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February 13, 2026

Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 (Under Japanese GAAP)

Company name: TOKYOTOKEIBA Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 9672
URL: https://www.tokyotokeiba.co.jp/
Representative: Mitsuchika Tarao, President and Representative Director
Inquiries: Mitsuhiro Matsumoto, General Manager of Finance Department
Telephone: +81-3-5767-9731
Scheduled date of the annual general meeting of shareholders: March 26, 2026
Scheduled date to commence dividend payments: March 27, 2026
Scheduled date to file annual securities report: March 25, 2026
Preparation of supplementary material on annual financial results: Yes
Holding of annual financial results briefing: Yes (for analysts and institutional investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2025	41,758	3.3	15,414	10.7	15,448	11.0	10,461	7.8
December 31, 2024	40,443	7.7	13,926	4.2	13,912	3.9	9,706	14.8

Note: Comprehensive income For the fiscal year ended December 31, 2025: ¥10,759 million [6.9%]
For the fiscal year ended December 31, 2024: ¥10,060 million [18.0%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
December 31, 2025	392.22	–	11.3	12.4	36.9
December 31, 2024	359.94	–	10.9	11.7	34.4

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2025	125,785	94,902	75.3	3,639.47
December 31, 2024	122,405	91,142	74.4	3,410.48

Reference: Equity As of December 31, 2025: ¥94,761 million
As of December 31, 2024: ¥91,028 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2025	19,901	(12,821)	(8,703)	14,243
December 31, 2024	16,101	(8,633)	(5,361)	15,867

2. Dividends

	Annual dividends per share					Cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended December 31, 2024	−	40.00	−	73.00	113.00	3,024	31.4	3.4
Fiscal year ended December 31, 2025	−	45.00	−	73.00	118.00	3,101	30.1	3.3
Fiscal year ending December 31, 2026 (Forecast)	−	60.00	−	86.00	146.00		35.2	

Note: Breakdown of fiscal year-end dividend for the fiscal year ended December 31, 2024: Ordinary dividend 68.00 yen and Commemorative dividend 5.00 yen (the 75th anniversary of foundation commemorative dividend)

3. Consolidated Financial Result Forecasts for the Fiscal Year Ending December 31, 2026 (from January 1, 2026 to December 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	19,708	2.1	6,843	(3.3)	6,855	(3.1)	4,579	(5.1)	176.25
Full year	42,597	2.0	15,827	2.7	15,860	2.7	10,792	3.2	415.34

***Notes**

(1) Significant changes in the scope of consolidation during the period: None
Newly included: − companies (Company name: −)
Excluded: − companies (Company name: −)

(2) Changes in accounting policies, changes in accounting estimates, and restatement
(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
(ii) Changes in accounting policies other than (i) above: None
(iii) Changes in accounting estimates: None
(iv) Restatement: None

(3) Number of issued shares (common shares)
(i) Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2025	28,764,854 shares
As of December 31, 2024	28,764,854 shares

(ii) Number of treasury shares at the end of the period

As of December 31, 2025	2,727,609 shares
As of December 31, 2024	2,074,165 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended December 31, 2025	26,673,160 shares
Fiscal year ended December 31, 2024	26,967,161 shares

Reference: Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2025	36,030	3.5	13,697	9.7	13,738	10.0	9,272	5.9
December 31, 2024	34,824	5.4	12,489	4.6	12,486	4.3	8,759	17.7

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
December 31, 2025	347.63	–
December 31, 2024	324.83	–

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Book value per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2025	108,099	80,672	74.6	3,098.34
December 31, 2024	106,453	78,142	73.4	2,927.72

Reference: Equity As of December 31, 2025: ¥80,672 million
As of December 31, 2024: ¥78,142 million

* Financial results reports are exempt from audits by certified public accountants or an audit corporation.

* Proper use of financial result forecasts and other special matters

Cautionary note on forward-looking statements, etc.

Financial result forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable, and are not intended to be a guarantee that the Company will achieve them. Actual financial results may differ significantly from these forecasts due to diverse factors. For underlying assumptions and notes on the use of the financial result forecasts, please refer to “(4) Future Outlook” under “1. Overview of Business Performance” on page 5 of the attachments.

How to obtain supplementary material on annual financial results

The supplementary material on annual financial results is posted on the Company’s website.

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1. Overview of Business Performance

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

During the fiscal year ended December 31, 2025 (the "fiscal year under review"), the Japanese economy remained on a moderate recovery path due to improvements in the employment and income conditions and the effects of various policies, with personal consumption and capital investment showing signs of picking up. Meanwhile, the outlook remains unclear due to factors such as the impact of U.S. trade policy, the effect of continued price increases on consumer behavior, and fluctuations in financial and capital markets.

Under these conditions, the number of visitors to local horse racing across Japan increased compared to the previous year, and the spread of online betting also led to an upward trend in the sales of betting tickets. The sales of the public competition business of TOKYOTOKEIBA Co., Ltd. (the "Company") and its subsidiaries (collectively, the "Group") continued to remain robust, centered on the online betting services of SPAT4 (the Four Minami-Kanto Racecourses Home Betting System), and the operation of new facilities in each segment contributed to the strengthening of our earnings base.

As a result, for the 102nd fiscal year, the Group recorded net sales of ¥41,758 million (up 3.3% year on year), operating profit of ¥15,414 million (up 10.7% year on year), ordinary profit of ¥15,448 million (up 11.0% year on year), and profit attributable to owners of parent of ¥10,461 million (up 7.8% year on year).

Operating results by segment are as follows.

Public competition business

Oi Racecourse held horse races for 98 days.

During this period, the Company continued efforts from the previous year to strengthen the drainage function of the horse track and commenced renewal work on the extra-high voltage substation, which is essential for the fair and safe race operations, thereby strengthening the functions of the facilities.

SPAT4 sold betting tickets for 15,082 local horse races across Japan.

During this period, the Group enhanced SPAT4 services with attention to improving usability and convenience to users, including a new feature, "*Oshi-uma*" (favorite horse), for the official app. In addition, the Group implemented promotional campaigns such as the *Today is Uma Day!* campaign, aimed at acquiring new members.

Furthermore, many virtual and physical events were held on YouTube and at local racecourses across Japan, and various campaigns were rolled out in succession in connection with SPAT4 Premium Point to improve satisfaction of existing members. In part due to these initiatives, the year-end event, including the 71st TOKYO DAISHOTEN held on December 29, broke the record for sales per race and per event for local horse races. In addition, annual sales at Oi Racecourse reached a new record in two years, reflecting steady performance.

Moreover, Oi Racecourse held the eighth winter illumination event, the Tokyo Mega Illumination 2025–2026 for 53 days from November 1, 2025 to January 11, 2026. Through initiatives such as collaborative events with neighboring municipalities, companies, and organizations, as well as stage shows targeting families, the event attracted approximately 200,000 visitors, an increase of 9.5% year on year.

Also, Isesaki Auto Racetrack held on-site auto races for 139 days and sold off-track tickets for other racecourses for a cumulative total of 300 days, and the sales of betting tickets continued to be strong.

As a result, the public competition business recorded net sales of ¥29,694 million (up 3.6% year on year), and segment profit of ¥12,180 million (up 9.4% year on year).

Amusement park business

At Tokyo Summerland, ahead of the summer season, the Group held pre-opening events with family-friendly activities in some outdoor pool areas exclusively during Golden Week (consecutive Japanese national holidays from late April to early May), in an effort to strengthen customer attraction.

Additionally, to effectively promote the attractiveness of park facilities, including MONSTER STREAM, a new pool opened in June 2024, publicity activities utilizing social media and online media were enhanced. The Group also changed the pricing of the One-Day Pass tickets and paid seats, implemented an IP collaboration project with popular content to acquire new customer segments, and set up special paid seats that also served the purpose of sales promotion for an outdoor gear brand. These and other initiatives led to higher per-customer spending, resulting in tangible improvements in sales.

However, the number of visitors was less than that for the same period of the previous year. It is presumed that changes in external environment, including intense heat waves, affected customers decisions to visit the park.

As a result, the number of visitors to Tokyo Summerland and the other facilities decreased by 4.5% year on year to 920 thousand, and the amusement park business recorded net sales of ¥3,783 million (down 1.1% year on year), and segment profit of ¥475 million (down 11.1% year on year).

Warehouse leasing business

In the warehouse leasing business, the Group strove to increase income by working to attract new tenants to the multi-tenant Katsushima Area 2 warehouse, while raising the rent at the time of renewal of existing contracts, including those for single-tenant warehouses, through negotiations in light of market trends and rent levels in and around the area.

The Group also implemented rooftop waterproofing work for the Katsushima Area warehouses to improve the safety and durability of the facilities, as well as restroom renovation and other work for the Heiwajima Area warehouses. Through these measures, the Group continued its efforts to maintain facilities and enhance customer comfort. As a result, the warehouse leasing business recorded net sales of ¥6,094 million (up 4.7% year on year) and segment profit of ¥3,998 million (up 15.0% year on year).

Service business

In the service business, the Group strived to secure stable revenue from the leasing business for office buildings and shopping malls and the air conditioning equipment business.

During this period, as an initiative to further enhance the recognition of the shopping mall Wira Oi, the Group actively held seasonal events in collaboration with the local community, attracting a large number of visitors.

The Wira Oi Annex and the Theater H, which were completed in March 2024, also operated smoothly, and contributed to strengthening the earnings base of this business.

As a result, the service business recorded net sales of ¥2,372 million (up 3.9% year on year) and segment profit of ¥343 million (up 57.9% year on year).

Segment sales and profit

(Millions of yen)

Reportable segment	Net sales		Segment profit	
	Amount	Year-on-year change	Amount	Year-on-year change
Public competition business	29,694	3.6%	12,180	9.4%
Amusement park business	3,783	(1.1)%	475	(11.1)%
Warehouse leasing business	6,094	4.7%	3,998	15.0%
Service business	2,372	3.9%	343	57.9%
Elimination of inter-segment transactions, etc.	(185)	–	(1,583)	–
Total	41,758	3.3%	15,414	10.7%

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

Assets at the end of the fiscal year under review increased by ¥3,379 million from the end of the previous fiscal year to ¥125,785 million. This was mainly due to increases in cash and deposits of ¥1,426 million and securities of ¥3,000 million, despite decreases in consumption taxes refund receivable of ¥823 million and intangible assets of ¥1,399 million.

Liabilities at the end of the fiscal year under review decreased by ¥381 million from the end of the previous fiscal year to ¥30,882 million. This was mainly due to decreases in accounts payable - other of ¥483 million and long-term borrowings of ¥1,700 million, despite an increase in accrued consumption taxes of ¥1,745 million.

Net assets at the end of the fiscal year under review increased by ¥3,760 million from the end of the previous fiscal year to ¥94,902 million. This was mainly due to an increase in retained earnings of ¥7,312 million resulting from the recording of profit attributable to owners of parent of ¥10,461 million, which offset decreases due to an increase in treasury shares of ¥3,849 million and the payment of year-end and interim dividends of ¥3,149 million.

As a result, the equity ratio at the end of the fiscal year under review was 75.3%, up from 74.4% at the end of the previous fiscal year.

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

Cash and cash equivalents at the end of the fiscal year under review decreased by ¥1,623 million from the end of the previous fiscal year to ¥14,243 million. This was mainly due to cash outflows of purchase of property, plant and equipment of ¥6,248 million, purchase of intangible assets of ¥582 million, purchase of treasury shares of ¥3,858 million, income taxes paid of ¥4,460 million, dividends paid of ¥3,138 million, and net increase in short-term investment securities of ¥3,000 million being offset by cash inflows mainly due to profit before income taxes of ¥15,110 million and depreciation of ¥6,484 million.

Cash flows from operating activities

Net cash provided by operating activities was ¥19,901 million. The principal factors were cash inflows mainly of profit before income taxes of ¥15,110 million and depreciation of ¥6,484 million, which offset cash outflows mainly of income taxes paid of ¥4,460 million.

Cash flows from investment activities

Net cash used in investment activities was ¥12,821 million. The principal factors were cash outflows mainly of purchase of property, plant and equipment of ¥6,248 million, purchase of intangible assets of ¥582 million, and net increase in short-term investment securities of ¥3,000 million.

Cash flows from financing activities

Net cash used in financing activities was ¥8,703 million. The principal factors were cash outflows mainly of purchase of treasury shares of ¥3,858 million, dividends paid of ¥3,138 million, and repayments of long-term borrowings of ¥1,700 million.

Reference: Trends in cash flow metrics

	Fiscal year ended December 31, 2021	Fiscal year ended December 31, 2022	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Equity ratio (%)	66.2	64.4	74.9	74.4	75.3
Equity ratio based on market value (%)	106.2	83.2	105.0	99.0	117.6
Interest-bearing debt to cash flow (Years)	1.8	1.7	1.5	1.2	0.9
Interest coverage ratio (Times)	488.0	307.9	295.8	334.4	269.2

Equity ratio: Equity/Total assets
Equity ratio based on market value: Market capitalization of shares/Total assets
Interest-bearing debt to cash flow: Interest-bearing debt/Operating cash flow
Interest coverage ratio: Operating cash flow/Interest paid

Notes:

1) All metrics are stated on a consolidated basis.
2) Market capitalization of shares is based on the number of shares outstanding (excluding treasury shares).
3) Interest-bearing debt includes all debt in the consolidated balance sheets for which interest is paid. Interest paid represents “Interest paid” in the consolidated statements of cash flows.

(4) Future Outlook

Performance outlook by reportable segment for the fiscal year ending December 31, 2026

(Millions of yen)

Reportable segment	Net sales		Segment profit	
	Amount	Year-on-year change	Amount	Year-on-year change
Public competition business	30,435	2.5%	12,468	2.4%
Amusement park business	3,895	3.0%	510	7.5%
Warehouse leasing business	6,167	1.2%	4,053	1.4%
Service business	2,403	1.3%	430	25.3%
Elimination of inter-segment transactions, etc.	(305)	–	(1,636)	–
Total	42,597	2.0%	15,827	2.7%

Based on the corporate philosophy "reimagining space and creating smiles," the Group has been operating businesses with a highly public nature. Our highest priority is the safety, security, and trust at the public stadiums, amusement parks, and other held by the Company.

Against this backdrop, in response to changes in the external environment such as a declining birthrate and aging population as well as digital innovation, the Group aims to become "a 'space creator' that leads the formation of communities where enjoyment flourishes." To this end, in order to implement the Long-term Management Vision 2035 formulated in 2024, the Group announced in December 2025 its Fourth Medium-Term Management Plan titled "Future-Oriented Space Creation Project: the 1st Furlong," which covers the five-year period from FY 2026 through FY 2030.

Under this plan, the Group positions the first stage, "the 1st Furlong," as a period for laying the foundation for realizing attractive community development in the Oi area (Katsushima), centered on an urban entertainment racecourse, and will make every effort to run through under the following basic policies.

Further development of Oi Horse Racing as a model case for public competition

The Group will commence development of a new training center and, with regard to SPAT4, proceed with preparations to introduce new information services utilizing AI, with the aim of expanding the base of horse racing fans and further strengthening its earnings base. In addition, with the highest priority placed on safety and security, the Group will promote the development of the next system with a view to future scalability and other considerations.

Creation of a landmark, world-class urban 'entertainment racecourse'

In order to enhance the unique experiential value of Oi Racecourse, the Group will promote the redevelopment of the racecourse. In addition, with respect to spaces created as a result of this redevelopment, the Group will commence studies toward developing an arena, with the aim of realizing an unprecedented urban entertainment racecourse where visitors can enjoy not only horse racing but also sports events, live performances, and other forms of entertainment (*).

Design of spaces that attract people by fully leveraging the potential of assets located at and around the Oi Racecourse

With a view to realizing a bay-area landmark city, the Group will work to expand and strengthen its existing businesses, while also advancing studies toward the rebuilding of Company-owned facilities in the Katsushima area, thereby striving to maximize asset value.

(*) As a project to create a space that generates new experiences at Oi Racecourse, which has been designated as an urban planning park, we have continued to plan and examine the project on the premise that an arena is the most promising option, and we will make a business judgment in due course.

As a result of the above initiatives, consolidated results for the fiscal year ending December 31, 2026 are expected to be as follows: net sales of ¥42,597 million, operating profit of ¥15,827 million, ordinary profit of ¥15,860 million, and profit attributable to owners of parent of ¥10,792 million.

2. Basic Policy on Selection of Accounting Standards

The Group applies accounting standards generally accepted in Japan (Japanese GAAP), as its business development and funding are not carried out internationally. The Group’s policy on applying International Financial Reporting Standards is to take appropriate steps while monitoring trends in Japan and overseas.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Thousands of yen)

	As of December 31, 2024	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	16,040,220	17,466,665
Trade notes, accounts receivable and contract assets	4,864,409	4,605,293
Securities	1,400,000	4,400,000
Merchandise	41,377	41,749
Costs on construction contracts in progress	29,096	2,438
Raw materials and supplies	202,640	186,460
Consumption taxes refund receivable	823,165	–
Advances paid	388,381	297,980
Other	100,480	161,760
Total current assets	23,889,771	27,162,349
Non-current assets		
Property, plant and equipment		
Buildings, net	28,792,822	27,705,978
Facilities attached to buildings, net	8,644,900	8,131,196
Structures, net	9,159,732	9,673,936
Machinery, equipment and vehicles, net	1,111,995	830,068
Land	32,554,974	32,265,664
Construction in progress	182,898	4,153,207
Buildings in trust, net	1,176,016	1,113,861
Facilities attached to buildings in trust, net	118,502	95,150
Land in trust	2,174,126	2,174,126
Other, net	3,069,627	2,314,203
Total property, plant and equipment	86,985,596	88,457,395
Intangible assets		
Software	6,228,041	4,625,042
Software in progress	22,330	226,242
Total intangible assets	6,250,371	4,851,284
Investments and other assets		
Investment securities	2,258,269	2,665,683
Long-term prepaid expenses	27,738	74,742
Deferred tax assets	1,908,014	1,767,977
Long-term advances paid	1,001,333	721,877
Other	84,762	83,870
Total investments and other assets	5,280,119	5,314,152
Total non-current assets	98,516,087	98,622,832
Total assets	122,405,859	125,785,181

(Thousands of yen)

	As of December 31, 2024	As of December 31, 2025
Liabilities		
Current liabilities		
Trade accounts payable	1,170,657	1,189,811
Short-term borrowings	16,600	16,600
Current portion of bonds payable	–	10,000,000
Current portion of long-term borrowings	1,700,000	1,700,000
Accounts payable - other	1,695,073	1,211,647
Income taxes payable	2,598,301	2,758,756
Accrued consumption taxes	43,477	1,788,721
Provision for bonuses for directors (and other officers)	–	12,980
Provision for bonuses	105,869	198,789
Provision for point card certificates	985,646	1,093,240
Provision for loss on disaster	46,000	–
Other	1,334,875	945,074
Total current liabilities	9,696,501	20,915,621
Non-current liabilities		
Bonds payable	10,000,000	–
Long-term borrowings	7,450,000	5,750,000
Leasehold and guarantee deposits received	2,429,076	2,515,493
Retirement benefit liability	1,245,369	1,283,291
Asset retirement obligations	396,777	376,239
Other	46,026	41,575
Total non-current liabilities	21,567,249	9,966,600
Total liabilities	31,263,750	30,882,221
Net assets		
Shareholders' equity		
Share capital	10,586,297	10,586,297
Capital surplus	6,791,714	6,792,464
Retained earnings	81,527,687	88,839,783
Treasury shares	(8,503,132)	(12,353,097)
Total shareholders' equity	90,402,567	93,865,448
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	625,584	896,278
Total accumulated other comprehensive income	625,584	896,278
Non-controlling interests	113,956	141,233
Total net assets	91,142,108	94,902,960
Total liabilities and net assets	122,405,859	125,785,181

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Thousands of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Net sales	40,443,953	41,758,749
Cost of sales	24,355,900	24,081,648
Gross profit	16,088,053	17,677,100
Selling, general and administrative expenses	2,161,833	2,262,964
Operating profit	13,926,219	15,414,135
Non-operating income		
Interest income	2,791	45,113
Dividend income	37,649	50,480
Gain on forfeiture of unclaimed dividends	7,059	7,094
Insurance claim income	2,508	–
Subsidies for employment adjustment, etc.	3,800	400
Other	13,147	6,691
Total non-operating income	66,956	109,779
Non-operating expenses		
Interest expenses	49,552	74,426
Commission expenses	29,850	220
Other	1,313	1,256
Total non-operating expenses	80,716	75,902
Ordinary profit	13,912,458	15,448,012
Extraordinary income		
Contribution received for construction	14,405	3,578
Subsidy income	206,161	64,500
Gain on sale of non-current assets	–	26,374
Insurance claim income	–	25,603
Other	–	18,103
Total extraordinary income	220,566	138,159
Extraordinary losses		
Loss on disaster	47,494	–
Impairment losses	–	*1 467,815
Other	–	7,856
Total extraordinary losses	47,494	475,672
Profit before income taxes	14,085,530	15,110,500
Income taxes - current	4,172,953	4,620,680
Income taxes - deferred	163,850	895
Total income taxes	4,336,804	4,621,576
Profit	9,748,726	10,488,923
Profit attributable to non-controlling interests	42,269	27,276
Profit attributable to owners of parent	9,706,456	10,461,646

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Profit	9,748,726	10,488,923
Other comprehensive income		
Valuation difference on available-for-sale securities	312,202	270,693
Total other comprehensive income	312,202	270,693
Comprehensive income	10,060,928	10,759,617
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,018,658	10,732,340
Comprehensive income attributable to non-controlling interests	42,269	27,276

(3) Consolidated Statements of Changes in Equity

Fiscal year ended December 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,586,297	6,790,886	74,541,753	(5,516,008)	86,402,930
Changes during period					
Dividends of surplus			(2,720,522)		(2,720,522)
Profit attributable to owners of parent			9,706,456		9,706,456
Purchase of treasury shares				(3,010,361)	(3,010,361)
Disposal of treasury shares		828		23,237	24,066
Net changes in items other than shareholders' equity					
Total changes during period	–	828	6,985,933	(2,987,124)	3,999,637
Balance at end of period	10,586,297	6,791,714	81,527,687	(8,503,132)	90,402,567

	Accumulated other comprehensive income		Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	313,382	313,382	71,686	86,787,998
Changes during period				
Dividends of surplus				(2,720,522)
Profit attributable to owners of parent				9,706,456
Purchase of treasury shares				(3,010,361)
Disposal of treasury shares				24,066
Net changes in items other than shareholders' equity	312,202	312,202	42,269	354,472
Total changes during period	312,202	312,202	42,269	4,354,110
Balance at end of period	625,584	625,584	113,956	91,142,108

Fiscal year ended December 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,586,297	6,791,714	81,527,687	(8,503,132)	90,402,567
Changes during period					
Dividends of surplus			(3,149,550)		(3,149,550)
Profit attributable to owners of parent			10,461,646		10,461,646
Purchase of treasury shares				(3,858,983)	(3,858,983)
Disposal of treasury shares		750		9,017	9,768
Net changes in items other than shareholders' equity					
Total changes during period	–	750	7,312,095	(3,849,965)	3,462,880
Balance at end of period	10,586,297	6,792,464	88,839,783	(12,353,097)	93,865,448

	Accumulated other comprehensive income		Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	625,584	625,584	113,956	91,142,108
Changes during period				
Dividends of surplus				(3,149,550)
Profit attributable to owners of parent				10,461,646
Purchase of treasury shares				(3,858,983)
Disposal of treasury shares				9,768
Net changes in items other than shareholders' equity	270,693	270,693	27,276	297,970
Total changes during period	270,693	270,693	27,276	3,760,851
Balance at end of period	896,278	896,278	141,233	94,902,960

(4) Consolidated Statements of Cash Flows

(Thousands of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Cash flows from operating activities		
Profit before income taxes	14,085,530	15,110,500
Depreciation	6,345,435	6,484,833
Impairment losses	–	467,815
Increase (decrease) in provision for bonuses	7,328	105,899
Increase (decrease) in retirement benefit liability	(16,928)	37,922
Increase (decrease) in provision for point card certificates	45,639	107,593
Increase (decrease) in provision for loss on disaster	46,000	(46,000)
Interest and dividend income	(40,441)	(95,593)
Interest expenses	49,552	74,426
Loss (gain) on sale of property, plant and equipment	–	(26,374)
Decrease (increase) in trade receivables	(797,792)	259,115
Decrease (increase) in inventories	(136,306)	42,465
Decrease (increase) in long-term advances paid	(43,993)	279,456
Increase (decrease) in trade payables	(326,390)	19,154
Increase (decrease) in accrued consumption taxes	(509,891)	1,745,243
Other, net	255,032	(226,157)
Subtotal	18,962,775	24,340,300
Interest and dividends received	40,441	95,593
Interest paid	(48,149)	(73,921)
Income taxes paid	(2,853,882)	(4,460,225)
Net cash provided by (used in) operating activities	16,101,185	19,901,747
Cash flows from investing activities		
Net decrease (increase) in time deposits	227,994	(3,050,163)
Net decrease (increase) in short-term investment securities	1,600,000	(3,000,000)
Purchase of property, plant and equipment	(7,862,581)	(6,248,686)
Proceeds from sale of property, plant and equipment	–	161,965
Purchase of intangible assets	(2,575,785)	(582,291)
Other, net	(22,792)	(102,696)
Net cash provided by (used in) investing activities	(8,633,165)	(12,821,872)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(24,600)	–
Proceeds from long-term borrowings	2,000,000	–
Repayments of long-term borrowings	(1,600,000)	(1,700,000)
Purchase of treasury shares	(3,010,361)	(3,858,983)
Dividends paid	(2,709,799)	(3,138,363)
Other, net	(16,573)	(6,245)
Net cash provided by (used in) financing activities	(5,361,335)	(8,703,592)
Net increase (decrease) in cash and cash equivalents	2,106,684	(1,623,718)
Cash and cash equivalents at beginning of period	13,760,457	15,867,141
Cash and cash equivalents at end of period	15,867,141	14,243,423

(5) Notes to Consolidated Financial Statements

Notes on going concern assumption

Not applicable.

Notes in case of significant changes in shareholders' equity

Not applicable.

Changes in accounting policies

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

The Company has applied the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022), the Accounting Standard for Presentation of Comprehensive Income (ASBJ Statement No. 25, October 28, 2022), and the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022) effective from the beginning of the fiscal year under review. These changes in accounting policies have no impact on the consolidated financial statements.

Notes on consolidated statements of income

*1 Impairment losses

The Group recorded impairment losses as follows.

Fiscal year ended December 31, 2025

1. Overview of asset groups for which impairment losses were recognized

<table>
<tr><th>Use</th><th>Location</th><th>Type</th><th>Amount
(Thousands of yen)</th></tr>
<tr><td rowspan="3">Operating assets
(Public racing assets)</td><td rowspan="3">Niigata City,
Niigata Prefecture</td><td>Buildings
(including attached buildings)</td><td>234,205</td></tr>
<tr><td>Land</td><td>200,110</td></tr>
<tr><td>Other</td><td>33,499</td></tr>
<tr><td colspan="3">Total</td><td>467,815</td></tr>
</table>

2. Method of asset grouping

Assets are grouped by business segment for managerial accounting purposes.

3. Background to the recognition of impairment losses

The Niigata off-track betting facility (Niigata City, Niigata Prefecture) in the public competition business is scheduled to cease operations in March 2026. Consequently, the carrying amount of the related asset group was reduced to its recoverable amount, and the decrease was recorded as an impairment loss under extraordinary losses.

4. Measurement of recoverable amount

The recoverable amount was measured based on value in use. Since the expected period of use is short, discounting was not applied.

Segment information, etc.

Segment information

1. Overview of reportable segments

(1) Method of determining reportable segments

Reportable segments are components of the Group whose operating results are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The Group has four reportable segments categorized by the type of facilities it holds and services it provides, namely, public competition business; amusement park business; warehouse leasing business; and service business.

(2) Types of products and services attributed to each reportable segment

The main range of products and services by reportable segment are as follows.

Public competition business:	Leasing and ancillary business of Oi Racecourse and off-site sales facilities
	Leasing of Isesaki Auto Racetrack
Amusement park business:	Operation of Tokyo Summerland and other facilities
Warehouse leasing business:	Leasing of logistics facilities
Service business:	Leasing of commercial facilities and other facilities, operation of service facilities, and air conditioning equipment business

2. Calculation of net sales, profit or loss, assets, liabilities and other items by reportable segment

Segment profit is based on operating profit. Inter-segment sales and transfers are based on prevailing market prices.

3. Information on net sales, profit or loss, assets, liabilities and other items by reportable segment

Fiscal year ended December 31, 2024

(Thousands of yen)

	Reportable segment					Adjustment (Note 1)	Consolidation (Note 2)
	Public competition business	Amusement park business	Warehouse leasing business	Service business	Total		
Net sales							
Sales to outside customers	28,666,037	3,772,943	5,819,396	2,185,575	40,443,953	–	40,443,953
Inter-segment sales or transfers	3,112	54,432	–	98,002	155,546	(155,546)	–
Total	28,669,149	3,827,375	5,819,396	2,283,577	40,599,500	(155,546)	40,443,953
Segment profit	11,137,607	534,276	3,476,826	217,704	15,366,416	(1,440,196)	13,926,219
Segment assets	46,690,765	6,371,572	40,189,621	14,746,542	107,998,502	14,407,356	122,405,859
Other items							
Depreciation	4,635,767	216,729	990,435	506,178	6,349,110	(3,674)	6,345,435
Increase in property, plant and equipment and intangible assets	6,025,869	932,624	875,473	2,900,703	10,734,671	10,113	10,744,785

Notes: 1. Adjustment represents the following:

(1) Adjustment to segment profit primarily represents selling, general and administrative expenses that are not attributable to reportable segments.

(2) Company-wide assets included in adjustment to segment assets primarily represent the parent company's surplus operating funds (cash, deposits, and securities), long-term investment funds (investment securities), and assets related to the administrative division, amounting to ¥14,774,987 thousand.

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

Fiscal year ended December 31, 2025

(Thousands of yen)

	Reportable segment					Adjustment (Note 1)	Consolidation (Note 2)
	Public competition business	Amusement park business	Warehouse leasing business	Service business	Total		
Net sales							
Sales to outside customers	29,688,249	3,726,870	6,094,257	2,249,371	41,758,749	–	41,758,749
Inter-segment sales or transfers	5,947	56,572	–	122,779	185,298	(185,298)	–
Total	29,694,196	3,783,442	6,094,257	2,372,151	41,944,048	(185,298)	41,758,749
Segment profit	12,180,013	475,144	3,998,727	343,848	16,997,734	(1,583,598)	15,414,135
Segment assets	46,828,689	6,541,640	40,403,032	14,645,358	108,418,721	17,366,460	125,785,181
Other items							
Depreciation	4,746,810	236,073	992,944	513,130	6,488,958	(4,124)	6,484,833
Increase in property, plant and equipment and intangible assets	5,858,217	272,028	1,026,272	21,181	7,177,699	30,014	7,207,713

Notes: 1. Adjustment represents the following:

(1) Adjustment to segment profit primarily represents selling, general and administrative expenses that are not attributable to reportable segments.

(2) Company-wide assets included in adjustment to segment assets primarily represent the parent company's surplus operating funds (cash, deposits, and securities), long-term investment funds (investment securities), and assets related to the administrative division, amounting to ¥17,696,544 thousand.

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

Per share information

(Yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Book value per share	3,410.48	3,639.47
Basic earnings per share	359.94	392.22

Notes: 1. Diluted earnings per share is not stated because there are no potential shares.

2. The basis for calculating basic earnings per share is as follows.

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Profit attributable to owners of parent (Thousands of yen)	9,706,456	10,461,646
Profit attributable to owners of parent related to common shares (Thousands of yen)	9,706,456	10,461,646
Average number of common shares outstanding during the period (Thousands of shares)	26,967	26,673

Subsequent events

At the Board of Directors meeting held on December 19, 2025, the Company resolved to cancel treasury shares pursuant to Article 178 of the Companies Act, and the cancellation was carried out on January 30, 2026.

1. Reason for the cancellation of treasury shares

The cancellation of treasury shares was implemented as part of shareholder return measures aimed at enhancing shareholder value through the execution of flexible capital policies and the improvement of capital efficiency.

2. Details of the cancellation of treasury shares

(1) Type of shares cancelled: Common shares of the Company

(2) Number of shares cancelled: 680,000 shares (2.36% of the total number of the issued shares before the cancellation)

(3) Date of cancellation: January 30, 2026

(4) Total number of issued shares after the cancellation: 28,084,854 shares

4. Other

(1) Changes in Officers

(i) Changes in representative directors

- Candidate for new representative director (scheduled as of March 26, 2026)

Takashi Takeichi	President and Representative Director	[Currently, President of Tokyo Metropolitan Government Personnel Support Foundation] [Currently, CEO of The Local Organising Committee of World Athletics Championships Tokyo 25]

- Retiring representative director

Mitsuchika Tarao	President and Representative Director

(ii) Changes in other officers (to be announced on March 26, 2026)

- Candidate for new director

Jun Tanizaki	Director (Outside Director)	[Currently, Representative Director and President of Japan Horse Transport Corporation]