

May 13, 2026

## Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

Company name: Atsugi Corporation  
 Listing: Tokyo Stock Exchange  
 Securities code: 3529  
 URL: <https://www.atsugi.co.jp/>  
 Representative: Please refer to the website.  
 Inquiries: Please refer to the website.  
 Telephone: +81-46-235-8107  
 Scheduled date of annual general meeting of shareholders: June 29, 2026  
 Scheduled date to commence dividend payments: -  
 Scheduled date to file annual securities report: June 26, 2026  
 Preparation of supplementary material on financial results: None  
 Holding of financial results briefing: None

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

### 1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	21,469	(1.9)	(1,019)	-	(912)	-	(1,137)	-
March 31, 2025	21,880	3.2	(930)	-	(233)	-	(376)	-

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥352 million [-%]  
 For the fiscal year ended March 31, 2025: ¥(1,776) million [-%]

Fiscal year ended	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
	Yen	Yen	%	%	%
March 31, 2026	(71.01)	-	(3.6)	(2.3)	(4.7)
March 31, 2025	(23.49)	-	(1.2)	(0.6)	(4.3)

#### (2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	39,902	32,010	80.2	1,998.92
March 31, 2025	40,847	31,662	77.5	1,976.74

Reference: Equity  
 As of March 31, 2026: ¥32,010 million  
 As of March 31, 2025: ¥31,662 million

#### (3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	(388)	(1,176)	(674)	3,633
March 31, 2025	415	719	53	5,354

## 2. Cash dividends

	Annual dividends per share					Total 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 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. Forecast of consolidated financial results for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Yen	%	Yen	%	Yen	%	Yen	%	Yen
Fiscal year ending March 31, 2027	-	-	-	-	-	-	-	-	-

With regard to the consolidated earnings forecast for the fiscal year ending March 31, 2027, we will embark on a fundamental review, including reforms to the earnings structure, and since it is difficult to reasonably and accurately calculate the impact of these measures on our business performance at this time, we have not decided on the consolidated earnings forecast for the fiscal year ending March 31, 2027. We will announce the details as soon as they are ready.

\* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (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: None
- (ii) Changes in accounting policies due to other reasons: 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 March 31, 2026	17,319,568 shares
As of March 31, 2025	17,319,568 shares

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

As of March 31, 2026	1,305,562 shares
As of March 31, 2025	1,301,997 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	16,015,716 shares
Fiscal year ended March 31, 2025	16,018,867 shares

**[Reference] Overview of non-consolidated financial results**

**1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)**

**(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2026	13,169	(6.7)	(985)	-	(790)	-	(961)	-
March 31, 2025	14,111	2.9	(931)	-	397	-	297	(25.3)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	(60.06)	-
March 31, 2025	18.57	-

**(2) Non-consolidated financial position**

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	34,621	29,147	84.2	1,820.11
March 31, 2025	36,285	29,698	81.8	1,854.10

Reference: Equity

As of March 31, 2026: ¥29,147 million

As of March 31, 2025: ¥29,698 million

"Reasons for the difference between non-consolidated financial results and the financial results of the previous fiscal year"

In the previous fiscal year, there was a discrepancy between the actual figures for the previous fiscal year and the actual figures for the current fiscal year due to the receipt of dividends from subsidiaries associated with the plant restructuring, the accrual of gains on the sale of cross-shareholdings, and the recording of business restructuring losses.

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. For the conditions on which earnings forecasts are predicated and precautions for using earnings forecasts, please refer to "1. Summary of Operating Results (4) Future Outlook" in this section.

## Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	5,406	3,633
Notes and accounts receivable - trade	4,311	3,850
Merchandise and finished goods	4,229	4,352
Work in process	995	1,067
Raw materials and supplies	477	451
Other	1,435	1,240
Allowance for doubtful accounts	(22)	(24)
<b>Total current assets</b>	<b>16,832</b>	<b>14,570</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	12,035	12,544
Accumulated depreciation	(8,827)	(8,941)
Buildings and structures, net	3,208	3,602
Machinery, equipment and vehicles	13,390	13,899
Accumulated depreciation	(10,048)	(10,299)
Machinery, equipment and vehicles, net	3,342	3,600
Land	12,745	12,771
Construction in progress	154	62
Other	516	562
Accumulated depreciation	(390)	(419)
Other, net	126	142
<b>Total property, plant and equipment</b>	<b>19,577</b>	<b>20,180</b>
<b>Intangible assets</b>		
Landuse right	413	454
Software	83	64
Software in progress	1	-
Other	1	1
<b>Total intangible assets</b>	<b>499</b>	<b>520</b>
<b>Investments and other assets</b>		
Investment securities	3,702	4,353
Other	234	276
<b>Total investments and other assets</b>	<b>3,937</b>	<b>4,630</b>
<b>Total non-current assets</b>	<b>24,014</b>	<b>25,331</b>
<b>Total assets</b>	<b>40,847</b>	<b>39,902</b>

	As of March 31, 2025	As of March 31, 2026
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	1,365	1,098
Short-term borrowings	617	462
Current portion of long-term borrowings	439	-
Income taxes payable	146	101
Provision for bonuses	53	53
Other	2,612	1,707
<b>Total current liabilities</b>	<b>5,236</b>	<b>3,424</b>
Non-current liabilities		
Deferred tax liabilities	944	1,174
Deferred tax liabilities for land revaluation	1,324	1,324
Retirement benefit liability	883	946
Other	795	1,022
<b>Total non-current liabilities</b>	<b>3,948</b>	<b>4,467</b>
<b>Total liabilities</b>	<b>9,184</b>	<b>7,891</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	20,000	20,000
Capital surplus	10,272	10,272
Retained earnings	(1,110)	(2,247)
Treasury shares	(1,470)	(1,474)
<b>Total shareholders' equity</b>	<b>27,690</b>	<b>26,549</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,357	1,812
Deferred gains or losses on hedges	384	384
Revaluation reserve for land	351	351
Foreign currency translation adjustment	1,878	2,913
<b>Total accumulated other comprehensive income</b>	<b>3,971</b>	<b>5,461</b>
<b>Total net assets</b>	<b>31,662</b>	<b>32,010</b>
<b>Total liabilities and net assets</b>	<b>40,847</b>	<b>39,902</b>

## Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	21,880	21,469
Cost of sales	14,938	14,799
Gross profit	6,942	6,670
Selling, general and administrative expenses	7,873	7,689
Operating loss	(930)	(1,019)
Non-operating income		
Interest and dividend income	149	79
Foreign exchange gains	429	21
Gain on cancellation of leases	59	-
Other	133	66
Total non-operating income	772	166
Non-operating expenses		
Interest expenses	27	14
Taxes and dues	25	33
Other	21	11
Total non-operating expenses	75	59
Ordinary loss	(233)	(912)
Extraordinary income		
Gain on sale of non-current assets	-	19
Gain on sale of investment securities	1,772	68
Total extraordinary income	1,772	88
Extraordinary losses		
Loss on sale of non-current assets	0	37
Loss on retirement of non-current assets	81	0
Impairment losses	-	221
Loss on sale of investment securities	8	-
Business restructuring expenses	1,826	-
Total extraordinary losses	1,916	259
Loss before income taxes	(377)	(1,083)
Income taxes - current	170	39
Income taxes - deferred	(172)	13
Total income taxes	(1)	53
Loss	(376)	(1,137)
Loss attributable to owners of parent	(376)	(1,137)

## Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Loss	(376)	(1,137)
Other comprehensive income		
Valuation difference on available-for-sale securities	(814)	454
Deferred gains or losses on hedges	(400)	(0)
Revaluation reserve for land	(37)	-
Foreign currency translation adjustment	(147)	1,035
Total other comprehensive income	(1,400)	1,489
Comprehensive income	(1,776)	352
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,776)	352

## Consolidated statement of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	20,000	10,272	(734)	(1,468)	28,069
Changes during period					
Loss attributable to owners of parent			(376)		(376)
Purchase of treasury shares				(2)	(2)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	(376)	(2)	(378)
Balance at end of period	20,000	10,272	(1,110)	(1,470)	27,690

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	2,172	785	388	2,025	5,371	33,441
Changes during period						
Loss attributable to owners of parent						(376)
Purchase of treasury shares						(2)
Net changes in items other than shareholders' equity	(814)	(400)	(37)	(147)	(1,400)	(1,400)
Total changes during period	(814)	(400)	(37)	(147)	(1,400)	(1,778)
Balance at end of period	1,357	384	351	1,878	3,971	31,662

## Consolidated statement of changes in equity

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	20,000	10,272	(1,110)	(1,470)	27,690
Changes during period					
Loss attributable to owners of parent			(1,137)		(1,137)
Purchase of treasury shares				(4)	(4)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	(1,137)	(4)	(1,141)
Balance at end of period	20,000	10,272	(2,247)	(1,474)	26,549

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	1,357	384	351	1,878	3,971	31,662
Changes during period						
Loss attributable to owners of parent						(1,137)
Purchase of treasury shares						(4)
Net changes in items other than shareholders' equity	454	(0)	-	1,035	1,489	1,489
Total changes during period	454	(0)	-	1,035	1,489	348
Balance at end of period	1,812	384	351	2,913	5,461	32,010

## Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Loss before income taxes	(377)	(1,083)
Depreciation	676	582
Impairment losses	-	221
Increase (decrease) in allowance for doubtful accounts	(4)	2
Increase (decrease) in provision for bonuses	9	(0)
Increase (decrease) in retirement benefit liability	(10)	62
Interest and dividend income	(149)	(79)
Interest expenses	27	14
Gain on cancellation of leases	(59)	-
Loss (gain) on sale of investment securities	(1,763)	(68)
Business restructuring expenses	1,826	-
Loss on retirement of property, plant and equipment	81	0
Loss (gain) on sale of property, plant and equipment	0	17
Decrease (increase) in trade receivables	(140)	618
Decrease (increase) in inventories	1,010	21
Increase (decrease) in trade payables	(11)	(354)
Increase (decrease) in accrued consumption taxes	84	(52)
Other, net	(629)	(310)
Subtotal	570	(408)
Interest and dividends received	149	79
Interest paid	(23)	(14)
Payments for business restructuring expenses	(103)	-
Income taxes paid	(176)	(44)
Net cash provided by (used in) operating activities	415	(388)
Cash flows from investing activities		
Payments into time deposits	(72)	(34)
Proceeds from withdrawal of time deposits	41	92
Purchase of property, plant and equipment	(2,807)	(1,279)
Proceeds from sale of property, plant and equipment	251	28
Purchase of intangible assets	(253)	(179)
Proceeds from sale of intangible assets	78	-
Purchase of investment securities	(33)	(33)
Proceeds from sale of investment securities	3,080	113
Subsidies received	549	205
Other, net	(116)	(89)
Net cash provided by (used in) investing activities	719	(1,176)
Cash flows from financing activities		
Purchase of treasury shares	(2)	(4)
Proceeds from short-term borrowings	617	462
Repayments of short-term borrowings	-	(693)
Repayments of long-term borrowings	(470)	(439)
Repayments of lease liabilities	(91)	-
Net cash provided by (used in) financing activities	53	(674)
Effect of exchange rate change on cash and cash equivalents	317	518
Net increase (decrease) in cash and cash equivalents	1,504	(1,721)
Cash and cash equivalents at beginning of period	3,850	5,354
Cash and cash equivalents at end of period	5,354	3,633

## Balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	2,768	891
Notes receivable - trade	60	40
Accounts receivable - trade	2,780	2,363
Merchandise and finished goods	3,482	3,558
Raw materials and supplies	49	22
Prepaid expenses	65	66
Other	1,062	1,108
Allowance for doubtful accounts	(1)	(1)
<b>Total current assets</b>	<b>10,267</b>	<b>8,050</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings	349	318
Structures	5	5
Machinery and equipment	299	262
Vehicles	0	0
Land	12,745	12,771
Construction in progress	15	1
Other	11	22
<b>Total property, plant and equipment</b>	<b>13,428</b>	<b>13,382</b>
<b>Intangible assets</b>		
Software	5	4
Software in progress	0	-
Other	0	0
<b>Total intangible assets</b>	<b>6</b>	<b>5</b>
<b>Investments and other assets</b>		
Investment securities	3,702	4,353
Shares of subsidiaries and associates	136	136
Investments in capital of subsidiaries and associates	6,723	6,723
Long-term loans receivable from subsidiaries and associates	5,409	5,419
Long-term prepaid expenses	11	3
Other	187	237
Allowance for doubtful accounts	(3,588)	(3,691)
<b>Total investments and other assets</b>	<b>12,583</b>	<b>13,182</b>
<b>Total non-current assets</b>	<b>26,017</b>	<b>26,570</b>
<b>Total assets</b>	<b>36,285</b>	<b>34,621</b>

	As of March 31, 2025	As of March 31, 2026
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes payable - trade	131	1
Accounts payable - trade	1,632	1,210
Current portion of long-term borrowings	439	-
Accounts payable - other	603	361
Accrued expenses	123	124
Income taxes payable	121	84
Advances received	66	61
Deposits received	12	13
Provision for bonuses	49	50
Other	406	327
<b>Total current liabilities</b>	<b>3,586</b>	<b>2,233</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	722	920
Deferred tax liabilities for land revaluation	1,324	1,324
Provision for retirement benefits	626	672
Other	327	321
<b>Total non-current liabilities</b>	<b>3,001</b>	<b>3,239</b>
<b>Total liabilities</b>	<b>6,587</b>	<b>5,473</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	20,000	20,000
<b>Capital surplus</b>		
Legal capital surplus	4,951	4,951
Other capital surplus	3,890	3,890
<b>Total capital surplus</b>	<b>8,841</b>	<b>8,841</b>
<b>Retained earnings</b>		
<b>Other retained earnings</b>		
Reserve for tax purpose reduction entry of non-current assets	19	15
Retained earnings brought forward	287	(670)
<b>Total retained earnings</b>	<b>307</b>	<b>(654)</b>
Treasury shares	(1,525)	(1,529)
<b>Total shareholders' equity</b>	<b>27,623</b>	<b>26,657</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	1,343	1,798
Deferred gains or losses on hedges	380	340
Revaluation reserve for land	351	351
<b>Total valuation and translation adjustments</b>	<b>2,074</b>	<b>2,489</b>
<b>Total net assets</b>	<b>29,698</b>	<b>29,147</b>
<b>Total liabilities and net assets</b>	<b>36,285</b>	<b>34,621</b>

## Statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	14,111	13,169
Cost of sales	9,512	8,835
Gross profit	4,599	4,333
Selling, general and administrative expenses	5,531	5,319
Operating loss	(931)	(985)
Non-operating income		
Interest and dividend income	1,135	222
Rental income	29	21
Foreign exchange gains	345	71
Other	10	35
Total non-operating income	1,521	350
Non-operating expenses		
Interest expenses	5	2
Rental expenses on non-current assets	14	5
Taxes and dues	25	33
Provision of allowance for doubtful accounts	133	103
Other	12	10
Total non-operating expenses	191	155
Ordinary profit (loss)	397	(790)
Extraordinary income		
Gain on sale of non-current assets	-	0
Gain on sale of investment securities	1,772	68
Total extraordinary income	1,772	68
Extraordinary losses		
Loss on sale of non-current assets	-	0
Loss on retirement of non-current assets	35	0
Impairment losses	-	221
Loss on sale of investment securities	8	-
Business restructuring expenses	1,703	-
Total extraordinary losses	1,747	222
Profit (loss) before income taxes	422	(944)
Income taxes - current	125	17
Total income taxes	125	17
Profit (loss)	297	(961)

## Statement of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings			Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings		Total retained earnings		
					Reserve for tax purpose reduction entry of non-current assets	Retained earnings brought forward			
Balance at beginning of period	20,000	4,951	3,890	8,841	22	(12)	9	(1,522)	27,328
Changes during period									
Reversal of reserve for tax purpose reduction entry of non-current assets					(2)	2	-		-
Loss						297	297		297
Purchase of treasury shares								(2)	(2)
Net changes in items other than shareholders' equity									
Total changes during period	-	-	-	-	(2)	300	297	(2)	295
Balance at end of period	20,000	4,951	3,890	8,841	19	287	307	(1,525)	27,623

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	2,158	857	388	3,404	30,732
Changes during period					
Reversal of reserve for tax purpose reduction entry of non-current assets					-
Loss					297
Purchase of treasury shares					(2)
Net changes in items other than shareholders' equity	(814)	(477)	(37)	(1,329)	(1,329)
Total changes during period	(814)	(477)	(37)	(1,329)	(1,034)
Balance at end of period	1,343	380	351	2,074	29,698

## Statement of changes in equity

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings			Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings		Total retained earnings		
					Reserve for tax purpose reduction entry of non-current assets	Retained earnings brought forward			
Balance at beginning of period	20,000	4,951	3,890	8,841	19	287	307	(1,525)	27,623
Changes during period									
Reversal of reserve for tax purpose reduction entry of non-current assets					(3)	3	-		-
Loss						(961)	(961)		(961)
Purchase of treasury shares								(4)	(4)
Net changes in items other than shareholders' equity									
Total changes during period	-	-	-	-	(3)	(958)	(961)	(4)	(965)
Balance at end of period	20,000	4,951	3,890	8,841	15	(670)	(654)	(1,529)	26,657

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	1,343	380	351	2,074	29,698
Changes during period					
Reversal of reserve for tax purpose reduction entry of non-current assets					-
Loss					(961)
Purchase of treasury shares					(4)
Net changes in items other than shareholders' equity	454	(39)	-	415	415
Total changes during period	454	(39)	-	415	(550)
Balance at end of period	1,798	340	351	2,489	29,147

(Notes on segment information, etc.)

Segment Information

1. Overview of Reporting Segments

The Group's reporting segments are those of the constituent units of the Group for which segregated financial information is available and are subject to periodic review by the Board of Directors in order to determine the allocation of management resources and evaluate business performance.

The Group's main business is the manufacture and sale of legwear, and the textile business and real estate business are the reporting segments.

The Textile Business is mainly engaged in the manufacture and sale of legwear and innerwear. The Real Estate segment is engaged in the purchase and sale of land for sale and the leasing of land and buildings.

2. Method of calculating the amount of sales, profit or loss, assets, and other items for each reporting segment

The accounting methods for the reported business segments are generally identical to those used in the preparation of consolidated financial statements. Profit or loss for reporting segments is a figure on an operating profit or loss basis.

3. Information on the amount of sales, profits or losses, assets, and other items for each reported segment, as well as information on the breakdown of revenue.

The previous fiscal year (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments			Other (Note) 1	Total	Adjustment amount (Note) 2	Amount recorded in consolidated financial statements (Note)3
	textile and apparel business	real estate business	Total				
Sales							
Legwear	11,613	-	11,613	-	11,613	-	11,613
Inner	9,011	-	9,011	-	9,011	-	9,011
Other	-	-	-	616	616	-	616
Revenue generated from customer contracts	20,625	-	20,625	616	21,242	-	21,242
Other Earnings	-	638	638	-	638	-	638
Revenues from external customers	20,625	638	21,264	616	21,880	-	21,880
Transactions with other segments	1	-	1	-	1	(1)	-
Total	20,626	638	21,265	616	21,882	(1)	21,880
Segment profit (loss)	(1,378)	485	(893)	81	(811)	(119)	(930)
Segment Assets	28,584	10,510	39,095	1,119	40,214	632	40,847
Other items							
Depreciation and amortization (Note)4	596	28	625	43	668	7	676
Increase in property, plant and equipment and intangible assets	3,203	763	3,966	-	3,966	134	4,101

The current fiscal year (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segments			Other (Note) 1	Total	Adjustment amount (Note) 2	Amount recorded in consolidated financial statements (Note)3
	textile and apparel business	real estate business	Total				
Sales							
Legwear	11,060	-	11,060	-	11,060	-	11,060
Inner	9,095	-	9,095	-	9,095	-	9,095
Other	-	-	-	615	615	-	615
Revenue generated from customer contracts	20,156	-	20,156	615	20,772	-	20,772
Other Earnings	-	697	697	-	697	-	697
Revenues from external customers	20,156	697	20,853	615	21,469	-	21,469
Transactions with other segments	0	-	0	-	0	(0)	-
Total	20,156	697	20,853	615	21,469	(0)	21,469
Segment profit (loss)	(1,495)	538	(957)	75	(882)	(137)	(1,019)
Segment Assets	27,145	10,554	37,700	1,066	38,766	1,135	39,902
Other items							
Depreciation and amortization (Note)4	518	20	539	38	577	4	582
Increase in property, plant and equipment and intangible assets	599	26	625	-	625	14	640

Note: 1. The "Other" category is a business segment that is not included in the reporting segments, including the purchase and sale of nursing care products, the operation of group homes, and the sale of electricity from solar power.

2. The details of the adjustment amount are as follows.

Segment Profit or Loss

(Millions of yen)

	The previous fiscal year	The current fiscal year
Company-wide expenses	(119)	(137)
Total	(119)	(137)

\* Company-wide expenses are mainly expenses related to land and buildings such as the head office that do not belong to the reporting segment (including land and buildings under consideration for conversion).  
Segment Assets

(Millions of yen)

	The previous fiscal year	The current fiscal year
Company-wide Assets	632	1,135
Total	632	1,135

\* Company-wide assets are mainly land and buildings at the head office and other facilities that do not belong to the reporting segment (including land and buildings under consideration for conversion) and long-term investment funds (investment securities).

3. Segment profits and losses are adjusted for operating losses in consolidated financial statements.

4. Depreciation includes the amount of amortization related to long-term prepaid expenses.

Information on impairment losses on fixed assets by reporting segment  
The previous fiscal year (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments			Other	Unallocated amounts and elimination	Total
	textile and apparel business	real estate business	Total			
Impairment losses	1,723	-	1,723	-	-	1,723

Note: In the Textiles business, we have impaired the book value of business assets that are no longer expected to recover their investment due to a decline in profitability or other factors, up to the recoverable value. As a result, we recorded an impairment loss of 1,723 million yen in the textile business. Impairment losses are included in business restructuring expenses.

The current fiscal year (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segments			Other	Unallocated amounts and elimination	Total
	textile and apparel business	real estate business	Total			
Impairment losses	221	-	221	-	-	221

Note: In the Textiles business, we have impaired the book value of business assets that are no longer expected to recover their investment due to a decline in profitability or other factors, up to the recoverable value. As a result, we recorded an impairment loss of 221 million yen in the textile business.

Information on amortization and unamortized balances of goodwill by reporting segment

Not applicable.

Information on Negative Goodwill Accrual Gains by Reporting Segment

Not applicable.