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**Consolidated Financial Results**  
**for the Fiscal Year Ended March 31, 2025**  
**[Under Japanese GAAP]**

May 8, 2025

Listed company name	Daitobo Co., Ltd.	Listing: Tokyo Stock Exchange / Nagoya Stock Exchange
Stock code	3202	URL <a href="https://www.daitobo.co.jp/">https://www.daitobo.co.jp/</a>
Representative	(Position)	President and Chief Executive Officer (Name) Kazuhiro Yamauchi
Inquiries contact person.	(Position)	Director and Manager of Accounting Department, (Name) Koji Matsuda
		Corporate Administration Division
Scheduled date of annual general shareholders' meeting	June 26, 2025	
Scheduled date of commencement of dividend payment	June 27, 2025	
Scheduled date of submission of securities report	June 24, 2025	
Preparation of supplementary material on financial results:	None	
Holding of financial results meeting:	None	

(Amounts less than one million yen are round down)

1. Consolidated Financial Results for the Fiscal Year Ending March 31, 2025 (April 1, 2024 - March 31, 2025)

(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, 2025	4,106	1.8	315	-1.1	121	-12.7	54	-64.2
March 31, 2024	4,033	0.9	318	48.7	139	520.3	153	121.9

(Note) Comprehensive Profit	Fiscal Year Ended March 31, 2025	76 Million Yen	(-55.1%)
	Fiscal Year Ended March 31, 2024	171 Million Yen	(23.4%)

	Basic Earnings Per share	Diluted Earnings Per Share	Rate of Return on Equity	Ordinary Profit to Total Assets Ratio	Operating Profit to Net Sales Ratio
	Yen	Yen	%	%	%
Fiscal Year Ended March 31, 2025	1.83	1.83	1.1	0.6	7.7
March 31, 2024	5.07	5.06	3.2	0.7	7.9

(Reference) Equity in Earnings (Losses) of Affiliate Companies	Fiscal Year Ended March 31, 2025	0 Million Yen
	Fiscal Year Ended March 31, 2024	-1 Million Yen

(2) Consolidated Financial Position

	Total assets	Net assets	Capital Adequacy Ratio	Net Assets Per Share
As of	Millions of Yen	Millions of Yen	%	Yen
March 31, 2025	20,036	4,924	24.5	163.80
March 31, 2024	20,349	4,935	24.2	162.82

(Reference) Equity Capital	Fiscal Year Ended March 31, 2025	4,918 Million Yen
	Fiscal Year Ended March 31, 2024	4,925 Million Yen

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at the End of Period
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Fiscal Year Ended March 31, 2025	480	-137	-481	949
March 31, 2024	748	-45	-616	1,087

2. Dividend Status

	Annual Dividends					Total Dividends	Payout Ratio (Consolidated)	Dividends to Net Assets (Consolidated)
	First Quarter-end	Second Quarter-end	Third Quarter-end	Year-end	Total			
Fiscal Year Ended	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
March 31, 2024	—	0.00	—	2.00	2.00	60	39.4	1.2
March 31, 2025	—	—	—	3.00	3.00	90	164.0	1.8
Fiscal Year Ending March 31, 2026 (Forecast)	—	0.00	—	3.00	3.00		90.1	

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 - March 31, 2026)

(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		Net profit attributable to owners of parent		Net Profit Per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
Second Quarter ending September 30, 2025 (cumulative)	2,180	9.0	180	4.7	70	-5.1	40	4.2	1.33
Full Year	4,600	12.0	370	17.3	160	31.2	100	82.0	3.33

The performance forecast is based on information currently available and actual results may differ due to various factors.

#### \* Notes

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

New - (Company name), Excluded - (Company name)

(2) Changes in accounting policies, changes in accounting estimates, and retrospective restatements

① Changes in accounting policies due to revisions in accounting standards: Yes

② Changes in accounting policies other than ① above: No

③ Change in accounting estimate: No

④ Retrospective Restatement: No

For details, please refer to the attached document P12 “3. Consolidated Financial Statements and Main Notes (5) Notes on Consolidated Financial Statements (Notes on Changes in Accounting Firms)”.

(3) Number of shares issued (common stock)

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

② Number of treasuries shares at the end of the period

③ Average number of shares during the period

Fiscal Year Ended March 2025	30,360,000 shares	As of the Fiscal Year Ended March 2024	30,360,000 shares
Fiscal Year Ended March 2025	333,713 shares	As of the Fiscal Year Ended March 2024	105,663 shares
Fiscal Year Ended March 2025	30,039,387 Shares	As of the Fiscal Year Ended March 2024	30,224,198 shares

#### (Reference) Summary of Non-Consolidated Results

##### 1. Non-Consolidated Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 - March 31, 2025)

(1) Non-Consolidated Operating Results

(Percentages indicate year-on-year changes)

	Net Sales:		Operating Profit		Ordinary Profit		Net Profit	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Fiscal Year Ended March 31, 2025	3,495	1.8	302	-9.6	118	-22.6	55	-70.6
March 31, 2024	3,432	8.1	334	43.1	153	229.1	190	108.9

	Basic Earnings Per share	Diluted Earnings Per Share
	Yen	Yen
Fiscal Year Ended March 31, 2025	1.86	1.86
March 31, 2024	6.29	6.27

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Capital Adequacy Ratio	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
As of March 31, 2025	19,701	5,043	25.6	167.59
March 31, 2024	20,052	5,054	25.2	166.55

(Reference) Equity capital      Fiscal Year Ended March 31, 2025      5,038 Million Yen  
    Fiscal Year Ended March 31, 2024      5,044 Million Yen

\* The financial results briefing is not subject to audit by certified public accountants or auditing firms.

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## 1. Overview of Operating Results and Financial Position

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

During the fiscal year under review, the Japanese economy generally continued to recover slowly, although some areas saw a slump. On the other hand, while the expansion of inbound demand provided support, prolonged heatwaves led to a decline in autumn and winter seasonal demand, and continued price increases suppressed consumer sentiment in some areas. Additionally, the impact of trade frictions such as the so-called Trump tariffs is expected, leading to increased uncertainty.

In this context, our group has been actively implementing various measures based on the mid-term management plan "Jumping over the 130th - Towards a Future of Growth," which started this fiscal year.

In the Commercial Property Business, we steadily carried out equipment renewal investments and worked on attractive facility management at "SUN TO MOON Kakitagawa," one of the leading commercial facilities in Shizuoka Prefecture. In the Health Care Business, although there is solid demand for a healthy longevity society, the impact of the heatwave led to poor performance in seasonal general bedding. In the Textile Business, the official demand uniform sector, which plays a part in the defense industry, continued to perform well.

As a result, the current period's performance saw net sales of 4,106 million yen (up 1.8% year-on-year), and gross profit improved to 1,309 million yen (up 4.6% year-on-year), surpassing the previous period. However, the increase in sales and administrative expenses due to rising prices impacted operating profit, which was 315 million yen (down 1.1% year-on-year). Furthermore, the drop in non-operating income from the previous period affected ordinary profit, which was 121 million yen (down 12.7% year-on-year), and the absence of liquidation gains from a Chinese subsidiary recorded in the previous period led to a pre-tax net profit of 121 million yen (down 23.2% year-on-year). As a result of recording corporate taxes of 66 million yen, including the reversal of deferred tax assets due to the expected expiration of tax loss carryforward deductions, profit attributable to owners of the parent was 54 million yen (down 64.2% year-on-year), resulting in a profit despite increased revenue and decreased earnings compared to the previous period.

The operating results by segment are as follows.

#### (Commercial Property Business)

In the Commercial Property Business, we continued to strengthen seasonal promotional events at "SUN TO MOON Kakitagawa," one of the leading commercial facilities in Shizuoka Prefecture, and as market conditions improved, sales prices increased compared to the previous period, resulting in net sales exceeding the previous period. In terms of profit and loss, the improvement in the gross profit margin helped absorb the increase in expenses, resulting in operating profit exceeding the previous period.

As a result, the Commercial Property Business recorded net sales of 2,220 million yen (up 1.0% year-on-year) and operating profit of 897 million yen (up 2.6% year-on-year), achieving increased revenue and profit compared to the previous period.

#### (Health Care Business)

In the Health Business sector, net sales exceeded the previous period, supported by solid demand in a healthy longevity society. In the general bedding sector, the prolonged heatwave and the mild winter led to poor performance in large autumn and winter products, resulting in net sales falling below the previous period. In terms of profit and loss, the transfer of increased costs to sales prices progressed to some extent, and the effect of reducing selling and administrative expenses helped absorb the 17 million yen valuation loss on long-term inventory, improving profitability.

As a result, the Health Care Business recorded net sales of 1,151 million yen (down 4.9% year-on-year), and despite recording a 17 million yen valuation loss on long-term inventory, the improvement in gross profit margin and the effect of reducing expenses led to an operating loss of 13 million yen (compared to an operating loss of 38 million yen in the previous period), improving the loss margin compared to the previous period.

#### (Textile Business)

In the apparel sector, the impact of unseasonable weather could not be overcome, resulting in net sales falling below the previous period. In the uniform sector, official demand uniforms, which play a part in the defense industry, performed well, resulting in net sales exceeding the previous period. In terms of profit and loss, the effect of increased revenue and the reduction in sales and administrative expenses led to results exceeding the previous period.

As a result, the Textile Business recorded net sales of 735 million yen (up 17.5% year-on-year), and operating profit of 36 million yen (up 62.7% year-on-year), achieving increased revenue and profit compared to the previous period.

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

### (Conditions of Assets, Liabilities, and Net Assets)

The balance of total assets at the end of the current period was 20,036 million yen, a decrease of 313 million yen compared to the end of the previous period. The main factors were a decrease of 138 million yen in cash and deposits in current assets, an increase of 271 million yen in tangible and intangible fixed assets due to the acquisition of lease assets, and a decrease of 220 million yen in tangible and intangible fixed assets due to depreciation expenses of 493 million yen.

The balance of liabilities was 15,112 million yen, a decrease of 301 million yen compared to the end of the previous period. The main factors were a decrease of 107 million yen in notes and accounts payable-trade due to payment of purchase debts, an increase of 142 million yen in lease liabilities due to the acquisition of lease assets, and a decrease of 369 million yen in borrowings due to new borrowings of 200 million yen and scheduled repayments of 569 million yen.

The balance of net assets was 4,924 million yen, a decrease of 11 million yen compared to the end of the previous period. The main factors were a decrease of 29 million yen in shareholders' equity due to the recording of profit attributable to owners of the parent, an increase in treasury shares through market purchases, and dividend payments, as well as an increase of 17 million yen in valuation difference on available-for-sale securities due to the rise in stock prices of held shares.

## (3) Overview of Cash Flows for the Current Period

The status of each cash flow and their factors for the current period are as follows.

### (Cash flows from operating activities)

Cash flows from operating activities were a positive 480 million yen (down 36.5% year-on-year).

This was mainly due to pre-tax net profit of 121-million-yen, depreciation expenses of 493 million yen, a decrease of 107 million yen in purchase debts, and other decreases of 27 million yen due to expenditures on long-term prepaid expenses and deposits.

### (Cash flows from investing activities)

Cash flows from investing activities were a negative 137 million yen (compared to a negative 54 million yen in the previous period). This was due to expenditures of 137 million yen for the acquisition of tangible and intangible fixed assets during the current period.

### (Cash flows from financing activities)

Cash flows from financing activities were a negative 481 million yen (compared to a negative 616 million yen in the previous period).

This was mainly due to an income of 200 million yen from long-term borrowings, expenditures of 589 million yen for the repayment of long-term borrowings and lease liabilities, dividend payments of 59 million yen, and an increase of 30 million yen in treasury shares.

As a result of these activities, the balance of cash and cash equivalents was 949 million yen (down 12.7% year-on-year), a decrease of 138 million yen compared to the end of the previous period.

The trend of our group's cash flow indicators is as follows.

	Fiscal Year Ended March 31,2022	Fiscal Year Ended March 31,2023	Fiscal Year Ended March 31,2024	Fiscal Year Ending March 31,2025
Capital Adequacy Ratio (%)	21.9	23.4	24.2	24.5
Capital Adequacy ratio on a market capitalization base (%)	13.0	12.4	14.0	15.3
Ratio of cash flow to interest-bearing liabilities (years)	21.2	14.3	13.4	20.4
Interest Coverage Ratio (times)	3.2	1.9	3.8	2.3

Capital Adequacy Ratio = Equity Capital / Total assets

Capital Adequacy ratio on a market capitalization base = Market capitalization of shares / Total assets

Ratio of cash flow to interest-bearing liabilities = Interest-bearing liabilities / Cash flow

Interest Coverage Ratio = Cash flow / Interest payments

(Note 1) All calculations are based on consolidated financial figures.

(Note 2) Market capitalization is calculated based on the number of issued shares excluding treasury shares.

(Note 3) Cash flow uses operating cash flow.

(Note 4) Interest-bearing liabilities include all liabilities recorded in the consolidated balance sheets on which interest is paid.

#### (4) Future Outlook

Japan's economy is expected to continue its gradual recovery, supported by the expansion of inbound demand amid ongoing improvements in employment and income conditions. On the other hand, concerns about a cooling of consumer sentiment due to rising prices and the expected impact of trade frictions such as the Trump tariffs suggest that uncertainty will continue.

In this context, our group plans to steadily implement various measures based on the mid-term management plan "Jumping over the 130th - Towards a Future of Growth," which started in April 2024.

In the next period, our group expects to be largely unaffected by the negative impact of the Trump tariffs, while in the commercial facility business, movements such as restrained purchasing due to rising prices are anticipated. Therefore, we expect increased revenue and profit compared to the current period but forecast levels below the mid-term management plan. In the Health Care Business, solid demand for a healthy longevity society will provide support, but we anticipate levels below the mid-term management plan due to sluggish growth in general bedding affected by mild winters and heatwaves. On the other hand, the official demand Uniform Business, which plays a part in the defense industry, is expected to maintain favorable performance, and the Textile Business is expected to progress according to the mid-term management plan.

As a result, the outlook for the next period forecasts net sales of 4,600 million yen (up 12.0% year-on-year), operating profit of 370 million yen (up 17.3% year-on-year), ordinary profit of 160 million yen (up 31.2% year-on-year), and profit attributable to owners of the parent of 100 million yen (up 82.0% year-on-year).

## 2. Basic Approach to Selecting Accounting Standards

Our group considers the comparability of consolidated financial statements over time and between companies, and for the time being, we plan to prepare consolidated financial statements based on Japanese standards.

## 3 . Consolidated Financial Statements and Main Notes

## ( 1 ) Consolidated Balance Sheets

(Unit: Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	1,097,756	959,664
Notes receivable - trade	136,891	146,285
Accounts receivable - trade	488,234	426,581
Inventories	766,701	820,792
Other	37,493	51,380
Allowance for doubtful accounts	-1,380	-1,290
Total current assets	2,525,696	2,403,413
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,727,648	7,387,514
Land	9,265,726	9,267,467
Leased assets, net	108,436	239,753
Other, net	54,097	61,475
Total property, plant and equipment	17,155,909	16,956,210
Intangible assets		
Goodwill	128,073	113,664
Other	12,375	6,406
Total intangible assets	140,448	120,071
Investments and other assets		
Investment securities	414,889	443,136
Bankruptcy Reorganization Claim, etc.	83,256	83,256
Deferred tax assets	65,736	1,914
Other	44,088	108,965
Allowance for doubtful accounts	-80,228	-80,228
Total investments and other assets	527,743	557,043
Total non-current assets	17,824,100	17,633,325
Total assets	20,349,797	20,036,739

(Unit: Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	458,986	351,682
Short-term borrowings	546,370	581,328
Income taxes payable	1,011	3,069
Provision for bonuses	37,943	39,953
Provision for shareholder benefit program	29,000	46,500
Other	659,593	700,663
Total current liabilities	1,732,905	1,723,196
Non-current liabilities		
Long-term borrowings	9,372,269	8,967,610
Lease liabilities	102,437	225,722
Long-term guarantee deposits	1,325,950	1,255,809
Deferred tax liabilities	—	19,154
Deferred tax liabilities for land revaluation	2,476,495	2,536,636
Retirement benefit liability	285,911	313,580
Asset retirement obligations	71,886	71,022
Other	46,823	—
Total non-current liabilities	13,681,774	13,389,534
Total liabilities	15,414,680	15,112,730
<b>Net assets</b>		
Shareholders' equity		
Share capital	100,000	100,000
Capital surplus	30,979	30,466
Retained earnings	138,161	132,531
Treasury shares	-9,791	-33,002
Total shareholders' equity	259,349	229,996
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	50,825	68,022
Deferred gains or losses on hedges	-49,092	15,712
Revaluation reserve for land	4,664,864	4,604,723
Total accumulated other comprehensive income	4,666,596	4,688,458
Share acquisition rights	9,171	5,554
Total net assets	4,935,117	4,924,009
Total liabilities and net assets	20,349,797	20,036,739



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

(Unit: Thousands of yen)

	Previous Consolidated Fiscal Year (From April 1, 2023 To March 31, 2024)	Current Consolidated Fiscal Year (From April 1, 2024 To March 31, 2025)
Net sales	4,033,875	4,106,822
Cost of sales	2,781,941	2,797,449
Gross profit	1,251,933	1,309,373
Selling, general and administrative expenses	933,055	993,948
Operating profit	318,878	315,424
Non-operating income		
Interest income	612	17
Dividend income	6,942	9,829
Share of profit of entities accounted for using equity method	—	601
Penalty income	3,642	697
Gain on sale of non-current assets	10,035	392
Other	4,224	3,232
Total non-operating income	25,457	14,771
Non-operating expenses		
Interest expenses	198,183	205,160
Share of loss of entities accounted for using equity method	1,601	—
Commission for syndicated loans	4,236	2,666
Other	592	439
Total non-operating expenses	204,613	208,266
Ordinary profit	139,722	121,929
Extraordinary income		
Gain on liquidation of subsidiaries and associates	19,082	—
Total extraordinary income	19,082	—
Net income before taxes and other adjustments	158,804	121,929
Corporate Taxes, Resident Taxes and Business Taxes	812	657
Corporate Tax Adjustments	4,618	66,319
Total Corporate Taxes, etc.	5,431	66,976
Net profit	153,372	54,952
Profit attributable to owners of parent	153,372	54,952

## (Consolidated Statements of Comprehensive Income)

(Unit: Thousands of yen)

	Previous Consolidated Fiscal Year (From April 1, 2023 To March 31, 2024)	Current Consolidated Fiscal Year (From April 1, 2024 To March 31, 2025)
Profit	153,372	54,952
Other comprehensive income		
Valuation difference on available-for-sale securities	51,809	17,197
Deferred gains or losses on hedges	-20,547	64,804
Land Revaluation Difference	—	-60,140
Foreign currency translation adjustment	-13,556	—
Total other comprehensive income	17,705	21,861
Comprehensive income	171,078	76,814
(Breakdown)		
Comprehensive income attributable to owners of parent	171,078	76,814
Comprehensive income attributable to non-controlling interests	—	—

## ( 3 ) Consolidated Statements of Changes in Shareholders' Equity

Previous Consolidated Fiscal Year (From April 1, 2023, To March 31, 2024)

(Unit: Thousands of yen)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Shares	Total Shareholders' Equity
Balance at the beginning of year	100,000	25,901	15,030	-9,784	131,147
change during the year					
Profit Attributable to Owners of Parent			153,372		153,372
Issuance of new shares (exercise of share options)	2,539	2,539			5,078
Dividend Distribution			-30,242		-30,242
Acquisition of treasury stock				-6	-6
Capital reduction	-2,539	2,539			—
Changes in items other than shareholders' equity during the period (Net amount)					
total changes in current term	—	5,078	123,130	-6	128,201
end-of-term balance	100,000	30,979	138,161	-9,791	259,349

	Accumulated Other Comprehensive Income					Share Option	Total Net Assets
	Other securities variance from valuation	Deferred Gains or Losses on Hedges	Land Revaluation cost difference	foreign currency translation adjustments	Total Accumulated Other Comprehensive Income		
Balance at the beginning of year	-984	-28,544	4,664,864	13,556	4,648,890	10,307	4,790,346
change during the year							
Profit Attributable to Owners of Parent							153,372
Issuance of new shares (exercise of share options)							5,078
Dividend Distribution							-30,242
Acquisition of treasury stock							-6
Capital reduction							—
Changes in items other than shareholders' equity during the period (Net amount)	51,809	-20,547	—	-13,556	17,705	-1,136	16,569
total changes in current term	51,809	-20,547	—	-13,556	17,705	-1,136	144,771
end-of-term balance	50,825	-49,092	4,664,864	—	4,666,596	9,171	4,935,117

Current Consolidated Fiscal Year (From April 1, 2024, To March 31, 2025)

(Unit: Thousands of yen)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Shares	Total Shareholders' Equity
Balance at the beginning of year	100,000	30,979	138,161	-9,791	259,349
change during the year					
Profit Attributable to Owners of Parent			54,952		54,952
Issuance of new shares (exercise of share options)				7,382	7,382
Dividend Distribution			-60,582		-60,582
Acquisition of treasury stock		-512		-30,593	-31,105
Capital reduction					
Changes in items other than shareholders' equity during the period (Net amount)					
total changes in current term		-512	-5,629	-23,211	-29,353
end-of-term balance	100,000	30,466	132,531	-33,002	229,996

	Accumulated Other Comprehensive Profit					Share Option	Total Net Assets
	Other securities variance from valuation	Deferred Gains or Losses on Hedges	Land Revaluation cost difference	foreign currency translation adjustments	Total Accumulated Other Comprehensive Income		
Balance at the beginning of year	50,825	-49,092	4,664,864	—	4,666,596	9,171	4,935,117
change during the year							
Profit Attributable to Owners of Parent							54,952
Issuance of new shares (exercise of share options)							7,382
Dividend Distribution							-60,582
Acquisition of treasury stock							-31,105
Capital reduction							
Changes in items other than shareholders' equity during the period (Net amount)	17,197	64,804	-60,140		21,861	-3,616	18,244
total changes in current term	17,197	64,804	-60,140	—	21,861	-3,616	-11,108
end-of-term balance	68,022	15,712	4,604,723	—	4,688,458	5,554	4,924,009

## (4) Consolidated Statements of Cash Flows

(Unit: Thousands of yen)

	Previous Consolidated Fiscal Year (From April 1, 2023 To March 31, 2024)	Current Consolidated Fiscal Year (From April 1, 2024 To March 31, 2025)
Net cash provided by operating activities		
Income before Income Taxes and Minority Interests	158,804	121,929
Depreciation expense	506,944	493,008
Increase (Decrease) in Allowance for Doubtful Accounts	110	-90
Increase (decrease) in accrued bonuses	404	2,009
Provision for shareholder benefit program	1,000	17,500
(Decrease) increase in liability for retirement benefits	18,872	27,668
Interest and dividends	-7,555	-9,847
Interest Expense	198,183	205,160
Equity in losses (earnings) of affiliates	1,601	-601
Gain (loss) on sales of fixed assets	-10,035	-392
(Increase) decrease in trade notes and accounts receivable	-41,450	43,239
(Increase) decrease in inventories	-42,509	-54,090
Increase (decrease) in trade notes and accounts payable	205,842	-107,304
Increase (Decrease) in guaranteed deposits received	-45,423	-70,140
Decrease in other assets	17,795	-51,109
(Decrease) Increase in other payables and accruals	1,658	61,556
Other current liabilities	-13,556	4,927
Sub-total	950,686	683,422
Interest and dividends-received	7,555	9,847
Interest expense paid	-195,800	-211,313
Income taxes paid	-4,452	-1,011
Net cash provided by operating activities	757,989	480,945
Cash Flow from Investment Activities		
Expenditures for acquisition of tangible and intangible fixed assets	-64,935	-137,872
Proceeds from sales of fixed assets	10,035	392
Other current liabilities	-0	-0
Cash Flow from Investment Activities	-54,900	-137,479
Cash Flow from Financing Activities		
Proceeds from long-term loans	—	200,000
Payments for repayment of long-term debt	-557,991	-569,701
Payment of lease obligation	-24,049	-19,434
Increase in treasury stock	—	-30,772
Payments of cash dividends	-30,242	-59,721
Other current liabilities	-4,193	-1,928
Cash Flow from Financing Activities	-616,477	-481,558
Effect of exchange rate changes	—	—
Net (Decrease) Increase in Cash and Cash Equivalents	86,611	-138,092
Cash and cash equivalents at the beginning of the year	1,000,958	1,087,570
Cash and cash equivalents at the end of the year	1,087,570	949,478

( 5 ) Notes to Consolidated Financial Statements

(Notes on Going Concern Assumptions)

There are no relevant items.

(Notes on Changes in Accounting Policies)

(Application of "Accounting Standards for Corporate Taxes, Resident Taxes and Business Taxes")

We have applied the "Accounting Standards for Corporate Taxes, Resident Taxes and Business Taxes" (Corporate Accounting Standards No. 27, October 28, 2022, hereinafter referred to as "2022 Revised Accounting Standards") from the beginning of this consolidated accounting period.

Regarding the amendment to the classification of corporate taxes (taxation on other comprehensive income), we are following the transitional treatment stipulated in the proviso of Article 20-3 of the 2022 Revised Accounting Standards and the transitional treatment stipulated in the proviso of Article 65-2(2) of the ""Guidance on the Application of Accounting Standards for Tax Effect Accounting"" (Corporate Accounting Standards Application Guidance No. 28, October 28, 2022, hereinafter referred to as ""2022 Revised Application Guidance""). This change in accounting policy does not affect the consolidated financial statements.

Furthermore, regarding the amendment related to the review of the treatment in the consolidated financial statements when deferring tax on gains or losses arising from the sale of subsidiary shares among consolidated companies, we have applied the 2022 Revised Application Guidance from the beginning of this consolidated accounting period. This change in accounting policy has been retrospectively applied, and the consolidated financial statements for the previous fiscal year have been retrospectively adjusted. This change in accounting policy does not affect the consolidated financial statements for the previous fiscal year.

## (Notes on Segment Information)

### 1. Overview of Reportable Segments

The reportable segments of our group are those for which separate financial information is available and are subject to regular review by our Board of Directors to make decisions about resource allocation and assess performance.

Our group has established the Commercial Property Business Division, Health Care Business Division, Textile Business Division, and Management Division, each of which formulates comprehensive strategies for domestic and overseas sales in close cooperation with domestic and overseas consolidated subsidiaries and conducts business activities.

Therefore, our group is composed of segments based on products and services from each division, with three reportable segments: 'Commercial Property Business,' 'Health Care Business,' and 'Textile Business.'

The 'Commercial Property Business' involves the operation, management, and leasing of commercial properties. The 'Health Care Business' involves the manufacturing and sales of bedding products and other items. The 'Textile Business' involves the manufacturing and sales of apparel and uniforms.

### 2. Methods of Calculating the Amounts of Sales, Profit or Loss, Assets, and Other Items for Each Reportable Segment

The accounting methods for the reported business segments are generally the same as those adopted in the preparation of the consolidated financial statements.

The profit of the reportable segments is based on operating profit figures.

Intersegment sales and transfers are based on prevailing market prices.

### 3. Information on the Amounts of Sales, Profit or Loss, Assets, and Other Items for Each Reportable Segment and Disaggregated Revenue Information

Previous Fiscal Year (From April 1, 2023, to March 31, 2024)

(Unit: Thousands of yen)

	Reportable Segments				Adjusted amount. (Note 1)	Amount recorded in consolidated financial statements (Note 2)
	Commercial Property Business	Health Care Business	Textile Business	Total		
Net Sales						
Revenues from Contracts with Customers	303,503	1,210,256	625,607	2,139,367	—	2,139,367
Other income (Note) 3	1,894,507	—	—	1,894,507	—	1,894,507
Sales to Customers	2,198,011	1,210,256	625,607	4,033,875	—	4,033,875
Internal Sales or Transfers between Segments	456	—	238	694	-694	—
Total	2,198,467	1,210,256	625,845	4,034,569	-694	4,033,875
Segment profit or loss	875,152	-38,537	22,358	858,973	-540,095	318,878
segment assets	17,425,399	930,451	555,658	18,911,508	1,438,288	20,349,797
Other items						
Depreciation expense	477,742	14,653	75	492,472	14,472	506,944
Equity in net income or loss	—	—	-1,601	-1,601	—	-1,601
Investments in affiliated companies	—	—	84,879	84,879	—	84,879
Increase in property, plant and equipment, and intangible assets	198,686	2,949	—	201,635	17,667	219,303

Current Fiscal Year (From April 1, 2024, to March 31, 2025)

(Unit: Thousands of yen)

	reportable segments				Adjusted amount. (Note 1)	Consolidated financial statements reported amount (Note 2)
	Commercial facility Description of Business	Health care Description of Business	Textile Business	Total		
sales						
Revenues from Contracts with Customers	320,018	1,151,427	735,299	2,206,744	—	2,206,744
Other income (Note) 3	1,900,078	—	—	1,900,078	—	1,900,078
Sales to Customers	2,220,096	1,151,427	735,299	4,106,822	—	4,106,822
Internal Sales or Transfers between Segments	456	—	101	557	-557	—
Total	2,220,552	1,151,427	735,400	4,107,379	-557	4,106,822
Segment profit or loss	897,582	-13,146	36,371	920,806	-605,382	315,424
segment assets	17,203,597	732,510	647,076	18,583,184	1,453,555	20,036,739
Other items						
Depreciation expense	466,047	15,115	—	481,162	11,846	493,008
Equity in net income or loss	—	—	601	601	—	601
Investments in affiliated companies	—	—	85,481	85,481	—	85,481
Increase in property, plant and equipment, and intangible assets	262,025	1,262	—	263,287	7,904	271,191

(Note 1) The details of the adjusted amount are as follows.

(Unit: Thousands of yen)

Segment profit or loss	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year
Corporate expenses※	-540,095	-605,382

※Corporate expenses are general administrative expenses not attributable to any reportable segment.

(Unit: Thousands of yen)

segment assets	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year
Corporate assets※	1,438,288	1,450,793

※Corporate assets are mainly cash and deposits not attributable to any reportable segment.

(Unit: Thousands of yen)

Other items	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year
Depreciation expense	14,472	11,846
Increase in property, plant and equipment, and intangible assets※	17,667	7,904

※The increase in property, plant and equipment, and intangible assets is due to capital investment by the management division.

2. Segment profit or loss is adjusted with the operating profit in the consolidated financial statements.

3. Other income includes rental income based on the 'Accounting Standard for Lease Transactions.'



## (Note on Per Share Information)

	Previous Consolidated Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Consolidated Fiscal Year (From April 1, 2024 to March 31, 2025)
Net assets per share	162.82 yen	163.80 yen
Net income per share	5.07 yen	1.83 yen
Diluted EPS Net income for computation	5.06 yen	1.83 yen

(Note) The basic facts underlying the calculation of Basic earnings per share and Diluted earnings per share are as follows:

	Previous Consolidated Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Consolidated Fiscal Year (From April 1, 2024 to March 31, 2025)
Net income per share		
Profit Attributable to Owners of Parent (thousands of yen)	153,372	54,952
Net income not available to common shareholders (thousands of yen)	—	—
Net profit attributable to owners of parent related to common stock (thousands of yen)	153,372	54,952
Weighted average number of common shares outstanding	30,224,198	30,039,387
Diluted EPS Net income for computation		
Adjusted amount of net income attributable to owners of parent (thousands of yen)	—	—
Increase in common shares	95,833	63,067
(of these, Stock Acquisition Rights)	(95,833)	(63,067)
Overview of potential shares not included in the calculation of diluted EPS due to lack of dilutive effect		—

## (Notes on Significant Subsequent Events)

There are no contingent liabilities.