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Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (IFRS)

April 30, 2026

Company name: CUC Inc.
Stock exchange: Tokyo Stock Exchange
Code number: 9158
URL: https://www.cuc-jpn.com/en/
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Schedule date of Annual General Meeting of Shareholders: June 25, 2026
Availability of supplementary materials on financial results: Available
Schedule of financial results briefing session: Scheduled

(Amounts are rounded to the nearest million yen)

1. Consolidated financial results for the fiscal year ended March 31, 2026

(1) Consolidated operating results (% indicates changes from the previous corresponding period.)

	Revenue		Operating profit		Profit before taxes		Net income		Net income attributable to CUC shareholders		Total comprehensive income	
Fiscal Year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	54,353	15.5	5,783	8.2	5,110	(2.6)	2,743	(10.9)	2,854	(8.9)	3,468	65.4
March 31, 2025	47,043	42.4	5,343	43.0	5,246	26.8	3,077	18.0	3,131	20.7	2,097	(17.3)

	Basic earnings per share	Diluted earnings per share	Ratio of net income to equity attributable to CUC shareholders	Ratio of profit before taxes to total assets	Operating profit margin
Fiscal Year ended	Yen	Yen	%	%	%
March 31, 2026	97.35	97.35	9.1	5.6	10.6
March 31, 2025	106.81	106.81	11.0	7.1	11.4

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to CUC shareholders	Ratio of equity attributable to CUC shareholders	Equity per share attributable to CUC shareholders
	Million yen	Million yen	Million yen	%	Yen
As of March 31, 2026	98,054	33,891	33,253	33.9	1,134.32
As of March 31, 2025	85,167	30,286	29,678	34.8	1,012.38

(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	Million yen	Million yen	Million yen	Million yen
March 31, 2026	5,706	(3,420)	5,957	15,835
March 31, 2025	2,503	4,450	(7,599)	7,533

2. Dividends

	Dividends per share					Total dividends	Payout ratio (Consolidated)	Ratio of dividends to equity attributable to CUC shareholders (Consolidated)
	First quarter	Second quarter	Third quarter	Fourth quarter	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2025	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ended March 31, 2026	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending March 31, 2027 (Forecast)	-	0.00	-	0.00	0.00		-	

3. Consolidated financial results forecast for the fiscal year ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(% indicates changes from the previous corresponding period.)

	Revenue		Operating profit		Profit before taxes		Net income		Net income attributable to CUC shareholders		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	64,600	18.9	3,800	(34.3)	2,800	(45.2)	1,100	(59.9)	1,100	(61.5)	37.52

* Notes:

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

(2) Changes in accounting policies and accounting estimates

1) Changes in accounting policies required by IFRS: None
2) Changes in accounting policies other than item 1) above: None
3) Changes in accounting estimates: None

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):
   March 31, 2026: 29,990,400 shares
   March 31, 2025: 29,990,400 shares
2) Total number of treasury shares at the end of the period:
   March 31, 2026: 675,091 shares
   March 31, 2025: 675,091 shares
3) Average number of shares during the period:
   Fiscal Year ended March 31, 2026: 29,315,309 shares
   Fiscal Year ended March 31, 2025: 29,315,324 shares

* These consolidated financial statements are outside the scope of review by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecast and other notes

The forward-looking statements in this report including the forecast of financial results are based on the information that is currently available, as well as certain assumptions that are deemed to be reasonable by CUC. These forward-looking statements do not represent any guarantee of achievement. Therefore, there might be cases in which actual results differ materially from the forecast due to various factors.

1. Qualitative information on financial results

(1) Explanation of operating results

The group's mission is "Creating Hope through Healthcare". Under this mission, CUC group provides various services, aiming to create an environment where patient-centered healthcare is provided for as many people as possible, to develop a workplace required by local communities in which all healthcare workers are proud and motivated, and to build sound and sustainable society by solving healthcare issues.

Medical Institution segment mainly provides comprehensive management support services to domestic medical institutions such as strategic and business management support, marketing support, HR/recruiting support, IT support, accounting support, and general affairs support. It also provides strategic support for M&A transactions, PMIs hospital bed conversion and the launch of new clinics. Those medical institutions include hospitals, in-home care clinics, dialysis clinics and outpatient clinics in Japan. The segment operates podiatry and varicose vein clinics in the United States and provides management support services in Southeast Asia.

Hospice segment provides nursing and care services for patients with cancer and intractable diseases who live in hospice facilities, prioritizing the quality of services. The segment has increased the number of patients at existing hospices and launched hospices in the area which is in lack of terminal care.

In-home Nursing segment provides nursing services for patients at their home, prioritizing the quality of services. The segment has increased the number of users for existing in-home nursing stations and launched in-home nursing stations in new areas.

Medical Care Residence segment operates nursing homes and provides regular on-demand in-home care and in-home nursing care for patients in facilities and day care services for rehabilitation, prioritizing the quality of services. The segment aims to improve its occupancy rate in the existing facilities, open new facilities in areas which have high demand for care services and accept patients with high medical and care dependencies.

The following table presents operating results for the Fiscal Year ended March 31, 2026 and the previous corresponding period. Medical Care Residence was established in the third quarter of the previous fiscal year, resulting in significant year-on-year fluctuations.
The definition of EBITDA is as follows.
EBITDA = operating profit + depreciation and amortization expenses ±other income and expenses

Consolidated operating results

(Million yen)

	Fiscal Year ended March 31, 2025	Fiscal Year ended March 31, 2026	Changes	
Revenue	47,043	54,353	+7,310	+15.5%
Operating profit	5,343	5,783	+440	+8.2%
Profit before taxes	5,246	5,110	(136)	(2.6%)
Net income attributable to CUC shareholders	3,131	2,854	(277)	(8.9%)
EBITDA	8,051	8,515	+463	+5.8%

Operating results by segment

(Million yen)

		Fiscal Year ended March 31, 2025	Fiscal Year ended March 31, 2026	Changes	
Medical Institution	Revenue	17,603	17,312	(291)	(1.7%)
	Segment profit	3,616	4,555	+939	+26.0%
	EBITDA	4,570	3,958	(612)	(13.4%)
Hospice	Revenue	13,759	16,714	+2,955	+21.5%
	Segment profit	1,002	980	(22)	(2.2%)
	EBITDA	2,014	2,244	+229	+11.4%
In-home Nursing	Revenue	12,309	12,949	+640	+5.2%
	Segment profit	1,205	1,416	+211	+17.5%
	EBITDA	1,651	1,827	+176	+10.7%
Medical Care Residence	Revenue	3,567	7,704	+4,137	+116.0%
	Segment profit	299	(262)	(560)	-
	EBITDA	640	1,349	+709	+110.9%
Others	Revenue	120	148	+29	+24.0%
	Segment profit	55	27	(29)	(51.6%)
	EBITDA	11	32	+21	+186.8%
Adjustment	Revenue	(314)	(475)	(160)	-
	Segment profit	(834)	(933)	(99)	-
Total	Revenue	47,043	54,353	+7,310	+15.5%
	Segment profit	5,343	5,783	+440	+8.2%
	EBITDA	8,051	8,515	+463	+5.8%

1) Medical Institution

Revenue and EBITDA from the segment for the Fiscal Year ended March 31, 2026 amounted to 17,312 million yen (down 1.7% year on year) and 3,958 million yen (down 13.4% year on year) respectively. This is primarily due to a decrease in domestic revenue, which was attributable to a temporary slowdown as some of the client medical institutions experienced a decline in their profitability in the first half of this fiscal year, as well as a reactionary drop following the concentration of M&A advisory fees from large-scale deals in the first quarter of the previous fiscal year. Reflecting the improved performance of client medical institutions, we began a phased normalization of monthly fees in the third quarter. However, the impact of earlier fee reductions was not fully offset during the current fiscal year. While roll-up M&A in the US podiatry business performed steadily, overseas revenue remained largely flat overall due to lower collections of past receivables year-on-year and the restructuring of unprofitable clinics.

Operating profit from the segment amounted to 4,555 million yen (up 26.0% year on year) primarily due to a gain on sale of real estate of 1,190 million yen in the fourth quarter, which resulted from the transfer of fixed assets (trust beneficiary rights) owned by CUC Properties Inc., a consolidated subsidiary of CUC.

2) Hospice

Revenue from the segment for the Fiscal Year ended March 31, 2026 amounted to 16,714 million yen (up 21.5% year on year) primarily due to the opening of 13 new facilities.

Operating profit and EBITDA from the segment amounted to 980 million yen (down 2.2% year on year) and 2,244 million yen (up 11.4% year on year) respectively. This is primarily due to the initial losses incurred from the launch of new facilities and a decline in revenue per patient at existing facilities.

3) In-home Nursing

Total care hours (Note) for the Fiscal Year ended March 31, 2026 were 1,275 thousand hours (up 4.5% year on year). As a result, revenue ,operating profit and EBITDA from the segment for the Fiscal Year ended March 31, 2026 amounted to 12,949 million yen (up 5.2% year on year), 1,416 million yen (up 17.5% year on year) and 1,827 million yen (up 10.7% year on year) respectively. This is primarily due to the opening of 6 new stations and an increase in the number of users and care hours per user at existing stations.

(Note) Total number of hours of services provided by the segment's nurses and therapists to users. Therapists mean physical therapists, occupational therapists, and speech therapists.

4) Medical Care Residence

CUC acquired Noah Konzer in the third quarter of the previous fiscal year and established this new segment. Revenue from the segment for the Fiscal Year ended March 31, 2026 amounted to 7,704 million yen (revenue of 3,567 million yen for the previous fiscal year). This is primarily due to steady growth in sales of the medication support system "Fukuyakkun" and increased revenue from nursing care medical fees, which was partially offset by temporary capacity constraints and a decrease in capacity due to facility renovations to establish hospice floors.

Operating loss and EBITDA from the segment amounted to 262 million yen (operating profit from the segment of 299 million yen for the previous fiscal year) and 1,349 million yen (EBITDA of 640 million yen for the previous fiscal year) respectively. This is primarily due to upfront investment costs in personnel recruitment and training, aiming to improve occupancy rates and revenue per patient in the long term.

As a result of the above, the group recorded revenue of 54,353 million yen (up 15.5% year on year), operating profit of 5,783 million yen (up 8.2% year on year), EBITDA of 8,515 million yen (up 5.8% year on year).

With the reactionary fall from foreign exchange gains of 360 million yen related to the repayment of loans to the U.S. subsidiary recorded in the previous fiscal year, the group recorded profit before taxes of 5,110 million yen (down 2.6% year on year) and net income attributable to CUC shareholders of 2,854 million yen (down 8.9% year on year).

(2) Explanation of financial position

Total assets as of March 31, 2026 amounted to 98,054 million yen, an increase of 12,887 million yen compared with the balance as of March 31, 2025. Current assets as of March 31, 2026 amounted to 30,132 million yen, an increase of 9,612 million yen compared with the balance as of March 31, 2025. This was primarily due to an increase in cash and cash equivalents of 8,302 million yen mainly arising from proceeds from long-term borrowings designated for financing the domestic hospice construction and overseas business operations. Non-current assets as of March 31, 2026 amounted to 67,922 million yen, an increase of 3,275 million yen compared with the balance as of March 31, 2025. This was primarily due to an increase in property, plant and equipment of 4,874 million yen mainly arising from an increase in hospice facilities.

Total liabilities as of March 31, 2026 amounted to 64,164 million yen, an increase of 9,283 million yen compared with the balance as of March 31, 2025. This was primarily due to an increase in long-term borrowings of 8,803 million yen mainly arising from proceeds from long-term borrowings designated for financing the domestic hospice construction and overseas business operations.

Total equity as of March 31, 2026 amounted to 33,891 million yen, an increase of 3,604 million yen compared with the balance as of March 31, 2025. This was primarily due to an increase in retained earnings of 2,881 million yen arising from the recording of net income attributable to CUC shareholders.

(3) Explanation of cash flows

Cash and cash equivalents as of March 31, 2026 amounted to 15,835 million yen, an increase of 8,302 million yen compared with the balance as of March 31, 2025.

Net cash provided by operating activities amounted to 5,706 million yen for the fiscal year ended March 31, 2026 (Net cash inflow of 2,503 million yen for the previous fiscal year). This was primarily due to profit before taxes of 5,110 million yen, depreciation and amortization of 4,896 million yen, a gain on sale of real estate of 1,444 million yen which resulted from the transfer of fixed assets (trust beneficiary rights), a decrease in trade and other payables of 659 million yen and income taxes paid of 2,128 million yen.

Net cash used by investing activities amounted to 3,420 million yen for the fiscal year ended March 31, 2026 (Net cash inflow of 4,450 million yen for the previous fiscal year). This was primarily due to outflow of 6,618 million yen from an increase in hospice facilities and inflow of 3,400 million yen from a gain on sale of real estate, which resulted from the transfer of fixed assets (trust beneficiary rights).

Net cash provided in financing activities amounted to 5,957 million yen for the fiscal year ended March 31, 2026 (Net cash outflow of 7,599 million yen for the previous fiscal year). This was primarily due to a net increase in long-term borrowings of 11,700 million yen and a net decrease in long-term borrowings of 2,812 million yen and repayments of lease liabilities of 2,971 million yen.

(4) Future outlook

To enhance long-term corporate value, we are executing a multi-faceted strategy: expanding existing businesses, accelerating our U.S. operations, and establishing new revenue streams independent of medical and nursing care fee structures. We have designated the fiscal year ending March 31, 2027, as our "Business Foundation Building Phase" and the fiscal year ending March 31, 2028, and beyond as our "Monetization Phase." Through this transformation, we aim to achieve non-linear growth.

Existing Businesses: We are strengthening collaboration across our vertically integrated platform to provide end-to-end support for the local healthcare value chain. Our strategy focuses on increasing market share through dominant area strategies and enhancing profitability via rigorous operational optimization.

U.S. Businesses: We are building an integrated lower-limb healthcare platform by consolidating vascular, musculoskeletal, and wound care services—leveraging our established podiatry and varicose vein foundation. We will drive competitiveness through strategic roll-up M&A and open new Office-Based Laboratories (OBLs) to increase revenue per patient.

New Businesses: Capitalizing on our footprint of 346 domestic and 43 overseas locations, we are diversifying our revenue. Key initiatives include strategic startup alliances, expanding external sales of proprietary products like "Fukuyakkun," and developing patient-centric service platforms.

Building on the solid revenue base from existing businesses, we will accelerate strategic investments in new businesses and global expansion to maximize the corporate value of the group.

Regarding the forecast of consolidated financial results for the fiscal year ending March 31, 2027, consolidated revenue is expected to be 64,600 million yen (up 18.9% year on year). Strong revenue growth will be mainly driven by the openings of new facilities in the US OBL business and business expansion in Hospice segment, In-home Nursing segment and Medical Care Residence segment. On the other hand, consolidated operating profit is expected to be 3,800 million yen (down 34.3% year on year). We expect a reactionary absence of the gain on sale of real estate resulted from the transfer of fixed assets (trust beneficiary rights) and an increase in upfront investment costs such as recruiting expenses in the domestic Medical Institution segment. We also expect an increase in upfront investment costs due to the opening of new facilities in the US OBL business and new nursing stations in In-home Nursing segment, as well as a decline in revenue per patient in the Hospice segment due to the transition to the bundled payment system following the 2026 medical fee revision.

This forecast is calculated based on information available as of the date of preparation of this document. Actual results may differ from these forecasts due to changes in economic conditions and other factors.

2. Basic approach to selection of accounting standard

The group's mission is "Creating Hope through Healthcare". As we expand globally, we have adopted adopted International Financial Reporting Standards (IFRS) in order to better serve its shareholders, investors and other stakeholders both in Japan and overseas countries by improving its comparability of its financial information and enhancing disclosure.

3. Consolidated financial statements

(1) Consolidated statement of financial position

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and cash equivalents	7,533	15,835
Trade and other receivables	12,151	13,090
Inventories	160	113
Other financial assets	94	62
Other current assets	582	1,032
Total current assets	20,520	30,132
Non-current assets		
Property, plant and equipment	18,830	23,704
Right-of-use assets	19,401	19,329
Goodwill	13,665	14,832
Intangible assets	4,306	4,171
Investment property	4,327	1,578
Deferred tax assets	893	1,228
Other financial assets	3,167	3,015
Other non-current assets	57	65
Total non-current assets	64,647	67,922
Total assets	85,167	98,054

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	4,314	3,629
Borrowings	2,812	3,689
Lease liabilities	2,769	3,139
Deposits received	692	682
Income taxes payable	1,233	1,478
Contract liabilities	3	10
Other current liabilities	1,622	2,213
Total current liabilities	13,446	14,840
Non-current liabilities		
Borrowings	20,653	28,578
Lease liabilities	17,310	17,127
Retirement benefit liability	268	318
Deferred tax liabilities	1,478	1,674
Other financial liabilities	893	685
Other non-current liabilities	833	940
Total non-current liabilities	41,435	49,323
Total liabilities	54,881	64,164
Equity		
Share capital	7,669	7,669
Capital surplus	7,820	7,769
Retained earnings	13,457	16,338
Treasury shares	(0)	(0)
Other components of equity	732	1,477
Equity attributable to CUC shareholders	29,678	33,253
Non-controlling interests	608	638
Total equity	30,286	33,891
Total liabilities and equity	85,167	98,054

(2) Consolidated statement of income and comprehensive income

Consolidated statement of income

(Million yen)

	Fiscal Year ended March 31, 2025	Fiscal Year ended March 31, 2026
Revenue	47,043	54,353
Cost of sales	23,871	28,940
Gross profit	23,172	25,413
Selling, general and administrative expenses	18,407	21,795
Other income	640	2,273
Other expenses	62	109
Operating profit	5,343	5,783
Finance income	414	62
Finance costs	511	735
Profit before taxes	5,246	5,110
Income tax expense	2,169	2,367
Net income	3,077	2,743
Net income attributable to		
CUC shareholders	3,131	2,854
Non-controlling interests	(54)	(111)
Net income	3,077	2,743
Earnings per share		
Basic earnings per share	106.81	97.35
Diluted earnings per share	106.81	97.35

		(Million yen)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net income	3,077	2,743
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(314)	(215)
Remeasurements of defined benefit plans	18	27
Total of items that will not be reclassified to profit or loss	(296)	(187)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(684)	913
Total of items that may be reclassified to profit or loss	(684)	913
Other comprehensive income, net of tax	(979)	726
Comprehensive income	2,097	3,468
Comprehensive income attributable to		
CUC shareholders	2,212	3,467
Non-controlling interests	(114)	1
Comprehensive income	2,097	3,468

(3) Consolidated statement of changes in equity
(Fiscal Year ended March 31, 2025)

(Million yen)

	Equity attributable to CUC shareholders					
					Other components of equity	
	Share capital	Capital surplus	Retained earnings	Treasury shares	Exchange differences on translation of foreign operations	Share acquisition rights
As of April 1, 2024	7,669	7,761	10,307	(0)	589	80
Net income	-	-	3,131	-	-	-
Other comprehensive income	-	-	-	-	(624)	-
Comprehensive income	-	-	3,131	-	(624)	-
Transfer from other components of equity to retained earnings	-	-	18	-	-	-
Purchase of treasury shares	-	-	-	(0)	-	-
Issuance of share acquisition Rights	-	-	-	-	-	7
Share-based payment transactions	-	59	-	-	-	85
Contribution due to the establishment of a subsidiary	-	-	-	-	-	-
Changes accompanying the loss of control over a subsidiary	-	-	-	-	-	-
Transactions with non-controlling interests	-	-	-	-	-	-
Changes in a parent's ownership interest in a subsidiary that do not result in a loss of control	-	-	-	-	-	-
Total transactions with shareholders	-	59	-	(0)	-	92
As of March 31, 2025	7,669	7,820	13,457	(0)	(35)	172

	Equity attributable to CUC shareholders					
	Other components of equity					
	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total	Total	Non-controlling interests	Total equity
As of April 1, 2024	909	-	1,578	27,316	689	28,005
Net income	-	-	-	3,131	(54)	3,077
Other comprehensive income	(314)	18	(919)	(919)	(60)	(979)
Comprehensive income	(314)	18	(919)	2,212	(114)	2,097
Transfer from other components of equity to retained earnings	-	(18)	(18)	-	-	-
Purchase of treasury shares	-	-	-	(0)	-	(0)
Issuance of new shares	-	-	7	7	-	7
Issuance of share acquisition rights	-	-	85	144	-	144
Share-based payment transactions	-	-	-	-	-	-
Increase (decrease) by business combination	-	-	-	-	-	-
Transactions with Non-controlling interests	-	-	-	-	34	34
Changes in a parent's ownership interest in a subsidiary that do not result in a loss of control	-	-	-	-	-	-
Total transactions with shareholders	-	-	92	151	34	184
As of March 31, 2025	595	-	732	29,678	608	30,286

(Fiscal Year ended March 31, 2026)

(Million yen)

	Equity attributable to CUC shareholders					
					Other components of equity	
	Share capital	Capital surplus	Retained earnings	Treasury shares	Exchange differences on translation of foreign operations	Share acquisition rights
As of April 1, 2025	7,669	7,820	13,457	(0)	(35)	172
Net income	-	-	2,854	-	-	-
Other comprehensive income	-	-	-	-	801	-
Comprehensive income	-	-	2,854	-	801	-
Transfer from other components of equity to retained earnings	-	-	27	-	-	-
Purchase of treasury shares	-	-	-	-	-	-
Issuance of share acquisition rights	-	-	-	-	-	-
Share-based payment transactions	-	(1)	-	-	-	159
Contribution due to the establishment of a subsidiary	-	-	-	-	-	-
Changes accompanying the loss of control over a subsidiary	-	-	-	-	-	-
Transactions with non-controlling interests	-	-	-	-	-	-
Changes in a parent's ownership interest in a subsidiary that do not result in a loss of control	-	(50)	-	-	-	-
Total transactions with shareholders	-	(51)	-	-	-	159
As of March 31, 2026	7,669	7,769	16,338	(0)	766	331

	Equity attributable to CUC shareholders					
	Other components of equity					
	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total	Total	Non-controlling interests	Total equity
As of April 1, 2025	595	-	732	29,678	608	30,286
Net income	-	-	-	2,854	(111)	2,743
Other comprehensive income	(215)	27	613	613	112	726
Comprehensive income	(215)	27	613	3,467	1	3,468
Transfer from other components of equity to retained earnings	-	(27)	(27)	-	-	-
Purchase of treasury shares	-	-	-	-	-	-
Issuance of share acquisition rights	-	-	-	-	-	-
Share-based payment transactions	-	-	159	158	-	158
Contribution due to the establishment of a subsidiary	-	-	-	-	40	40
Changes accompanying the loss of control over a subsidiary	-	-	-	-	(11)	(11)
Transactions with Non-controlling interests	-	-	-	-	-	-
Changes in a parent's ownership interest in a subsidiary that do not result in a loss of control	-	-	-	(50)	-	(50)
Total transactions with shareholders	-	-	159	108	28	136
As of March 31, 2026	380	-	1,477	33,253	638	33,891

(4) Consolidated statement of cash flows

(Million yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before taxes	5,246	5,110
Depreciation and amortization	3,286	4,896
Finance income	(414)	(33)
Finance costs	511	735
Loss on disposal of non-current assets	2	9
Loss (gain) on sale of non-current assets	(134)	(1,444)
Change in fair value of financial instruments measured at fair value	-	(228)
Decrease (increase) in trade and other receivables	(2,337)	(342)
Increase (decrease) in trade and other payables	(598)	(659)
Decrease (increase) in inventories	(96)	52
Increase (Decrease) in accrued paid leave	167	169
Decrease (increase) in other current assets	20	(397)
Increase (Decrease) in other current liabilities	(347)	303
Other	618	227
Subtotal	5,923	8,400
Interest and dividends received	24	88
Interest paid	(550)	(654)
Income taxes paid	(2,894)	(2,128)
Net cash provided by (used in) operating activities	2,503	5,706
Cash flows from investing activities		
Purchase of financial assets measured at fair value	(520)	-
Proceeds from sale of financial assets measured at fair value	411	0
Purchase of property, plant and equipment	(5,547)	(6,618)
Proceeds from sale of property, plant and equipment	13,237	658
Proceeds from sale of investment property	-	3,400
Purchase of intangible assets	(40)	(122)
Purchase of shares etc. of subsidiaries resulting in change in scope of consolidation	(2,806)	(616)
Proceeds from sale of shares of subsidiaries	89	-
Payments from sale of shares of subsidiaries	-	(18)
Payments of leasehold and guarantee deposits	(536)	(230)
Proceeds from refund of leasehold and guarantee deposits	35	29
Payments for loans receivable	(9)	(3)
Proceeds from collection of loans receivable	28	4
Proceeds from partial refund of consideration for the acquisition of shares of subsidiaries	108	-
Proceeds from sales and redemption of investment securities	-	38
Proceeds from transfer of business	-	33
Other	-	26
Net cash provided by (used in) investing activities	4,450	(3,420)
Cash flows from financing activities		
Proceeds from contributions from non-controlling interests	-	40
Proceeds from long-term borrowings	7,500	11,700
Repayments of long-term borrowings	(13,058)	(2,812)
Repayments of lease liabilities	(2,048)	(2,971)
Proceeds from issuance of share acquisition rights	7	-
Other	(0)	-
Net cash provided by (used in) financing activities	(7,599)	5,957

Effect of exchange rate changes on cash and cash equivalents	(77)	58
Net increase (decrease) in cash and cash equivalents	(722)	8,302
Cash and cash equivalents at beginning of period	8,256	7,533
Cash and cash equivalents at end of period	7,533	15,835

(5) Notes to Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Segment information)

(1) Overview of reportable segment

CUC group's reportable segments are components for which separate financial information is available and regularly reviewed by the board of directors to make decisions about allocation of resources to the segments and evaluate their performance.

CUC group has four reportable segments of "Medical Institution", "Hospice", "In-home Nursing" and "Medical Care Residence".

Medical Institution segment mainly provides comprehensive management support services to medical institutions in Japan and operates podiatry and varicose vein clinics in the United States and provides management support services in Southeast Asia.

Hospice segment provides nursing and care services for patients who live in hospice facilities.

In-home Nursing segment provides nursing services for patients at their home.

Medical Care Residence segment operates nursing homes and provides regular on-demand in-home care and in-home nursing care for patients in facilities and day care services for rehabilitation, prioritizing the quality of services.

(2) Information about reportable segment

Revenue, profit, and other items by reportable segments are as follows.

Intersegment transaction pricing is determined based on prevailing market prices.

(Fiscal Year ended March 31, 2025)

(Million yen)

	Reportable segment					Others (Note 1)	Total	Adjustment (Note 2)	Consolidated
	Medical Institution	Hospice	In-home Nursing	Medical Care Residence	Total				
Revenue									
To outside customers	17,289	13,759	12,309	3,567	46,923	120	47,043	-	47,043
Inter-segment revenue	314	-	0	-	314	-	314	(314)	-
Total	17,603	13,759	12,309	3,567	47,237	120	47,357	(314)	47,043
Segment profit (Note 3)	3,616	1,002	1,205	299	6,121	55	6,177	(834)	5,343
Finance income	-	-	-	-	-	-	-	-	414
Finance costs	-	-	-	-	-	-	-	-	511
Profit before taxes	-	-	-	-	-	-	-	-	5,246
Net income	-	-	-	-	-	-	-	-	3,077
Others									
Depreciation and amortization	987	1,027	493	773	3,279	8	3,286	-	3,286

(Note) 1. "Others" is a business segment which is not attributable to reportable segments and includes dispensing pharmacy services and sales of ophthalmology materials and eyeglass supplies, etc.

2. "Adjustment" of (834) million yen is primarily general and administrative expense that is not attributable to reportable segments.

3. Consolidated segment profit is correspondent with operating profit in the consolidated statement of income.

(Fiscal Year ended March 31, 2026)

(Million yen)

	Reportable segment					Others (Note 1)	Total	Adjustment (Note 2)	Consolidated
	Medical Institution	Hospice	In-home Nursing	Medical Care Residence	Total				
Revenue									
To outside customers	16,847	16,714	12,939	7,704	54,205	148	54,353	-	54,353
Inter-segment revenue	465	-	10	-	475	0	475	(475)	-
Total	17,312	16,714	12,949	7,704	54,679	148	54,827	(475)	54,353
Segment profit (Note 3)	4,555	980	1,416	(262)	6,689	27	6,716	(933)	5,783
Finance income	-	-	-	-	-	-	-	-	62
Finance costs	-	-	-	-	-	-	-	-	735
Profit before taxes	-	-	-	-	-	-	-	-	5,110
Net income	-	-	-	-	-	-	-	-	2,743
Others									
Depreciation and amortization	1,125	1,564	521	1,679	4,889	7	4,896	-	4,896

(Note) 1. "Others" is a business segment which is not attributable to reportable segments and includes sales of ophthalmology materials and eyeglass supplies, etc.

2. "Adjustment" of (933) million yen is primarily general and administrative expense that is not attributable to reportable segments.

3. Consolidated segment profit is correspondent with operating profit in the consolidated statement of income.

(Earnings per share)

The methodologies and data used to calculate basic earnings and diluted earnings per share are as follows.

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net income attributable to CUC shareholders (million yen)	3,131	2,854
Net income adjustment (million yen)	-	-
Net income used to calculate diluted earnings per share (million yen)	3,131	2,854
Basic weighted-average number of common shares (share)	29,315,324	29,315,309
Effect of dilutive potential common shares		
Share acquisition rights (share)	-	-
Diluted weighted-average number of common shares (share)	29,315,324	29,315,309
Basic earnings per share (yen)	106.81	97.35
Diluted earnings per share (yen)	106.81	97.35
Summary of financial instruments not included in the calculation of diluted earnings per share due to anti-dilution effect	7 types of share acquisition rights (Number of share acquisition rights : 6,824)	8 types of share acquisition rights (Number of share acquisition rights : 7,072)

(Subsequent events)

None.