



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

May 14, 2025

Listed company name HURXLEY CORPORATION Tokyo Stock Exchange
 Securities code 7561 URL <https://www.hurxley.co.jp>
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 Holding of financial results meeting (for analysts): None

(Amounts are rounded down to the nearest million yen)

Consolidated Financial Results for the Year Ended March 31, 1.2025 (April 1, 2024-March 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2025	45,175	△3.4	1,931	△20.7	2,082	△19.6	1,204	△24.8
Year ended March 31, 2024	46,761	31.3	2,436	66.8	2,588	63.9	1,601	52.8

(NOTE) Comprehensive income Year ended March 31, 2025 1,000 Millions of yen (△46.8%) Year ended March 31, 2024 1,882 Millions of yen (51.9%)

	Per share Net Income	Diluted earnings Net income per share	Shareholders' equity Net income margin	Total assets Ordinary income ratio	Net sales Operating income margin
	Yen	Yen	%	%	%
Year ended March 31, 2025	65.17	-	4.9	2.8	4.3
Year ended March 31, 2024	86.87	86.76	6.9	4.2	5.2

(Reference) Equity in earnings of affiliates Year ended March 31, 2025 △19 Millions of yen Year ended March 31, 2024 △97 Millions of yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Year ended March 31, 2025	73,427	24,662	33.6	1,333.17
Year ended March 31, 2024	64,398	24,155	37.5	1,307.32

Reference: Shareholders' equity Year ended March 31, 2025 24,651 Millions of yen Year ended March 31, 2024 24,153 Millions of yen

(3) Consolidated Cash Flows

	Operating activities Cash Flows	Investing activities Cash Flows	Financing activities Cash Flows	Cash and cash equivalents period At end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2025	175	△6,814	4,364	11,936
Year ended March 31, 2024	7,008	△6,153	1,981	14,210

2. Cash dividends

	Annual dividends per share					Total dividends amount (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2024	-	9.00	-	15.00	24.00	443	27.6	1.9
Year ended March 31, 2025	-	13.00	-	13.00	26.00	480	39.9	2.0
Fiscal year ending March 2026 (Forecast)	-	14.00	-	14.00	28.00		51.8	

Consolidated Forecasts for the Fiscal Year Ending March 3, 2026 (April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Attributable to owners of parent "		Per share Net Income
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Second quarter (cumulative)	25,000	18.4	500	△51.4	240	△77.6	60	△90.3	3.25
Full year	52,700	16.7	1,900	△1.6	1,600	△23.2	1,000	△17.0	54.09

※ Notes

(1) Significant changes in the scope of consolidation during the period: Yes

New: 1 company (company name) Hosoya Corporation

(2) Changes in accounting policies and changes or restatement of accounting estimates

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

② ① Changes in accounting policies other than the above: None

③ Changes in accounting estimates: None

④ Restatement of revisions: None

(NOTE) For more information, see the accompanying P.14"3. Consolidated Financial Statements and the Notes to Consolidated Financial Statements under (5) Notes to Consolidated Financial Statements.

Please refer to (Changes in Accounting Policies).

(3) Number of shares outstanding (common shares)

① Number of shares outstanding at the end of the period (including treasury stock)

② Number of treasury shares at the end of the period

③ Average number of shares during the period

Year ended March 31, 2025	19,050,064	Shares	Year ended March 31, 2024	19,050,064	Shares
Year ended March 31, 2025	558,930	Shares	Year ended March 31, 2024	574,850	Shares
Year ended March 31, 2025	18,486,064	Shares	Year ended March 31, 2024	18,431,922	Shares

(Reference) Summary of Non-consolidated Financial Results

Non-consolidated results for the year ended March 31, 1.2025 (April 1, 2024 to March 31, 2025)

(1)Non-Consolidated Results of Operation

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2025	1,219	△1.3	322	△35.6	480	△52.1	49	△94.0
Year ended March 31, 2024	1,236	43.8	499	120.1	1,002	236.7	829	140.0

	Per share	Diluted earnings
	Net Income	Net income per share
	Yen	Yen
Year ended March 31, 2025	2.68	2.68
Year ended March 31, 2024	44.99	44.93

(2)Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Year ended March 31, 2025	23,672	11,251	47.5	607.75
Year ended March 31, 2024	18,942	11,892	62.8	643.06

Reference: Shareholders' equity Year ended March 31, 2025 11,247 Millions of yen Year ended March 31, 2024 11,890 Millions of yen

※ The financial results are outside the scope of audits by a certified public accountant or an auditing firm.

※ Explanations and other special notes concerning the appropriate use of business performance forecasts
(Notes on forward-looking statements)

Amid concerns about rising interest rates, real estate sales in the Store Asset & Solutions Business are not included in net sales, operating income, and other income at each stage in line with the impact on real estate prices and economic conditions.

We will disclose the information in a timely manner in accordance with the disclosure standards when the sale of real estate is decided and the impact on the business results is clarified.

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and on certain assumptions deemed to be reasonable, and do not constitute guarantees by the Company of future performance. Actual results may differ materially from the forecast depending on a range of factors.

(Notice of Formulation of Medium-Term Management Targets)

Which was announced on June 3, 2024. Please refer to our IR newsletter.

https://www.hurxley.co.jp/tax_irinfo/newsrelease/

(Response to Realize Management with an Awareness of Capital Costs and Stock Prices)

The report was released on June 3, 2024, and the progress was made on May 14, 2025. Please refer to our IR newsletter.

https://www.hurxley.co.jp/tax_irinfo/newsrelease/

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1. Overview of Operating Results and Financial Position

(1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year under review, the Japanese economy continued to recover moderately on the back of improvement in the employment and income environments. On the other hand, the outlook remains uncertain due to price increases caused by the rise in foreign exchange rates, raw material prices, and energy costs, as well as concerns about the impact on the economy from uncertainty regarding future policies in the United States and revisions to monetary policy.

Under these circumstances, our Group has been implementing various measures based on the Medium-Term Management Plan ending March 2028, announced in June 2024, and the Policy for Realizing Management with an Awareness of Capital Costs and Stock Prices.

As a result, consolidated results and segment results for the fiscal year under review were as follows.

(Consolidated Results) (Millions of yen)

	Year ended March 31, 2024 Actual	Actual	Year ended March 31, 2025	
			Change	Year on year
Net sales	46,761	45,175	△1,585	△3.4%
Operating profit	2,436	1,931	△504	△20.7%
Ordinary profit	2,588	2,082	△506	△19.6%
Net Income that profit attributable to owners of parent	1,601	1,204	△396	△24.8%

Operating results by segment are as follows.

(Net Sales by Segment) (Millions of yen)

	Year ended March 31, 2024 Actual	Actual	Year ended March 31, 2025	
			Change	Year on year
Ready-made Meals Business	16,887	17,325	+437	+2.6%
Store Assets & Solutions business	15,764	12,190	△3,574	△22.7%
Logistics and food processing business	16,499	18,091	+1,591	+9.6%
Other industries	852	796	△56	△6.6%
Total	50,004	48,403	△1,601	△3.2%
Adjustments (Eliminations and Corporate)	△3,243	△3,227	+15	-
Total	46,761	45,175	△1,585	△3.4%

(Operating Income by Segment) (Millions of yen)

	Year ended March 31, 2024 Actual	Actual	Year ended March 31, 2025	
			Change	Year on year
Ready-made Meals Business	259	△72	△331	-
Store Assets & Solutions business	1,956	1,734	△221	△11.3%
Logistics and food processing business	673	888	+214	+31.9%
Other industries	852	796	△56	△6.6%
Total	3,741	3,346	△394	△10.5%
Adjustments (Eliminations and Corporate)	△1,304	△1,414	△110	-
Total	2,436	1,931	△504	△20.7%

(NOTE) From the fiscal year ended March 2025, we changed the name of our reportable segment, the Take-home Meals Business, to the Ready-made Meals Business. There is no impact on segment information.

(Number of stores)

① Ready-made Meals Business (Hokka Hokka Tei)

	Year ended March 31, 2025	Year ended March 31, 2024
Comparable store sales YoY (Average)	101.7%	103.8%
Number of stores (As of the end of March)	817	839

② Store Asset & Solution Business (Unit: Stores)

	End of March 2025	End of March 2024
Number of stores with store leases	845	829
Number of tenants for real estate management	170	141
Number of stores in operation	1,015	970

① Ready-made Meals Business

<Hokka-Hokka-Tei Division>

We appealed to a wide range of generations, centered on the Z generation, to the Hokka-Hokka Tei's core value of "Cooking and Building. Handmade at Stores," and worked to raise awareness, attract customers, and increase the number of meals.

Specifically, we have established our position as a popular menu and have received favorable reviews each year. We have also launched Korean-style products, such as the "Torei Pot Meat Series," "Gyu Sukiyaki Series," "New Spring Tendon" and "Echo Maki," as well as the "YUM YUM Korean Fair." We have also launched "Tegi Pulp Kogyo Don," "Char Sho Don" and "Korean-style boiled egg" and have received favorable reviews among a wide range of generations.

In terms of sales promotion measures, we implemented renovations to the mobile order function of our in-house application "Hokka App" and other measures, and the number of members is steadily increasing. In addition, sales of delivery services were firm as we aggressively expanded the area of delivery services and promoted new installations.

In terms of advertising measures, the company aired TV commercials featuring actor Harusuke Sugino as the image character. We have held a campaign in collaboration with anime heroes.

In particular, we are focusing on official TikTok, X (formerly Twitter) and SNS marketing using Instagram, and the Basventow series, a collaborative product with Mr. Ryuji, a cooking researcher and popular YouTuber, has received a major response.

<Food Procurement Division and Ceremony Division>

We worked to secure new customers and repeat customers by renewing our EC website (in-house HP) from the customer's perspective, such as MTG bookings and allergy labeling in WEB.

The number of transactions with parties, new year's gatherings, social gatherings, and other parties, as well as with government agencies, rental conference rooms and event companies, and hotel-related companies also increased, and sales were firm.

In the Ceremony Division, there are fewer large-scale projects in front of Corona, but there is a recovery trend as a result of proposals for party formats such as seeing and memories.

As a consequence, Ready-made Meals Business posted solid sales of 17.325 billion yen (up 2.6% year on year), but operating loss was 72 million yen (operating income of 259 million yen in the same period of the previous fiscal year) due to the significant rise in the price of the U.S. and other raw materials, which put pressure on earnings.

② Store Assets & Solutions business

<Store Business>

With regard to store leasing, the Company has proactively invested in store leasing, and as a result of activities to date, there were 845 store leasing outlets, a net increase of 16 stores from the end of the previous fiscal year. This includes identifying trends in store closures by existing business partners and obtaining closure information through the use of SNS media in order to purchase prime properties that are in high demand for store openings, mainly for restaurants and other customers.

<Store real estate business>

We conducted activities to increase the number of activity stores through leasing of buildings owned or managed by us, and activities to increase the value of real estate purchased by improving occupancy rates and enforcing legal compliance, as well as creating new value tailored to the characteristics of each area and needs through real estate development.

As a result, the number of real estate management tenants increased by a net 29 to 170 from the end of the previous fiscal year, and the number of buildings in operation for real estate owned was 20, and the number of buildings in operation for real estate asset management was 7.

<HR recruitment solutions>

On October 1, 2024, we established TRN Global Career Co., Ltd. to provide support for the recruitment of skilled foreign workers in the food and beverage, accommodation, food and beverage manufacturing, agricultural, nursing care, forestry, and transportation industries.

Specific skilled foreigners are able to resolve the shortage of human resources in the service industry in Japan. As we move to the new store opening stage, expectations from store leasing business partners are high, and we are working to develop support for the development of No. 2 specific skills that can be store manager-class so that we can provide integrated services through integration with the store business.

In an environment characterized by rising demand for job offers in the consulting industry, we have also built up a track record of recruitment support in the field of domestic high-class job changes.

<IT Management Solutions>

We are developing and providing Ninakart, a niche POS checkout system, ninapos, and ninapos linked online cart system, as well as membership apps to meet the demands of improving store operations through reservation management and sales promotion and management improvement through sales and customer data analysis. We are also engaged in store management consulting services that collect and effectively utilize POS data as big data.

As an initiative outside the Western-style confectionery industry, we are implementing initiatives to expand the number of restaurants in this industry, triggered by the introduction of bakeries with multiple restaurants.

<Rental of parties and event goods>

Although the number of large-scale events has been on a downward trend, the restaurant, catering business, funeral hall, bridal, and other business categories have been steadily increasing both in sales and in the number of customers.

As a result, the Store Asset & Solution Business posted net sales of 12.19 billion yen (down 22.7% year-on-year) and operating income of 1.734 billion yen (down 11.3% year-on-year).

③ Logistics and food processing business

<Food Processing Division>

In December 2024, Hosoya Corp. became a company. As the first initiative for group synergies, we launched a new shoe-mei bent box lunch with a juicy taste of domestic pork and vegetables in the "Hokka-Hokka-Tei Kawasaki Nishinchou Shop." Going forward, we will expand into other stores and work to strengthen sales in the prepared foods field.

In addition, we are steadily introducing the Sichuan-style marinade gyoza, which is a NB (national brand) product that focuses on the growing market for marinade, and has been steadily introducing it.

<Logistics Division and Cam Summary Division>

As a result of early efforts to address 2024 problems, the Logistics Division realized improvements in logistics and the working environment at appropriate costs. We are also expanding sales by actively utilizing our existing infrastructure to provide nationwide delivery services, as well as individual delivery services in near-distance areas.

By integrating manufacturing, sales, and logistics in a three-pronged manner, the Cam Summary Division worked to speed up product development and improve production efficiency and operating rates in the manufacturing process. In addition, we have achieved stable earnings by expanding sales territories and expanding OEM manufacturing.

<Confectionery Manufacturing Division>

Sales of standard products have remained strong, and the number of stores introducing such products, mainly drugstores and major supermarkets, has grown steadily.

Craisie Salt Nuts received the top overall rating in the Nikkei MJ's buyer survey, and we have decided to launch a new product in autumn and winter, which we had been developing, and it has been steadily introduced.

Yagai Foods' sales of dried potatoes produced in Ibaraki Prefecture were firm, and we also developed new sales channels through sales of character and tie-up products.

As a result, the logistics and food processing business posted net sales of ¥18.091 billion (up 9.6% year on year) and operating income of ¥888 million (up 31.9% year on year), due in part to the incorporation of the business results of Hosoya Corporation, which became a subsidiary in December 2024.

(2) Overview of Financial Position for the Fiscal Year under Review

Total assets at the end of the fiscal year under review were 73.427 billion yen, up 9.029 billion yen from the end of the previous fiscal year. This was mainly due to an increase in notes receivable, accounts receivable and contract assets, merchandise and finished goods and goodwill associated with the acquisition of all shares of Hosoya Corporation and its wholly owned subsidiary.

Total liabilities increased by ¥8.521 billion from the end of the previous fiscal year to ¥48.765 billion. This was mainly due to an increase in borrowings accompanying an increase in the number of group companies within the scope of consolidation, as well as total assets.

Net assets were 24.662 billion yen, an increase of 507 million yen from the end of the previous fiscal year. This was mainly due to the recording of income attributable to owners of parent.

(3) Overview of Cash Flows for the Fiscal Year under Review

Cash and cash equivalents (hereinafter referred to as "cash") at the end of the fiscal year under review decreased by 2.274 billion yen from the end of the previous fiscal year to 11.936 billion yen.

The status of each cash flow for the current consolidated fiscal year and its factors are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was ¥175 million. This was mainly due to income before income taxes of 1.845 billion yen, depreciation of 1.33 billion yen, an increase in inventories of 1.815 billion yen, and a decrease in notes and accounts payable-trade of 1.135 billion yen.

(Net cash provided by (used in) investing activities)

Net cash used in investing activities was ¥6.814 billion. This was mainly due to expenditures of 3.784 billion yen for the acquisition of fixed assets and expenditures of 4.526 billion yen for the acquisition of shares of subsidiaries resulting in change in scope of consolidation.

(Cash flows from financing activities)

Net cash provided by financing activities was ¥4.364 billion. This was mainly due to proceeds from long-term loans payable of 12.003 billion yen, repayment of long-term loans payable of 9.126 billion yen, net increase in short-term loans payable of 2.268 billion yen, and cash dividends paid of 517 million yen.

(4) Future Outlook

The domestic economy is expected to normalize and demand for food is expected to expand. However, uncertainty over the future is expected to continue for the time being due to soaring energy and raw material prices caused by unstable global conditions, rising labor costs, and exchange rate fluctuations. Consequently, there are concerns about downside risks to consumer spending, particularly for individuals.

Consolidated earnings forecasts for the year ended March 31, 2026 were as follows.

(Consolidated Results) (Millions of yen)

	Forecast	Year ended March 31, 2026	
		Change	Year on year
Net sales	52,700	+7,524	+16.7%
Operating profit	1,900	△31	△1.6%
Ordinary profit	1,600	△482	△23.2%
Net Income that profit attributable to owners of parent	1,000	△204	△17.0%

① Ready-made Meals Business

We anticipate that the HMR business will evolve into an increasingly essential service for consumers against the backdrop of a decrease in the number of households, a declining birthrate and aging population, the advancement of women into society and an increase in the employment rate, and the contemporary social situation, such as an increase in single-person households.

With the slogan of "Building the Hokkaido Hokkaitei is even faster," the Hokkaido Hokkaitei will seek to differentiate itself from competitors by delivering its flavor and taste more quickly to customers, and to pursue the provision of food that can only be made from the Hokkaido Hokkaitei.

In product development, we will improve product value by developing new hit products and refining existing products to increase the number of customers and the number of meals served. In addition, we will promote the reduction of procurement costs by reviewing purchasing methods and cultivating suppliers.

In store operations, we will continue to respond to consumer needs by renovating stores and improving efficiency by promoting mobile orders and each delivery service. In addition, we sponsored and exhibited at the Osaka and Kansai Expo in 2025. We will also steadily win large-scale orders for various events. In our efforts to protect the global environment, we will continue to reduce water and CO2 by using thinner plastic boxed lunch containers and unwashed rice, introduce wooden spoons, and make paper chopstick bags. Through these efforts, we aim to create value for our customers and contribute to a sustainable society.

In the restaurant business, we plan to acquire contractors for rental meeting rooms and funeral halls, which will lead to increased sales, and to a UP in the order rate from EC websites through the renewal of our website. We will further expand our market share in the industry by acquiring survivor incomes in line with the decline in the number of small-scale catering service providers and collaborating with other catering service providers.

In the year ended March 31, 2025, operating profit in the Middle Food Business was negative due to the sharp rise in rice prices and other raw material prices. However, in the third and fourth quarters, profit improvement measures showed a certain effect. As a result, we will strive to improve profits by taking the above-mentioned measures.

② Store Assets & Solutions business

Sales of real estate in the fiscal year ended March 2025 fell due to a decrease in sales and profits due to an increase in the market interest rate due to a rise in the policy interest rate, which had an impact on the real estate market. As a result, the conditions for sales were unsatisfactory and extended. In the fiscal year ended March 2024, sales of real estate resulted in a decrease in both sales and profits. In the fiscal year ending March 31, 2026, under the slogan "Tomorrow's Street, More Enjoyment," the Group will not only increase the number of store lease transaction stores that use the properties leased from property owners to restaurant operators and other store operators, but also increase the number of property management tenants for the store properties owned in the store real estate business or operated by contracted real estate management from third parties, thereby achieving steady growth in the number of operating stores and other business base stocks.

In store leasing, demand is expected to recover in domestic service consumption, including inbound demand, and demand for service-related stores, which attract people, is expected to remain firm. Amid growing interest in beauty, health, and reuse due to the diversification and individuality of food, the Group will focus on activities that accurately grasp the trends in store openings in formats that grow in niche fields, as well as restaurants in its core customer base, faster than other companies. At the same time, the Group will focus on identifying trends in store closures and acquiring introducing customers based on relationships of trust and identifying trends in store closures through providing solutions to the management issues of existing business partners.

In the store real estate business, while focusing on maintaining high occupancy rates for commercial real estate commissioned by real estate funds and other sources, the Group will promote property management commissioned sales, including master leases, toward building owners and customers of real estate owned that it expects to operate. We will increase stable earnings by accumulating outsourced stock. Real estate sales for the year ended March 31, 2026 are not included in the forecasts due to the impact on real estate prices and the balance with economic conditions amid concerns about rising interest rates. In the Recruitment Consulting Services Business, stable earnings are expected to increase due to stock growth in designated skilled foreign recruitment consulting for store operators. In addition, flow success fees will be accumulated through job change support activities that respond to the recent robust demand for non-food and beverage recruitment, particularly in the consulting industry.

In IT management solutions business, POS cash register system ninapos is expected to generate higher earnings in addition to the Western-style confectionery industry, which is the Company's existing customer base, by developing markets in the bakery-related industry. In consulting, which is accompanied by activities to improve the performance of the companies that have installed the system, we will promote actual activities for existing contractors and increase the number of contractors. For the exclusive cart "NINAKART," we will use external EC consulting to improve the system itself and strengthen proposals to business partners, and aim to be a business-growth partner that co-creates e-commerce that connects customers' confectionery stores and bakery stores with consumers.

③ Logistics and food processing business

In the Food Processing Division, Hosoya Corporation, which became a subsidiary in December 2024, will be reflected in business results throughout the fiscal year ending March 2026. This division is the pillar of our growth strategy, and we will strive to strengthen the prepared foods field.

In the Mica-Summit Division, the Group will further focus on expanding existing transactions and acquiring new business partners, and promote reforms to the production system at Cam-Summit, where capacity utilization rates are increasing.

In the confectionery manufacturing division, we will expand category products based on steady sales of sale products. In addition, we plan to develop and commercialize products that focus on materials, production areas, producers, and processing. At the same time, we will develop new markets, develop a safe working environment, and improve productivity and quality. However, we expect operating profit in the fiscal year ending March 2026 to be compressed by rising costs of raw materials.

2. Basic Approach to Selection of Accounting Standards

In order to ensure comparability with other companies in the same industry in Japan, our Group has adopted Japanese accounting standards.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated balance sheets

(Millions of yen)

	End of previous fiscal year (As of March 31, 2024)	Current consolidated fiscal year As of March 31, 2025
Assets		
Current assets		
Cash and deposits	14,611	12,338
Notes and accounts receivable-trade, and contract assets	3,068	3,827
Merchandise and supplies	7,574	10,727
Raw materials and supplies	729	849
Other	1,704	1,846
Allowance for doubtful accounts	△19	△32
Total current assets	27,668	29,557
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,241	10,305
Machinery, equipment and vehicles, net	1,108	1,475
Tools, furniture and fixtures, net	191	221
Land	12,258	12,573
Leased assets, net	115	101
Construction in progress	132	201
Total property, plant and equipment	23,047	24,879
Intangible assets		
Leasehold interests in land	3,480	3,463
Goodwill	490	6,470
Other	201	239
Total intangible assets	4,172	10,174
Investments and other assets		
Investment securities	4,190	3,244
Long-term loans receivable	3	53
Leasehold and guarantee deposits	4,785	4,933
Deferred tax assets	134	185
Long-term accounts receivable - other	420	177
Retirement benefit asset	106	138
Other	277	297
Allowance for doubtful accounts	△408	△211
Total investments and other assets	9,509	8,816
Total non-current assets	36,729	43,870
Total assets	64,398	73,427

(Millions of yen)

	End of previous fiscal year (As of March 31, 2024)	Current consolidated fiscal year As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	3,574	3,376
Current portion of bonds payable	7	14
Short-term borrowings	1,965	4,233
Current portion of long-term loans payable	5,155	4,536
Accounts payable - other	1,012	1,161
Income taxes payable	591	224
Accrued consumption taxes	184	304
Provision for bonuses	285	290
Other	2,830	2,744
Total current liabilities	15,606	16,886
Non-current liabilities		
Bonds payable	58	37
Long-term borrowings	19,507	26,484
Long-term guarantee deposits	4,203	4,353
Deferred tax liabilities	55	88
Retirement benefit liability	20	41
Asset retirement obligations	530	554
Other	262	320
Total non-current liabilities	24,636	31,878
Total liabilities	40,243	48,765
Net assets		
Shareholders' equity		
Share capital	4,036	4,036
Capital surplus	1,904	1,902
Retained earnings	18,229	18,916
Treasury shares	△391	△380
Total shareholders' equity	23,779	24,475
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	373	176
Total accumulated other comprehensive income	373	176
Share acquisition rights	2	4
Non-controlling shareholders' equity	-	6
Total net assets	24,155	24,662
Total liabilities and net assets	64,398	73,427

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income
(Consolidated Profit and Loss Statement)

(Millions of yen)

	End of previous fiscal year (April 1, 2023 To March 31, 2024)	Current consolidated fiscal year (April 1, 2024 To March 31, 2025)
Net sales	46,761	45,175
Cost of sales	31,510	30,683
Gross profit	15,251	14,491
Selling, general and administrative expenses	12,814	12,559
Operating profit	2,436	1,931
Non-operating income		
Interest income	0	7
Dividend income	108	67
Gain on sale of investment securities	164	211
Fee and commission received	87	60
Business consignment contract cancelation profit	20	37
Subsidy income	1	-
Other	116	123
Total non-operating income	500	508
Non-operating expenses		
Interest expenses	93	199
The business consignment contract cancelation is disadvantageous.	3	-
Commission expenses	100	148
Share of loss of entities accounted for using equity method	97	19
Other	53	△8
Total non-operating expenses	348	358
Ordinary profit	2,588	2,082
Extraordinary income		
Profit on sale of non-current assets	4	8
Gain on sale of investment securities	47	-
Settlement income	11	11
Compensation income	28	106
Other	0	1
Total extraordinary income	92	127
Extraordinary losses		
Loss on sale of non-current assets	1	2
Loss on retirement of non-current assets	74	50
Impairment loss	206	187
Compensation	-	54
Loss on liquidation of subsidiaries	-	39
Other	8	29
Total extraordinary losses	289	364
Income before income taxes	2,391	1,845
Income taxes - current	841	590
Income taxes - deferred	△50	57
Total income taxes	790	647
Net Income	1,601	1,197
Net income (△) attributable to non-controlling shareholders	-	△7
Net Income that profit attributable to owners of parent	1,601	1,204

Consolidated Statements of Comprehensive Income

(Millions of yen)

	End of previous fiscal year (April 1, 2023 To March 31, 2024)	Current consolidated fiscal year (April 1, 2024 To March 31, 2025)
Net Income	1,601	1,197
Other comprehensive income		
Valuation difference on available-for-sale securities	281	△197
Share of other comprehensive income of entities company for using equity method	0	△0
Total other comprehensive income	281	△197
Comprehensive income	1,882	1,000
(Comprehensive income attributable to)		
Comprehensive profit attributable to owners of the parent	1,882	994
Comprehensive income attributable to noncontrolling interests	-	6

(3) Consolidated Statements of Changes in Net Assets

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

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Opening balance	4,036	3,971	16,960	△2,501	22,467
Change during the year					
Dividend of surplus			△331		△331
Net Income that profit attributable to owners of parent			1,601		1,601
Disposal of treasury stock		△9		52	42
Retirement of treasury stock		△2,058		2,058	-
Net change in items other than shareholders' equity					
Total changes during the year	-	△2,067	1,269	2,110	1,312
Closing balance	4,036	1,904	18,229	△391	23,779

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling shareholders' equity	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income			
Opening balance	92	92	2	-	22,562
Change during the year					
Dividend of surplus					△331
Net Income that profit attributable to owners of parent					1,601
Disposal of treasury stock					42
Retirement of treasury stock					-
Net change in items other than shareholders' equity	281	281	△0		280
Total changes during the year	281	281	△0	-	1,592
Closing balance	373	373	2	-	24,155

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

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Opening balance	4,036	1,904	18,229	△391	23,779
Change during the year					
Dividend of surplus			△517		△517
Net Income that profit attributable to owners of parent			1,204		1,204
Purchase of treasury stock				△0	△0
Disposal of treasury stock		△1		10	9
Net change in items other than shareholders' equity					
Total changes during the year	-	△1	686	10	695
Closing balance	4,036	1,902	18,916	△380	24,475

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling shareholders' equity	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income			
Opening balance	373	373	2	-	24,155
Change during the year					
Dividend of surplus					△517
Net Income that profit attributable to owners of parent					1,204
Purchase of treasury stock					△0
Disposal of treasury stock					9
Net change in items other than shareholders' equity	△197	△197	2	6	△188
Total changes during the year	△197	△197	2	6	507
Closing balance	176	176	4	6	24,662

(4)Consolidated Statements of Cash Flows

(Millions of yen)

	End of previous fiscal year (April 1, 2023 To March 31, 2024)	Current consolidated fiscal year (April 1, 2024 To March 31, 2025)
Cash flows from operating activities		
Income before income taxes	2,391	1,845
Depreciation	1,157	1,330
Amortization of goodwill	171	277
Loss (gain) on sale of non-current assets	△3	△5
Loss on retirement of non-current assets	74	50
Impairment loss	206	187
Gain (loss) on liquidation of subsidiaries. (Gain on △)	-	39
Loss (gain) on sale of investment securities	△212	△201
Increase (decrease) in allowance for doubtful accounts	△110	△5
Increase (decrease) in provision for bonuses	35	△22
Interest and dividend income	△109	△75
Interest expenses	93	199
Share of loss (profit) of entities accounted for using equity method	97	19
Decrease (increase) in trade receivables	△384	519
Decrease (increase) in inventories	2,655	△1,815
Increase (decrease) in trade payables	668	△1,135
Increase (decrease) in unearned revenue	64	113
Increase (decrease) in accounts payable - other	229	148
Increase (decrease) in accrued expenses	178	1
Increase (decrease) in allowance deposit	383	△252
Increase (decrease) in consumption taxes receivable (△ increased)	△65	183
Decrease (increase) in consumption taxes refund receivable	12	115
Other	46	△297
Subtotal	7,582	1,222
Income taxes paid	△610	△1,083
Income taxes refund	36	36
Cash flows from operating activities	7,008	175
Net cash provided by (used in) investing activities		
Interest and dividends received	110	75
Purchase of property, plant and equipment	△6,762	△3,687
Proceeds from sale of property, plant and equipment	247	588
Purchase of intangible assets	△37	△97
Purchase of investment securities	△574	△707
Proceeds from sale of investment securities	913	891
For shares of subsidiaries resulting in change in scope of consolidation	-	△4,526
Purchase		
Amount of security money of pure increase and decrease	49	4
Other	△98	644
Net cash provided by (used in) investing activities	△6,153	△6,814
Net cash provided by (used in) financing activities		
Interest paid	△93	△199
Net increase (decrease) in short-term borrowings	△1,542	2,268
Proceeds from long-term borrowings	7,110	12,003
Repayments of long-term borrowings	△3,065	△9,126
Redemption of bonds	△24	△14
Dividends paid	△331	△517
Other	△72	△50
Net cash provided by (used in) financing activities	1,981	4,364
Net increase (change) in cash and cash equivalents	2,836	△2,274
Cash and cash equivalents at beginning of period	11,374	14,210
Cash and cash equivalents at fiscal year-end	14,210	11,936

(5)Notes to Consolidated Financial Statements

(Notes on the Going Concern Assumption)

Not applicable.

(Notes on Substantial Changes in the Amount of Shareholders' Equity)

Not applicable.

(Notes on Changes in Accounting Policies)

(Application of Accounting Standard for Income Taxes, Inhabitant Taxes and Business Taxes, etc.)

"Accounting Standard for Income Taxes, Resident Taxes and Enterprise Taxes" (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the "Revised Accounting Standard, 2022") has been applied from the beginning of the first quarter of the current fiscal year.

With regard to the revision concerning the classification of income taxes (taxation on other comprehensive income), the Company follows the transitional treatment stipulated in the proviso of Article 20-3 of the Revised Accounting Standard for 2022 and the transitional treatment stipulated in Article 65-2 (2) of the "Implementation Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022). This change in accounting policy had no impact on the consolidated financial statements.

(Changes in Presentation Method)

(Consolidated Cash Flow Statement)

"Purchase of treasury stock" under "Cash flows from financing activities," which was presented separately in the previous fiscal year, has been included in "Other" in the fiscal year under review because the amount has become immaterial.

As a result, the amount of "Purchase of treasury stock," which was presented in "Cash flows from financing activities" in the previous fiscal year, was minus one million yen, and therefore there was no impact from the change.

(Notes on Segment Information)

[Segment Information]

1.The outline of any Reporting Segment

The reportable segments of the Group are the constituent units of the Group for which separate financial information is available and which are subject to periodic review by the Board of Directors for the purpose of deciding the allocation of management resources and evaluating business performance.

The businesses of our group consist of segments by products and services that are aggregated based on the economic characteristics of the related businesses of each operating company.

Our Group has three reportable segments: prepared meals business, store asset and solutions business, and logistics and food processing business.

The business operations of each reportable segment are as follows.

Business Segment	Main products and business
Ready-made Meals Business	<ul style="list-style-type: none">• Development of franchise chain system for Hokka Hokka Tei stores• Production and sales of boxed lunches and prepared foods• Provision of foodstuffs, etc.• Catering service
Store Assets & Solutions business	<ul style="list-style-type: none">• Solutions for store operators, such as store leasing• Enhancement and sales of store real estate• HR recruitment solutions• IT management solutions• Party and event equipment rental
Logistics and food processing business	<ul style="list-style-type: none">• Operation of distribution centers, corporate logistics, etc.• Food processing• Confectionery manufacturing• Wholesale

2.Calculation method for net sales, income or loss, assets and other items by reportable segment

The accounting methods for reportable business segments are generally the same as those described in "Basis of Presenting Consolidated Financial Statements."

Intersegment sales and transfers are based on prevailing market prices.

3.Information on net sales, income or loss, assets and other items by reportable segment, and breakdown of revenue

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

(Millions of yen)

	Reportable Segments				Other (NOTE)1	Total
	Ready-made Meals Business	Store Assets & Solutions business	Logistics and food Processed Foods Business	Total		
Net sales						
Goods that are transferred at a point in time	16,759	4,770	14,524	36,054	-	36,054
Goods transferred over a certain period of time	28	-	-	28	-	28
Revenue from contracts with customers	16,787	4,770	14,524	36,082	-	36,082
Other income (Note 4)	6	10,657	14	10,678	-	10,678
Sales to customers	16,794	15,428	14,538	46,761	-	46,761
Intersegment sales	93	336	1,960	2,390	852	3,243
Total	16,887	15,764	16,499	49,151	852	50,004
Segment profit	259	1,956	673	2,888	852	3,741

	Adjusted amount (NOTE)2	Consolidated Financial statements Amount recorded (NOTE)3
Net sales		
Goods that are transferred at a point in time	-	36,054
Goods transferred over a certain period of time	-	28
Revenue from contracts with customers	-	36,082
Other income (Note 4)	-	10,678
Sales to customers	-	46,761
Intersegment sales	△3,243	-
Total	△3,243	46,761
Segment profit	△1,304	2,436

(NOTE) 1. "Others" is a business segment that is not attributable to reportable segments and is a group support business.

2.△ of ¥1.304 billion in adjustments to segment income includes an elimination △ of ¥2 million for inter-segment transactions and a △ of ¥1.302 billion for corporate expenses that are not allocated to the respective reportable segments.

3.Segment income is adjusted with operating income in the consolidated statements of income.

4.Other income includes rental income in accordance with Accounting Standard for Lease Transactions (ASBJ Statement No. 13) and transfers of real estate (including real estate trust beneficiary interests) subject to the Practical Guidance on Accounting for Transferors' Liquidation of Real Estate Utilizing Special Purpose Companies (ASBJ Report No. 15).

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

(Millions of yen)

	Reportable Segments				Other (NOTE)1	Total
	Ready-made Meals Business	Store Assets & Solutions business	Logistics and food Processed Foods Business	Total		
Net sales						
Goods that are transferred at a point in time	17,150	6,189	16,143	39,482	-	39,482
Goods transferred over a certain period of time	31	-	-	31	-	31
Revenue from contracts with customers	17,182	6,189	16,143	39,514	-	39,514
Other income (Note 4)	14	5,630	15	5,660	-	5,660
Sales to customers	17,196	11,820	16,158	45,175	-	45,175
Intersegment sales	128	370	1,932	2,430	796	3,227
Total	17,325	12,190	18,091	47,606	796	48,403
Segment profit (loss) (Δ)	Δ72	1,734	888	2,550	796	3,346

	Adjusted amount (NOTE)2	Consolidated Financial statements Amount recorded (NOTE)3
Net sales		
Goods that are transferred at a point in time	-	39,482
Goods transferred over a certain period of time	-	31
Revenue from contracts with customers	-	39,514
Other income (Note 4)	-	5,660
Sales to customers	-	45,175
Intersegment sales	Δ3,227	-
Total	Δ3,227	45,175
Segment profit (loss) (Δ)	Δ1,414	1,931

(NOTE) 1. "Others" is a business segment that is not attributable to reportable segments and is a group support business.

2. Adjustments to segment income (Δ) ¥1.414 billion include the elimination of inter-segment transactions of ¥13 million and Δ corporate expenses of ¥1.428 billion that are not allocated to the reportable segments.

3. Segment income (Δ) is adjusted with operating income in the consolidated statements of income.

4. Other income includes rental income in accordance with Accounting Standard for Lease Transactions (ASBJ Statement No. 13) and transfers of real estate (including real estate trust beneficiary interests) subject to the Practical Guidance on Accounting for Transferors' Liquidation of Real Estate Utilizing Special Purpose Companies (ASBJ Report No. 15).

[Related Information]

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

1.Information for each product and service

This information is omitted because the same information is disclosed in Segment Information.

2.Information for each region

(1)Net sales

Not applicable because there are no overseas sales.

(2)Property, plant and equipment

Not applicable because there are no property, plant and equipment located outside Japan.

3.Information for each major customer

This information is omitted because there are no external customers that account for 10% or more of net sales in the consolidated statements of income.

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

1.Information for each product and service

This information is omitted because the same information is disclosed in Segment Information.

2.Information for each region

(1)Net sales

Not applicable because there are no overseas sales.

(2)Property, plant and equipment

Not applicable because there are no property, plant and equipment located outside Japan.

3.Information for each major customer

This information is omitted because there are no external customers that account for 10% or more of net sales in the consolidated statements of income.

[Information on impairment loss on non-current assets by reportable segment]

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

(Millions of yen)

	Ready-made Meals Business	Store Assets & Solutions business	Logistics and food processing business	Other	Corporate and eliminations	Total
Impairment loss	139	66	-	-	-	206

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

(Millions of yen)

	Ready-made Meals Business	Store Assets & Solutions business	Logistics and food processing business	Other	Corporate and eliminations	Total
Impairment loss	172	15	-	-	-	187

[Information on Amortization of Goodwill and Unamortized Balance by Reportable Segment]

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

(Millions of yen)

	Ready-made Meals Business	Store Assets & Solutions business	Logistics and food processing business	Other	Corporate and eliminations	Total
Amortization of current term	-	74	97	-	-	171
Closing balance	-	142	348	-	-	490

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

(Millions of yen)

	Ready-made Meals Business	Store Assets & Solutions business	Logistics and food processing business	Other	Corporate and eliminations	Total
Amortization of current term	2	74	201	-	-	277
Closing balance	16	68	6,386	-	-	6,470

[Information on gain on negative goodwill by reportable segment]

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

Not applicable.

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

Not applicable.

(Per Share Information)

	End of previous fiscal year (April 1, 2023 To March 31, 2024)	Current consolidated fiscal year (April 1, 2024 To March 31, 2025)
Net assets per share	1,307.32 yen	1,333.17 yen
Net income per share	86.87 yen	65.17 yen
Diluted EPS	86.76 yen	-Yen

(NOTE)The basis for calculating net income per share and diluted net income per share is as follows.

	End of previous fiscal year (April 1, 2023 To March 31, 2024)	Current consolidated fiscal year (April 1, 2024 To March 31, 2025)
Net income per share		
Profit attributable to owners of parent (Millions of yen)	1,601	1,204
Amount not attributable to common shareholders	-	-
Profit attributable to owners of parent related to common stock (millions of yen)	1,601	1,204
Average number of common shares outstanding during the period (thousands of shares)	18,431	18,486
Diluted EPS		
Adjustment to profit attributable to owners of parent (1,000,000 yen)	-	-
Increase in common shares (thousands)	22	-
Subscription rights to shares (thousands of shares)	(22)	(-)
Explanation of residual stock not included in calculation of diluted net income per share due to lack of dilutive potential	By resolution of the Board of Directors on January 29, 2024 Share acquisition rights Number of stock acquisition rights: 530 Common shares 53,000 shares	-

(Significant Subsequent Events)

Not applicable.