April 30, 2026

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

Company name: **TAKARA STANDARD CO., LTD.**
Stock listing: Tokyo Stock Exchange
Stock code: 7981
URL: https://www.takara-standard.co.jp/
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Scheduled date of Annual General Meeting of Shareholders: June 24, 2026
Scheduled date to commence dividend payments: June 25, 2026
Scheduled date to file annual securities report: June 19, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results presentation meeting: None

(Million yen with fractional amounts discarded, 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.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	252,756	3.9	19,083	22.1	19,677	22.9	15,073	35.9
March 31, 2025	243,380	3.7	15,635	25.8	16,005	25.1	11,090	16.7

Note: Comprehensive income
Fiscal year ended March 31, 2026: ¥18,932 million [48.8%]
Fiscal year ended March 31, 2025: ¥12,719 million [(3.4)%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit on total assets	Operating profit on net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	231.89	–	7.7	7.0	7.6
March 31, 2025	163.15	–	5.8	5.9	6.4

Reference: Equity in earnings (losses) of associates
Fiscal year ended March 31, 2026: ¥– million Fiscal year ended March 31, 2025: ¥– million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2026	285,152	196,325	68.8	3,104.89
March 31, 2025	276,914	194,509	70.2	2,892.64

Reference: Equity
As of March 31, 2026: ¥196,325 million As of March 31, 2025: ¥194,509 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	Million yen	Million yen	Million yen	Million yen
March 31, 2026	25,406	(12,535)	(19,520)	61,409
March 31, 2025	23,365	(8,465)	(6,506)	68,059

2. Dividends

	Annual dividends					Total dividend payments	Dividend payout ratio (Consolidated)	Dividend on equity (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2025	–	28.00	–	50.00	78.00	5,275	47.8	2.8
Fiscal year ended March 31, 2026	–	50.00	–	66.00	116.00	7,427	50.0	3.9
Fiscal year ending March 31, 2027 (Forecasts)	–	62.00	–	62.00	124.00		50.9	

Note: The Company has changed the year-end dividend per share for the fiscal year ended March 31, 2026 from ¥50 to ¥66. For details, please refer to “Notice Concerning Dividends of Surplus (Dividend Increase)” released today (April 30, 2026).

3. Consolidated earnings forecasts 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
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending September 30, 2026	127,300	3.4	9,600	10.2	10,000	11.0	7,200	3.6	113.87
Full year	260,000	2.9	20,800	9.0	21,500	9.3	15,400	2.2	243.55

Note: Due to the recent escalation of tensions in the Middle East, it is currently difficult to reasonably assess the impact of procurement risks and price hikes in materials on the Company’s performance. Therefore, these factors have not been incorporated into earnings forecasts. Should any events arise that are deemed to have a significant impact on the financial results, the Company will promptly disclose them.

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes
Excluded: 1 company [company name] Takara Logistics Service Co., Ltd.

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

a. Changes in accounting policies due to revisions to accounting standards and other regulations: None
b. Changes in accounting policies due to other reasons: None
c. Changes in accounting estimates: None
d. Restatement of prior period financial statements after error corrections: None

(3) Number of issued shares (common stock)

a. Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2026	63,361,494 shares
As of March 31, 2025	67,252,994 shares

b. Number of treasury shares at the end of the period

As of March 31, 2026	130,364 shares
As of March 31, 2025	10,327 shares

c. Average number of outstanding shares during the period

Fiscal year ended March 31, 2026	65,003,193 shares
Fiscal year ended March 31, 2025	67,976,984 shares

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

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

(Cautions concerning the use of earnings forecasts)

Forward-looking statements provided in this document, including earnings forecasts, are based on the information currently available to the Company and certain assumptions considered reasonable. Such statements are included without any guarantee as to their future achievement. Actual business and other results may differ materially from the forecasts depending on various factors. For the assumptions underlying the earnings forecasts and notes on their use, etc., please refer to "1. Overview of Operating Results, etc., (4) Future outlook" on page 4 of the accompanying materials.

(How to obtain supplementary material on financial results)

The supplementary material on financial results is disclosed on TDnet on the same day as the financial results, and it is also made available on the Company's website.

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1. Overview of Operating Results, etc.

(1) Overview of operating results for the fiscal year ended March 31, 2026

During the fiscal year ended March 31, 2026, the Japanese economy showed a trend of moderate recovery, mainly driven by an increase of demand from inbound tourists, as well as a recovery in personal consumption and capital investment. On the other hand, the outlook remains uncertain mainly due to rising geopolitical risks, particularly in the Middle East, and developments in U.S. trade policy.

With the housing market, influenced by the April 2025 amendments to the Building Standards Act, the number of new housing construction—for both detached houses and condominiums—fluctuated before and after the amendments. Furthermore, demand for remodeling continued to lack dynamism.

In this business environment, the Group has formulated its three-year plan “Medium Term Management Plan 2026,” which started in FY2024. Under the theme of “Re-committing to transformation,” with three pillars of our growth strategy: Profit Structure Transformation, Financial Strategy, and Sustainability Strategy, we will promote various initiatives to strengthen profitability by generating the effects of various measures and build an infrastructure to achieve sustainable growth.

As a result of the above, net sales for the fiscal year ended March 31, 2026 reached ¥252,756 million (up 3.9% year-on-year) due to favorable results in sales for new detached houses and apartments. In terms of profits, operating profit was ¥19,083 million (up 22.1% year-on-year), ordinary profit was ¥19,677 million (up 22.9% year-on-year), and profit attributable to owners of parent was ¥15,073 million (up 35.9% year-on-year) due to higher selling prices and continued efforts to promote work efficiency and cost reduction. Both net sales and all profit metrics reached record highs.

The following shows the results by segment.

1) Housing equipment business

Net sales in this segment were ¥252,493 million (up 3.8% year-on-year), and operating profit was ¥18,851 million (up 22.1% year-on-year).

In the new construction market, net sales were ¥167,150 million (up 4.9% year-on-year) due to favorable results in sales for both detached houses and apartments. In the remodeling market, net sales were ¥74,522 million (up 2.4% year-on-year), mainly due to the widespread adoption of proposals tailored to customer needs, particularly in the second half of the fiscal year.

By product category, net sales for kitchen were ¥154,762 million (up 3.8% year-on-year), with bathroom at ¥58,735 million (up 5.3% year-on-year) and washstand at ¥30,574 million (up 6.5% year-on-year).

2) Other businesses (real estate rental business, warehouse business)

Net sales were ¥313 million (down 13.5% year-on-year), and operating profit was ¥231 million (up 19.0% year-on-year). Although net sales decreased due to the liquidation of Takara Logistics Service Co., Ltd., which was the Company’s consolidated subsidiary, in December 2025, profit increased due to higher real estate income.

(2) Overview of financial position for the fiscal year ended March 31, 2026

(Assets)

Total assets at the end of the fiscal year ended March 31, 2026 were ¥285,152 million, which was an increase of ¥8,238 million compared to the end of the fiscal year ended March 31, 2025. Main increases were ¥14,358 million in property, plant and equipment and ¥1,228 million in intangible assets. Main decreases were ¥6,649 million in cash and deposits and ¥1,366 million in notes receivable - trade.

(Liabilities)

Liabilities at the end of the fiscal year ended March 31, 2026 were ¥88,826 million, which was an increase of ¥6,421 million compared to the end of the fiscal year ended March 31, 2025. Main increases were electronically recorded obligations - operating of ¥7,272 million and income taxes payable of ¥1,454 million. The main decrease was retirement benefit liability of ¥3,544 million.

(Net assets)

Net assets at the end of the fiscal year ended March 31, 2026 were ¥196,325 million, which was an increase of ¥1,816 million compared to the end of the fiscal year ended March 31, 2025. Main increases were profit attributable to owners of parent of ¥15,073 million, ¥2,671 million in remeasurements of defined benefit plans, and ¥1,187 million in valuation difference on available-for-sale securities. Main decreases were ¥10,499 million in purchase of treasury shares and ¥6,616 million in dividends of surplus.

This resulted in an equity ratio of 68.8% (70.2% at the end of the fiscal year ended March 31, 2025).

(3) Overview of cash flows for the fiscal year ended March 31, 2026

Consolidated cash and cash equivalents for the fiscal year ended March 31, 2026 decreased by ¥6,649 million compared to the fiscal year ended March 31, 2025, and was ¥61,409 million (down 9.8% year-on-year) at the end of the fiscal year ended March 31, 2026.

(Cash flows from operating activities)

Net cash provided by operating activities was ¥25,406 million (¥23,365 million provided in the fiscal year ended March 31, 2025). The main factor was the recording of profit before income taxes.

(Cash flows from investing activities)

Net cash used in investing activities was ¥12,535 million (¥8,465 million used in the fiscal year ended March 31, 2025). Main factors were the purchase of property, plant and equipment and proceeds from sale of investment securities.

(Cash flows from financing activities)

Net cash used in financing activities was ¥19,520 million (¥6,506 million used in the fiscal year ended March 31, 2025). Main factors were purchase of treasury shares and dividends paid.

(Reference) Changes in cash flow-related indicators

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Capital adequacy ratio (%)	64.9	69.7	70.2	68.8
Capital adequacy ratio based on market value (%)	36.9	49.7	42.7	60.8
Cash flow to interest-bearing debt ratio (Year)	1.2	(5.8)	0.3	0.2
Interest coverage ratio (times)	143.3	(28.9)	324.1	354.6

Notes: Capital adequacy ratio: Owned capital / Total assets

Capital adequacy ratio based on market value: Market capitalization / Total assets

Cash flow to interest-bearing debt ratio: Interest-bearing debt / Cash flow

Interest coverage ratio: Cash flow / Interest payment

* All indicators have been calculated using financial figures on a consolidated basis.
* Market capitalization is calculated by multiplying the closing stock price at the end of the period by the number of issued shares at the end of the period (excluding treasury shares).
* Cash flow is the cash flow from operating activities in the consolidated cash flow statement.
* Interest-bearing debt includes all debt for which interest is paid among debt recorded on the consolidated balance sheet. Interest payment is the amount of interest paid in the consolidated statement of cash flows.

(4) Future outlook

The Japanese economy is expected to continue its gradual recovery, with personal consumption projected to recover as income conditions improve and capital investment also projected to increase. On the other hand, the outlook remains uncertain due to rising geopolitical risks, uncertainty in overseas economies, and concerns about declining consumer confidence with continuous rising prices.

In the housing market, although the number of new construction is expected to recover from the decline associated with the April 2025 amendments to the Building Standards Act, the medium- to long-term downward trend in the new construction market due to the declining population is expected to continue, with soaring housing prices and rising mortgage rates projected. Although the remodeling market is expected to grow slightly against the backdrop of abundant housing stock, there are concerns about further intensifying competition in the industry, mainly due to declining demand resulting from soaring material prices and a shortage of craftsmen.

In this business environment, for the next fiscal year ending March 31, 2027, the final fiscal year of the “Medium Term Management Plan 2026,” under the theme of “Re-committing to transformation,” the Group will promote its three growth strategies (Profit Structure Transformation, Financial Strategy, and Sustainability Strategy) to strengthen profitability by generating the effects of various measures and build an infrastructure to achieve sustainable growth. Furthermore, we announced a partially updated version of the plan titled “Notice concerning New Shareholder Return Policy and Profit Growth Initiatives to Achieve 8% ROE” in May 2025 in order to improve capital efficiency, which we have recognized as an issue to be addressed. We will implement a disciplined financial strategy to achieve our key KPI of an ROE of 8% in the next fiscal year.

As for consolidated earnings for the next fiscal year ending March 31, 2027, forecasts include net sales of ¥260,000 million (up 2.9% year-on-year), operating profit of ¥20,800 million (up 9.0% year-on-year), ordinary profit of ¥21,500 million (up 9.3% year-on-year), and profit attributable to owners of parent of ¥15,400 million (up 2.2% year-on-year).

Please note that these earnings forecasts do not factor in the potential impact of factors such as procurement risks and rising prices of materials resulting from the recent escalation of tensions in the Middle East on our performance, as it is currently difficult to make a reasonable estimate of the impact. If any events occur that are determined to have a significant impact on our performance, we will disclose them promptly.

(5) Basic policy on profit sharing

The Company enhances shareholder returns while maintaining financial soundness, as it actively allocates capital to objectives that include growth investment and strengthening of management base with its sights set on developing sustainable growth infrastructure to define a basic policy for profit distribution.

During the period of the “Medium Term Management Plan 2026,” we will actively utilize shareholder returns through purchasing treasury shares, in addition to dividends, in order to achieve an ROE of 8%.

1) Dividends of surplus

The Group will pay a year-end dividend of ¥66 per share for the fiscal year ended March 31, 2026, an increase of ¥16 from the initial year-end dividend forecast of ¥50 per share. Accordingly, adding the interim dividend of ¥50 per share which has already been paid, the Group is planning to pay an annual dividend of ¥116 per share (consolidated dividend payout ratio of 50.0%) for the fiscal year ended March 31, 2026.

The annual dividend for the next fiscal year ending March 31, 2027 is expected to be ¥124, which is an increase of ¥8 compared to the annual dividend for the fiscal year ended March 31, 2026 (interim dividend of ¥62 and year-end dividend of ¥62). The consolidated dividend payout ratio will be 50.9% of the full-year earnings forecast.

2) Purchase of treasury shares

In the fiscal year ended March 31, 2026, the Group purchased treasury shares totaling ¥10,499 million. This will result in a consolidated total return ratio of 118.9%.

Also, at today’s Board of Directors meeting, the decision was made to purchase up to ¥12,000 million of treasury shares during the purchase period from May 1, 2026 to February 19, 2027. For more information, please refer to “3. Consolidated Financial Statements and Important Notes (5) Notes on consolidated financial statements (Notes on significant subsequent events)” on page 15 of the attachment.

2. Basic Approach for Selecting Accounting Standards

Since the Group’s main operations are in Japan, consolidated financial statements are prepared according to Japanese accounting standards.

3. Consolidated Financial Statements and Important Notes

(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	68,059	61,409
Notes receivable - trade	2,173	806
Accounts receivable - trade	34,609	34,783
Electronically recorded monetary claims - operating	34,491	35,451
Merchandise and finished goods	10,215	10,115
Work in process	4,226	4,083
Raw materials and supplies	6,254	5,829
Other	369	408
Allowance for doubtful accounts	(8)	(6)
Total current assets	160,391	152,881
Non-current assets		
Property, plant and equipment		
Buildings and structures	91,338	91,850
Accumulated depreciation	(68,439)	(69,061)
Buildings and structures, net	22,898	22,789
Machinery, equipment and vehicles	55,081	57,126
Accumulated depreciation	(40,746)	(41,819)
Machinery, equipment and vehicles, net	14,334	15,306
Tools, furniture and fixtures	31,848	31,828
Accumulated depreciation	(22,882)	(22,832)
Tools, furniture and fixtures, net	8,965	8,995
Land	43,214	42,517
Construction in progress	2,785	16,948
Total property, plant and equipment	92,198	106,557
Intangible assets	2,280	3,509
Investments and other assets		
Investment securities	14,745	15,814
Deferred tax assets	4,743	3,613
Other	2,558	2,784
Allowance for doubtful accounts	(3)	(8)
Total investments and other assets	22,043	22,204
Total non-current assets	116,522	132,271
Total assets	276,914	285,152

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	17,177	17,103
Electronically recorded obligations - operating	19,907	27,179
Short-term borrowings	6,750	4,340
Income taxes payable	3,259	4,713
Other	15,973	19,861
Total current liabilities	63,067	73,198
Non-current liabilities		
Deferred tax liabilities for land revaluation	2,838	2,693
Retirement benefit liability	15,718	12,173
Other	781	761
Total non-current liabilities	19,337	15,628
Total liabilities	82,405	88,826
Net assets		
Shareholders’ equity		
Share capital	26,356	26,356
Capital surplus	30,734	30,734
Retained earnings	127,961	126,497
Treasury shares	(17)	(340)
Total shareholders’ equity	185,036	183,248
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,223	8,411
Revaluation reserve for land	1,952	1,697
Remeasurements of defined benefit plans	296	2,968
Total accumulated other comprehensive income	9,472	13,077
Total net assets	194,509	196,325
Total liabilities and net assets	276,914	285,152

(2) Consolidated statement of income and consolidated statement of comprehensive income

(Consolidated statement of income)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	243,380	252,756
Cost of sales	158,872	162,626
Gross profit	84,507	90,129
Selling, general and administrative expenses	68,872	71,046
Operating profit	15,635	19,083
Non-operating income		
Interest income	66	250
Dividend income	396	473
Other	115	100
Total non-operating income	577	824
Non-operating expenses		
Interest expenses	63	74
Non-deductible consumption tax	46	42
Product safety costs	41	29
Other	56	83
Total non-operating expenses	208	230
Ordinary profit	16,005	19,677
Extraordinary income		
Gain on sale of non-current assets	203	400
Gain on sale of investment securities	487	1,995
Total extraordinary income	691	2,395
Extraordinary losses		
Loss on retirement of non-current assets	598	668
Loss on sale of non-current assets	47	116
Loss on valuation of investment securities	214	–
Impairment losses	28	54
System failure response costs	–	68
Total extraordinary losses	888	908
Profit before income taxes	15,807	21,164
Income taxes - current	5,143	6,823
Income taxes - deferred	(425)	(732)
Total income taxes	4,717	6,090
Profit	11,090	15,073
Profit attributable to owners of parent	11,090	15,073

(Consolidated statement of comprehensive income)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	11,090	15,073
Other comprehensive income		
Valuation difference on available-for-sale securities	759	1,187
Revaluation reserve for land	(81)	–
Remeasurements of defined benefit plans, net of tax	951	2,671
Total other comprehensive income	1,629	3,859
Comprehensive income	12,719	18,932
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,719	18,932
Comprehensive income attributable to non-controlling interests	–	–

(3) 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	26,356	30,734	122,517	(17)	179,592
Changes during period					
Dividends of surplus			(3,758)		(3,758)
Profit attributable to owners of parent			11,090		11,090
Purchase of treasury shares				(1,850)	(1,850)
Cancellation of treasury shares			(1,851)	1,851	–
Reversal of revaluation reserve for land			(36)		(36)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	5,444	0	5,444
Balance at end of period	26,356	30,734	127,961	(17)	185,036

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	6,464	1,997	(654)	7,806	187,398
Changes during period					
Dividends of surplus					(3,758)
Profit attributable to owners of parent					11,090
Purchase of treasury shares					(1,850)
Cancellation of treasury shares					–
Reversal of revaluation reserve for land					(36)
Net changes in items other than shareholders' equity	759	(44)	951	1,666	1,666
Total changes during period	759	(44)	951	1,666	7,110
Balance at end of period	7,223	1,952	296	9,472	194,509

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	26,356	30,734	127,961	(17)	185,036
Changes during period					
Dividends of surplus			(6,616)		(6,616)
Profit attributable to owners of parent			15,073		15,073
Purchase of treasury shares				(10,499)	(10,499)
Cancellation of treasury shares			(10,176)	10,176	–
Reversal of revaluation reserve for land			255		255
Net changes in items other than shareholders' equity					
Total changes during period	–	–	(1,464)	(323)	(1,787)
Balance at end of period	26,356	30,734	126,497	(340)	183,248

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	7,223	1,952	296	9,472	194,509
Changes during period					
Dividends of surplus					(6,616)
Profit attributable to owners of parent					15,073
Purchase of treasury shares					(10,499)
Cancellation of treasury shares					–
Reversal of revaluation reserve for land					255
Net changes in items other than shareholders' equity	1,187	(255)	2,671	3,604	3,604
Total changes during period	1,187	(255)	2,671	3,604	1,816
Balance at end of period	8,411	1,697	2,968	13,077	196,325

(4) 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		
Profit before income taxes	15,807	21,164
Depreciation	7,540	7,631
Impairment losses	28	54
Increase (decrease) in allowance for doubtful accounts	(2)	3
Increase (decrease) in retirement benefit liability	611	350
Interest and dividend income	(462)	(723)
Interest expenses	63	74
Loss (gain) on sale of investment securities	(487)	(1,995)
Loss (gain) on valuation of investment securities	214	–
Loss (gain) on sale of property, plant and equipment	(163)	(289)
Loss on retirement of property, plant and equipment	598	668
Decrease (increase) in trade receivables	(250)	326
Decrease (increase) in inventories	3,148	669
Increase (decrease) in trade payables	2,095	707
Other, net	(587)	1,567
Subtotal	28,154	30,211
Interest and dividends received	445	716
Interest paid	(72)	(71)
Income taxes paid	(5,162)	(5,449)
Net cash provided by (used in) operating activities	23,365	25,406
Cash flows from investing activities		
Purchase of investment securities	(18)	(19)
Proceeds from sale of investment securities	669	2,627
Purchase of property, plant and equipment	(9,660)	(14,987)
Proceeds from sale of property, plant and equipment	1,379	1,672
Purchase of intangible assets	(809)	(1,488)
Proceeds from collection of loans receivable	4	–
Other, net	(31)	(340)
Net cash provided by (used in) investing activities	(8,465)	(12,535)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(900)	(2,410)
Purchase of treasury shares	(1,850)	(10,499)
Dividends paid	(3,755)	(6,610)
Net cash provided by (used in) financing activities	(6,506)	(19,520)
Net increase (decrease) in cash and cash equivalents	8,393	(6,649)
Cash and cash equivalents at beginning of period	59,665	68,059
Cash and cash equivalents at end of period	68,059	61,409

(5) Notes on consolidated financial statements

(Notes on going concern assumption)

Not applicable.

(Notes on segment information)

1. Overview of reportable segments

   The Group's reportable segments are those of the Company for which financial information is available separately and that are regularly evaluated by the Board of Directors for the purpose of determining the allocation of management resources and evaluating performance.

   The Group's business activities are centered on the housing equipment-related business, and "Housing equipment" is classified as reportable segment.

2. Calculation method of net sales, profit or loss by reportable segment

   The accounting method of the reported business segments is in accordance with the accounting policies adopted to prepare the consolidated financial statements.

   Profit by reportable segment is based on operating profit.

   Internal net sales or transfers between segments are based on current market prices.

3. Information on net sales and profit or loss by reportable segment, and information on breakdown of earnings

   Fiscal year ended March 31, 2025

(Millions of yen)

	Reportable segments	Other (Note 1)	Total	Adjustments	Amount recorded in consolidated financial statement (Note 2)
	Housing equipment				
Net sales					
Merchandise and finished goods	213,230	–	213,230	–	–
Installation	29,919	–	29,919	–	–
Revenue from contracts with customers	243,149	–	243,149	–	–
Other revenue	–	230	230	–	–
Net sales to external customers	243,149	230	243,380	–	243,380
Internal net sales or transfers between segments	–	131	131	(131)	–
Total	243,149	362	243,511	(131)	243,380
Segment profit	15,440	194	15,635	–	15,635

Notes: 1. The category "Other" represents business segments that are not included in reportable segments, and includes real estate leasing business and warehousing business.
2. Total segment profit is consistent with operating profit in consolidated financial statements.
3. Information is omitted since assets are not allocated to business segments.

Fiscal year ended March 31, 2026

(Millions of yen)

	Reportable segments	Other (Note 1)	Total	Adjustments	Amount recorded in consolidated financial statement (Note 2)
	Housing equipment				
Net sales					
Merchandise and finished goods	220,456	–	220,456	–	–
Installation	32,037	–	32,037	–	–
Revenue from contracts with customers	252,493	–	252,493	–	–
Other revenue	–	262	262	–	–
Net sales to external customers	252,493	262	252,756	–	252,756
Internal net sales or transfers between segments	–	51	51	(51)	–
Total	252,493	313	252,807	(51)	252,756
Segment profit	18,851	231	19,083	–	19,083

Notes: 1. The category "Other" represents business segments that are not included in reportable segments, and includes real estate leasing business and warehousing business.
2. Total segment profit is consistent with operating profit in consolidated financial statements.
3. Information is omitted since assets are not allocated to business segments.

(Note on information per share)

(Yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net assets per share	2,892.64	3,104.89
Basic earnings per share	163.15	231.89

Notes: 1. Since there are no potential shares, diluted earnings per share is not stated.
2. The following shows the basis for calculating basic earnings per share.

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit attributable to owners of parent (million yen)	11,090	15,073
Amount not attributable to ordinary shareholders (million yen)	–	–
Profit attributable to owners of parent related to common stock (million yen)	11,090	15,073
Average number of shares of common stock during the period (thousand shares)	67,976	65,003

(Notes on significant subsequent events)

(Purchase of treasury shares)

The Company resolved at the Board of Directors meeting held on April 30, 2026, on matters relating to the purchase of treasury shares pursuant to the provisions of Article 156 of the Companies Act as applied by replacing certain terms under the provisions of Article 165, paragraph (3) of the same Act.

1. Reasons for the purchase of treasury shares

Under the Medium Term Management Plan 2026, the Company seeks to enhance shareholder returns while maintaining financial soundness, as it actively allocates capital to objectives that include growth investment and strengthening the management base with its sights set on developing sustainable growth infrastructure as its investment plan and shareholder return policy.

The purchase of treasury shares during the fiscal year ending March 31, 2027 will be conducted based on the shareholder return policy described in the "New Shareholder Return Policy and Profit Growth Initiatives to Achieve 8% ROE" announced on May 8, 2025.

2. Details of matters relating to the purchase

(1) Class of shares to be purchased	Common stock of the Company
(2) Total number of shares to be purchased	4,600,000 shares (maximum)
	(7.27% of total number of issued shares excluding treasury shares)
(3) Total amount for share purchase	¥12,000 million (maximum)
(4) Purchase period	From May 1, 2026 to February 19, 2027
(5) Method of purchase	Open market purchase on the Tokyo Stock Exchange including Off-Auction Own Share Repurchase Trading (ToSTNeT-3)

(Reference)

Total number of issued shares and number of treasury shares as of March 31, 2026

Total number of issued shares (excluding treasury shares)	63,231,130 shares
Number of treasury shares	130,364 shares