



May 13, 2025

Summary of Financial Results for the Fiscal Year Ended March 31, 2025 [Japan Standards] (Consolidated)

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 Date of general meeting of shareholders: June 24, 2025 Date of commencement of dividend payment: June 25, 2025
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 The supplementary explanation document for closing of accounts is created. Yes
 The briefing for closing of accounts is held. (Scheduled video distribution of financial results explanation) Yes
 (Millions of yen rounded down)

1. Consolidated Operating Results for the Fiscal Year Ended March 31, 2025

(From April 1, 2024 to March 31, 2025)

(1) Consolidated Operating Results

(% figures represent year-on-year increase or decrease)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Shareholders of Parental Company	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY ended March 31, 2025	112,429	12.0	9,488	0.6	9,459	0.3	6,483	0.5
FY ended March 31, 2024	100,405	18.6	9,431	14.3	9,434	14.8	6,453	14.8

(Note)

Comprehensive income

FY ended March 31, 2025: ¥6,503 million (-0.7%)

FY ended March 31, 2024: ¥6,548 million (15.4%)

	Net Income Per Share	Net Income Per Share After Dilution	Return on Equity	Ratio of Ordinary Income to Total Assets	Ratio of Operating Income to Net Sales
	Yen	Yen	%	%	%
FY ended March 31, 2025	198.11	—	9.2	9.4	8.4
FY ended March 31, 2024	197.31	—	9.8	10.2	9.4

(Reference)

Equity in earnings (losses) of subsidiaries and affiliates accounted for by the equity method.

FY ended March 31, 2025: ¥ — million

FY ended March 31, 2024: ¥ — million

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets Per Share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	105,477	72,922	69.1	2,227.90
As of March 31, 2024	95,281	68,031	71.4	2,079.57

(Reference)

Shareholders' equity: FY ended March 31, 2025: ¥72,922 million

FY ended March 31, 2024: ¥68,031 million

(3) Consolidated Cash Flow Position

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at the End of the Period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY ended March 31, 2025	(13,880)	4,906	3,841	24,418
FY ended March 31, 2024	4,671	(5,036)	(2,289)	29,550

2. Dividends

	Dividends Per Share					Dividends (Total)	Payout Ratio (Consolidated)	Dividends on Equity (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	End of 4Q	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY ended March 31, 2024	—	24.00	—	26.00	50.00	1,635	25.3	2.5
FY ended March 31, 2025	—	24.00	—	30.00	54.00	1,767	27.3	2.5
FY ending March 31, 2026 (Forecast)	—	28.00	—	28.00	56.00		27.8	

Notes: 1. Breakdown of year-end dividend for the fiscal year ended March 31, 2024.

Ordinary dividend 24.00 yen Special dividend 2.00 yen

2. Breakdown of year-end dividend for the fiscal year ended March 31, 2025.

Ordinary dividend 24.00 yen Special dividend 4.00 yen Commemorative dividend 2.00 yen

3. Forecasts of Consolidated Operating Results for the Fiscal Year Ending March 31, 2026

(From April 1, 2025 to March 31, 2026)

(% figures represent year-on-year increase or decrease)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Shareholders of Parental Company		Net Income Per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	125,000	11.2	9,600	1.2	9,600	1.5	6,600	1.8	201.64

* Notes

(1) Significant changes in the scope of consolidation during the term: No

(2) Changes in accounting principles, changes in accounting estimates and restatements

1) Changes due to revisions to accounting standards, etc.: Yes

2) Changes other than 1): No

3) Changes in accounting estimates: No

4) Restatements: No

(3) Number of outstanding shares (common stock)

1) Number of shares outstanding at term-end (including treasury stock)

As of March 31, 2025: 34,646,500 shares

As of March 31, 2024: 34,646,500 shares

2) Number of treasury shares at term-end

As of March 31, 2025: 1,915,115 shares

As of March 31, 2024: 1,932,089 shares

3) Average number of shares during the term

As of March 31, 2025: 32,724,548 shares

As of March 31, 2024: 32,705,765 shares

Reference: Non-consolidated Operating Results

1. Non-Consolidated Operating Results for the Fiscal Year Ended March 31, 2025

(From April 1, 2024 to March 31, 2025)

(1) Non-Consolidated Operating Results

(% figures represent year-on-year increase or decrease)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY ended March 2025	4,038	(81.3)	70	(97.6)	148	(95.0)	84	(96.1)
FY ended March 2024	21,574	(43.3)	2,936	(51.8)	2,985	(50.9)	2,170	(49.9)

	Net Income Per Share	Net Income Per Share After Dilution
	Yen	Yen
FY ended March 2025	2.58	—
FY ended March 2024	66.35	—

(Note) We have shifted to a shareholding company system on October 1, 2021, and FJ Next Co., Ltd. has inherited our real estate development business.

(2) Non-Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets Per Share
	Millions of yen	Millions of yen	%	Yen
FY ended March 2025	56,406	54,962	97.4	1,679.19
FY ended March 2024	58,770	56,545	96.2	1,728.46

(Reference)

Shareholders' equity: As of March 31, 2025: ¥54,962 million
As of March 31, 2024: ¥56,545 million

* The Summary of Financial Results is not subject to audit by a certified public accountant or audit corporations.

* Explanation and other special notes regarding the appropriate use of the earnings forecast

(Notes on forward-looking statements)

The forward-looking statements such as result forecasts included in this document are based on the information available to the Company at the time of the announcement and on certain assumptions considered reasonable, and the Company makes no representations as to their achievability. Actual results may differ materially from the forecast depending on a range of factors.

(How to obtain documents for the briefing for closing of accounts)

A video version of the financial results briefing and explanatory documents the end of March 2025 year under review will be published on our company's website.

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1. Summary of Operating Results

(1) Overview of Operating Results of the Current Fiscal Year

1) Operating results of the current fiscal year

During the consolidated fiscal year under review, the Japanese economy experienced a slight recovery despite some stagnation. The employment and income environment improved, while various policy measures took effect. On the other hand, We must continue to be mindful of the risk that the continued rise in prices and the uncertain outlook due to the effects of U.S. trade policy could put a downward strain on the Japanese economy.

In the market for condominiums in the Tokyo metropolitan area, factors such as high cost of construction and building plots drove the number of newly supplied units down 17.0% from the previous consolidated to 22,239 in FY2024 (Apr. 1, 2024 – Mar. 31, 2025), the lowest figure since 1973. In terms of purchasing demand, consumers continue to take a wait-and-see attitude amid high prices, with the average first-month contract rate for the same period being 66.8%, falling below 70% which is said to be a good indicator, for two consecutive years. (All figures are derived from a survey by Real Estate Economic Institute Co., Ltd.)

In the market for investment-type condominiums which compose our corporate group's main business area, lease demand remained strong in the Tokyo metropolitan area centering on singles. Purchase demand for investment-type condominiums is solid, supported by low interest rates and by increasing recognition as income-earning properties that can be expected to provide steady earnings.

Under this business environment, our corporate group has been striving to enhance the customer support system, strengthen our brand name and expand the development and sales of the "Gala Condominium series" which provide various advantages for asset management mainly in the Tokyo metropolitan area, and "Gala Residence series" which are condominiums designed for families under our own brand. Adapting to the active market for pre-owned condominiums, enhancing the customer support system, and strengthening our brand name.

As a result, net sales were ¥112,429 million (an increase of 12.0% compared with the previous consolidated fiscal year), operating income amounted ¥9,488 million (an increase of 0.6% compared with the previous consolidated fiscal year), and ordinary income was ¥9,459 million (an increase of 0.3% compared with the previous consolidated fiscal year). Furthermore, net income attributable to shareholders of parental company totaled ¥6,483 million (an increase of 0.5% compared with the previous consolidated fiscal year).

The operating results for each business segment are as follows:

(Real estate development segment)

We focused on the sales of newly constructed condominiums such as "Gala Precious Shinkoiwa", "Gala Vista Motosumiyoshi", "Gala Residence Nishi-Arai Parkside", and others, and also actively conducted sales of pre-owned condominiums.

At the end of the consolidated fiscal year under review, net sales were ¥23,558 million for newly built condominiums (698 units), ¥69,750 million for pre-owned condominiums (2,551 units), ¥5,973 million for real estate rental income, and ¥618 million from other income sources. Therefore, the total net sales in the segment reached ¥99,901 million (an increase of 15.9% compared with the previous consolidated fiscal year) and the segment profit was ¥7,959 million (an increase of 0.4% compared with the previous consolidated fiscal year).

Breakdown of net sales, etc.

Category	Consolidated fiscal year ended March 31, 2024 From April 1, 2023 to March 31, 2024			Consolidated fiscal year ended March 31, 2025 From April 1, 2024 to March 31, 2025		
	No. of Units	Amount (millions of yen)	YOY (%)	No. of Units	Amount (millions of yen)	YOY (%)
Gala Condominium series	603	17,655	95.0	516	14,827	84.0
Gala Residence series	331	14,533	158.6	182	8,731	60.1
Pre-owned condominiums	1,836	47,404	117.3	2,551	69,750	147.1
Real estate rental income	—	6,229	95.1	—	5,973	95.9
Other income	—	383	179.8	—	618	161.3
Total	2,770	86,206	115.1	3,249	99,901	115.9

(Real estate management segment)

New orders for management of properties developed by the Group advanced, as did outside orders for property management.

The number of managed units for leasing reached 19,470 and the number of buildings managed reached 370 (25,039 units). At the end of the consolidated fiscal year under review, net sales in the real estate management business were ¥4,214 million (an increase of 5.8% compared with the previous consolidated fiscal year), and segment profit was ¥1,201 million (an increase of 10.5% compared with the previous consolidated fiscal year).

(Construction segment)

The number of completed condominium construction projects declined, reducing both sales and profit YOY. At the end of the consolidated fiscal year under review, net sales in the construction business were ¥6,976 million (a decrease of 21.7% compared with the previous consolidated fiscal year), and segment profit was ¥291 million (a decrease of 23.3% compared with the previous consolidated fiscal year).

(Japanese inn segment)

Room occupancy rates were generally unchanged from the previous consolidated period, while revenue per room increased primarily for high-end Japanese inns. At the end of the consolidated fiscal year under review, net sales in the Japanese inn business increased to ¥1,297 million (an increase of 2.9% compared with the previous consolidated fiscal year), and the segment profit was ¥12 million (an increase of 279.3% compared with the previous consolidated fiscal year).

(Other segments)

Net sales in other segments reached ¥39 million in the consolidated fiscal year (a decrease of 17.0% compared with the previous consolidated fiscal year). Segment profit was ¥19 million (an increase of 26.6% compared with the previous consolidated fiscal year).

2) Forecast for the next fiscal year (ending March 31, 2026)

In its forecast for the next fiscal year, the Group expects the economy to rebound. Though the braking effects of US international trade policies and rising prices are causes for concern, the economy will benefit from various political measures. In view of these conditions, the Group will carry out a range of measures to boost its capacity for enterprise growth. We will source proactively with a keen eye on profitability, open up sales channels with due consideration of social and customer needs, and promotion of Digital Transformation.

When considering the above, in terms of sales, we plan to sell 3,500 condominium units (including 375 units in the Gala Residence series) in our mainstay real estate development business. In addition, we expect net sales of ¥125,000 million (an increase of 11.2% compared to the consolidated fiscal year under review) for the fiscal year ending March 2026.

In earnings terms, the Group forecasts operating income of ¥9,600 million (an increase of 1.2% compared with the previous consolidated fiscal year), ordinary income of ¥9,600 million (an increase of 1.5% compared with the previous consolidated fiscal year) and net income attributable to shareholders of parental company of ¥6,600 million (an increase of 1.8% compared with the previous consolidated fiscal year). Expected contributing factors include high prices for construction materials and building plots in the real estate development business.

The forecast of business results outlined above was prepared based on information available on the date of publication of this document. Actual business results may differ from the forecast figures due to a wide range of factors. We will continue to carefully assess the impact on our group's business, and will promptly disclose any revisions if they become necessary.

(2) Overview of Financial Situation for the Current Fiscal Year

1) Situation of assets, liabilities, and net assets

(Assets)

At the end of the consolidated fiscal year under review, current assets were ¥92,778 million, an increase of ¥10,046 million as compared with the end of the previous consolidated fiscal year. Major increases were ¥15,165 million in real estate for sale in process, ¥3,922 million in real estate for sale, ¥3,179 million in notes and operating accounts receivable-trade, and contract assets, while major decreases were ¥10,132 million in cash and deposits, and ¥2,207 million in electronically recorded monetary claims-operating. Non-current assets recorded ¥12,699 million, an increase of ¥150 million as compared with the end of the previous consolidated fiscal year.

As a result, total assets were ¥105,477 million, an increase of ¥10,196 million as compared with the end of the previous consolidated fiscal year.

(Liabilities)

At the end of the consolidated fiscal year under review, current liabilities were ¥15,841 million, an increase of ¥632 million as compared with the end of the previous consolidated fiscal year. This is mainly because current portion of long-term loans

payable increased by ¥846 million. Non-current liabilities recorded ¥16,713 million, an increase of ¥4,674 million as compared with the end of the previous consolidated fiscal year. This is mainly because long-term loans payable increased by ¥4,630 million.

As a result, total liabilities were ¥32,555 million, an increase of ¥5,306 million as compared with the end of the previous consolidated fiscal year.

(Net assets)

At the end of the consolidated fiscal year under review, total net assets were ¥72,922 million, an increase of ¥4,890 million as compared with the end of the previous consolidated fiscal year. A major increase was by ¥6,483 million in net income attributable to shareholders of parental company, while a major decrease was by ¥1,636 million in dividends of surplus.

As a result, the shareholder's equity ratio was 69.1% (it was 71.4% at the end of the previous consolidated fiscal year).

2) Overview of cash flows for the current fiscal year

At the end of the consolidated fiscal year under review, cash and cash equivalents were ¥24,418 million, a decrease of ¥5,132 million as compared with the end of the previous consolidated fiscal year.

For the consolidated fiscal year ended March 31, 2025, situation and variable factors of each cash flow were as follows:

(Cash flows from operating activities)

Funds used from operating activities totaled ¥13,880 million (the previous consolidated fiscal year amounted an income of ¥4,671 million). Major incomes were ¥9,459 million in net income before income taxes. Major expenditures consisted of an increase in inventories of ¥19,377 million, ¥3,296 million in income taxes paid, and an increase in notes and accounts receivable-trade, and contract assets of ¥972 million.

(Cash flows from investing activities)

Funds acquired in investing activities totaled ¥4,906 million (the previous consolidated fiscal year amounted an expenditure of ¥5,036 million). This is mainly because time deposits decreased by ¥5,000 million.

(Cash flows from financing activities)

Funds acquired in financing activities totaled ¥3,841 million (the previous consolidated fiscal year amounted an expenditure of ¥2,289 million). A major income was ¥12,830 million in proceeds from long-term loans payable to be used as funds for the purchase of business land. As for major expenditures, there were ¥7,353 million in repayments of long-term loans payable for completion of project and others, and ¥1,635 million in cash dividends paid.

Reference: Trends in cash flow indicators

	FY2021	FY2022	FY2023	FY2024:	FY2025
Shareholders' equity ratio (%)	63.8	71.3	70.9	71.4	69.1
Shareholders' equity ratio based on market value (%)	43.5	39.1	36.3	48.4	37.1
Interest-bearing debt to cash flow ratio (%)	258.0	57.0	-	273.0	-
Interest coverage ratio (times)	81.6	267.4	-	101.8	-

Shareholders' equity ratio: Shareholders' equity / Total assets

Shareholders' equity ratio based on market value: Market capitalization / Total assets

Interest-bearing debt to cash flow ratio: Interest-bearing debt / Operating cash flows

Interest coverage ratio: Operating cash flows / Interest payments

Notes: 1. All indices are calculated based on consolidated figures.

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

3. Cash flows are calculated using the figures for operating cash flows in the consolidated statements of cash flows.

4. Interest-bearing debt includes all debt on the consolidated balance sheets that incur interest.

5. Interest-bearing debt to cash flow ratios and interest coverage ratios for FY2023 and FY2025 have not been recorded as

the cash flows from operating activities were negative.

(3) Basic Policies Regarding Profit Distribution and Dividends of the Current and Next Term

We recognize that returning profits to shareholders is one of our most important management priorities. Our basic policy is to continuously and stably distribute profits by operating results, considering internal reserves and capital efficiency, etc., and we implement a progressive dividend system that increases with medium- to long-term profit growth.

Based on this policy, we carefully examined the operating results of the fiscal year under review and mid- and long-term business prospects in the following years. As a result, it is planned that the year-end dividend for dividend at the consolidated fiscal year under review (April 2024 to March 2025) will be an ordinary dividend of 24 yen per share, special dividend of 4 yen per share, and commemorative dividend of 2 yen per share for a total dividend of 30 yen per share. The interim dividend of 24 yen per share had been already paid. Thus, the annual dividend is 54 yen per share. Furthermore, for the next consolidated fiscal year (April 2025 to March 2026), it is planned that the dividend will be 28 yen per share for both interim and year-end dividends (the annual dividend will be 56 yen per share).

2. Basic Approach to Selection of Accounting Standards

Our corporate group has prepared its consolidated financial statements based on Japanese standards, as we do not conduct operations or raise funds on the international stage.

3. Consolidated Financial Statements and Important Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
ASSETS		
Current assets		
Cash and deposits	34,600	24,468
Notes and operating accounts receivable-trade, and contract assets	3,259	6,439
Electronically recorded monetary claims-operating	2,207	—
Real estate for sale	12,491	16,414
Real estate for sale in process	28,159	43,324
Costs on uncompleted construction contracts	4	1
Raw materials and supplies	28	37
Advance payments-trade	348	297
Other	1,631	1,795
Allowance for doubtful accounts	(0)	(0)
Total current assets	82,732	92,778
Non-current assets		
Property, plant and equipment		
Buildings and structures	7,359	7,478
Accumulated depreciation	(1,879)	(2,104)
Buildings and structures, net	5,480	5,374
Land	5,406	5,509
Other	458	481
Accumulated depreciation	(358)	(391)
Other, net	100	89
Total property, plant and equipment	10,987	10,973
Intangible assets	37	34
Investments and other assets		
Investment securities	405	299
Deferred tax assets	438	519
Other	690	882
Allowance for doubtful accounts	(9)	(8)
Total investments and other assets	1,524	1,691
Total non-current assets	12,548	12,699
Total assets	95,281	105,477

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
LIABILITIES		
Current liabilities		
Notes and accounts payable-trade	2,473	2,197
Current portion of long-term loans payable	5,653	6,500
Accounts payable-other	731	494
Income taxes payable	2,069	1,989
Accrued consumption taxes	335	191
Deposits received	2,726	2,979
Provision for bonuses	318	364
Other	900	1,123
Total current liabilities	15,209	15,841
Non-current liabilities		
Long-term loans payable	7,100	11,730
Long-term accounts payable-other	833	833
Net defined benefit liabilities	862	815
Long-term lease and guarantee deposited	1,897	1,989
Long-term deposits received	80	90
Provision incurred from business combination	1,253	1,253
Other	11	-
Total non-current liabilities	12,039	16,713
Total liabilities	27,249	32,555
NET ASSETS		
Shareholders' equity		
Capital stock	2,774	2,774
Capital surplus	3,066	3,078
Retained earnings	63,227	68,074
Treasury stock	(1,193)	(1,182)
Total shareholders' equity	67,875	72,745
Accumulated other comprehensive income		
Valuation difference on marketable securities	109	54
Remeasurements of defined benefit plans	47	122
Total accumulated other comprehensive income	156	176
Total net assets	68,031	72,922
Total liabilities and net assets	95,281	105,477

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	FY2024 ended March 31, 2024 (Apr. 1, 2023 - Mar. 31, 2024)	FY2025 ended March 31, 2025 (Apr. 1, 2024 - Mar. 31, 2025)
Net Sales	100,405	112,429
Cost of sales	80,231	91,785
Gross profit	20,174	20,644
Selling, general and administrative expenses		
Advertising expenses	1,512	1,751
Salaries, allowances and bonuses	3,815	4,004
Provision for bonuses	291	331
Retirement benefit expenses	111	92
Provision for directors' retirement benefits	13	—
Other	4,997	4,975
Total selling, general and administrative expenses	10,742	11,155
Operating income	9,431	9,488
Non-operating income		
Interest income	0	9
Dividend income	8	10
Penalty income	18	5
Subsidy income	3	8
Other	23	21
Total non-operating income	55	55
Non-operating expenses		
Interest expenses	45	78
Other	6	6
Total non-operating expenses	52	85
Ordinary Income	9,434	9,459
Extraordinary losses		
Loss on valuation of shares of subsidiaries and associates	34	—
Total extraordinary losses	34	—
Income before income taxes	9,400	9,459
Income taxes-current	3,178	3,069
Income taxes-deferred	(231)	(93)
Total income taxes	2,947	2,976
Net income	6,453	6,483
Net Income attributable to shareholders of parental company	6,453	6,483

Consolidated Statement of Comprehensive Income

(Millions of yen)

	FY2024 ended March 31, 2024 (Apr. 1, 2023 - Mar. 31, 2024)	FY2025 ended March 31, 2025 (Apr. 1, 2024 - Mar. 31, 2025)
Net income	6,453	6,483
Other comprehensive income		
Valuation difference on marketable securities	36	(54)
Remeasurements of defined benefit plans, net of tax	59	74
Total of other comprehensive income	95	20
Comprehensive income	6,548	6,503
(Breakdown)		
Comprehensive income attributable to shareholders of parental company	6,548	6,503
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statement of Changes in Net Assets

FY2024 (Fiscal year ended March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	2,774	3,054	58,344	(1,211)	62,962
Changes of items during the period					
Dividends of surplus			(1,569)		(1,569)
Net income attributable to shareholders of parental company			6,453		6,453
Purchase of treasury stock				(0)	(0)
Transfer-restricted share remuneration		11		17	29
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	11	4,883	17	4,913
Balance at the end of the period	2,774	3,066	63,227	(1,193)	67,875

	Accumulated other comprehensive income			Total net assets
	Valuation difference on marketable securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at the beginning of the period	73	(12)	60	63,022
Changes of items during the period				
Dividends of surplus				(1,569)
Net income attributable to shareholders of parental company				6,453
Purchase of treasury stock				(0)
Transfer-restricted share remuneration				29
Net changes of items other than shareholders' equity	36	59	95	95
Total changes of items during the period	36	59	95	5,009
Balance at the end of the period	109	47	156	68,031

FY2025 (Fiscal year ended March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	2,774	3,066	63,227	(1,193)	67,875
Changes of items during the period					
Dividends of surplus			(1,636)		(1,636)
Net income attributable to shareholders of parental company			6,483		6,483
Purchase of treasury stock				(0)	(0)
Transfer-restricted share remuneration		12		10	23
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	12	4,846	10	4,870
Balance at the end of the period	2,774	3,078	68,074	(1,182)	72,745

	Accumulated other comprehensive income			Total net assets
	Valuation difference on marketable securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at the beginning of the period	109	47	156	68,031
Changes of items during the period				
Dividends of surplus				(1,636)
Net income attributable to shareholders of parental company				6,483
Purchase of treasury stock				(0)
Transfer-restricted share remuneration				23
Net changes of items other than shareholders' equity	(54)	74	20	20
Total changes of items during the period	(54)	74	20	4,890
Balance at the end of the period	54	122	176	72,922

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	FY2024 ended March 31, 2024 (Apr. 1, 2023 - Mar. 31, 2024)	FY2025 ended March 31, 2025 (Apr. 1, 2024 - Mar. 31, 2025)
Cash flows from operating activities		
Income before income taxes	9,400	9,459
Depreciation	360	358
Increase (decrease) in allowance for doubtful accounts	(1)	(0)
Increase (decrease) in provision for bonuses	52	45
Increase (decrease) in provision for directors' retirement benefits	(864)	—
Increase (decrease) in net defined benefit liabilities	89	62
Increase (decrease) in long-term accounts payable-other	833	—
Interest and dividend income	(9)	(20)
Interest expenses	45	78
Decrease (increase) in notes and accounts receivable-trade, and contract assets	(1,399)	(972)
Decrease (increase) in inventories	(3,303)	(19,377)
Increase (decrease) in notes and accounts payable-trade	982	(241)
Decrease (increase) in advances payments	(162)	51
Increase (decrease) in advances received	(285)	260
Increase (decrease) in lease and guarantee deposits received	29	92
Increase (decrease) in accrued consumption taxes	511	(95)
Other	1,031	(223)
Subtotal	7,310	(10,519)
Interest and dividend income received	9	20
Interest expenses paid	(44)	(84)
Income taxes paid	(2,603)	(3,296)
Net cash provided by operating activities	4,671	(13,880)
Cash flows from investing activities		
Purchase of property, plant and equipment	(48)	(99)
Purchase of investment securities	(13)	(11)
Decrease (increase) in time deposits	(5,000)	5,000
Others	26	17
Net cash provided by (used in) investing activities	(5,036)	4,906
Cash flows from financing activities		
Proceeds from long-term loans payable	5,100	12,830
Repayments of long-term loans payable	(5,820)	(7,353)
Purchase of treasury stock	(0)	(0)
Cash dividends paid	(1,568)	(1,635)
Net cash used in financing activities	(2,289)	3,841
Net increase (decrease) in cash and cash equivalents	(2,653)	(5,132)
Cash and cash equivalents at the beginning of the period	32,204	29,550
Cash and cash equivalents at the end of the period	29,550	24,418

(5) Notes Regarding Consolidated Financial Statements

(Notes Regarding Going Concern)

None.

(Notes on Changes in Accounting Principles)

(Application of Accounting Standard for Current Income Taxes, etc.)

The Company has applied the “Accounting Standard for Income Taxes, Inhabitant Taxes and Enterprise Taxes” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; hereinafter “the 2022 Revised Accounting Standard”), etc. from the beginning of the consolidated fiscal year under review.

In the amendment of “taxes on other comprehensive income,” a corporate-tax accounting category, the Company follows the transitional treatment in the proviso of Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment in the proviso of Paragraph 65-2 (2) of Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter “the 2022 Revised Guidance”). However, these changes in accounting principles have no effect on the consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries arising from transactions between consolidated companies were deferred for tax purposes, the 2022 Revised Guidance has been applied from the beginning of the consolidated fiscal year under review. These changes in accounting principles were applied retrospectively. Accordingly, the consolidated financial statements for the previous fiscal year have been modified retrospectively. However, these changes in accounting principles have no effect on the consolidated financial statements for the previous fiscal year.

(Additional Information)

(Change in Purpose for Holding)

During the current consolidated fiscal year, in conjunction with a change in purpose for holding a portion of the real estate for sale, ¥195 million of real estate for sale was reclassified as property, plant, and equipment (¥92 million as buildings and structures, and ¥103 million as land).

(Notes on Segment Information, etc.)**(Segment Information)**

I Fiscal year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

1. Overview of reported segments

It is possible to obtain separate financial information for our corporate group's reported segments from among the constituent units of our company. This information is subject to periodic review by the Board of Directors in order to make decisions regarding the distribution of management assets and to evaluate business performance.

The four reported segments are composed of a real estate development business which is conducted by our company, FJ Next Co., Ltd. and FJ Next Residential Co., Ltd., a real estate management business conducted by FJ Community Co., Ltd. and Ito Ippeki Management Services Co., Ltd., a construction business conducted by Resitec Corporation, and a Japanese inn business conducted by our company and FJ Resort Management Co., Ltd.

The real estate development business mainly performs the development, sales, brokering and leasing of one-room condominiums and family condominiums in the Tokyo metropolitan area, as well as real estate activities in the Izu region. The real estate management business mainly performs leasing management for condominium owners, subcontracting of property management from management unions and holiday-home-area management for holiday-home-area owners. The construction business performs design, construction, inspection and renovation of buildings such as condominiums. The Japanese inn section runs the "Ito Yuki Tei," "Ito Yuki Tei Kawana Bettei," "Gyokuhokan" and "Seiryuso" hot-spring inns in the Izu area of Shizuoka Prefecture.

2. Method of calculating sales, profit, assets, and other items for reported segments

The methods of accounting for reported segments are based on the principles and methods of accounting adopted for the purpose of preparing the consolidated financial statements.

The segment profit as reported is a figure based on operating income.

Inter-segment sales or exchange are based on prevailing market prices.

3. Information on net sales, profit, assets, other items for reported segments and revenue breakdown

(Millions of yen)

	Reported segment					Other segments (Note) 1	Total	Adjustment (Note) 2	Amounts shown on Consolidated Financial Statements (Note) 3
	Real estate development segment	Real estate management segment	Construction segment	Japanese inn segment	Subtotal				
Net Sales									
Newly-built condominiums	32,188	—	—	—	32,188	-	32,188	-	32,188
Pre-owned condominiums	47,404	—	—	—	47,404	-	47,404	-	47,404
Other	383	3,772	8,907	1,260	14,324	-	14,324	-	14,324
Revenue from contracts with customers	79,976	3,772	8,907	1,260	93,918	-	93,918	-	93,918
Other revenue (Note) 4	6,229	210	—	—	6,439	47	6,487	-	6,487
Net sales to external customers	86,206	3,982	8,907	1,260	100,358	47	100,405	-	100,405
Inter-segment sales or exchange	14	384	45	19	464	-	464	(464)	—
Total	86,221	4,367	8,953	1,280	100,822	47	100,869	(464)	100,405
Segment profit	7,930	1,087	380	3	9,401	15	9,417	14	9,431
Segment assets	79,531	9,074	6,588	1,738	96,932	1,408	98,340	(3,059)	95,281
Other items									
Depreciation	270	5	0	89	366	0	367	(6)	360
Increase (decrease) in property, plant and equipment and intangible assets	275	6	-	0	282	2	285	(0)	284

- (Notes) 1. “Other segments” are business segments that are not included in the reported segments. These include the financial-services business.
2. Details for adjusted amounts are listed below.

Segment profit	(Millions of yen)
Elimination of inter-segment transactions	(146)
Company-wide expenses	151
Adjustments of inter-segment inventories and non-current assets	9
Total	14

Segment assets	(Millions of yen)
Elimination of inter-segment transactions	(3,044)
Adjustments of inter-segment inventories and non-current assets	(15)
Total	(3,059)

Depreciation	(Millions of yen)
Adjustments of non-current assets	(6)

Increase (decrease) in property, plant and equipment and intangible assets	(Millions of yen)
Adjustments of non-current assets	(0)

3. Segment profit is adjusted with operating income in the consolidated statement of income.
4. “Other revenue” mainly consists of revenue from real-estate rents. Revenue is recognized based on the duty of performance outlined in the Accounting Standard for Lease Transactions (Accounting Standards Board of Japan (ASBJ) Statement No. 13, March 30 2007).

II Fiscal year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

1. Overview of reported segments

It is possible to obtain separate financial information for our corporate group’s reported segments from among the constituent units of our company. This information is subject to periodic review by the Board of Directors in order to make decisions regarding the distribution of management assets and to evaluate business performance.

The four reported segments are composed of a real estate development business which is conducted by our company, FJ Next Co., Ltd. and FJ Next Residential Co., Ltd., a real estate management business conducted by FJ Community Co., Ltd. and Ito Ippeki Management Services Co., Ltd., a construction business conducted by Resitec Corporation, and a Japanese inn business conducted by our company and FJ Resort Management Co., Ltd.

The real estate development business mainly performs the development, sales, brokering and leasing of one-room condominiums and family condominiums in the Tokyo metropolitan area, as well as real estate activities in the Izu region. The real estate management business mainly performs leasing management for condominium owners, subcontracting of property management from management unions and holiday-home-area management for holiday-home-area owners. The construction business performs design, construction, inspection and renovation of buildings such as condominiums. The Japanese inn section runs the “Ito Yuki Tei,” “Ito Yuki Tei Kawana Bettei,” “Gyokuhokan” and “Seiryuso” hot-spring inns in the Izu area of Shizuoka Prefecture.

2. Method of calculating sales, profit, assets, and other items for reported segments

The methods of accounting for reported segments are based on the principles and methods of accounting adopted for the purpose of preparing the consolidated financial statements.

The segment profit as reported is a figure based on operating income.

Inter-segment sales or exchange are based on prevailing market prices.

3. Information on net sales, profit, assets, other items for reported segments and revenue breakdown

(Millions of yen)

	Reported segment					Other segments (Note) 1	Total	Adjustment (Note) 2	Amounts shown on Consolidated Financial Statements (Note) 3
	Real estate development segment	Real estate management segment	Construction segment	Japanese inn segment	Subtotal				
Net Sales									
Newly-built condominiums	23,558	—	—	—	23,558	-	23,558	-	23,558
Pre-owned condominiums	69,750	—	—	—	69,750	-	69,750	-	69,750
Other	618	4,014	6,976	1,297	12,907	-	12,907	-	12,907
Revenue from contracts with customers	93,928	4,014	6,976	1,297	106,216	-	106,216	-	106,216
Other revenue (Note) 4	5,973	199	—	—	6,173	39	6,212	-	6,212
Net sales to external customers	99,901	4,214	6,976	1,297	112,389	39	112,429	-	112,429
Inter-segment sales or exchange	14	371	61	16	464	-	464	(464)	—
Total	99,916	4,585	7,038	1,314	112,854	39	112,893	(464)	112,429
Segment profit	7,959	1,201	291	12	9,465	19	9,485	3	9,488
Segment assets	88,355	9,586	7,086	1,686	106,714	1,319	108,034	(2,556)	105,477
Other items									
Depreciation	293	4	0	62	360	0	361	(2)	358
Increase (decrease) in property, plant and equipment and intangible assets	224	8	-	21	254	-	254	(1)	253

(Notes) 1. “Other segments” are business segments that are not included in the reported segments. These include the financial-services business.

2. Details for adjusted amounts are listed below.

Segment profit

(Millions of yen)

Elimination of inter-segment transactions	(228)
Company-wide expenses	232
Adjustments of inter-segment inventories and non-current assets	(0)
Total	3

Segment assets

(Millions of yen)

Elimination of inter-segment transactions	(2,540)
Adjustments of inter-segment inventories and non-current assets	(15)
Total	(2,556)

Depreciation

(Millions of yen)

Adjustments of non-current assets	(2)
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Increase (decrease) in property, plant and equipment and intangible assets

(Millions of yen)

Adjustments of non-current assets	(1)
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3. Segment profit is adjusted with operating income in the consolidated statement of income.

4. “Other revenue” mainly consists of revenue from real-estate rents. Revenue is recognized based on the duty of performance outlined in the Accounting Standard for Lease Transactions (Accounting Standards Board of Japan (ASBJ) Statement No. 13, March 30 2007).

(Related information)

Previous consolidated fiscal year (From April 1, 2023 to March 31, 2024)

1. Information regarding products and services

Information is omitted here because similar information is listed as segment information.

2. Regional information

(1) Sales

No applicable items exist because there are no branches or consolidated subsidiaries located in countries or regions other than Japan.

(2) Property, plant and equipment

No applicable items exist because there are no branches or consolidated subsidiaries located in countries or regions other than Japan.

3. Information regarding major customers

Information is omitted because, within sales to external customers, there are no sales to specific customers which compose 10% or greater of the consolidated statement of income.

Current consolidated fiscal year (From April 1, 2024 to March 31, 2025)

1. Information regarding products and services

Information is omitted here because similar information is listed as segment information.

2. Regional information

(1) Sales

No applicable items exist because there are no branches or consolidated subsidiaries located in countries or regions other than Japan.

(2) Property, plant and equipment

No applicable items exist because there are no branches or consolidated subsidiaries located in countries or regions other than Japan.

3. Information regarding major customers

Information is omitted because, within sales to external customers, there are no sales to specific customers which compose 10% or greater of the consolidated statement of income.

(Information regarding the impairment loss of non-current assets for reported segments)

Previous consolidated fiscal year (From April 1, 2023 to March 31, 2024)

None.

Current consolidated fiscal year (From April 1, 2024 to March 31, 2025)

None.

(Information regarding the amortization of goodwill and unamortized balances for reported segments)

Previous consolidated fiscal year (From April 1, 2023 to March 31, 2024)

None.

Current consolidated fiscal year (From April 1, 2024 to March 31, 2025)

None.

(Information regarding the gain on negative goodwill for reported segments)

Previous consolidated fiscal year (From April 1, 2023 to March 31, 2024)

None.

Current consolidated fiscal year (From April 1, 2024 to March 31, 2025)

None.

(Information per Share)

Previous consolidated fiscal year (Apr. 1, 2023 - Mar. 31, 2024)		Current consolidated fiscal year (Apr. 1, 2024 - Mar. 31, 2025)	
Net assets per share	2,079.57 yen	Net assets per share	2,227.90 yen
Net income per share	197.31 yen	Net income per share	198.11 yen
The amount of net income per share after dilution is not shown since no dilutive shares exist.		The amount of net income per share after dilution is not shown since no dilutive shares exist.	

Note: The bases for calculating the amount of net income per share are as follows:

	Previous consolidated fiscal year (Apr. 1, 2023 - Mar. 31, 2024)	Current consolidated fiscal year (Apr. 1, 2024 - Mar. 31, 2025)
Net income attributable to shareholders of parental company (Millions of yen)	6,453	6,483
Income not attributable to shareholders (Millions of yen)	—	—
Net income attributable to shareholders of the parent company relating to common stock (Millions of yen)	6,453	6,483
Average number of common shares during the term (shares)	32,705,765	32,724,548

(Significant Subsequent Events)

None.

4. Others

(1) Overview of production, orders received and sales

1) Performance on production

None.

2) Performance on contracts

For the consolidated fiscal year ended March 31, 2025, performance on contracts of the real estate development business is as follows:

Category	Previous consolidated fiscal year From April 1, 2023 to March 31, 2024				Current consolidated fiscal year From April 1, 2024 to March 31, 2025			
	No. of Units	YOY (%)	Amount (millions of yen)	YOY (%)	No. of Units	YOY (%)	Amount (millions of yen)	YOY (%)
Gala Condominium series	493	61.6	14,042	66.0	724	146.9	20,508	146.0
Gala Residence series	209	69.3	9,610	72.6	235	112.4	11,897	123.8
Pre-owned condominiums	2,016	123.5	52,817	128.2	2,486	123.3	68,651	130.0
Other (real estate)	—	—	41	147.4	—	—	24	59.0
Total	2,718	99.4	76,512	101.0	3,445	126.7	101,081	132.1

(Note) 1. The above amounts do not include VAT etc.

(Note) 2. The “Gala Residence series” includes the units that are equivalent to the Company's equity among the projects based on joint ventures.

3) Performance on sales

For the consolidated fiscal year ended March 31, 2025, sales performance by segment is as follows:

Reportable segments	Category	Previous consolidated fiscal year From April 1, 2023 to March 31, 2024				Current consolidated fiscal year From April 1, 2024 to March 31, 2025			
		No. of Units	YOY (%)	Amount (millions of yen)	YOY (%)	No. of Units	YOY (%)	Amount (millions of yen)	YOY (%)
Real estate development segment	Gala Condominium series	603	83.6	17,655	95.0	516	85.6	14,827	84.0
	Gala Residence series	331	146.0	14,533	158.6	182	55.0	8,731	60.1
	Pre-owned condominiums	1,836	113.8	47,404	117.3	2,551	139.0	69,750	147.1
	Other	—	—	6,613	97.7	—	—	6,592	99.7
	Subtotal	2,770	108.2	86,206	115.1	3,249	117.3	99,901	115.9
Real estate management segment	—	—	3,982	109.0	—	—	4,214	105.8	
Construction segment	—	—	8,907	186.5	—	—	6,976	78.3	
Japanese inn segment	—	—	1,260	98.5	—	—	1,297	102.9	
Other segments	—	—	47	88.6	—	—	39	83.0	
Total	—	—	100,405	118.6	—	—	112,429	112.0	

(Note) 1. The above amounts do not include VAT etc.

(Note) 2. The “Gala Residence series” includes the units that are equivalent to the Company's equity among the projects based on joint ventures.

(2) Others

None.