe that the quarterly consolidated financial statements referred to above are not prepared, in all material respects, in accordance with Article 4, Paragraph 1 of the Standards for Preparation of Quarterly Financial Statements, etc. of Tokyo Stock Exchange, Inc. and accounting standards generally accepted in Japan for interim consolidated financial statements (however, the omission of disclosure prescribed in Article 4, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. is applied).

Basis for Auditor's Conclusion

We conducted our interim review in accordance with interim review standards generally accepted in Japan.

Our responsibilities under interim review standards are described in "Auditor's Responsibilities for the Interim Review of Quarterly Consolidated Financial Statements."

We are independent of the Company and its consolidated subsidiaries in accordance with the provisions on professional ethics in Japan (including those applicable to audits of financial statements of entities with high social impact), and we have fulfilled our other ethical responsibilities as auditors.

We believe that we have obtained evidence to provide a basis for our conclusion.

Responsibilities of Management and the Audit and Supervisory Committee for the Quarterly Consolidated Financial Statements

Management is responsible for preparing the quarterly consolidated financial statements in accordance with Article 4, Paragraph 1 of the Standards for Preparation of Quarterly Financial Statements, etc. of Tokyo Stock Exchange, Inc. and accounting standards generally accepted in Japan for interim consolidated financial statements (however, the omission of disclosure prescribed in Article 4, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. is applied).

This includes establishing and operating internal controls that management determines are necessary for the preparation of quarterly consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the quarterly consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the quarterly consolidated financial statements on a going concern basis and, when it is necessary to disclose matters related to going concern based on Article 4, Paragraph 1 of the Standards for Preparation of Quarterly Financial Statements, etc. of Tokyo Stock Exchange, Inc. and accounting standards generally accepted in Japan for interim consolidated financial statements (however, the omission of disclosure prescribed in Article 4, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. is applied), disclosing such matters.

The Audit and Supervisory Committee is responsible for overseeing the directors' execution of duties in establishing and operating the financial reporting process.

Auditor's Responsibilities for the Interim Review of Quarterly Consolidated Financial Statements

The auditor's responsibility is to express a conclusion on the quarterly consolidated financial statements from an independent standpoint in the interim review report based on the interim review performed by the auditors.

The auditors exercise professional judgment and maintain professional skepticism throughout the interim review in accordance with interim review standards generally accepted in Japan and perform the following.

- Perform inquiries primarily of management and those responsible for financial and accounting matters, analytical procedures, and other interim review procedures.

  Interim review procedures are more limited than audits of annual financial statements conducted in accordance with auditing standards generally accepted in Japan.
- When the auditors determine that there is significant uncertainty regarding events or conditions that may cast significant doubt on the going concern assumption, based on the evidence obtained, conclude whether there are any matters that cause the auditors to believe that the quarterly consolidated financial statements are not prepared in accordance with Article 4, Paragraph 1 of the Standards for Preparation of Quarterly Financial Statements, etc. of Tokyo Stock Exchange, Inc. and accounting standards generally accepted in Japan for interim consolidated financial statements (however, the omission of disclosure prescribed in Article 4, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. is applied).

  Additionally, if significant uncertainty related to going concern is identified, the auditors are required to draw attention in the interim review report to the notes to the quarterly consolidated financial statements or, if the notes regarding significant uncertainty in the quarterly consolidated financial statements are inadequate, to express a qualified conclusion or adverse conclusion on the quarterly consolidated financial statements.

  The auditor's conclusion is based on evidence obtained up to the date of the interim review report; however, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate whether there are any matters that cause the auditors to believe that the presentation and notes to the quarterly consolidated financial statements are not prepared in accordance with Article 4, Paragraph 1 of the Standards for Preparation of Quarterly Financial Statements, etc. of Tokyo Stock Exchange, Inc. and accounting standards generally accepted in Japan for interim consolidated financial statements (however, the omission of disclosure prescribed in Article 4, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. is applied).
- Obtain evidence regarding the financial information of the Company and its consolidated subsidiaries to provide a basis for expressing a conclusion on the quarterly consolidated financial statements.

  The auditors are responsible for directing, supervising, and performing the interim review of the quarterly consolidated financial statements.

  The auditors are solely responsible for their conclusion.

  The auditors report to the Audit and Supervisory Committee regarding the planned scope and timing of the interim review and significant findings from the interim review.

The auditors report to the Audit and Supervisory Committee regarding compliance with the provisions on professional ethics in Japan concerning independence, as well as matters that may reasonably be considered to affect the auditor's independence, and when measures have been taken to eliminate threats or safeguards have been applied to reduce threats to an acceptable level, the details thereof.

Interest

There are no conflicts of interest between the Company and its consolidated subsidiaries and our audit firm or its managing partners that need to be disclosed in accordance with the provisions of the Certified Public Accountants Act.

End

(Note.) 1. The original copy of the above Interim Review Report is retained by the Company.

2. The XBRL data and HTML data are not included in the scope of the interim review.