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February 10, 2026

**Consolidated Financial Results  
for the Fiscal Year Ended December 31, 2025  
(Under Japanese GAAP)**

Company name:	Oenon Holdings, Inc.	
Listing:	Tokyo Stock Exchange	
Securities code:	2533	
URL:	<a href="https://www.oenon.jp/english/">https://www.oenon.jp/english/</a>	
Representative:	Yuji Nishinaga, President & CEO	
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Scheduled date of annual general meeting of shareholders:	March 23, 2026	
Scheduled date to commence dividend payments:	March 24, 2026	
Scheduled date to file annual securities report:	March 19, 2026	
Preparation of supplementary material on financial results:	Yes	
Holding of financial results briefing:	Yes (for institutional investors and analysts)	

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

**1. Consolidated financial results for the fiscal year ended December 31, 2025  
(from January 1, 2025 to December 31, 2025)**

(1) Consolidated operating results			(Percentages indicate year-on-year changes.)					
	Net sales		Operating income		Ordinary income		Profit attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended December 31, 2025	87,630	4.2	4,136	20.0	4,291	18.2	3,102	13.7
December 31, 2024	84,104	(1.0)	3,448	(3.8)	3,629	(2.0)	2,729	(19.6)

Note: Comprehensive income For the fiscal year ended December 31, 2025: ¥3,507 million [10.0%]  
For the fiscal year ended December 31, 2024: ¥3,187 million [(18.5)%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
Fiscal year ended December 31, 2025	Yen 54.72	Yen —	% 12.5	% 7.5	% 4.7
December 31, 2024	47.39	—	12.1	6.5	4.1

Reference: Share of profit of entities accounted for using equity method

For the fiscal year ended December 31, 2025: ¥144 million  
For the fiscal year ended December 31, 2024: ¥151 million

## (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of December 31, 2025	Millions of yen 59,235	Millions of yen 26,976	% 44.2	Yen 464.68
December 31, 2024	55,739	24,478	42.4	414.62

Reference: Equity

As of December 31, 2025: ￥26,183 million  
As of December 31, 2024: ￥23,637 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 December 31, 2025	Millions of yen 3,568	Millions of yen (1,927)	Millions of yen (1,644)	Millions of yen 879
December 31, 2024	4,280	(1,304)	(2,917)	882

## 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			
Fiscal year ended December 31, 2024	Yen —	Yen —	Yen —	Yen 10.00	Yen 10.00	Millions of yen 577	% 21.1	% 2.6
Fiscal year ended December 31, 2025	—	—	—	11.00	11.00	625	20.1	2.5
Fiscal year ending December 31, 2026 (Forecast)	—	—	—	12.00	12.00		23.3	

Details of the year-end dividends for the fiscal year ended December 31, 2024

Ordinary dividend: ￥8.00

Commemorative dividend: ￥2.00 (100th anniversary commemorative dividend)

## 3. Financial forecast for the fiscal year ending December 31, 2026

(from January 1, 2026 to December 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of the parent	Basic earnings per share		
Year ending December 31, 2026	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending December 31, 2026	89,000	1.6	3,950	(4.5)	4,000	(6.8)	51.47

## Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): 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: Yes
- (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 December 31, 2025	65,586,196 shares
As of December 31, 2024	65,586,196 shares

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

As of December 31, 2025	9,239,744 shares
As of December 31, 2024	8,576,331 shares

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

Fiscal year ended December 31, 2025	56,691,559 shares
Fiscal year ended December 31, 2024	57,583,968 shares

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

### Non-consolidated financial results for the fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended December 31, 2025	3,380	11.7	1,847	3.1	1,871	4.7	1,623	5.8
December 31, 2024	3,026	10.4	1,791	12.1	1,788	15.8	1,533	7.4

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended December 31, 2025	28.63	—
December 31, 2024	26.64	—

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

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2025	38,647	20,213	52.3	358.74
December 31, 2024	37,960	19,184	50.5	336.51

Reference: Equity

As of December 31, 2025: ¥20,213 million

As of December 31, 2024: ¥19,184 million

\* 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

The forecasts and future projections contained herein have are based on decisions the Company considers rational given the information currently available to it, but the Company makes no commitment to achieve these objectives. Actual performance may differ substantially from forecasts for a variety of reasons. Please refer to “(4) Future outlook” within “1. Overview of operating results” on page 4 of the attachment to this document for cautionary statements concerning the conditions and performance forecasts that serve as the basis for these forecasts.

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Fiscal Year Ended December 31, 2025 Financial Summary

## 1. Overview of operating results

### (1) Overview of operating results

During the fiscal year under review, Japan's economy remained on a gradual recovery track, supported by improvements in employment and income conditions as well as growth in inbound demand. On the other hand, the outlook for the economy continues to be uncertain due to ongoing price increases and the impact of U.S. trade policy, among other factors.

Under this business environment, the Oenon Group worked to achieve sound and sustainable growth and enhance corporate value over the medium to long term. To do so, we worked to achieve the objectives of the "Medium-Term Management Plan 2028," with a focus on addressing the three key challenges outlined in our long-term vision, "NEXT100."

As a result, in the fiscal year ended December 31, 2025, net sales amounted to ¥87,630 million (up 4.2% year on year). On the profit front, the Group recorded operating income of ¥4,136 million (up 20.0% year on year) and ordinary income of ¥4,291 million (up 18.2% year on year). Profit attributable to owners of the parent was ¥3,102 million (up 13.7% year on year).

Segment performance is shown below.

#### Sales results

Segment name	Item	Fiscal year ended December 31, 2025 (January 1 to December 31, 2025) (Millions of yen)	YoY change (Previous period = 100%)
Alcoholic beverages	Japanese alcohol products	<i>Shochu</i> 36,352	100.2
	<i>Chu-hi</i> (RTD) 19,677	116.2	
	<i>Sake</i> 3,584	98.5	
	<i>Sake</i> compounds 1,844	97.2	
	Brewing and industrial alcohol for sale 13,553	100.3	
	<i>Mirin</i> (rice cooking wine) 379	94.8	
		75,392	103.8
	Wine and spirits 5,392	101.1	
	Others 786	109.6	
		81,570	103.6
Enzymes and pharmaceuticals		4,644	111.8
Real estate		1,322	115.6
Others		92	103.7
Total		87,630	104.2

#### (Alcoholic beverages)

In the alcoholic beverages segment, competition is intensifying further because the population is shrinking, the birth rate is falling, the population is aging in Japan, the frequency of drinking outside the home is declining, and rising prices are driving a trend toward more frugal spending. In this environment, sales of alcoholic beverages amounted to ¥81,570 million (up 3.6% year on year). In this segment, operating income was ¥2,555 million (up 11.3% year on year).

Within the Japanese spirits segment, *shochu* sales increased, as the strong performance of the *kou-otsu* blended *shochu* series *SUGO-MUGI* and *SUGO-IMO* offset the discontinuation of the *otsu*-type *shochu* *Kaito* series and a decline in store-brand products in the *otsu*-type *shochu* category. In the same category, in September, the Group launched *KOKOYOI*, a new-genre *otsu*-type *shochu* that proposes "a new style of *shochu*," brewed using aroma hops, ale yeast, and multiple botanicals.

In *chu-hi* and other RTD products, sales increased due to strong performance of store-brand products and the packer business. In this category, we strengthened our lineup by launching products such as the RTD tea highballs *Tancha Tantakatan Green Tea Highball* and *Tancha TAN TAKA TAN SHISO Umeshu Black Tea Highball*, which offer a distinctive taste that highlights the aroma of red shiso from the shiso *shochu* *Tantakatan* series. In addition, we introduced the canned *shochu* highball *KOKOYOI Highball*, which makes it easy to enjoy

*KOKOYOI*, an *otsu*-type *shochu*, mixed with carbonated water. We also actively carried out promotional activities leveraging social media, including prize campaigns and video distribution.

In the *sake* category, sales decreased, as a rise in store-brand products was more than offset by a decline in own-brand products.

In brewing and industrial alcohol for sale, sales grew, as strong performance in industrial-use alcohol offset a decline in alcohol for beverage production.

In the wine and spirits segment, sales increased, as strong performance in items such as *chu-hi* base spirits, which allow consumers to just add carbonated water to enjoy drinking at home while replicating the feeling of being in an *izakaya* (Japanese-style pub), and WHISKY *KOH-KUN*—a whisky ideal for highballs—offset declines in imported wines and alcohol for beverage production.

#### (Enzymes and pharmaceuticals)

Sales in the enzymes and pharmaceuticals segment were ¥4,644 million (up 11.8% year on year), supported by growth in the contract manufacturing business in Japan, as well as to favorable overseas sales in the enzymes category. Operating income came to ¥807 million (up 51.1% year on year).

#### (Real estate)

In the real estate segment, sales amounted to ¥1,322 million (up 15.6% year on year) due to factors such as rent revisions for leased properties. Operating income was ¥763 million (up 26.4% year on year).

### (2) Financial condition

Total assets as of December 31, 2025, amounted to ¥59,235 million, an increase of ¥3,496 million from one year earlier. This was due to an increase in trade notes and accounts receivable, despite a decrease in property, plant and equipment.

Total liabilities came to ¥32,259 million, up ¥999 million from the end of the previous consolidated fiscal year. This was due to increases in accrued liquor tax and accounts payable—other, despite a decrease in long-term loans payable.

Net assets up ¥2,497 million, to ¥26,976 million, mainly because of a increase in retained earnings.

### (3) Cash flows

As of December 31, 2025, cash and cash equivalents were ¥879 million, down ¥3 million from their level on December 31, 2024.

Net cash provided by operating activities amounted to ¥3,568 million (down ¥712 million year on year). Major sources of cash were income before income taxes and minority interests of ¥4,134 million and depreciation and amortization of ¥1,966 million, while the principal uses of cash were an increase in trade notes and accounts receivable of ¥2,994 million and income taxes paid of ¥976 million.

Net cash used in investing activities was ¥1,927 million, up ¥622 million year on year. The main use of cash was ¥1,720 million for the purchase of noncurrent assets.

Net cash used in financing activities amounted to ¥1,644 million (down ¥1,273 million year on year), mainly due to repayment of long-term loans payable of ¥600 million and cash dividends paid of ¥576 million.

Trends in the Group's cash flow indicators are shown below.

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Equity-to-asset ratio (%)	38.6	42.4	44.2
Equity-to-asset ratio (fair value basis) (%)	37.2	40.2	48.4
Cash flows/Interest-bearing debt ratio (years)	1.7	1.3	1.4
Interest coverage ratio (times)	52.4	45.2	28.5

Notes: Equity-to-asset ratio is equity divided by total assets.

Equity-to-asset ratio (fair value basis) is market capitalization divided by total assets.

The cash flows/interest-bearing debt ratio is interest-bearing debt divided by operating cash flow.

The interest coverage ratio is cash flow divided by interest paid.

\* Each indicator is calculated from consolidated financial figures.

\* Market capitalization is calculated by multiplying the closing stock price at the end of the period by the number of shares outstanding (less treasury stock) at the end of the period.

\* Operating cash flow is the net cash provided by operating activities in the consolidated statements of cash flows. Interest-bearing debt includes all liabilities on the consolidated balance sheets for which interest is paid. For interest payments, the amount of interest paid in the consolidated statements of cash flows is used.

#### (4) Future outlook

The Japanese market for alcoholic beverages is contracting overall, due to factors such as declining birth rates and an aging population, consumer preferences for low-priced options, changing lifestyles, and diversification of preferences. This has led to intensified sales competition.

As for exports of alcoholic beverages, exports to the United States are trending toward recovery, while exports to China declined significantly due to factors including a prolonged economic downturn. By product category, whisky decreased, while *sake*, beer, and liqueurs including RTDs each trended upward.

We anticipate further growth in the domestic and overseas enzyme market for dairy products, driven by a worldwide rise in health consciousness.

The Group will accurately respond to these changes and, while continuing structural reforms, strengthen its competitiveness and profitability to achieve sound and sustainable growth.

In 2024, the Group formulated a long-term vision, "NEXT100," which depicts the state we aim to achieve by 2034, as well as a five-year action plan beginning in 2024, "Medium-Term Management Plan 2028," to realize that vision.

In the fiscal year ending December 31, 2026—the third year of the plan—we will address the issues set out below.

##### 1. Focus measures in each priority business

###### (1) Reinforce our presence as a comprehensive *shochu* manufacturer

For *kou*-type *shochu*, *otsu*-type *shochu*, *kou*-*otsu* blended *shochu*, *chu-hi* (RTD), and *chu-hi* base spirit, we will develop new high-value-added products that respond to increasingly diverse consumer preferences, while also strengthening existing products and improving profitability. At the same time, we will review selling expenses and our cost structure to enhance competitiveness and profitability.

###### (2) Expand sales routes and increase the scale of alcoholic beverage exports

We will expand sales routes and increase scale by increasing our penetration of existing export markets and developing new markets.

In Europe, we will begin selling Japanese whisky in addition to gin and further deepen market penetration.

In China, we will take appropriate measures while factoring in economic conditions and geopolitical risks.

In Southeast Asia, India, Australia, and other markets, we will develop new routes and expand sales.

In the United States, we will review our sales structure and conduct proactive local sales activities.

###### (3) Ensure steady earnings from brewing and industrial alcohol for sale

In brewing and industrial alcohol for sale, we will work to maintain and expand sales volumes, optimize profits through appropriate profit management, and secure stable earnings.

###### (4) Enhance the lineup of enzymes and expand the contract manufacturing business

For neutral lactase, we will conduct capital investment to increase production, achieving higher manufacturing volumes and greater sales. At the same time, we will promote R&D aimed at improving yield and conversion efficiency to enhance profitability. In addition, with a view to launch in 2027, we will continue R&D on genetically modified products and develop them into a future pillar of earnings.

In the contract manufacturing business, under appropriate production planning, we will maximize manufacturing volumes of lactic acid bacteria—our main contract item—and advance capital investment for increased production to support future volume expansion.

We will also continue efforts to eliminate the occurrence of non-conforming products through preventive measures and predictions, while working to stabilize and improve quality and production volume, in order to increase real profits.

## 2. Strengthening competitiveness and profitability

### (1) Reinforce quality control

We will continue initiatives to establish thorough sanitation management and embed the 5S principles (sort, set in order, shine, standardize, sustain).

We will continue our efforts to establish a culture of risk prediction through the principles of 3H (*hajimete*: first time, *henkou*: change, *hisashiburi*: it's been some time) and 4M (man, machine, material, method), and strive to eliminate non-conformities within our processes.

### (2) Maintain appropriate pricing

To ensure stable profitability, we will introduce price revisions at appropriate times.

### (3) Respond to increasingly diverse preferences

In response to increasingly diverse consumer preferences, we will fully leverage the unique technologies and know-how to develop high-value-added products. We will nurture these products as future revenue pillars to follow our core product brands (*Big Man*, *Soft Shinko*, *Hakata no Hana*, *Tantakatan*, *SUGO-MUGI*, *SUGO-IMO* and *GODO-YNL*).

### (4) Engage in thorough cost reductions

In sales, we will verify the cost-effectiveness of sales expenses and strive for optimization. We will also ensure strict adherence to internal rules in accordance with fair trade standards.

In production, we will make thorough efforts to reduce costs in every aspect of the production process.

### (5) Promoting DX

We will promote the effective use of digital technologies such as AI to improve operational efficiency and productivity, and aim to fundamentally transform existing business models.

## 3. Promoting ESG management

### (1) Response to environmental problems

We will continue to work towards achieving a low-carbon society and promoting the development of a circular society.

In fiscal 2026, we will continue efforts such as switching to air-conditioning equipment that uses refrigerants with a lower environmental impact.

### (2) Expansion of human capital

We believe that, for the Group's sustainable growth and enhancement of corporate value, it is essential to develop systems that enhance the value of employees, who are the driving force behind these efforts. We are committed to creating an environment where each employee feels motivated, and performs at a high level, as well as actively promoting an environment in which diverse talent can thrive.

### (3) Reinforced corporate governance

We are committed to strengthening corporate governance and ensuring thorough compliance, and we strive to practice management that is convincing, fair, and transparent.

We will also work to strengthen information security in order to respond to cyber risks that are becoming more sophisticated and diverse every year.

Owing to the measures outlined above, in the fiscal year ending December 31, 2026 we forecast consolidated net sales of ¥89,000 million (up 1.6% year on year), consolidated operating income of ¥3,950 million (down 4.5%), consolidated ordinary income of ¥4,000 million (down 6.8%), and profit attributable to owners of the parent of ¥2,900 million (down 6.5%).

	Fiscal year ended December 31, 2025	Forecast for the fiscal year ending December 31, 2026	Change	Percentage change
Net sales	Millions of yen 87,630	Millions of yen 89,000	Millions of yen 1,369	1.6%
Operating income	4,136	3,950	(186)	(4.5)%
Ordinary income	4,291	4,000	(291)	(6.8)%
Profit attributable to owners of the parent	3,102	2,900	(202)	(6.5)%
Ratio of ordinary income to net sales	4.9%	4.5%		
ROE	12.5%	10.6%		
Dividends per share	11 yen	12 yen	1 yen	9.1%

#### (5) Basic policy on profit distribution, and dividends for the current and upcoming fiscal years

The Oenon Group considers the return of profits to shareholders to be one of its most important policy initiatives. Accordingly, our basic policy is to pay continuous and stable dividends that gradually increase over the medium term, while taking into overall account our business performance, consolidated financial results, medium- and long-term earnings situation, capital investment plans, appropriate internal reserves and payout ratio.

Under “Medium-Term Management Plan 2028,” the shareholder return policy calls for us to raise the dividend on equity (DOE) ratio to approximately 2.5%, and to proactively acquire treasury shares in addition to paying dividends, with the aim of maintaining a total return ratio of at least 30% over the five years of the medium-term management plan.

Based on this policy, for the fiscal year under review we intend to award a dividend of ¥11 per share.

We also expect to pay ¥12 per share in dividends for the upcoming fiscal year.

#### 2. Basic approach to the selection of accounting standards

The Oenon Group applies Japanese accounting standards. Most of our stakeholders are domestic investors, creditors, business partners and the like, and we have little need to raise funds overseas.

3. Consolidated financial statements and notes  
 (1) Consolidated balance sheets

(Millions of yen)

	Fiscal year 2024 (As of Dec. 31, 2024)	Fiscal year 2025 (As of Dec. 31, 2025)
<b>ASSETS</b>		
Current assets		
Cash and deposits	887	884
Notes and accounts receivable—trade	16,733	19,727
Merchandise and finished goods	6,880	7,066
Work in process	273	267
Raw materials and supplies	1,110	1,087
Prepaid expenses	97	125
Other	204	331
Allowance for doubtful accounts	(13)	(17)
Total current assets	26,175	29,473
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	29,807	29,649
Accumulated depreciation	(20,358)	(20,638)
Buildings and structures, net	9,449	9,011
Machinery, equipment and vehicles	35,872	36,512
Accumulated depreciation	(30,787)	(31,512)
Machinery, equipment and vehicles, net	5,084	5,000
Tools, furniture and fixtures	1,690	1,723
Accumulated depreciation	(1,450)	(1,450)
Tools, furniture and fixtures, net	239	272
Land	9,546	9,518
Lease assets	163	293
Accumulated depreciation	(64)	(118)
Lease assets, net	98	174
Construction in progress	39	56
Total property, plant and equipment	24,458	24,033
Intangible assets		
Goodwill	1	—
Software	350	238
Other	77	76
Total intangible assets	429	314
Investments and other assets		
Investment securities	3,654	4,361
Long-term prepaid expenses	200	437
Deferred tax assets	590	467
Other	235	166
Allowance for doubtful accounts	(5)	(19)
Total investments and other assets	4,675	5,413
Total noncurrent assets	29,563	29,762
Total assets	55,739	59,235

	(Millions of yen)	
	Fiscal year 2024 (As of Dec. 31, 2024)	Fiscal year 2025 (As of Dec. 31, 2025)
<b>LIABILITIES</b>		
Current liabilities		
Notes and accounts payable—trade	4,928	5,136
Electronically recorded obligations	1,905	2,250
Short-term loans payable	1,850	1,950
Lease obligations	43	88
Accounts payable—other	4,753	5,247
Accrued expenses	185	198
Accrued liquor tax	8,249	8,774
Accrued consumption taxes	1,032	1,192
Income taxes payable	634	821
Deposits received	350	365
Provision for bonuses	66	64
Provision for directors' bonuses	39	35
Provision for shareholder benefit program	24	19
Notes payable—facilities	562	75
Electronically recorded obligations—facilities	136	221
Other	133	135
<b>Total current liabilities</b>	<b>24,897</b>	<b>26,577</b>
Noncurrent liabilities		
Long-term loans payable	1,200	600
Long-term deposits received	3,182	3,080
Lease obligations	66	105
Deferred tax liabilities	183	262
Provision for directors' stock benefits	169	99
Net defined benefit liabilities	1,499	1,497
Asset retirement obligation	41	36
Other	19	0
<b>Total noncurrent liabilities</b>	<b>6,363</b>	<b>5,682</b>
<b>Total liabilities</b>	<b>31,260</b>	<b>32,259</b>
<b>NET ASSETS</b>		
Shareholders' equity		
Share capital	6,946	6,946
Capital surplus	5,637	5,640
Retained earnings	12,230	14,755
Treasury stock	(2,414)	(2,836)
<b>Total shareholders' equity</b>	<b>22,399</b>	<b>24,505</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,236	1,685
Deferred gains or losses on hedges	104	113
Remeasurements of defined benefit plans	(102)	(121)
<b>Total accumulated other comprehensive income</b>	<b>1,238</b>	<b>1,677</b>
<b>Non-controlling interests</b>	<b>840</b>	<b>793</b>
<b>Total net assets</b>	<b>24,478</b>	<b>26,976</b>
<b>Total liabilities and net assets</b>	<b>55,739</b>	<b>59,235</b>

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

(Millions of yen)

	Fiscal year 2024 (Jan. 1, 2024–Dec. 31, 2024)	Fiscal year 2025 (Jan. 1, 2025–Dec. 31, 2025)
Net Sales	84,104	87,630
Cost of sales	70,139	72,168
Gross profit	13,964	15,462
Selling, general and administrative expenses	10,516	11,325
Operating income	3,448	4,136
Nonoperating income		
Interest income	0	0
Dividend income	52	77
Share of profit of entities accounted for using equity method	151	144
Rent income	60	59
Foreign exchange gains	30	72
Miscellaneous income	50	46
Total nonoperating income	345	400
Nonoperating expenses		
Interest expenses	102	132
Shutdown expenses	29	28
Loss on sales of accounts receivable	23	30
Donations	0	34
Miscellaneous losses	7	19
Total nonoperating expenses	163	245
Ordinary income	3,629	4,291
Extraordinary income		
Gain on sales of noncurrent assets	—	119
Gain on sales of investment securities	0	4
Other	1	4
Total extraordinary income	1	129
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	35	78
Impairment loss	—	194
Loss on revaluation of investment securities	1	1
Other	1	11
Total extraordinary loss	38	286
Income before income taxes and minority interests	3,592	4,134
Income taxes—current	884	1,092
Income taxes—deferred	(21)	(24)
Income, residential and enterprise taxes	863	1,067
Profit	2,729	3,066
Profit (loss) attributable to non-controlling interests	0	(35)
Profit attributable to owners of the parent	2,729	3,102

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year 2024 (Jan. 1, 2024–Dec. 31, 2024)	Fiscal year 2025 (Jan. 1, 2025–Dec. 31, 2025)
Profit	2,729	3,066
Other comprehensive income (loss)		
Valuation difference on available-for-sale securities	277	449
Deferred gains or losses on hedges	179	14
Remeasurements of defined benefit plans	(7)	(18)
Share of other comprehensive income (loss) of entities accounted for using equity method	8	(4)
Total other comprehensive income	458	440
Comprehensive income	3,187	3,507
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	3,187	3,541
Comprehensive income attributable to non-controlling interests	0	(34)

(3) Consolidated statement of changes in shareholders' equity  
Fiscal year 2024 (Jan. 1, 2024–Dec. 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of January 1, 2024	6,946	5,636	9,973	(1,954)	20,601
Changes in items during the period					
Dividends from surplus			(471)		(471)
Profit attributable to owners of the parent			2,729		2,729
Purchase of treasury stock				(460)	(460)
Change in treasury stock of parent arising from transactions with non-controlling shareholders		0			0
Net changes in items other than shareholders' equity					
Total changes in items during the period	—	0	2,257	(460)	1,798
Balance as of December 31, 2024	6,946	5,637	12,230	(2,414)	22,399

	Cumulative other comprehensive income				Noncontrolling interests	Total net assets
	Valuation difference on available-for sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total cumulative other comprehensive income		
Balance as of January 1, 2024	958	(83)	(95)	779	846	22,227
Changes in items during the period						
Dividends from surplus						(471)
Profit attributable to owners of the parent						2,729
Purchase of treasury stock						(460)
Change in treasury stock of parent arising from transactions with non-controlling shareholders						0
Net changes in items other than shareholders' equity	277	187	(7)	458	(5)	452
Total changes in items during the period	277	187	(7)	458	(5)	2,251
Balance as of December 31, 2024	1,236	104	(102)	1,238	840	24,478

Fiscal year 2025 (Jan. 1, 2025–Dec. 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of January 1, 2025	6,946	5,637	12,230	(2,414)	22,399
Changes in items during the period					
Dividends from surplus			(577)		(577)
Profit attributable to owners of the parent			3,102		3,102
Purchase of treasury stock				(500)	(500)
Disposal of treasury stock				78	78
Change in treasury stock of parent arising from transactions with non-controlling shareholders		3			3
Net changes in items other than shareholders' equity					
Total changes in items during the period	—	3	2,524	(422)	2,105
Balance as of December 31, 2025	6,946	5,640	14,755	(2,836)	24,505

	Cumulative other comprehensive income				Noncontrolling interests	Total net assets
	Valuation difference on available-for sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total cumulative other comprehensive income		
Balance as of January 1, 2025	1,236	104	(102)	1,238	840	24,478
Changes in items during the period						
Dividends from surplus						(577)
Profit attributable to owners of the parent						3,102
Purchase of treasury stock						(500)
Disposal of treasury stock						78
Change in treasury stock of parent arising from transactions with non-controlling shareholders						3
Net changes in items other than shareholders' equity	448	9	(18)	439	(47)	391
Total changes in items during the period	448	9	(18)	439	(47)	2,497
Balance as of December 31, 2025	1,685	113	(121)	1,677	793	26,976

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year 2024 (Jan. 1, 2024–Dec. 31, 2024)	Fiscal year 2025 (Jan. 1, 2025–Dec. 31, 2025)
<b>Cash flows from operating activities</b>		
Income before income taxes and minority interests	3,592	4,134
Depreciation and amortization	1,916	1,966
Impairment loss	—	194
Amortization of goodwill	2	1
Increase (decrease) in net defined benefit liabilities	(13)	(30)
Increase (decrease) in allowance for doubtful accounts	(6)	18
Increase (decrease) in provision for directors' stock benefits	23	(70)
Increase (decrease) in provision for directors' bonuses	1	(4)
Increase (decrease) in provision for shareholder benefit program	(3)	(5)
Interest and dividend income	(52)	(77)
Interest expenses	102	132
Share of (profit) loss of entities accounted for using equity method	(151)	(144)
Gain on sales of noncurrent assets	—	(119)
Loss on sales and retirement of noncurrent assets	35	78
Loss on revaluation of investment securities	1	1
Loss (gain) on sales of investment securities	0	(4)
Decrease (increase) in notes and accounts receivable—trade	20	(2,994)
Decrease (increase) in inventories	97	(157)
Increase (decrease) in notes and accounts payable—trade	(183)	553
Increase (decrease) in accrued consumption tax	(256)	160
Increase (decrease) in accrued liquor tax	9	524
Other, net	16	203
<b>Subtotal</b>	<b>5,152</b>	<b>4,360</b>
Interest and dividends received	118	229
Interest expenses paid	(94)	(125)
Proceeds from insurance income	—	80
Income taxes paid	(895)	(976)
<b>Net cash provided by (used in) operating activities</b>	<b>4,280</b>	<b>3,568</b>

	(Millions of yen)	
	Fiscal year 2024 (Jan. 1, 2024–Dec. 31, 2024)	Fiscal year 2025 (Jan. 1, 2025–Dec. 31, 2025)
<b>Cash flows from investing activities</b>		
Payments into time deposits	(4)	(4)
Proceeds from withdrawal of time deposits	4	4
Purchase of noncurrent assets	(1,061)	(1,720)
Proceeds from sale of noncurrent assets	—	148
Loss on disposal of noncurrent assets	(46)	(16)
Proceeds from local government subsidies	38	—
Purchase of investment securities	(57)	(41)
Other, net	(177)	(297)
Net cash provided by (used in) investing activities	<u>(1,304)</u>	<u>(1,927)</u>
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	(1,350)	100
Repayment of long-term loans payable	(600)	(600)
Payments for finance lease obligations	(29)	(53)
Purchase of treasury stock	(462)	(503)
Cash dividends paid	(470)	(576)
Repayments to non-controlling shareholders	(3)	(3)
Other, net	(1)	(7)
Net cash provided by (used in) financing activities	<u>(2,917)</u>	<u>(1,644)</u>
Net increase (decrease) in cash and cash equivalents	58	(3)
Cash and cash equivalents at beginning of period	824	882
Cash and cash equivalents at end of period	<u>882</u>	<u>879</u>

(5) Notes to the consolidated financial statements  
(Notes related to the going concern assumption)  
Not applicable

(Changes in accounting policies)

(Application of “Accounting Standard for Current Income Taxes” and other standards)

Effective from the beginning of the fiscal year ended December 31, 2025, the Company has applied the Accounting Standard for Current Income Taxes (Accounting Standards Board of Japan (“ASBJ”) Statement No. 27, issued on October 28, 2022; hereinafter the “2022 Revised Accounting Standard”).

Regarding the amendments concerning the classification of income taxes (taxation on other comprehensive income), the Company is applying the transitional treatment stipulated in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment stipulated in the proviso to Paragraph 65-2(2) of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28, issued on October 28, 2022; hereinafter the “2022 Revised Implementation Guidance”). These changes in accounting policies have had no impact on the Company's consolidated financial statements.

Furthermore, concerning the amendments related to the treatment in consolidated financial statements of deferred tax recognition arising from the sale of shares of subsidiaries among consolidated companies, the Company has also applied the 2022 Revised Implementation Guidance effective from the beginning of the consolidated accounting period of the fiscal year under review. These changes in accounting policies have been applied retrospectively, and the consolidated financial statements for the previous fiscal year have been prepared accordingly after retrospective application. These changes have had no impact on the consolidated financial statements for the prior fiscal year.

(Segment information, etc.)

Segment information

#### 1. Overview of reportable segments

##### (1) Method of determining reportable segments

The Company's reportable segments are components of the Group for which separate financial information is available and that are subject to periodic review by the Board of Directors for the purpose of allocating and evaluating management resources.

The Group is composed of segments based on products and services. We have three reportable segments: “alcoholic beverages,” “enzymes and pharmaceuticals,” and “real estate.”

##### (2) Types of products and services belonging to each reportable segment

The main products in services in each reportable segment are indicated below.

Business category	Main products and services
Alcoholic beverages	<i>Shochu, chu-hi (RTD), sake, sake compounds, umeshu</i> plum wine, wine and spirits, processed liquor, brewing and industrial alcohol, seasonings
Enzymes and pharmaceuticals	Enzymes, diagnostic medicines, outsourced fermentation business
Real estate	Purchase, sale and leasing of real estate

#### 2. Calculation of sales, income or loss, assets, liabilities and other items by reportable segment

The accounting methods for reported business segments are generally the same as those described in “Important matters forming the basis for preparing the consolidated financial statements.”

The figures of income for reportable segments are based on operating income. Intersegment revenues and transfers are based on prevailing market prices.

3. Information on sales, profit or loss, assets, liability and others by reportable segment

Fiscal year ended December 31, 2024 (January 1 to December 31, 2024)

(Millions of yen)

	Reportable segment				Others (Note) 1	Reconciliations (Note) 2	Amount stated in the consolidated financial statements (Note) 3
	Alcoholic beverages	Enzymes and pharmaceuticals	Real estate	Total			
Sales							
Sales to external customers	78,715	4,155	1,144	84,015	88	—	84,104
Inter-segment sales or transfers	15	—	—	15	10	(25)	—
Total	78,731	4,155	1,144	84,031	99	(25)	84,104
Segment profit	2,296	534	604	3,434	13	—	3,448
Segment assets	40,463	3,795	5,996	50,255	42	5,441	55,739
Other items							
Depreciation and amortization	1,280	250	281	1,812	0	103	1,916
Increase in property, plant and equipment and intangible assets	1,175	282	20	1,478	—	118	1,596

(Notes) 1. The “others” category includes business that is not included in the reportable segments, such as warehousing and cargo handling.

2. Details of adjustments are as follows.

- (1) The negative ¥25 million adjustment to sales represents the elimination of intersegment transactions.
- (2) The adjustment of ¥5,441 million to segment assets includes a negative ¥0 million elimination of intersegment transactions and ¥5,442 million in companywide assets. Companywide assets consist mainly of surplus funds under management (cash and deposits), investment securities and assets related to administrative operations.
- (3) The ¥103 million adjustment to depreciation and amortization is for depreciation and amortization on companywide assets.
- (4) The ¥118 million upward adjustment to property, plant and equipment and intangible assets is due to an increase related to companywide assets.

3. Segment income is adjusted with operating income in the consolidated statement of income.

Fiscal year ended December 31, 2025 (January 1 to December 31, 2025)

(Millions of yen)

	Reportable segment				Others (Note) 1	Reconciliations (Note) 2	Amount stated in the consolidated financial statements (Note) 3
	Alcoholic beverages	Enzymes and pharmaceuticals	Real estate	Total			
Sales							
Sales to external customers	81,570	4,644	1,322	87,538	92	—	87,630
Inter-segment sales or transfers	13	—	—	13	—	(13)	—
Total	81,584	4,644	1,322	87,552	92	(13)	87,630
Segment profit	2,555	807	763	4,126	9	—	4,136
Segment assets	42,819	4,041	5,801	52,662	42	6,531	59,235
Other items							
Depreciation and amortization	1,301	271	271	1,843	0	122	1,966
Increase in property, plant and equipment and intangible assets	965	481	60	1,507	—	126	1,634

(Notes) 1. The “others” category includes business that is not included in the reportable segments, such as warehousing and cargo handling.

2. Details of adjustments are as follows.

- (1) The negative ¥13 million adjustment to sales represents the elimination of intersegment transactions.
- (2) The adjustment of ¥6,531 million to segment assets includes a negative ¥0 million elimination of intersegment transactions and ¥6,532 million in companywide assets. Companywide assets consist mainly of surplus funds under management (cash and deposits), investment securities and assets related to administrative operations.
- (3) The ¥122 million adjustment to depreciation and amortization is for depreciation and amortization on companywide assets.
- (4) The ¥126 million upward adjustment to property, plant and equipment and intangible assets is due to an increase related to companywide assets.

3. Segment income is adjusted with operating income in the consolidated statement of income.

(Per-share information)

	Fiscal year 2024 (Jan. 1, 2024–Dec. 31, 2024)	Fiscal year 2025 (Jan. 1, 2025–Dec. 31, 2025)
Net assets per share	¥414.62	¥464.68
Basic earnings per share	¥47.39	¥54.72

(Notes) 1. Diluted earnings per share are not stated because there are no potentially dilutive shares.

2. The basis for the calculation of net assets per share is as follows.

Item	Fiscal year 2024 (As of Dec. 31, 2024)	Fiscal year 2025 (As of Dec. 31, 2025)
Total net assets in the consolidated balance sheets (millions of yen)	24,478	26,976
Net assets related to common shares	23,637	26,183
Breakdown of the difference between total net assets in the consolidated balance sheet and net assets per common share used in the calculation of net assets per share at the end of the fiscal year (millions of yen)		
Noncontrolling interests	840	793
Common shares issued (thousands of shares)	65,586	65,586
Common shares in treasury shares (thousands of shares)	8,576	9,239
Number of common shares used in the calculation of net assets per share (thousands of shares)	57,009	56,346

3. The basis for calculating basic earnings per share is as follows.

Item	Fiscal year 2024 (As of Dec. 31, 2024)	Fiscal year 2025 (As of Dec. 31, 2025)
Basic earnings per share		
Profit attributable to owners of the parent (millions of yen)	2,729	3,102
Profit attributable to owners of the parent related to common shares (millions of yen)	2,729	3,102
Average number of common shares outstanding during the period (thousands of shares)	57,583	56,691

(Important subsequent events)

Not applicable

4. Others

Changes in directors

On January 30, 2026, we disclosed this matter in a release titled “Notice Concerning Partial Amendments to the Articles of Incorporation (Change in Term of Office for Directors) and Changes in Directors.”



## Fiscal Year Ended December 31, 2025

### Financial Summary

1. Consolidated Statements of Income
2. Consolidated Statements of Income (Fourth Quarter)
3. Sales Results by Segment
4. Profit Breakdown
5. Consolidated Balance Sheets
6. Consolidated Performance Forecast for FY2026
7. Sales Forecast for FY2026

**denon Holdings, Inc.**  
February 10, 2026

1. Consolidated Statements of Income

(Millions of yen)

	Fiscal year 2024 (Jan. 1, 2024–Dec. 31, 2024)	Fiscal year 2025 (Jan. 1, 2025–Dec. 31, 2025)	Change	Percentage change (%)
Alcoholic beverages	78,715	81,570	2,854	103.6
Enzymes and pharmaceuticals	4,155	4,644	489	111.8
Real estate and others	1,233	1,415	181	114.7
Net sales	84,104	87,630	3,526	104.2
Cost of sales	70,139	72,168	2,028	102.9
Gross profit	13,964	15,462	1,497	110.7
Selling, general and administrative expenses	10,516	11,325	809	107.7
Alcoholic beverages	2,296	2,555	259	111.3
Enzymes and pharmaceuticals	534	807	273	151.1
Real estate and others	617	773	155	125.2
Operating income	3,448	4,136	687	120.0
Nonoperating income	345	400	55	116.0
Nonoperating expenses	163	245	81	150.0
Ordinary income	3,629	4,291	661	118.2
Extraordinary income	1	129	127	—
Extraordinary loss	38	286	247	744.7
Income before income taxes	3,592	4,134	541	115.1
Income, residential and enterprise taxes	863	1,067	203	123.6
Profit	2,729	3,066	337	112.4
Profit (loss) attributable to non-controlling interests	0	(35)	(35)	—
Profit attributable to owners of the parent	2,729	3,102	373	113.7
Profit per share (Yen)	47.39	54.72	7.33	115.5
Capital expenditures	1,539	1,620	81	105.3

2. Consolidated Statements of Income (Fourth Quarter)

(Millions of yen)

	Fourth quarter of fiscal year 2024 (Oct. 1, 2024–Dec. 31, 2024)	Fourth quarter of fiscal year 2025 (Oct. 1, 2025–Dec. 31, 2025)	Change	Percentage change (%)
Alcoholic beverages	22,385	23,088	702	103.1
Enzymes and pharmaceuticals	930	1,000	70	107.6
Real estate and others	321	356	35	111.1
Net sales	23,637	24,445	808	103.4
Cost of sales	19,399	20,241	841	104.3
Gross profit	4,237	4,204	(32)	99.2
Selling, general and administrative expenses	2,853	3,182	329	111.5
Alcoholic beverages	1,149	739	(409)	64.3
Enzymes and pharmaceuticals	72	95	22	131.4
Real estate and others	162	187	24	115.4
Operating income	1,384	1,022	(362)	73.8
Nonoperating income	129	114	(14)	88.7
Nonoperating expenses	46	85	39	183.6
Ordinary income	1,466	1,051	(415)	71.7
Extraordinary income	—	3	3	—
Extraordinary loss	10	53	43	504.6
Income before income taxes	1,456	1,001	(455)	68.7
Income, residential and enterprise taxes	341	259	(82)	75.8
Profit	1,114	741	(372)	66.6
Profit (loss) attributable to non-controlling interests	(1)	(20)	(19)	—
Profit attributable to owners of the parent	1,115	762	(352)	68.4

### 3. Sales Results by Segment

(Millions of yen)

	Fiscal year 2024 (Jan. 1, 2024–Dec. 31, 2024)	Fiscal year 2025 (Jan. 1, 2025–Dec. 31, 2025)	Change	Percentage change (%)
<i>Shochu</i>	36,274	36,352	78	100.2
( <i>Kou</i> -type <i>shochu</i> )	12,172	12,173	0	100.0
( <i>Otsu</i> -type <i>shochu</i> )	24,102	24,179	77	100.3
<i>Chu-hi</i> (RTD)	16,933	19,677	2,743	116.2
<i>Sake</i>	3,638	3,584	(53)	98.5
<i>Sake</i> compounds	1,897	1,844	(53)	97.2
Brewing and industrial alcohol for sale	13,519	13,553	33	100.3
<i>Mirin</i> (rice cooking wine)	400	379	(20)	94.8
Wine and spirits	5,334	5,392	57	101.1
Others	717	786	69	109.6
Total of alcoholic beverages	78,715	81,570	2,854	103.6
Enzymes and pharmaceuticals	4,155	4,644	489	111.8
Real estate	1,144	1,322	178	115.6
Others	88	92	3	103.7
<b>Total</b>	<b>84,104</b>	<b>87,630</b>	<b>3,526</b>	<b>104.2</b>

#### 4. Profit Breakdown

(Millions of yen)

	Increase (Decrease)	Remarks
Alcoholic beverages	259	Increase in gross profit due to higher sales: 450 Lower ingredient costs, due to decreased materials costs: 920 Increase in repair expenses and other production-related costs: (320) Higher SG&A expenses, including transportation expenses and storage costs: (540) Impacts of changes in the product mix and price revisions: (251)
Enzymes and pharmaceuticals	273	Increase in contract manufacturing and enzyme exports
Real estate and others	155	Increase due to revision of real estate rents
Operating income	687	
Nonoperating income	55	Increase due to foreign exchange gains
Nonoperating expenses	(81)	Decrease due to interest expenses and receivables transfer
Ordinary income	661	
Extraordinary income	127	Increase due to sale of land for the former Sendai office
Extraordinary loss	(247)	Decrease due to impairment of Ushiku company housing
Income before income taxes	541	
Income, residential and enterprise taxes	(203)	
Profit	337	
Profit attributable to non-controlling interests	35	
Profit attributable to owners of the parent	373	

5. Consolidated Balance Sheets

(Millions of yen)

	Fiscal year 2024 (As of Dec. 31, 2024)	Fiscal year 2025 (As of Dec. 31, 2025)	Change	Percentage change (%)	Remarks
(Assets)					
Cash and deposits	887	884	(3)	99.6	
Notes and accounts receivable	16,733	19,727	2,994	117.9	Increase in sales and decrease in receivables transfer
Inventories	8,264	8,422	157	101.9	
Other current assets	302	457	154	150.9	
Allowance for doubtful accounts	(13)	(17)	(4)	—	
Total current assets	26,175	29,473	3,298	112.6	
Buildings	8,029	7,660	(368)	95.4	
Land	9,546	9,518	(28)	99.7	
Other tangible fixed assets	6,882	6,854	(27)	99.6	
Total tangible fixed assets	24,458	24,033	(424)	98.3	
Intangible fixed assets	429	314	(114)	73.4	
Investment securities	3,654	4,361	706	119.3	Appreciation of market value
Long-term prepaid expenses	200	437	236	217.9	Increase in system-related costs
Deferred tax assets	590	467	(122)	79.3	
Other investments and other assets	235	166	(68)	70.7	
Allowance for doubtful accounts	(5)	(19)	(14)	—	
Total investments and other assets	4,675	5,413	737	115.8	
Total fixed assets	29,563	29,762	198	100.7	
Total assets	55,739	59,235	3,496	106.3	

(Millions of yen)

	Fiscal year 2024 (As of Dec. 31, 2024)	Fiscal year 2025 (As of Dec. 31, 2025)	Change	Percentage change (%)	Remarks
(Liabilities)					
Notes and accounts payable	6,833	7,387	553	108.1	
Short-term debt	1,850	1,950	100	105.4	
Other payables	4,753	5,247	493	110.4	
Accrued liquor tax	8,249	8,774	524	106.4	
Other current liabilities	3,210	3,217	7	100.2	
Total current liabilities	24,897	26,577	1,679	106.7	
Long-term debt	1,200	600	(600)	50.0	
Other long-term liabilities	5,163	5,082	(80)	98.4	
Total long-term liabilities	6,363	5,682	(680)	89.3	
Total liabilities	31,260	32,259	999	103.2	
(Net assets)					
Share capital	6,946	6,946	—	100.0	
Capital surplus	5,637	5,640	3	100.1	
Retained earnings	12,230	14,755	2,524	120.6	
Treasury stock	(2,414)	(2,836)	(422)	—	
Total shareholders' equity	22,399	24,505	2,105	109.4	
Valuation difference on available-for-sale securities	1,236	1,685	448	136.2	
Deferred gains on hedges	104	113	9	109.3	
Remeasurements of defined benefit plans	(102)	(121)	(18)	—	
Cumulative other comprehensive income	1,238	1,677	439	135.5	
Non-controlling interests	840	793	(47)	94.3	
Total net assets	24,478	26,976	2,497	110.2	
Total liabilities and net assets	55,739	59,235	3,496	106.3	

Equity ratio (%)	42.4	44.2	1.8	
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## 6. Consolidated Performance Forecast for FY2026

(Millions of yen)

	Fiscal year 2025 (Jan. 1, 2025–Dec. 31, 2025)	Fiscal year 2026 (Jan. 1, 2026–Dec. 31, 2026)	Change	Percentage change (%)
Alcoholic beverages	81,570	82,561	991	101.2
Enzymes and pharmaceuticals	4,644	5,013	368	107.9
Real estate and others	1,415	1,424	9	100.7
Net sales	87,630	89,000	1,369	101.6
Cost of sales	72,168	73,228	1,059	101.5
Gross profit	15,462	15,771	309	102.0
Selling, general and administrative expenses	11,325	11,821	495	104.4
Alcoholic beverages	2,555	2,300	(255)	90.0
Enzymes and pharmaceuticals	807	870	62	107.7
Real estate and others	773	780	6	100.9
Operating income	4,136	3,950	(186)	95.5
Nonoperating income (expenses)	154	50	(104)	32.3
Ordinary income	4,291	4,000	(291)	93.2
Extraordinary income (loss)	(156)	(100)	56	—
Income before income taxes	4,134	3,900	(234)	94.3
Income, residential and enterprise taxes	1,067	994	(72)	93.2
Profit	3,066	2,905	(161)	94.7
Profit (loss) attributable to non-controlling interests	(35)	5	40	—
Profit attributable to owners of the parent	3,102	2,900	(202)	93.5

7. Sales Forecast for FY2026

(Millions of yen)

	Fiscal year 2025 (Jan. 1, 2025–Dec. 31, 2025)	Fiscal year 2026 (Jan. 1, 2026–Dec. 31, 2026)	Change	Percentage change (%)
<i>Shochu</i>	36,352	36,496	143	100.4
( <i>Kou</i> -type <i>shochu</i> )	12,173	12,070	(103)	99.2
( <i>Otsu</i> -type <i>shochu</i> )	24,179	24,426	246	101.0
<i>Chu-hi</i> (RTD)	19,677	20,205	527	102.7
<i>Sake</i>	3,584	3,595	10	100.3
<i>Sake</i> compounds	1,844	1,831	(13)	99.3
Brewing and industrial alcohol for sale	13,553	13,630	76	100.6
<i>Mirin</i> (rice cooking wine)	379	354	(25)	93.3
Wine and spirits	5,392	5,604	212	103.9
Others	786	844	58	107.5
Total of alcoholic beverages	81,570	82,561	991	101.2
Enzymes and pharmaceuticals	4,644	5,013	368	107.9
Real estate	1,322	1,331	8	100.6
Others	92	93	0	101.0
<b>Total</b>	<b>87,630</b>	<b>89,000</b>	<b>1,369</b>	<b>101.6</b>