Translation

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Consolidated Financial Results for the Six Months of the Fiscal Year Ending March 31, 2027 (Under Japanese GAAP)

November 10, 2026

Company name:	RENAISSANCE, INCORPORATED
Stock exchange listings:	Tokyo Stock Exchange
Stock code:	2378
URL:	https://www.s-renaissance.co.jp/
Representative:	Misao Mochizuki, Representative Director, President and Corporate Officer
Contact:	Yoshitsugu Anzawa, Senior Managing Director, Chief Financial Officer
TEL:	+81-3-5600-7811
Scheduled date for submission of interim report:	November 13, 2026
Supplementary materials for financial summaries:	Yes
Financial results briefing:	Yes

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months of the Fiscal Year Ending March 31, 2027 (from April 01, 2026 to September 30, 2026)

(1) Consolidated operating results (Cumulative)

(Percentages indicate YoY changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2026	33,541	5.8	840	-	416	-	176	618.0
September 30, 2025	31,702	1.1	59	(93.0)	(348)	-	24	(88.6)

(Note) Comprehensive income Current interim period of fiscal year ending March 2027 171 million yen (251.3 %) Previous interim period of fiscal year ending March 2026 48 million yen ((81.4) %)

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	8.80	8.00
September 30, 2025	0.77	0.76

(2) Consolidated financial positions

	Total assets	Net assets	Equity ratio
As of	Million yen	Million yen	%
September 30, 2026	57,410	9,713	16.9
March 31, 2026	57,122	9,693	16.9

(Reference) Owner's equity Current interim period of fiscal year ending March 2027 9,701 million yen Previous fiscal year ending March 2026 9,681 million yen

(Note) During the Current interim consolidated accounting period, the provisional accounting treatment related to business combinations was finalized, and the respective figures for the fiscal year ending March 2026 reflect the finalized provisional accounting treatment.

2. Cash dividends

	Annual dividend				
	End of the first quarter	End of the second quarter	End of the third quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	4.00	-	9.00	13.00
Fiscal year ending March 31, 2027	-	4.00			
Fiscal year ending March 31, 2027 (Forecast)			-	9.00	13.00

(Note) Whether there has been any revision to the latest publicly announced dividend forecast: None

The above "Cash dividends" refers to Cash dividends for common shares. For Cash dividends on classes of shares (unlisted) with rights differing from those of the common shares issued by the Company, please refer to "Cash dividends on classes of shares" below.

3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2027 (from April 01, 2026 to March 31, 2027)

(Percentages indicate YoY changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent company		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal year ending March 31, 2027	68,500	5.5	2,400	53.5	1,500	89.3	500	-	25.38

(Note) Correction of financial forecast from the most recent financial forecast : Yes

For details, please refer to the "Notice Concerning Recording of Deferred Income Taxes, Differences Between 2Q Forecasts and Actuals, and Revision of Full-Year Forecasts for the FY March 2027" announced today.

※ Notes

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

(2) Application of Accounting Procedures Specific to the Preparation of Interim Consolidated Financial Statements : None

(3) Changes in accounting policies, Changes in accounting estimates, Retrospective restatement

(i) Changes in accounting policies based on revisions of accounting standard : None

(ii) Changes in accounting policies other than (i) : None

(iii) Changes in accounting estimates : None

(iv) Retrospective restatement : None

(4) Number of shares issued (Common stock)

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

As of September 30, 2026	21,379,000 shares
As of March 31, 2026	21,379,000 shares

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

As of September 30, 2026	2,434,099 shares
As of March 31, 2026	2,463,745 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2026	18,926,757 shares
Six months ended September 30, 2025	18,903,637 shares

* The summary of second-quarter (interim period) financial results is not subject to review by a certified public accountant or audit corporation.

※ Explanation regarding the appropriate use of Forecasts, Other special notes

(1) Forward-looking statements regarding, among other matters, the forecasts of business performance described in this document are based on the information available to the Company and certain assumptions deemed reasonable, and actual business performance, etc. may differ due to various factors. Please refer to page 2 of the Financial Results Summary (accompanying materials), "1. Qualitative Information on the Current Interim Financial Results," for the assumptions underlying the Forecasts and other precautions regarding the use of the Forecasts. (2) The Company plans to hold a briefing for institutional investors, analysts, and the media on November 11, 2026. The financial results presentation materials to be distributed at this briefing are scheduled to be posted on the Company's website.

(Reference) Cash dividends on class shares

The breakdown of Dividend per share for classes of shares with rights differing from those of common shares is as follows.

	Annual dividend				
	End of the first quarter	End of the second quarter	End of the third quarter	Fiscal year-end	Total
Class A Shares	Yen	Yen	Yen	Yen	Yen
Fiscal year ending March 2026	-	4.78	-	4.78	9.56
Fiscal year ending March 2027	-	4.78			
Fiscal year ending March 2027 (Forecast)			-	4.78	9.56

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1.Qualitative information regarding the Current interim financial results

(1) Description of Operating Results

During the Current interim consolidated accounting period (April 1, 2026 ~ September 30, 2026), the effects of the price revision for Sports club implemented in October 2025 continued to contribute. In addition, Net sales exceeded those of the same period of the previous year due to the acquisition of a Sports club facility from Tokyu Sports System Co., Ltd. in July and the net increase in the number of facilities, including the five facilities of the rehabilitation-focused day service “Myreha” acquired in April 2026, as well as Kaede no Kaze Co., Ltd. (hereinafter referred to as “Kaede no Kaze”), which became a wholly owned subsidiary in December 2025, in the Nursing care and rehabilitation business. In terms of profit, although initial expenses were incurred in connection with the acquisition of businesses in the Sports club business and Nursing care and rehabilitation business, and various costs, including Personnel expenses and equipment expenses, increased from the same period of the previous year, they remained below plan due to company-wide cost control initiatives. As a result, Net sales amounted to 33,541 million yen (up 5.8% year on year), Operating income amounted to 840 million yen (up 781 million yen from the same period of the previous year), Ordinary income amounted to 416 million yen (up 764 million yen from the same period of the previous year), and Profit attributable to owners of parent amounted to 176 million yen (up 618.0% year on year). Although our group had previously designated only the “Sports club operations business” as its reportable segment, due to the addition of the Home fitness business through recent M&A activities and the expansion of the sales scale of the Nursing care and rehabilitation business, we changed our reportable segments to “Sports club and related business,” “Home fitness business,” and “Nursing care and rehabilitation business” from the Current interim consolidated accounting period. For details, please refer to “Notes to Segment Information” on page 12.

Our group has established “Well-being Co-creation Company in the 100-Year Life Era -connecting people through sports and healthcare, and co-creating purpose in life-” as its long-term vision and is working to resolve issues and create value toward a society where all people can shine in their own way. In addition, in May 2026, we formulated the “2026-2030 Medium-term Management Plan,” positioning “reforming the earnings structure of the Sports club business,” “accelerating growth in the Home fitness business and other businesses, including the Nursing care and rehabilitation business,” “controlling and streamlining head office costs,” and “strengthening our financial position in anticipation of the new lease accounting” as key themes.

The status by segment for the Current interim consolidated accounting period is as follows.

<Sports club and related business/>

In the Sports club and related business, as an initiative to expand stores while keeping initial investment low, in July we acquired the business of a total of 8 facilities—5 comprehensive Sports club facilities, 2 small-format facilities, and 1 swimming school facility (※)—operated by Tokyu Sports System Co., Ltd., a wholly owned subsidiary of Tokyu Corporation, and commenced operations under the names "Renaissance・Atorio Due Next" and "Renaissance・Atorio Light."

※Following the acquisition of the business, swimming schools are counted together with adjacent comprehensive Sports club.

Regarding the performance of existing Sports club facilities, membership unit prices increased as a result of the price revisions implemented in October 2025, resulting in increased revenue. Although the number of new members got off to a strong start in April-May, it showed a slowdown from June onward due to the impact of rising prices and unfavorable weather conditions. As for the number of enrolled members, the cumulative number of enrolled members during the Current interim consolidated accounting period remained above the same period of the previous year, owing to the fact that it started above the same period of the previous year at the beginning of the period and the suppression of the number of cancellations. In addition, as part of the structural reform of the income and expenditure structure, we closed three comprehensive Sports club facilities in Osaka Prefecture during the Current interim consolidated accounting period. As a result, the number of enrolled members at Sports club facilities as of the end of the Current interim consolidated accounting period was 455,914 (up 0.3% year on year).

In the PPP business (public-private partnership business for public facilities, etc.), which leverages our know-how in Sports club operations, we began managing and operating five new facilities (Fukuoka City, Fukuoka Prefecture; Koga City, Fukuoka Prefecture; and Mitoyo City, Kagawa Prefecture) in April. We are working to further expand the number of sites, improve profitability at each facility, and enhance the efficiency of business operations.

In the Regional Health Promotion Business, we promoted the outsourcing of municipal preventive care classes and school swimming lessons, and the number of outsourced swimming lessons increased 25.7% year on year against the backdrop of expanding demand. In August, we concluded an "Industry-Government-Academia Joint Research Agreement for Updating School Swimming" with the Nakagusuku Village Board of Education and the Faculty of Education of the University of the Ryukyus, aiming to enhance the

educational value of school swimming and build a sustainable school swimming model. In addition, as an initiative to strengthen collaboration with local governments, during the Current interim consolidated accounting period, we newly concluded agreements with 6 local governments (Kasuya Town, Kasuya County, Fukuoka Prefecture; Shunan City, Yamaguchi Prefecture; Miharu Town, Fukushima Prefecture; Gifu Prefecture; Choshi City, Chiba Prefecture; and Itami City, Hyogo Prefecture) concerning health promotion and the use of facilities in times of disaster.

In the BtoB Solution Business, we worked to support the health promotion of working people by proposing and promoting the use of our Sports club and online lesson service “RENAISSANCE Online Livestream” for corporate employees and health insurance union members. In particular, amid growing interest in the importance of sleep and rest accompanying changes in working styles and lifestyles, the “Oyasumi Yoga” program offered before bedtime surpassed 700,000 cumulative participants from its launch in April 2022 through the end of September 2026.

As a result, Net sales for the Current interim consolidated accounting period of Sports club and related business were 29,957 million yen (up 5.2% year on year), and segment profit was 2,451 million yen (up 87.3% year on year).

<Home Fitness Business/>

In the Home Fitness business, in EC sales, the new beauty device Merchandise “Styly Face petit,” which supports both care for sagging around the face and swallowing ability (deglutition), performed well, exceeding plans, in addition to the flagship Stepper series. Meanwhile, TV shopping sales were adversely affected by a decline in revenue due to the demand for the flagship Merchandise having run its course. In response, we began selling “Fumikoron” in August, which combines seated stepping exercises with EMS (electrical stimulation) to care for walking ability while reducing the burden on the joints. In addition, we have brought forward the launch plans for subsequent new Merchandise and are sequentially renewing existing best-selling Merchandise, working to develop Merchandise that will be supported over the long term.

As a result, Net sales for the Current interim consolidated accounting period in the Home Fitness business amounted to 1,782 million yen (down 15.1% YoY), and segment profit amounted to 332 million yen (down 39.8% YoY).

<Nursing care and rehabilitation business/>

In the Nursing care and rehabilitation business, in April, acquired the business of five rehabilitation-focused day service facilities, "My Rehabilitation," from Leben Community Co., Ltd., changed their brand to "Genki Gym," and commenced operations. We are working to improve profitability by calculating individual functional training add-ons and oral function improvement add-ons, leveraging the operational know-how of "Genki Gym." In addition, operations progressed steadily, with utilization rates increasing at the new facilities opened in the previous fiscal year as well as at existing facilities. At Kaede no Kaze, which became a wholly owned subsidiary in December 2025, Net sales and profit both remained generally at levels close to plan. While working to improve the service quality of Kaede no Kaze and promote utilization through group collaboration, we have also begun initiatives to improve the operational efficiency of Genki Gym by leveraging Kaede no Kaze's operational know-how.

As a result, Net sales for the Current interim consolidated accounting period in the Nursing care and rehabilitation business amounted to 181 million yen (up 59.9% YoY), and the segment loss was 11 million yen (the segment loss for the Previous corresponding period was 42 million yen).

New store openings and closures during the Current interim consolidated accounting period (including Contracted business and Designated management) are as follows.

Opening and establishment timing	Facility Name	Facility Type
April 2026	Renaissance Genki Gym Goko (Matsudo City, Chiba Prefecture) ※	Nursing rehabilitation (directly managed)
April 2026	Renaissance Genki Gym Misato (Misato City, Saitama Prefecture) ※	Nursing rehabilitation (directly managed)
April 2026	Renaissance Genki Gym Urawa (Saitama City, Saitama Prefecture) ※	Nursing rehabilitation (directly managed)
April 2026	Renaissance Genki Gym Yoshikawa (Yoshikawa City, Saitama Prefecture) ※	Nursing rehabilitation (directly managed)
April 2026	Renaissance Genki Gym Yanagishima (Soka City, Saitama Prefecture) ※	Nursing rehabilitation (directly managed)

April 2026	Mitoyo City General Gymnasium (Mitoyo City, Kagawa Prefecture)	Designated management
April 2026	Mitoyo City Midorigaoka Soccer Field (Mitoyo City, Kagawa Prefecture)	Designated management
April 2026	Fukuoka Municipal Higashi Citizens' Pool (Fukuoka City, Fukuoka Prefecture)	Designated management
April 2026	Fukuoka Municipal Chuo Citizens' Pool (Fukuoka City, Fukuoka Prefecture)	Designated management
April 2026	Koga City Health and Culture Facility “Cross Pal Koga” (Koga City, Fukuoka Prefecture)	Designated management
April 2026	BEACHTOWN Hattoriryokuchi (Toyonaka City, Osaka Prefecture)	outdoor fitness facilities (directly operated)
April 2026	Outdoor fitness Chiba Port Park (Chiba City, Chiba Prefecture)	outdoor fitness facilities (Contracted business)
Opening and establishment timing	Facility Name	Facility Type
July 2026	Fitness Club Renaissance・Atrio Due Next Musashi-Koyama 24 (Shinagawa-ku, Tokyo) ※	Sports club
July 2026	Sports club Renaissance・Atrio do-E Next Himonya (Meguro-ku, Tokyo) ※	Sports club
July 2026	Sports club Renaissance・Atrio Due Next Futako-Tamagawa (Setagaya-ku, Tokyo) ※	Sports club
July 2026	Sports club Renaissance・Atrio Due Next Aobadai 24 (Yokohama City, Kanagawa Prefecture) ※	Sports club
July 2026	Sports club Renaissance・Atrio Deux Next Tama Plaza (Yokohama City, Kanagawa Prefecture) ※	Sports club
July 2026	Fitness Club Renaissance・Atrio Light Hakuraku24 (Yokohama City, Kanagawa Prefecture) ※	Fitness gym
July 2026	Fitness Club Renaissance・Atrio Light Etomo Ikegami (Hot Yoga befre Etomo Ikegami attached) (Ota-ku, Tokyo) ※	Fitness gym
Store closure /termination of consignment period	Facility Name	Facility Type
End of May 2026	greener (Ichikawa City, Chiba Prefecture)	outdoor fitness facilities (Contracted business)
End of May 2026	Renaissance Genki Gym Kagoshima-Chuo (Kagoshima City, Kagoshima Prefecture)	Nursing rehabilitation (franchise)
End of June 2026	Sports Club & Saunaspa Renaissance Abeno 24 (Osaka City, Osaka Prefecture)	Sports club
End of June 2026	Fitness Club & Sauna Renaissance Suminodo 24 (Daito City, Osaka Prefecture)	Sports club
End of September 2026	Sports Club & Saunaspa Renaissance Imazato 24 (Osaka City, Osaka Prefecture)	Sports club

*Newly established facility through a business transfer.

As a result, as of the end of the Current interim consolidated accounting period, the number of facilities operated by our group totaled 342 facilities, comprising 242 Sports club facilities (Renaissance: 145 directly operated facilities, 2 small-format facilities, 90 Contracted business facilities, 4 operational support facilities, and 1 directly operated facility of RENAISSANCE VIETNAM,INC.), 91 nursing care rehabilitation facilities (Renaissance: 44 directly operated facilities and 11 franchise facilities; Kaede no Kaze: 13 directly operated facilities and 23 franchise facilities), and 9 outdoor fitness facilities (4 directly operated facilities and 5 Contracted business facilities), an increase of 46 facilities from the same period of the previous year.

(2) Description of Financial Position

(i) Assets, Liabilities and Net assets

At the end of the Current interim consolidated accounting period, Total assets increased by 287 million yen from the end of the Previous consolidated fiscal year to 5,741 million yen. This was mainly attributable to a decrease of 410 million yen in Total current assets due to a decrease in Other Current assets (accounts receivable, etc.), while Total non-current assets increased by 698 million yen due to an increase in Buildings and structures, among other factors.

As of the end of the Current interim consolidated accounting period, Total liabilities increased by 268 million yen from the end of the Previous consolidated fiscal year, to 47,697 million yen. This was mainly due to an increase of 154 million yen in Total current liabilities resulting from an increase in Short-term borrowings, etc.

At the end of the Current interim consolidated accounting period, Total net assets increased by 19 million yen compared with the end of the Previous consolidated fiscal year, to 9,713 million yen. This was mainly due to recording Profit attributable to owners of parent of 176 million yen and paying dividends of 180 million yen, among other factors.

(ii) Cash flows

In the Current interim consolidated accounting period, the balance of cash and cash equivalents (hereinafter referred to as "funds") at the end of the Current interim consolidated accounting period was 8,426 million yen. The respective Cash flows and their factors during the Current interim consolidated accounting period are as follows.

A. Cash flows from operating activities

Current interim consolidated accounting period1748 million yen (Previous corresponding period-95 million yen)

Funds generated from operating activities amounted to 1,748 million yen. This was mainly due to Net income before income taxes and other adjustments of 574 million yen, Depreciation of 1,684 million yen (up 1.7% YoY), Proceeds from compensation of 0.5 billion yen, Interest paid of 466 million yen (up 15.4% YoY), and a decrease in Accrued consumption taxes of 419 million yen (down 42.5% YoY).

B. Cash flows from investing activities

Current interim consolidated accounting period -28 hundred million 30 million yen (Previous corresponding period -21 hundred million 20 million yen)

Funds used in investing activities amounted to 2,830 million yen (up 33.5% YoY). This was mainly due to Purchase of property, plant and equipment1,748 million yen (down 14.2% YoY), Purchase of intangible assets156 million yen (down 3.8% YoY), and expenditures for the placement of Leasehold deposits・guarantee deposits of 0.6 billion yen.

C. Cash flows from financing activities

Current interim consolidated accounting period936 million yen (same period of the previous year2476 million yen)

Cash provided by financing activities amounted to 936 million yen (down 62.2% YoY). This was mainly due to Proceeds from long-term borrowings of 2,190 million yen (down 27.0% YoY), the net increase in Short-term borrowings of 0.6 billion yen (down 62.5% YoY), Repayments of long-term borrowings of 1,196 million yen (down 16.8% YoY), and Repayments of lease liabilities of 55 million yen (up 2.7% YoY).

(3) Description of Consolidated Earnings Forecasts and Other Forward-Looking Information

With respect to the consolidated Forecasts for the fiscal year ending March 2027, we have revised the full-year consolidated Forecasts announced on August 7, 2026, after taking into consideration the situation through the current interim consolidated accounting period and the outlook going forward. For details, please refer to the "Notice Concerning Recording of Deferred Income Taxes, Differences Between 2Q Forecasts and Actuals, and Revision of Full-Year Forecasts for the FY March 2027" announced today.

2.Interim Consolidated Financial Statements and Major Notes

(1) Interim consolidated Balance sheet

(Unit: Thousands of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	8,570,778	8,426,233
Accounts receivable - trade	2,238,549	2,223,802
Merchandise	754,882	766,325
Other	2,559,221	2,299,452
Allowance for doubtful accounts	(10,500)	(13,403)
Total current assets	14,112,931	13,702,410
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,155,129	9,942,894
Leased assets, net	12,003,966	11,445,530
Other (net)	3,757,929	4,037,163
Total property, plant and equipment	24,917,025	25,425,588
Intangible fixed assets		
Goodwill	1,350,991	1,382,262
Customer-related intangible assets	679,265	619,248
Other	613,275	718,680
Total intangible fixed assets	2,643,532	2,720,191
Investments and other assets		
Investment securities	31,557	34,008
Leasehold and guarantee deposits	11,938,213	12,448,401
Deferred tax assets	2,568,704	2,245,648
Other	908,788	832,960
Total investments and other assets	15,447,265	15,561,019
Total non-current assets	43,007,822	43,706,799
Deferred assets	2,100	1,500
Total assets	57,122,854	57,410,710
Liabilities		
Current liabilities		
Accounts payable - trade	78,766	63,686
Short-term borrowings	5,500,000	6,100,000
Current portion of long-term borrowings	2,243,408	2,412,408
Income taxes payable	466,851	279,867
Provision for bonuses	1,385,216	1,407,507
Provision for loss on store closings	292,890	332,198
Asset retirement obligations	696,624	586,390
Other	6,696,974	6,332,747
Total current liabilities	17,360,731	17,514,807
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	1,499,988	1,499,988
Long-term borrowings	6,707,382	7,531,678
Lease obligations	13,813,954	13,333,609
Deferred tax liabilities	75,043	70,543

Provision for loss on store closings	149,345	-
Retirement benefit liability	1,240,360	1,266,674
Asset retirement obligations	3,616,656	3,640,598
Other	2,965,749	2,839,320
Total non-current liabilities	30,068,480	30,182,414
Total liabilities	47,429,212	47,697,221

(Unit: Thousands of yen)

	As of March 31, 2026	As of September 30, 2026
Net assets		
Shareholders' equity		
Share capital	3,210,356	3,210,356
Capital surplus	5,716,947	5,716,418
Retained earnings	3,320,513	3,316,790
Treasury shares	(2,486,838)	(2,457,600)
Total shareholders' equity	9,760,977	9,785,964
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	15,685	17,160
Foreign currency translation adjustment	(205,964)	(206,179)
Remeasurements of defined benefit plans	111,270	104,871
Total accumulated other comprehensive income	(79,009)	(84,147)
Share acquisition rights	11,673	11,673
Total net assets	9,693,642	9,713,489
Total liabilities and net assets	57,122,854	57,410,710

(2) Interim consolidated Statement of income and interim consolidated Statement of comprehensive income

Interim consolidated Statement of income

(Unit: Thousands of yen)

	Previous interim consolidated accounting period (from April 1, 2025 to September 30, 2025)	For the six months ended September 30, 2026
Net sales	31,702,951	33,541,936
Cost of sales	29,803,881	30,848,232
Gross profit	1,899,069	2,693,703
Selling, general and administrative expenses	1,839,736	1,852,707
Operating income	59,333	840,995
Non-operating income		
Interest income	10,522	14,834
Subsidy income	16,873	4,407
Other	30,860	41,484
Total non-operating income	58,255	60,725
Non-operating expenses		
Interest expenses	409,206	468,980
Foreign exchange losses	35,202	1,643
Other	21,603	14,806
Total non-operating expenses	466,013	485,430
Ordinary profit (loss)	(348,424)	416,291
Extraordinary income		
Gain on sale of non-current assets	973	42,053
Gain on reversal of asset retirement obligations	-	141,078
Others	-	600
Total extraordinary income	973	183,731
Extraordinary losses		
Loss on retirement of non-current assets	12,220	16,045
Loss on store closings	-	7,500
Other	669	1,953
Total extraordinary losses	12,889	25,499
Income before income taxes Net income or income before income taxes interim net loss (-)	(360,341)	574,523
Income taxes - current	57,923	77,485
Income taxes - deferred	(442,846)	320,523
Total income taxes	(384,923)	398,009
Net income	24,582	176,513
Profit attributable to owners of parent	24,582	176,513

Interim Consolidated Statement of Comprehensive Income

(Unit: Thousands of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Net income	24,582	176,513
Other comprehensive income		
Valuation difference on available-for-sale securities	3,126	1,475
Foreign currency translation adjustment	22,357	(214)
Remeasurements of defined benefit plans, net of tax	(1,282)	(6,399)
Total other comprehensive income	24,201	(5,138)
Comprehensive income	48,784	171,374

Comprehensive income attributable to		
Interim comprehensive income attributable to owners of parent Comprehensive income	48,784	171,374
Interim Comprehensive income attributable to non-controlling interests	-	-

(3) Interim consolidated Statement of cash flows

(Unit: Thousands of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Cash flows from operating activities		
Income before taxes, etc. Net income or interim net loss before taxes, etc. (-)	(360,341)	574,523
Depreciation	1,657,038	1,684,998
Amortization of goodwill	42,133	68,728
Increase (decrease) in liabilities for retirement benefits	35,235	16,971
Amount of increase (decrease) in long-term accounts payable (- indicates decrease)	(50,969)	(30,111)
Increase (decrease) in provision for bonuses	(26,410)	(4,787)
Increase (decrease) in provision for loss on store closings	-	(110,036)
Gain on sale of non-current assets	(973)	(42,053)
Loss on retirement of non-current assets	12,220	16,045
Loss on store closings	-	7,500
Interest income and dividends income	(10,665)	(25,357)
Interest expenses	409,206	468,980
Gain on reversal of asset retirement obligations	-	(141,078)
Decrease (increase) in trade receivables	240,805	10,070
(Increase) decrease in inventories	189,813	(14,149)
Decrease (increase) in prepaid expenses	(129,782)	(150,651)
Increase (decrease) in trade payables	(42,146)	(15,079)
Increase (decrease) in accounts payable (- indicates decrease)	(606,212)	161,533
Increase (decrease) in accrued expenses	(49,552)	(41,663)
Increase (decrease) in advances received	(27,728)	27,305
Increase (decrease) in accrued consumption taxes	(729,300)	(419,129)
Change in Long-term guarantee deposits (- indicates a decrease)	262	(23,226)
Other	69,842	(91,162)
Subtotal	622,475	1,928,169
Interest and dividends received	7,183	22,307
Interest paid	(404,018)	(466,235)
Proceeds from compensation	-	500,000
Income taxes paid	(321,624)	(235,285)
Cash flows from operating activities	(95,984)	1,748,955
Cash flows from investing activities		
Purchase of investment securities	(5,000)	-
Purchase of property and equipment	(2,038,686)	(1,748,975)
Proceeds from sales of property and equipment	1,219	47,062
Purchase of intangible assets	(162,664)	(156,557)
Collection of long-term loans receivable	26,448	25,032
Payments of leasehold and guarantee deposits	(17,841)	(600,113)
Proceeds from refund of leasehold and guarantee deposits	62,267	53,021
Payments for acquisition of businesses	-	(104,000)
Payments for asset retirement obligations	-	(366,221)
Other	13,537	20,648
Cash flows from investing activities	(2,120,719)	(2,830,102)
Cash flows from financing activities		

Net increase (decrease) in short-term borrowings	1,600,000	600,000
Proceeds from long-term borrowings	3,000,000	2,190,000
Repayment of long-term borrowings	(1,438,637)	(1,196,704)
Repayments of lease liabilities	(492,441)	(505,901)
Proceeds from disposal of treasury shares	20,287	29,403
Cash dividends paid	(179,764)	(179,980)
Payment for acquisition of subsidiaries resulting in no change in scope of consolidation	(33,333)	-
Cash flows from financing activities	2,476,112	936,816
Effect of exchange rate change on cash and cash equivalents	22,357	(214)
Increase (decrease) in cash and cash equivalents	281,765	(144,545)
Cash and cash equivalents at the beginning of the period	7,680,354	8,570,778
Balance of cash and cash equivalents at the end of the interim period	7,962,119	8,426,233

(4) Notes to Interim Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

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

Not applicable.

(Business Combinations and Other Matters)

Significant revision of the initial allocation of acquisition cost in comparative information

Provisional accounting treatment was applied in the previous consolidated fiscal year to the business combination with Kaede no Kaze Co., Ltd. conducted on December 1, 2025 (deemed acquisition date December 31, 2025), and was finalized during the current interim consolidated accounting period.

With the finalization of this provisional accounting treatment, the comparative information included in the interim consolidated financial statements for the Current interim consolidated accounting period reflects a significant revision to the initial allocation of the acquisition cost, and the provisionally calculated amount of Goodwill of 762,860 thousand yen decreased by 198,988 thousand yen as a result of the finalization of the accounting treatment, resulting in 563,872 thousand yen. The decrease in Goodwill was due to increases of 191,000 thousand yen in Customer-related intangible assets, 90,000 thousand yen in Intangible fixed assets and other, and 82,011 thousand yen in Deferred tax liabilities, respectively.

As a result, in the consolidated Balance sheet at the end of the Previous consolidated fiscal year, Goodwill decreased by 194,842 thousand yen, Customer-related intangible assets increased by 185,694 thousand yen, Intangible fixed assets other increased by 88,392 thousand yen, and Deferred tax liabilities increased by 75,043 thousand yen, respectively.

In addition, the amortization period for Goodwill is 12 years, that for Customer-related intangible assets is 9 years, and that for other Intangible fixed assets is 14 years.

Acquisition of Business

At a meeting of the Board of Directors held on December 25, 2025, a resolution was passed regarding the business transfer agreement for the acquisition of the businesses of 5 comprehensive Sports club facilities, 2 small-format facilities, and 1 swimming facility operated by Tokyu Sports System Co., Ltd. Based on this resolution, the business transfer agreement was executed on December 25, 2025, and the business acquisition was completed effective July 1, 2026.

(1) Overview of Business Acquisition

(i) Name of counterparty company and details of the business acquired

Name of counterparty company Tokyu Sports System Co., Ltd.

Details of the transferred business Sports club business

(ii) Main reason for the business acquisition

To achieve efficient expansion of the business scale and strengthen the customer base, as well as contribute to the health promotion of residents in communities along the Tokyu lines and the revitalization of local communities.

(iii) Date of business acquisition

July 1, 2026

(iv) Legal form of acquisition of business

Acquisition of a business for cash consideration

(2) Period of performance of the acquired business included in the interim consolidated Statement of income for the interim consolidated accounting period

From July 1, 2026 to September 30, 2026

(3) Breakdown of the acquisition cost of the acquired business by type of consideration

Acquisition consideration	Cash	100,000 thousand yen
Acquisition cost		100,000 thousand yen

(4) Details and amounts of major acquisition-related expenses

Fees paid for advisory services, etc. 4,298 thousand yen

(5) Amount of Goodwill recognized, cause of recognition, amortization method and amortization period

(i) Amount of Goodwill generated

100,000 thousand yen

The above amounts are provisional, as the purchase price allocation had not been completed as of the end of the Current interim consolidated accounting period.

(ii) Causes of occurrence

This arose from the future excess earning power expected from the future development of the business.

(iii) Amortization method and amortization period

Amortization on a straight-line basis over 8 years

(Notes to Segment Information)

[Segment Information]

I For the six months ended September 30, 2025

1. Information on Net sales and profit or loss by reportable segment

(Unit: Thousands of yen)

	Reporting segments				Adjustments (Note) 1	Interim consolidated Statement of income amount recorded (Note) 2
	Sports club and related business	Home Fitness Business	Nursing care and rehabilitation business	Total		
Net sales						
Net sales to external customers	28,475,785	2,100,377	1,126,788	31,702,951	-	31,702,951
Internal Net sales or transfer amount between segments	-	-	-	-	-	-
Total	28,475,785	2,100,377	1,126,788	31,702,951	-	31,702,951
Segment profit or loss (-)	1,308,586	553,310	(42,185)	1,819,712	(1,760,379)	59,333

(Note) 1. The adjustment to segment profit or loss (-)-1,760,379 thousand yen includes Amortization of goodwill-34,823 thousand yen and corporate expenses-1,725,555 thousand yen not allocated to each reportable segment. Corporate expenses are mainly General and administrative expenses not attributable to the reportable segments.

2. Segment profit or loss (-) is reconciled with Operating income on the interim consolidated Statement of income.

II For the six months ended September 30, 2026

1. Information on Net sales and profit or loss for each reportable segment

(Unit: Thousands of yen)

	Reportable segments				Adjustments (Note) 1	Amount recorded in interim consolidated Statement of income (Note) 2
	Sports club and related business	Home fitness business	Nursing care and rehabilitation business	Total		
Net sales						
Net sales to external customers	29,957,265	1,782,932	1,801,737	33,541,936	-	33,541,936
Internal Net sales or transfer amount between segments	-	-	-	-	-	-
Total	29,957,265	1,782,932	1,801,737	33,541,936	-	33,541,936
Segment profit or loss (-)	2,451,292	332,916	(11,014)	2,773,194	(1,932,198)	840,995

(Note) 1. Adjustments to segment profit or loss (-) of -1,932,198 thousand yen include Amortization of goodwill-34,858 thousand yen

and unallocated corporate expenses-1,897,340 thousand yen. Corporate expenses are primarily General and administrative expenses not attributable to reportable segments.

2. Segment profit or loss (-) is reconciled with Operating income in the interim consolidated Statement of income.

2. Matters concerning changes to reportable segments, etc.

Our group had previously been classified as a single segment, "Sports club operation business," but from the Current interim consolidated accounting period, we have decided to change our reportable segments to "Sports club and related business," "Home fitness business," and "Nursing care and rehabilitation business." This is intended to enable a more appropriate understanding of the profitability and growth potential of each business and to enhance investment decisions and the allocation of management resources for each business, toward the execution and achievement of the goals of the "2026-2030 Medium-Term Management Plan" announced on May 8, 2026.

The principal business activities of each reportable segment are as follows.

Segment names	Description of main business
Sports club and related business	Sports club operations, contracted operation of public and private facilities, health development support for local governments, health development support for companies and health insurance societies, outdoor fitness facilities
Home Fitness Business	Development and sale of home exercise equipment, beauty equipment, supplements, etc.
Nursing care and rehabilitation business	Operation of rehabilitation-focused day services and day care facilities, support for functional improvement

The segment information for the Previous interim consolidated accounting period is presented based on the segment classification after the change.

3. Information on Impairment losses on Non-current assets or Goodwill, etc., by reporting segment

(Significant changes in the amount of Goodwill)

In the “Sports club and related business,” we completed the acquisition of a business from Tokyu Sports System Co., Ltd. as of July 1, 2026. The increase in Goodwill resulting from this event was 100,000 thousand yen for the Current interim consolidated accounting period. The amount of such Goodwill is a provisionally calculated amount, as the allocation of the acquisition cost had not been completed as of the end of the Current interim consolidated accounting period.

In addition, with regard to the business combination with Kaede no Kaze Co., Ltd. conducted on December 1, 2025 (deemed acquisition date: December 31, 2025) in the “Nursing care and rehabilitation business,” provisional accounting treatment was applied in the Previous consolidated fiscal year, but was finalized in the Current interim consolidated accounting period. As a result, the amount of Goodwill provisionally calculated at 762,860 thousand yen decreased by 198,988 thousand yen upon finalization of the accounting treatment, resulting in 563,872 thousand yen.