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Consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP]



August 13, 2025

Company name: ESCRIT INC.

Stock exchange listing: Tokyo Stock Exchange

Code number: 2196

URL: <https://www.escrit.jp/>

Representative: Morihiro Shibutani, Representative Director, CEO

Contact: Itaru Kichise, Director, CFO

Phone: +81-50-1743-3418

Scheduled date of commencing dividend payments: —

Availability of supplementary explanatory materials on financial results: Available

Schedule of financial results briefing session: Not scheduled

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 – June 30, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2025	5,087	(11.1)	(456)	—	(498)	—	(330)	—
June 30, 2024	5,721	(0.7)	(177)	—	(204)	—	(142)	—

(Note) Comprehensive income: Three months ended June 30, 2025: ¥(329) million [–%]

Three months ended June 30, 2024: ¥(142) million [–%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	(29.98)	—
June 30, 2024	(16.11)	—

(Note) Although potential dilutive shares existed, diluted earnings per share are not stated herein because a net loss per share was recorded.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2025	20,064	5,941	29.6
As of March 31, 2025	21,329	6,271	29.4

(Reference) Equity: As of June 30, 2025: ¥5,941 million

As of March 31, 2025: ¥6,271 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	0.00	—	0.00	0.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		0.00	—	0.00	0.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 - March 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	25,053	(4.3)	380	(52.7)	240	(65.7)	120	(62.2)	(13.33)

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

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

Newly included: — (Company name: —)

Excluded: — (Company name: —)

(2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(4) Total number of issued and outstanding shares (common shares)

1) Total number of issued and outstanding shares at the end of the period (including treasury shares):

June 30, 2025: 13,786,500 shares

March 31, 2025: 13,786,500 shares

2) Total number of treasury shares at the end of the period:

June 30, 2025: 278,065 shares

March 31, 2025: 278,065 shares

3) Average number of shares during the period:

Three months ended June 30, 2025: 13,508,435 shares

Three months ended June 30, 2024: 13,508,435 shares

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

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

(Notes on forward-looking statements)

Earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable, and do not represent a commitment from the Company that they will be achieved. Actual results may differ significantly from the forecasts due to various factors.

(Access to supplementary explanatory materials on financial results)

Supplementary explanatory materials on financial results were posted on the Company's website on August 13, 2025.

2. Quarterly Consolidated Financial Statements and Principal Notes
(1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	4,571,546	3,356,669
Notes and accounts receivable - trade, and contract assets	777,050	848,693
Accounts receivable from completed construction contracts	507,719	201,472
Real estate for sale	492,032	545,951
Merchandise and finished goods	308,475	312,590
Raw materials and supplies	59,697	64,426
Costs on construction contracts in progress	158,711	293,021
Investments in leases	557,575	552,145
Other	648,030	671,819
Allowance for doubtful accounts	(21,795)	(36,080)
Total current assets	8,059,042	6,810,711
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,968,430	3,821,594
Other	846,954	811,587
Total property, plant and equipment	4,815,385	4,633,182
Intangible assets	145,268	143,501
Investments and other assets		
Leasehold and guarantee deposits	3,518,889	3,518,899
Deferred tax assets	4,514,921	4,690,190
Other	319,759	311,366
Allowance for doubtful accounts	(43,418)	(43,337)
Total investments and other assets	8,310,151	8,477,118
Total non-current assets	13,270,805	13,253,802
Total assets	21,329,848	20,064,513

(Thousand yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	607,595	451,309
Short-term borrowings	200,000	300,000
Current portion of long-term borrowings	2,218,488	2,277,908
Accounts payable - other	696,689	660,255
Income taxes payable	127,408	7,609
Contract liabilities	1,033,768	948,055
Other	1,735,238	1,106,865
Total current liabilities	6,619,187	5,752,002
Non-current liabilities		
Bonds payable	30,000	30,000
Long-term borrowings	5,581,902	5,517,416
Asset retirement obligations	2,482,215	2,487,390
Other	344,998	336,120
Total non-current liabilities	8,439,115	8,370,927
Total liabilities	15,058,302	14,122,930
Net assets		
Shareholders' equity		
Share capital	50,000	50,000
Capital surplus	4,613,178	4,613,178
Retained earnings	1,798,290	1,468,071
Treasury shares	(192,543)	(192,543)
Total shareholders' equity	6,268,925	5,938,706
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,620	2,876
Total accumulated other comprehensive income	2,620	2,876
Total net assets	6,271,545	5,941,583
Total liabilities and net assets	21,329,848	20,064,513

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Three Months Ended June 30

(Thousand yen)

	For the three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)	For the three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)
Net sales	5,721,987	5,087,993
Cost of sales	2,373,241	2,272,225
Gross profit	3,348,746	2,815,768
Selling, general and administrative expenses	3,526,089	3,271,960
Operating loss	(177,343)	(456,191)
Non-operating income		
Insurance claim income	50	1,198
Subsidy income	640	631
Gain on liquidation of leasehold and guarantee deposits	2,100	–
Other	1,461	1,017
Total non-operating income	4,252	2,847
Non-operating expenses		
Interest expenses	20,008	27,339
Commission expenses for financial services	2,001	2,001
Other	9,479	15,320
Total non-operating expenses	31,489	44,661
Ordinary loss	(204,580)	(498,005)
Extraordinary losses		
Loss on sale of non-current assets	13,554	–
Total extraordinary losses	13,554	–
Loss before income taxes	(218,134)	(498,005)
Income taxes - current	8,044	7,710
Income taxes - deferred	(83,363)	(175,497)
Total income taxes	(75,319)	(167,786)
Loss	(142,815)	(330,219)
Loss attributable to owners of parent	(142,815)	(330,219)

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Thousand yen)

	For the three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)	For the three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)
Loss	(142,815)	(330,219)
Other comprehensive income		
Valuation difference on available-for-sale securities	477	256
Foreign currency translation adjustment	21	—
Total other comprehensive income	498	256
Comprehensive income	(142,316)	(329,962)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(142,316)	(329,962)