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February 13, 2026

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



Company name: Daiki Axis Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 4245
URL: <https://www.daiki-axis.com>
Representative: Hiroki Ogame, President and CEO
Inquiries: Kazuhiro Honda, Executive Managing Director
Telephone: +81-89(927)2222
Scheduled date of annual general meeting of shareholders: March 27, 2026
Scheduled date to commence dividend payments: March 30, 2026
Scheduled date to file annual securities report: March 26, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

(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 profit | | Ordinary profit | | Profit attributable to owners of parent | |
|-------------------|-----------------|-----|------------------|------|-----------------|------|---|------|
| Fiscal year ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| December 31, 2025 | 48,321 | 3.2 | 1,272 | 21.3 | 1,301 | 14.0 | 461 | 31.1 |
| December 31, 2024 | 46,818 | 9.7 | 1,048 | 58.8 | 1,141 | 36.4 | 352 | 71.5 |

Note: Comprehensive income For the fiscal year ended December 31, 2025: ¥ 496 million [38.5%]
For the fiscal year ended December 31, 2024: ¥ 358 million [(0.5) %]

| | Basic earnings per share | Diluted earnings per share | Rate of return on equity | Ordinary profit to total assets ratio | Operating profit to net sales ratio |
|-------------------|--------------------------|----------------------------|--------------------------|---------------------------------------|-------------------------------------|
| Fiscal year ended | Yen | Yen | % | % | % |
| December 31, 2025 | 34.81 | - | 4.8 | 3.5 | 2.6 |
| December 31, 2024 | 26.48 | - | 3.7 | 3.2 | 2.2 |

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended December 31, 2025: ¥ (4) million
For the fiscal year ended December 31, 2024: ¥ (4) million

(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 |
| December 31, 2025 | 38,046 | 9,638 | 25.3 | 726.35 |
| December 31, 2024 | 36,849 | 9,457 | 25.7 | 714.05 |

Reference: Equity

As of December 31, 2025: ¥ 9,637 million
As of December 31, 2024: ¥ 9,456 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 | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| December 31, 2025 | 1,849 | (2,921) | 608 | 7,569 |
| December 31, 2024 | 3,197 | (2,042) | 157 | 7,998 |

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 December 31, 2024 | - | 12.00 | - | 12.00 | 24.00 | 328 | 90.6 | 3.4 |
| Fiscal year ended December 31, 2025 | - | 12.00 | - | 12.00 | 24.00 | 328 | 68.9 | 3.3 |
| Fiscal year ending December 31, 2026 (Forecast) | - | 12.00 | - | 12.00 | 24.00 | | 59.0 | |

3. Consolidated financial result forecasts 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 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 |
| Full year | 50,000 | 3.5 | 1,450 | 14.0 | 1,350 | 3.7 | 540 | 17.0 | 40.70 |

* 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 December 31, 2025 | 13,672,100 shares |
| As of December 31, 2024 | 13,672,100 shares |

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

| | |
|-------------------------|----------------|
| As of December 31, 2025 | 403,298 shares |
| As of December 31, 2024 | 428,698 shares |

(iii) Average number of shares outstanding during the period

| | |
|-------------------------------------|-------------------|
| Fiscal Year ended December 31, 2025 | 13,259,505 shares |
| Fiscal Year ended December 31, 2024 | 13,299,960 shares |

[Reference] Overview of non-consolidated financial results

1. 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 profit | | Ordinary profit | | Profit | |
|-------------------|-----------------|-----|------------------|---|-----------------|------|-----------------|------|
| Fiscal year ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| December 31, 2025 | 32,518 | 1.1 | 81 | - | 689 | 38.1 | 502 | 57.8 |
| December 31, 2024 | 32,149 | 6.5 | 6 | - | 499 | 11.6 | 318 | 1.5 |

| | Basic earnings per share | Diluted earnings per share |
|-------------------|--------------------------|----------------------------|
| Fiscal year ended | Yen | Yen |
| December 31, 2025 | 37.89 | - |
| December 31, 2024 | 23.94 | - |

(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 |
| December 31, 2025 | 27,478 | 9,342 | 34.0 | 704.10 |
| December 31, 2024 | 27,731 | 9,162 | 33.0 | 691.86 |

Reference: Equity

As of December 31, 2025: ¥ 9,342 million

As of December 31, 2024: ¥ 9,162 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

These statements are based on information currently available to the Company and certain assumptions that the Company judges to be reasonable and are not intended to be a promise by the Company that they will be achieved. Actual business results may differ significantly due to various factors.

About Financial Results Briefing

The Company plans to hold a financial results presentation in a live streaming on the following dates. The financial results presentation materials to be distributed at the meeting will be posted on the Company's website immediately after the meeting.

For analysts and institutional investors: Friday, February 27, 2026.

Consolidated Financial Statements and Primary Notes

Consolidated Balance Sheet

(Millions of yen)

| | As of December 31, 2024 | As of December 31, 2025 |
|---|-------------------------|-------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 8,213 | 7,919 |
| Notes and accounts receivable - trade | 6,801 | 6,256 |
| Accounts receivable from completed construction contracts and contract assets | 3,470 | 4,007 |
| Merchandise and finished goods | 573 | 599 |
| Work in process | 35 | 33 |
| Costs on construction contracts in progress | 337 | 188 |
| Raw materials and supplies | 409 | 465 |
| Real estate for sale in process | 122 | 82 |
| Other | 776 | 703 |
| Allowance for doubtful accounts | (232) | (240) |
| Total current assets | 20,506 | 20,016 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 1,910 | 1,785 |
| Machinery, equipment and vehicles, net | 5,673 | 6,566 |
| Land | 2,715 | 2,830 |
| Construction in progress | 1,337 | 1,550 |
| Other, net | 188 | 239 |
| Total property, plant and equipment | 11,824 | 12,973 |
| Intangible assets | | |
| Goodwill | 1,109 | 825 |
| Other | 72 | 118 |
| Total intangible assets | 1,181 | 944 |
| Investments and other assets | | |
| Investment securities | 1,347 | 2,131 |
| Deferred tax assets | 554 | 490 |
| Other | 1,687 | 1,590 |
| Allowance for doubtful accounts | (252) | (100) |
| Total investments and other assets | 3,336 | 4,113 |
| Total non-current assets | 16,342 | 18,030 |
| Total assets | 36,849 | 38,046 |

(Millions of yen)

| | As of December 31, 2024 | As of December 31, 2025 |
|--|-------------------------|-------------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 2,653 | 3,072 |
| Accounts payable for construction contracts | 2,727 | 2,696 |
| Short-term borrowings | 10,258 | 10,918 |
| Current portion of bonds payable | 430 | 510 |
| Current portion of long-term borrowings | 743 | 906 |
| Income taxes payable | 692 | 336 |
| Contract liabilities | 655 | 866 |
| Provision for bonuses | 605 | 541 |
| Provision for bonuses for directors (and other officers) | 192 | 92 |
| Provision for warranties for completed construction | 26 | 41 |
| Provision for product warranties | 7 | 5 |
| Provision for loss on construction contracts | 12 | 1 |
| Other | 1,737 | 1,630 |
| Total current liabilities | 20,742 | 21,620 |
| Non-current liabilities | | |
| Bonds payable | 1,965 | 1,430 |
| Long-term borrowings | 3,328 | 3,870 |
| Deferred tax liabilities | 39 | 41 |
| Provision for share awards | 143 | 140 |
| Asset retirement obligations | 477 | 553 |
| Other | 696 | 752 |
| Total non-current liabilities | 6,649 | 6,788 |
| Total liabilities | 27,392 | 28,408 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 2,556 | 2,556 |
| Capital surplus | 2,295 | 2,295 |
| Retained earnings | 4,428 | 4,562 |
| Treasury shares | (331) | (319) |
| Total shareholders' equity | 8,948 | 9,094 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 68 | 76 |
| Foreign currency translation adjustment | 439 | 466 |
| Total accumulated other comprehensive income | 508 | 543 |
| Non-controlling interests | 0 | 0 |
| Total net assets | 9,457 | 9,638 |
| Total liabilities and net assets | 36,849 | 38,046 |

Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

| | For the fiscal year ended December 31, 2024 | For the fiscal year ended December 31, 2025 |
|---|--|--|
| Net sales | 46,818 | 48,321 |
| Cost of sales | 36,601 | 37,608 |
| Gross profit | 10,217 | 10,712 |
| Selling, general and administrative expenses | 9,168 | 9,440 |
| Operating profit | 1,048 | 1,272 |
| Non-operating income | | |
| Interest income | 36 | 35 |
| Dividend income | 7 | 9 |
| Purchase discounts | 134 | 142 |
| Other | 108 | 142 |
| Total non-operating income | 286 | 329 |
| Non-operating expenses | | |
| Interest expenses | 69 | 141 |
| Interest expenses on bonds | 11 | 16 |
| Share of loss of entities accounted for using equity method | 4 | 4 |
| Foreign exchange losses | 47 | 70 |
| Other | 60 | 67 |
| Total non-operating expenses | 193 | 300 |
| Ordinary profit | 1,141 | 1,301 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 37 | 2 |
| Gain on sale of investment securities | 2 | 52 |
| Insurance claim income | 57 | 16 |
| Other | 2 | 0 |
| Total extraordinary income | 101 | 71 |
| Extraordinary losses | | |
| Loss on sale of non-current assets | 1 | 2 |
| Loss on retirement of non-current assets | 3 | 17 |
| Impairment losses | 82 | 145 |
| Business restructuring expenses | 43 | - |
| Other | 20 | 11 |
| Total extraordinary losses | 151 | 177 |
| Profit before income taxes | 1,091 | 1,195 |
| Income taxes - current | 845 | 675 |
| Income taxes - deferred | (105) | 58 |
| Total income taxes | 739 | 734 |
| Profit | 352 | 461 |
| Loss attributable to non-controlling interests | (0) | (0) |
| Profit attributable to owners of parent | 352 | 461 |

Consolidated Statement of Comprehensive Income

(Millions of yen)

| | For the fiscal year ended December 31, 2024 | For the fiscal year ended December 31, 2025 |
|--|--|--|
| Profit | 352 | 461 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 8 | 8 |
| Foreign currency translation adjustment | (4) | 26 |
| Share of other comprehensive income of entities accounted for using equity method | 2 | 0 |
| Total other comprehensive income | 6 | 35 |
| Comprehensive income | 358 | 496 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 358 | 496 |
| Comprehensive income attributable to non-controlling interests | (0) | (0) |

Consolidated Statement of Changes in Equity

For the fiscal year ended December 31, 2024

(Millions of yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 2,556 | 2,295 | 4,445 | (273) | 9,023 |
| Changes during period | | | | | |
| Dividends of surplus | | | (369) | | (369) |
| Profit attributable to owners of parent | | | 352 | | 352 |
| Purchase of treasury shares | | | | (62) | (62) |
| Disposal of treasury shares | | | | 5 | 5 |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | - | - | (16) | (57) | (74) |
| Balance at end of period | 2,556 | 2,295 | 4,428 | (331) | 8,948 |

| | Accumulated other comprehensive income | | | 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 | 59 | 440 | 500 | 0 | 9,524 |
| Changes during period | | | | | |
| Dividends of surplus | | | | | (369) |
| Profit attributable to owners of parent | | | | | 352 |
| Purchase of treasury shares | | | | | (62) |
| Disposal of treasury shares | | | | | 5 |
| Net changes in items other than shareholders' equity | 8 | (0) | 7 | 0 | 8 |
| Total changes during period | 8 | (0) | 7 | 0 | (66) |
| Balance at end of period | 68 | 439 | 508 | 0 | 9,457 |

For the fiscal year ended December 31, 2025

(Millions of yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 2,556 | 2,295 | 4,428 | (331) | 8,948 |
| Changes during period | | | | | |
| Dividends of surplus | | | (328) | | (328) |
| Profit attributable to owners of parent | | | 461 | | 461 |
| Purchase of treasury shares | | | | | - |
| Disposal of treasury shares | | | | 12 | 12 |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | - | - | 133 | 12 | 145 |
| Balance at end of period | 2,556 | 2,295 | 4,562 | (319) | 9,094 |

| | Accumulated other comprehensive income | | | 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 | 68 | 439 | 508 | 0 | 9,457 |
| Changes during period | | | | | |
| Dividends of surplus | | | | | (328) |
| Profit attributable to owners of parent | | | | | 461 |
| Purchase of treasury shares | | | | | - |
| Disposal of treasury shares | | | | | 12 |
| Net changes in items other than shareholders' equity | 8 | 26 | 35 | 0 | 35 |
| Total changes during period | 8 | 26 | 35 | 0 | 181 |
| Balance at end of period | 76 | 466 | 543 | 0 | 9,638 |

Consolidated Statement of Cash Flows

(Millions of yen)

| | For the fiscal year ended December 31, 2024 | For the fiscal year ended December 31, 2025 |
|---|--|--|
| Cash flows from operating activities | | |
| Profit before income taxes | 1,091 | 1,195 |
| Depreciation | 775 | 813 |
| Amortization of goodwill | 312 | 284 |
| Impairment losses | 82 | 145 |
| Increase (decrease) in allowance for doubtful accounts | (11) | (142) |
| Increase (decrease) in provision for bonuses | 261 | (64) |
| Increase (decrease) in provision for bonuses for directors (and other officers) | 158 | (100) |
| Increase (decrease) in provision for product warranties | 1 | (1) |
| Increase (decrease) in provision for warranties for completed construction | (2) | 14 |
| Increase (decrease) in provision for loss on construction contracts | (17) | (11) |
| Increase (decrease) in provision for share awards | (5) | (2) |
| Interest and dividend income | (44) | (44) |
| Interest expenses | 81 | 158 |
| Share of loss (profit) of entities accounted for using equity method | 4 | 4 |
| Loss (gain) on sale of non-current assets | (36) | 0 |
| Loss on retirement of non-current assets | 3 | 17 |
| Loss (gain) on sale of investment securities | (2) | (52) |
| Insurance claim income | (57) | (16) |
| Decrease (increase) in accounts receivable - trade, and contract assets | (600) | (11) |
| Decrease (increase) in inventories | 212 | 25 |
| Increase (decrease) in trade payables | 766 | 394 |
| Increase (decrease) in contract liabilities | 40 | 212 |
| Increase (decrease) in accrued consumption taxes | 215 | (88) |
| Other, net | 260 | 365 |
| Subtotal | 3,489 | 3,095 |
| Interest and dividends received | 52 | 44 |
| Interest paid | (80) | (153) |
| Proceeds from insurance income | 57 | 16 |
| Income taxes paid | (321) | (1,152) |
| Net cash provided by (used in) operating activities | 3,197 | 1,849 |

(Millions of yen)

| | For the fiscal year ended December 31, 2024 | For the fiscal year ended December 31, 2025 |
|---|--|--|
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (1,236) | (1,913) |
| Proceeds from sale of property, plant and equipment | 40 | 22 |
| Purchase of investment securities | (555) | (855) |
| Proceeds from sale of investment securities | 5 | 137 |
| Payments for investments in capital | (214) | (45) |
| Proceeds from sale of investments in capital | - | 131 |
| Payments into time deposits | (157) | (241) |
| Proceeds from withdrawal of time deposits | 226 | 106 |
| Other, net | (150) | (264) |
| Net cash provided by (used in) investing activities | (2,042) | (2,921) |
| Cash flows from financing activities | | |
| Increase (decrease) in short-term borrowings | 1,992 | 660 |
| Proceeds from long-term borrowings | 38 | 1,591 |
| Repayments of long-term borrowings | (939) | (805) |
| Redemption of bonds | (430) | (455) |
| Purchase of treasury shares | (62) | - |
| Dividends paid | (369) | (328) |
| Repayments of lease liabilities | (70) | (54) |
| Net cash provided by (used in) financing activities | 157 | 608 |
| Effect of exchange rate change on cash and cash equivalents | 15 | 34 |
| Net increase (decrease) in cash and cash equivalents | 1,327 | (428) |
| Cash and cash equivalents at beginning of period | 6,670 | 7,998 |
| Cash and cash equivalents at end of period | 7,998 | 7,569 |

Non-consolidated Financial Statements and Primary Notes

Non-consolidated Balance Sheet

(Millions of yen)

| | As of December 31, 2024 | As of December 31, 2025 |
|---|-------------------------|-------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 3,096 | 2,606 |
| Notes receivable - trade | 2,406 | 1,795 |
| Accounts receivable - trade | 2,891 | 3,014 |
| Accounts receivable from completed construction contracts and contract assets | 2,563 | 2,501 |
| Merchandise and finished goods | 387 | 388 |
| Work in process | 5 | 18 |
| Costs on construction contracts in progress | 182 | 145 |
| Raw materials and supplies | 295 | 281 |
| Other | 426 | 398 |
| Allowance for doubtful accounts | (216) | (184) |
| Total current assets | 12,039 | 10,964 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 543 | 511 |
| Machinery, equipment and vehicles | 629 | 565 |
| Tools, furniture and fixtures | 34 | 53 |
| Land | 1,001 | 994 |
| Construction in progress | 74 | 78 |
| Other | 7 | 45 |
| Total property, plant and equipment | 2,290 | 2,249 |
| Intangible assets | | |
| Software | 43 | 65 |
| Other | 16 | 40 |
| Total intangible assets | 59 | 105 |
| Investments and other assets | | |
| Investment securities | 608 | 530 |
| Shares of subsidiaries and associates | 10,284 | 10,577 |
| Investments in capital of subsidiaries and associates | 912 | 1,409 |
| Long-term loans receivable from subsidiaries and associates | 300 | 300 |
| Guarantee deposits | 480 | 481 |
| Deferred tax assets | 459 | 414 |
| Other | 497 | 465 |
| Allowance for doubtful accounts | (201) | (19) |
| Total investments and other assets | 13,342 | 14,158 |
| Total non-current assets | 15,692 | 16,513 |
| Total assets | 27,731 | 27,478 |

(Millions of yen)

| | As of December 31, 2024 | As of December 31, 2025 |
|---|-------------------------|-------------------------|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 2,253 | 2,468 |
| Accounts payable for construction contracts | 1,818 | 1,576 |
| Short-term borrowings | 7,750 | 8,250 |
| Current portion of bonds payable | 300 | 300 |
| Current portion of long-term borrowings | 320 | 320 |
| Accounts payable - other | 633 | 601 |
| Income taxes payable | 285 | 57 |
| Accrued consumption taxes | 190 | 136 |
| Contract liabilities | 494 | 549 |
| Provision for bonuses | 413 | 388 |
| Provision for bonuses for directors (and other officers) | 118 | 34 |
| Provision for warranties for completed construction | 24 | 34 |
| Provision for product warranties | 7 | 5 |
| Provision for loss on construction contracts | - | 0 |
| Other | 300 | 310 |
| Total current liabilities | 14,912 | 15,034 |
| Non-current liabilities | | |
| Bonds payable | 1,275 | 975 |
| Long-term borrowings | 1,513 | 1,193 |
| Provision for share awards | 143 | 140 |
| Asset retirement obligations | 171 | 176 |
| Other | 553 | 615 |
| Total non-current liabilities | 3,657 | 3,101 |
| Total liabilities | 18,569 | 18,135 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 2,556 | 2,556 |
| Capital surplus | | |
| Legal capital surplus | 2,339 | 2,339 |
| Total capital surplus | 2,339 | 2,339 |
| Retained earnings | | |
| Other retained earnings | | |
| Reserve for tax purpose reduction entry of non-current assets | 100 | 96 |
| Retained earnings brought forward | 4,441 | 4,620 |
| Total retained earnings | 4,542 | 4,716 |
| Treasury shares | (331) | (319) |
| Total shareholders' equity | 9,106 | 9,293 |
| Valuation and translation adjustments | | |
| Valuation difference on available-for-sale securities | 56 | 49 |
| Total valuation and translation adjustments | 56 | 49 |
| Total net assets | 9,162 | 9,342 |
| Total liabilities and net assets | 27,731 | 27,478 |

Non-consolidated Statement of Income

(Millions of yen)

| | For the fiscal year ended December 31, 2024 | For the fiscal year ended December 31, 2025 |
|--|--|--|
| Net sales | 32,149 | 32,518 |
| Cost of sales | 26,017 | 26,178 |
| Gross profit | 6,132 | 6,340 |
| Selling, general and administrative expenses | 6,126 | 6,259 |
| Operating profit | 6 | 81 |
| Non-operating income | | |
| Interest income | 5 | 8 |
| Dividend income | 284 | 478 |
| Purchase discounts | 130 | 138 |
| Commission income | 139 | 129 |
| Rental income | 26 | 26 |
| Other | 42 | 55 |
| Total non-operating income | 628 | 837 |
| Non-operating expenses | | |
| Interest expenses | 38 | 82 |
| Interest expenses on bonds | 9 | 14 |
| Commission expenses | 18 | 18 |
| Loss on investments in investment partnerships | 31 | 58 |
| Rental costs | 16 | 16 |
| Other | 20 | 38 |
| Total non-operating expenses | 135 | 228 |
| Ordinary profit | 499 | 689 |
| Extraordinary income | | |
| Gain on sale of non-current assets | - | 1 |
| Gain on sale of investment securities | 2 | 51 |
| Total extraordinary income | 2 | 52 |
| Extraordinary losses | | |
| Loss on retirement of non-current assets | 2 | 5 |
| Impairment losses | - | 29 |
| Loss on sale of investment securities | 0 | 0 |
| Total extraordinary losses | 2 | 35 |
| Profit before income taxes | 499 | 706 |
| Income taxes - current | 273 | 156 |
| Income taxes - deferred | (92) | 47 |
| Total income taxes | 181 | 203 |
| Profit | 318 | 502 |

Non-consolidated Statement of Changes in Equity

For the fiscal year ended December 31, 2024

(Millions of yen)

| | Shareholders' equity | | | | | |
|---|----------------------|-----------------------|-----------------------|---|-----------------------------------|-------------------------|
| | Share capital | Capital surplus | | Retained earnings | | |
| | | Legal capital surplus | Total capital surplus | Other retained earnings | | Total retained earnings |
| | | | | Reserve for tax purpose reduction entry of non-current assets | Retained earnings brought forward | |
| Balance at beginning of period | 2,556 | 2,339 | 2,339 | 104 | 4,489 | 4,593 |
| Changes during period | | | | | | |
| Dividends of surplus | | | | | (369) | (369) |
| Reversal of reserve for tax purpose reduction entry of non-current assets | | | | (3) | 3 | - |
| Profit | | | | | 318 | 318 |
| Purchase of treasury shares | | | | | | |
| Disposal of treasury shares | | | | | | |
| Net changes in items other than shareholders' equity | | | | | | |
| Total changes during period | - | - | - | (3) | (47) | (50) |
| Balance at end of period | 2,556 | 2,339 | 2,339 | 100 | 4,441 | 4,542 |

| | Shareholders' equity | | Valuation and translation adjustments | | Total net assets |
|---|----------------------|----------------------------|---|---|------------------|
| | Treasury shares | Total shareholders' equity | Valuation difference on available-for-sale securities | Total valuation and translation adjustments | |
| Balance at beginning of period | (273) | 9,214 | 51 | 51 | 9,266 |
| Changes during period | | | | | |
| Dividends of surplus | | (369) | | | (369) |
| Reversal of reserve for tax purpose reduction entry of non-current assets | | - | | | - |
| Profit | | 318 | | | 318 |
| Purchase of treasury shares | (62) | (62) | | | (62) |
| Disposal of treasury shares | 5 | 5 | | | 5 |
| Net changes in items other than shareholders' equity | | | 4 | 4 | 4 |
| Total changes during period | (57) | (108) | 4 | 4 | (103) |
| Balance at end of period | (331) | 9,106 | 56 | 56 | 9,162 |

For the fiscal year ended December 31, 2025

(Millions of yen)

| | Shareholders' equity | | | | | |
|---|----------------------|-----------------------|-----------------------|---|-----------------------------------|-------------------------|
| | Share capital | Capital surplus | | Retained earnings | | |
| | | Legal capital surplus | Total capital surplus | Other retained earnings | | Total retained earnings |
| | | | | Reserve for tax purpose reduction entry of non-current assets | Retained earnings brought forward | |
| Balance at beginning of period | 2,556 | 2,339 | 2,339 | 100 | 4,441 | 4,542 |
| Changes during period | | | | | | |
| Dividends of surplus | | | | | (328) | (328) |
| Reversal of reserve for tax purpose reduction entry of non-current assets | | | | (4) | 4 | - |
| Profit | | | | | 502 | 502 |
| Purchase of treasury shares | | | | | | |
| Disposal of treasury shares | | | | | | |
| Net changes in items other than shareholders' equity | | | | | | |
| Total changes during period | - | - | - | (4) | 178 | 174 |
| Balance at end of period | 2,556 | 2,339 | 2,339 | 96 | 4,620 | 4,716 |

| | Shareholders' equity | | Valuation and translation adjustments | | Total net assets |
|---|----------------------|----------------------------|---|---|------------------|
| | Treasury shares | Total shareholders' equity | Valuation difference on available-for-sale securities | Total valuation and translation adjustments | |
| Balance at beginning of period | (331) | 9,106 | 56 | 56 | 9,162 |
| Changes during period | | | | | |
| Dividends of surplus | | (328) | | | (328) |
| Reversal of reserve for tax purpose reduction entry of non-current assets | | - | | | - |
| Profit | | 502 | | | 502 |
| Purchase of treasury shares | | - | | | - |
| Disposal of treasury shares | 12 | 12 | | | 12 |
| Net changes in items other than shareholders' equity | | | (6) | (6) | (6) |
| Total changes during period | 12 | 186 | (6) | (6) | 179 |
| Balance at end of period | (319) | 9,293 | 49 | 49 | 9,342 |