

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

October 5, 2026

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

Company name: Kasumigaseki Capital Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 3498
URL: <https://kasumigaseki.co.jp/en/>
Representative: Koshiro Komoto, President & CEO
Inquiries: Kazunari Hirose, Director, Deputy President & CFO
Telephone: +81-3-5510-7653
Scheduled date of annual general meeting of shareholders: November 26, 2026
Scheduled date to commence dividend payments: November 27, 2026
Scheduled date to file annual securities report: November 25, 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 August 31, 2026 (from September 1, 2025 to August 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
August 31, 2026	163,756	69.7	27,866	47.2	25,896	51.1	16,692	62.9
August 31, 2025	96,501	46.9	18,933	121.8	17,134	118.0	10,250	104.2

Note: Comprehensive income For the fiscal year ended August 31, 2026: ¥17,635 million [52.1%]
For the fiscal year ended August 31, 2025: ¥11,594 million [111.8%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
August 31, 2026	709.49	701.26	27.2	15.1	17.0
August 31, 2025	520.37	512.32	32.5	17.2	19.6

Reference: Share of profit (loss) of entities accounted for using equity method
For the fiscal year ended August 31, 2026: ¥— million
For the fiscal year ended August 31, 2025: ¥— million

Note: The Company conducted a 2-for-1 share split of its common shares on September 1, 2025. “Basic earnings per share” and “Diluted earnings per share” are calculated on the assumption that the share split was conducted at the beginning of the fiscal year ended August 31, 2025.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
August 31, 2026	222,132	87,836	39.1	3,531.57
August 31, 2025	121,688	38,193	29.7	1,830.18

Reference: Equity

As of August 31, 2026: ¥86,765 million

As of August 31, 2025: ¥36,171 million

Note: The Company conducted a 2-for-1 share split of its common shares on September 1, 2025. “Net assets per share” is calculated on the assumption that the share split was conducted at the beginning of the fiscal year ended August 31, 2025.

(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	Millions of yen	Millions of yen	Millions of yen	Millions of yen
August 31, 2026	(16,765)	(31,478)	65,336	41,787
August 31, 2025	6,893	(18,557)	24,698	24,012

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended August 31, 2025	—	0.00	—	240.00	240.00	2,371	23.1	7.5
Fiscal year ended August 31, 2026	—	0.00	—	165.00	165.00	4,053	24.3	6.2
Fiscal year ending August 31, 2027 (Forecast)	—	0.00	—	200.00	200.00		20.5	

Note: The Company conducted a 2-for-1 share split of its common shares on September 1, 2025. The amounts shown for the dividends for the fiscal year ended August 31, 2025 are the dividend amounts based on the number of shares before the share split.

3. Consolidated earnings forecasts for the fiscal year ending August 31, 2027 (from September 1, 2026 to August 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending August 31, 2027	220,000	34.3	41,000	47.1	36,000	39.0	24,000	43.8	976.85

Note: As the Group manages business performance on an annual basis, only full year results are disclosed.

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of August 31, 2026	24,618,929 shares
As of August 31, 2025	19,811,258 shares

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

As of August 31, 2026	50,364 shares
As of August 31, 2025	47,482 shares

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

Fiscal year ended August 31, 2026	23,527,786 shares
Fiscal year ended August 31, 2025	19,697,880 shares

Note: The Company conducted a 2-for-1 share split of its common shares on September 1, 2025. Total number of issued shares (common shares) is calculated on the assumption that the share split was conducted at the beginning of the fiscal year ended August 31, 2025.

[Reference] Overview of non-consolidated financial results

Non-consolidated financial results for the fiscal year ended August 31, 2026 (from September 1, 2025 to August 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
August 31, 2026	83,082	42.1	12,752	86.5	13,739	127.2	7,271	108.2
August 31, 2025	58,474	39.1	6,837	76.4	6,047	50.3	3,491	0.1

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
August 31, 2026	309.05	305.46
August 31, 2025	177.27	174.53

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
August 31, 2026	181,147	67,358	36.9	2,722.56
August 31, 2025	95,426	27,272	28.1	1,357.56

Reference: Equity

As of August 31, 2026: ¥66,889 million
As of August 31, 2025: ¥26,830 million

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

* Proper use of earnings forecasts, and other special matters

Caution concerning forward-looking statements

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company as of the announcement date and on certain assumptions deemed to be reasonable by the Company. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual business and other results may differ substantially due to various factors.

Attached Material

Index

1. Overview of operating results and others	2
(1) Overview of operating results for the fiscal year under review.....	2
(2) Overview of financial position for the fiscal year under review	3
(3) Overview of cash flows for the fiscal year under review	4
(4) Future outlook	4
2. Basic policy regarding selection of accounting standards	5
3. Consolidated financial statements and significant notes.....	6
(1) Consolidated balance sheet	6
(2) Consolidated statement of income and consolidated statement of comprehensive income	8
Consolidated statement of income.....	8
Consolidated statement of comprehensive income	9
(3) Consolidated statement of changes in equity	10
(4) Consolidated statement of cash flows	12
(5) Notes to consolidated financial statements.....	14
Notes on premise of going concern	14
Additional information	14
Notes on segment information, etc.	14
Notes on per share information	15
Notes on significant subsequent events	16

1. Overview of operating results and others

(1) Overview of operating results for the fiscal year under review

During the fiscal year ended August 31, 2026, the Japanese economy has been on the path to a gradual recovery, against the backdrop of the expansion of inbound demand driven by the weaker yen and improvements in the employment and income environments due to wage rises, with signs of moves towards passing through increases in personnel expenses and raw materials costs to prices. On the other hand, the economic outlook remains uncertain due to the impact of the situation in the Middle East and trends in domestic and international financial conditions.

In the real estate market, the primary business domain of the Group, despite concerns about further rising interest rates, market conditions remain firm against the backdrop of strong investment demand from domestic and foreign investors.

In the hotel business, the Group is engaged in developing hotels for group stays where there is a supply-demand gap, with the aim of making Japan a top tourism destination and contributing to regional revitalization. We are expanding hotel brands, including “fav,” “FAV LUX,” “edit x seven,” “seven x seven,” and culture business hotel “BASE LAYER HOTEL,” nationwide. These hotels are characterized by a revenue structure that can generate profits even with low occupancy rates by minimizing services and improving the efficiency of operations. Anticipating further increases in inbound demand and diversification of needs, we are working on developing facilities with added value while promoting brand diversification. During the current fiscal year, we have been making progress including the opening of five locations, namely “edit x seven Fuji Gotemba,” “edit x seven Setouchi Shodoshima,” “HOTEL FORK & KNIFE Miyajima,” “BASE LAYER HOTEL FUKUOKA” and “FAV LUX Miyazaki,” along with the acquisition of 16 development sites and three existing hotels, the transition of 12 projects to the development phase, the sale of three sites including plots of land for renovation projects, and the transition of one project to the management phase. In July 2026, UMITO Co., Ltd. became an equity-method associate and collaboration began. In August of the same year, we acquired shares of Wakayama Marina City Co., Ltd. and embarked on mixed-use development, including hotels, thereby growing our business in multiple dimensions.

In the infrastructure business, the Group is primarily engaged in the development of rental-type frozen & chilled warehouses. We view “the 2024 problem,” fluorocarbon regulations, and the market environment with its increasing demand for frozen goods as opportunities. By expanding our development areas and actively advancing the development of automated warehouses as further added value, we are contributing not only to improvements in efficiency and profitability but also to addressing social issues in the logistics industry, such as labor shortages and improvements in working conditions. During the current fiscal year, we undertook the acquisition of six development sites, acquired one existing logistics facility to enhance asset value through value-enhancement strategies, transitioned seven projects to the development phase, and commenced three new construction projects, as well as completed three projects, namely “LOGI FLAG TECH Nagoya Minato I,” “LOGI FLAG TECH Higashi Ogishima I,” and “LOGI FLAG COLD Narashino I.” Additionally, we have established a value-add fund incorporating three existing logistics facilities and a value-add project incorporating one existing logistics facility. In addition, we have embarked on the development of our first automated dry warehouse and data center, making steady progress in our business operations.

In the overseas business, the Group has been expanding in the United States, Malaysia, and the United Arab Emirates (Dubai).

In the United States, we are leveraging the strengths we have developed in our domestic hotel business, such as operational expertise, high-design space planning, and value creation through collaboration with diverse content partners, to develop hotels and residences. During the current fiscal year, we acquired a development site in downtown Miami for a mixed-use development project primarily focused on hotels and residences, and during the same fiscal year, we sold it to a fund invested by domestic investors. We have also embarked on hotel development in Las Vegas and condominium development in Dallas.

In Malaysia, where economic expansion and population growth continue, we are leveraging our expertise in frozen & chilled warehouses and automated frozen warehouses gained from our domestic logistics business to develop automated frozen warehouses in this key hub connecting ASEAN. During

the current fiscal year, we acquired one development site and commenced our first logistics project in Malaysia.

In Dubai, the Group participated in the real estate market. Through the acquisitions and sales of residential properties, we have been creating opportunities to generate capital gains as well as cultivating our knowhow, network, and track record with the goal of creating an environment enabling Japanese investors to invest in Dubai. During the current fiscal year, similar to the business model in Japan, we made a full-scale entry into the self-driven development business in September 2025, and launched a real estate development business with our joint partners. Moreover, despite the escalating tensions in the Middle East, we have proceeded with the sale of two development sites.

Going forward, we will aim for further growth of the Company, while also considering expansion into other countries.

In the healthcare business, the Group sees potential in hospice housing, which can meet the two needs of a “sense of security provided by hospitals” and the “comfort of home” that many people in Japan, which is a super aging society, tend to desire in the final stages of life. As such, the Group is focusing on the development of hospice housing among healthcare facilities. We consistently manage operations while differentiating from existing services through “prime locations near railway stations,” “space designs that provide comfort,” and “highly functional facility planning capacity” that utilizes the know-how we have developed through hotel development. During the current fiscal year, we have been steadily expanding our business operations, including the opening of seven locations, namely “CLASWELL Shirokanedai,” “CLASWELL Fuchu Nakagawara,” “CLASWELL Omiya,” “CLASWELL Toyonaka Kitasakurazuka,” “CLASWELL Kitaurawa,” “CLASWELL Suita,” and “CLASWELL Fukuoka Hirao.”

As a result, net sales were ¥163,756 million (up 69.7% year on year), operating profit was ¥27,866 million (up 47.2% year on year), ordinary profit was ¥25,896 million (up 51.1% year on year), and profit attributable to owners of parent was ¥16,692 million (up 62.9% year on year) for the fiscal year under review.

Information by segment is omitted because the Group has only one segment, namely the real estate consulting business.

(2) Overview of financial position for the fiscal year under review

Assets

Total assets as of August 31, 2026 increased by ¥100,444 million from the end of the previous fiscal year to ¥222,132 million.

Current assets increased by ¥58,158 million from the end of the previous fiscal year to ¥145,498 million. This was mainly attributable to increases of ¥17,774 million in cash and deposits and ¥28,507 million in real estate for sale.

Non-current assets increased by ¥42,209 million from the end of the previous fiscal year to ¥76,450 million. This was mainly attributable to an increase of ¥33,197 million in property, plant and equipment mainly due to increases in buildings and structures.

Liabilities

Total liabilities as of August 31, 2026 increased by ¥50,801 million from the end of the previous fiscal year to ¥134,295 million.

Current liabilities increased by ¥21,572 million from the end of the previous fiscal year to ¥61,578 million. This was mainly attributable to an increase of ¥20,200 million in current portion of long-term borrowings.

Non-current liabilities increased by ¥29,228 million from the end of the previous fiscal year to ¥72,716 million. This was mainly attributable to an increase of ¥20,811 million in long-term borrowings.

Net assets

Total net assets as of August 31, 2026 increased by ¥49,642 million from the end of the previous fiscal year to ¥87,836 million. This was mainly attributable to increases of ¥17,634 million in share capital, ¥17,715 million in capital surplus, and ¥14,321 million in retained earnings.

(3) Overview of cash flows for the fiscal year under review

Cash and cash equivalents as of August 31, 2026 increased by ¥17,774 million from the end of the previous fiscal year to ¥41,787 million.

Cash flow positions for the fiscal year ended August 31, 2026 and the factors thereof are as follows.

Cash flows from operating activities

Net cash used in operating activities was ¥16,765 million for the fiscal year ended August 31, 2026, compared with net cash provided by operating activities of ¥6,893 million in the previous fiscal year. This mainly reflected factors such as gain on investments in silent partnerships of ¥6,195 million, increases of ¥26,340 million in inventories, ¥5,728 million in advance prepayments, and income taxes paid of ¥8,710 million, despite recording profit before income taxes of ¥25,709 million.

Cash flows from investing activities

Net cash used in investing activities was ¥31,478 million for the fiscal year ended August 31, 2026, compared with net cash used in investing activities of ¥18,557 million in the previous fiscal year. This mainly reflected factors such as purchase of property, plant and equipment of ¥12,181 million and loan advances of ¥11,205 million.

Cash flows from financing activities

Net cash provided by financing activities was ¥65,336 million for the fiscal year ended August 31, 2026, compared with net cash provided by financing activities of ¥24,698 million in the previous fiscal year. This mainly reflected factors such as proceeds from long-term borrowings of ¥65,899 million.

(4) Future outlook

In preparing our future outlook, we have set the further recovery of economic activities as the basic scenario. On the other hand, as geopolitical problems, high raw material costs associated with the weak yen, rising interest rates, and other such risks are concentrated, we have made a forecast for construction period and costs from a conservative stance that takes downside risk into account.

Regarding the domestic business environment, in the hotel market, domestic travel needs are firm and demand from inbound tourism are assumed to expand further due to the depreciation of the yen. In the logistics market, demand for frozen & chilled warehouses, the Company's main business domain, is high, and these trends are expected to continue over the medium term. Additionally, it is assumed that initiatives for automated warehouses will be effective as measures for labor shortages and "the 2024 problem." In the healthcare market, demand is expected to continue increasing not only over the short to medium term but also the long term due to demographic changes and the difficulty of home nursing.

We recognize the markets in each country where we operate our overseas business as follows.

In the U.S. market, the hotel sector is experiencing steady domestic travel demand, which constitutes the majority of travel needs, while new hotel supply remains at a low level relative to tourism demand. Additionally, due to differences in states such as tax systems, there is ongoing relocation of businesses and populations. We believe that the residential market will continue to perform steadily in the areas where we operate.

In the Malaysian market, in addition to population growth, we anticipate a steady expansion in demand for frozen foods and frozen & chilled warehouses driven by the growth of domestic demand accompanied by the expansion of the middle-income class.

In the Dubai market, although there are geopolitical risks associated with the situation in the Middle East, we perceive that the real estate market will remain stable over the medium to long term.

Accordingly, with regard to the consolidated earnings forecasts for the fiscal year ending August 31, 2027, the Group is forecasting net sales of ¥220,000 million (up 34.3% year on year), operating profit of ¥41,000 million (up 47.1% year on year), ordinary profit of ¥36,000 million (up 39.0% year on year), and profit attributable to owners of parent of ¥24,000 million (up 43.8% year on year). While it is very difficult to forecast geopolitical risks, fluctuations in financial and capital markets, etc. and the Company's business results may be impacted depending on their timing and details, if any matters that require disclosure arise going forward, they will be announced promptly.

The above earnings forecasts are formulated based on information available as of the date of publication of this document. Actual business and other results may differ from forecast figures due to various factors.

2. Basic policy regarding selection of accounting standards

The Group has applied Japanese GAAP in preparing its financial statements considering that they will be used in the calculation of distributable amount under the Companies Act and calculation of taxable profit under the Corporation Tax Act and taking into account the comparability of consolidated financial statements between companies.

3. Consolidated financial statements and significant notes

(1) Consolidated balance sheet

(Millions of yen)

	As of August 31, 2025	As of August 31, 2026
Assets		
Current assets		
Cash and deposits	24,016	41,791
Accounts receivable - trade	1,417	4,095
Contract assets	844	674
Costs on development business and other	16,940	6,325
Real estate for sale	36,381	64,888
Advance payments	3,199	5,189
Other	4,566	22,574
Allowance for doubtful accounts	(26)	(41)
Total current assets	87,339	145,498
Non-current assets		
Property, plant and equipment		
Buildings and structures	7,111	31,224
Accumulated depreciation	(745)	(2,952)
Buildings and structures, net	6,365	28,271
Machinery, equipment and vehicles	2,451	3,151
Accumulated depreciation	(760)	(1,298)
Machinery, equipment and vehicles, net	1,690	1,852
Tools, furniture and fixtures	1,287	2,303
Accumulated depreciation	(304)	(739)
Tools, furniture and fixtures, net	983	1,564
Land	607	6,630
Leased assets	3,328	3,325
Accumulated depreciation	(425)	(524)
Leased assets, net	2,902	2,801
Construction in progress	363	4,992
Total property, plant and equipment	12,914	46,112
Intangible assets	798	1,925
Investments and other assets		
Investment securities	10,658	16,151
Deferred tax assets	1,430	1,618
Other	8,439	10,642
Total investments and other assets	20,528	28,412
Total non-current assets	34,241	76,450
Deferred assets		
Bond issuance costs	106	182
Total deferred assets	106	182
Total assets	121,688	222,132

Kasumigaseki Capital Co., Ltd. (3498)
Consolidated Financial Results for the Fiscal Year Ended August 31, 2026

(Millions of yen)

	As of August 31, 2025	As of August 31, 2026
Liabilities		
Current liabilities		
Short-term borrowings	13,612	8,059
Current portion of bonds payable	292	1,823
Current portion of long-term borrowings	13,594	33,795
Lease liabilities	132	97
Accounts payable - other	3,159	5,850
Income taxes payable	5,663	6,521
Provision for bonuses	518	900
Provision for shareholder benefit program	145	260
Other	2,885	4,270
Total current liabilities	40,005	61,578
Non-current liabilities		
Bonds payable	392	2,554
Convertible-bond-type bonds with share acquisition rights	22,000	22,000
Long-term borrowings	16,193	37,005
Lease liabilities	2,653	2,627
Deferred tax liabilities	436	4,065
Asset retirement obligations	450	707
Other	1,361	3,756
Total non-current liabilities	43,488	72,716
Total liabilities	83,494	134,295
Net assets		
Shareholders' equity		
Share capital	9,523	27,158
Capital surplus	9,478	27,193
Retained earnings	17,251	31,572
Treasury shares	(42)	(43)
Total shareholders' equity	36,210	85,881
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	106	(3)
Foreign currency translation adjustment	(145)	888
Total accumulated other comprehensive income	(39)	884
Share acquisition rights	442	468
Non-controlling interests	1,580	602
Total net assets	38,193	87,836
Total liabilities and net assets	121,688	222,132

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

Consolidated statement of income

(Millions of yen)

	Fiscal year ended August 31, 2025	Fiscal year ended August 31, 2026
Net sales	96,501	163,756
Cost of sales	60,065	109,572
Gross profit	36,436	54,183
Selling, general and administrative expenses	17,502	26,317
Operating profit	18,933	27,866
Non-operating income		
Interest income	150	417
Dividend income	0	10
Foreign exchange gains	–	1,061
Other	87	203
Total non-operating income	237	1,693
Non-operating expenses		
Interest expenses	1,314	2,722
Arrangement fees	40	18
Foreign exchange losses	167	–
Commission expenses	433	825
Other	81	96
Total non-operating expenses	2,036	3,663
Ordinary profit	17,134	25,896
Extraordinary income		
Gain on sale of non-current assets	6	15
Gain on bargain purchase	72	1,478
Gain on reversal of provision for contingent loss	16	–
Total extraordinary income	94	1,494
Extraordinary losses		
Loss on sale and retirement of non-current assets	33	138
Loss on subsidy repayment	20	–
Loss on disaster	15	–
Impairment losses	–	811
Loss on sale of investment securities	–	44
Loss on valuation of investment securities	–	19
Bad debts expenses	–	668
Total extraordinary losses	69	1,682
Profit before income taxes	17,159	25,709
Income taxes - current	7,503	8,917
Income taxes - deferred	(1,702)	79
Total income taxes	5,800	8,997
Profit	11,359	16,712
Profit attributable to non-controlling interests	1,109	19
Profit attributable to owners of parent	10,250	16,692

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended August 31, 2025	Fiscal year ended August 31, 2026
Profit	11,359	16,712
Other comprehensive income		
Valuation difference on available-for-sale securities	106	(109)
Foreign currency translation adjustment	128	1,033
Total other comprehensive income	234	923
Comprehensive income	11,594	17,635
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,484	17,616
Comprehensive income attributable to non-controlling interests	1,109	19

(3) Consolidated statement of changes in equity

Fiscal year ended August 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,287	9,206	8,673	(42)	27,125
Changes during period					
Issuance of new shares	236	236			472
Dividends of surplus			(1,672)		(1,672)
Profit attributable to owners of parent			10,250		10,250
Purchase of treasury shares				(0)	(0)
Change in ownership interest of parent due to transactions with non-controlling interests		36			36
Net changes in items other than shareholders' equity					
Total changes during period	236	272	8,577	(0)	9,085
Balance at end of period	9,523	9,478	17,251	(42)	36,210

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	—	(274)	(274)	180	708	27,739
Changes during period						
Issuance of new shares						472
Dividends of surplus						(1,672)
Profit attributable to owners of parent						10,250
Purchase of treasury shares						(0)
Change in ownership interest of parent due to transactions with non-controlling interests						36
Net changes in items other than shareholders' equity	106	128	234	262	872	1,369
Total changes during period	106	128	234	262	872	10,454
Balance at end of period	106	(145)	(39)	442	1,580	38,193

Kasumigaseki Capital Co., Ltd. (3498)
Consolidated Financial Results for the Fiscal Year Ended August 31, 2026

Fiscal year ended August 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,523	9,478	17,251	(42)	36,210
Changes during period					
Issuance of new shares	17,634	17,634			35,269
Dividends of surplus			(2,371)		(2,371)
Profit attributable to owners of parent			16,692		16,692
Purchase of treasury shares				(0)	(0)
Change in ownership interest of parent due to transactions with non-controlling interests		80			80
Net changes in items other than shareholders' equity					
Total changes during period	17,634	17,715	14,321	(0)	49,670
Balance at end of period	27,158	27,193	31,572	(43)	85,881

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	106	(145)	(39)	442	1,580	38,193
Changes during period						
Issuance of new shares						35,269
Dividends of surplus						(2,371)
Profit attributable to owners of parent						16,692
Purchase of treasury shares						(0)
Change in ownership interest of parent due to transactions with non-controlling interests						80
Net changes in items other than shareholders' equity	(109)	1,033	924	26	(977)	(27)
Total changes during period	(109)	1,033	924	26	(977)	49,642
Balance at end of period	(3)	888	884	468	602	87,836

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended August 31, 2025	Fiscal year ended August 31, 2026
Cash flows from operating activities		
Profit before income taxes	17,159	25,709
Depreciation	979	1,960
Amortization of goodwill	58	152
Share-based payment expenses	557	455
Increase (decrease) in allowance for doubtful accounts	9	13
Increase (decrease) in provision for bonuses	139	382
Increase (decrease) in provision for shareholder benefit program	38	115
Increase (decrease) in provision for contingent loss	(115)	–
Loss (gain) on investments in silent partnerships	(8,243)	(6,195)
Interest income	(150)	(417)
Interest expenses	1,314	2,722
Arrangement fees	40	18
Commission expenses	433	825
Foreign exchange losses (gains)	167	(1,061)
Loss (gain) on sale and retirement of non-current assets	27	122
Gain on bargain purchase	(72)	(1,478)
Loss (gain) on sale of investment securities	–	44
Loss (gain) on valuation of investment securities	–	19
Impairment losses	–	811
Bad debt expenses	–	668
Amortization of bond issuance costs	23	45
Decrease (increase) in trade receivables	(196)	(2,512)
Decrease (increase) in contract assets	(337)	170
Decrease (increase) in inventories	(2,641)	(26,340)
Decrease (increase) in advance prepayments	(5,266)	(5,728)
Decrease (increase) in deposits paid	7	2
Decrease (increase) in advances paid	429	(4,826)
Increase (decrease) in deposits received	486	103
Increase (decrease) in accounts payable - other	1,301	1,386
Increase (decrease) in long-term accounts payable - other	669	1,699
Distributions of profit or loss on silent partnerships	6,113	5,637
Other, net	(784)	445
Subtotal	12,149	(5,049)
Interest received	26	117
Interest paid	(1,151)	(3,123)
Income taxes paid	(4,131)	(8,710)
Net cash provided by (used in) operating activities	6,893	(16,765)

Kasumigaseki Capital Co., Ltd. (3498)
Consolidated Financial Results for the Fiscal Year Ended August 31, 2026

(Millions of yen)

	Fiscal year ended August 31, 2025	Fiscal year ended August 31, 2026
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,497)	(12,181)
Proceeds from sale of property, plant and equipment	511	967
Purchase of intangible assets	(151)	(343)
Purchase of investment securities	(5,526)	(3,780)
Proceeds from sale of investment securities	9	1,724
Proceeds from withdrawal of investments in silent partnerships	307	1,971
Purchase of shares of subsidiaries and associates	–	(5,699)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(644)	(5,934)
Payments of leasehold and guarantee deposits	(1,299)	(1,288)
Proceeds from refund of leasehold and guarantee deposits	125	233
Loan advances	(5,457)	(11,205)
Proceeds from collection of loans receivable	84	4,089
Other, net	(17)	(29)
Net cash provided by (used in) investing activities	(18,557)	(31,478)
Cash flows from financing activities		
Proceeds from issuance of bonds	589	3,784
Redemption of bonds	(196)	(292)
Proceeds from issuance of convertible-bond-type bonds with share acquisition rights	21,888	–
Net increase (decrease) in short-term borrowings	2,832	(5,553)
Proceeds from long-term borrowings	23,787	65,899
Repayments of long-term borrowings	(24,713)	(29,058)
Proceeds from exercise of employee share options	71	127
Repayments of lease liabilities	(88)	(61)
Proceeds from sale and leaseback transactions	2,763	–
Proceeds from issuance of shares	–	34,700
Dividends paid	(1,671)	(2,372)
Dividends paid to non-controlling interests	(170)	(1,020)
Payments of arrangement fees	(5)	(4)
Payments of commission expenses	(389)	(790)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	–	(21)
Net cash provided by (used in) financing activities	24,698	65,336
Effect of exchange rate change on cash and cash equivalents	(78)	682
Net increase (decrease) in cash and cash equivalents	12,955	17,774
Cash and cash equivalents at beginning of period	11,056	24,012
Cash and cash equivalents at end of period	24,012	41,787

(5) Notes to consolidated financial statements

Notes on premise of going concern

Not applicable.

Additional information

Change in the purpose of holding assets

Following a decision in the current fiscal year to change the purpose of holding for real estate in Dubai held by the Group, the ¥12,961 million for costs on development business and other has been transferred to property, plant and equipment.

Notes on segment information, etc.

Segment information

I Fiscal year ended August 31, 2025

Segment information is omitted because the Group has only one segment, real estate consulting business.

II Fiscal year ended August 31, 2026

Segment information is omitted because the Group has only one segment, real estate consulting business.

Notes on per share information

(Yen)

	Fiscal year ended August 31, 2025	Fiscal year ended August 31, 2026
Net assets per share	1,830.18	3,531.57
Basic earnings per share	520.37	709.49
Diluted earnings per share	512.32	701.26

(Notes) 1. The Company conducted a 2-for-1 share split of its common shares on September 1, 2025. “Net assets per share,” “Basic earnings per share” and “Diluted earnings per share” are calculated on the assumption that the share split was conducted at the beginning of the fiscal year ended August 31, 2025.

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

	As of August 31, 2025	As of August 31, 2026
Total net assets (Million yen)	38,193	87,836
Amounts deducted from total net assets (Million yen)	2,022	1,071
[Of which, share acquisition rights]	[442]	[468]
[Of which, non-controlling interests]	[1,580]	[602]
Net assets related to common shares at the end of the period (Million yen)	36,171	86,765
Number of common shares at the end of the period used to calculate net assets per share (Shares)	19,763,776	24,568,565

3. The basis for calculation of basic earnings per share and diluted earnings per share is as follows:

	Fiscal year ended August 31, 2025	Fiscal year ended August 31, 2026
Basic earnings per share		
Profit attributable to owners of parent (Million yen)	10,250	16,692
Amounts not attributable to common shareholders (Million yen)	—	—
Profit attributable to owners of parent related to common shares (Million yen)	10,250	16,692
Average number of common shares outstanding during the period (Shares)	19,697,880	23,527,786
Diluted earnings per share		
Adjustments to profit attributable to owners of parent (Million yen)	—	—
Increase in the number of common shares (Shares)	309,340	276,288
[Of which, share acquisition rights] (Shares)	[309,340]	[276,288]
Overview of potential shares not included in the calculation of diluted earnings per share because of having no dilutive effect	Two types of share acquisition rights Number of share acquisition rights: 236,867 units (Common shares: 473,734 shares)	Two types of share acquisition rights Number of share acquisition rights: 236,625 units (Common shares: 473,250 shares)

Notes on significant subsequent events

Not applicable.