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Consolidated Financial Results for the Fiscal Year Ended February 28, 2026 [Japanese GAAP]



April 9, 2026

Company name: AEON Fantasy Co., LTD.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 4343
 URL: <https://www.fantasy.co.jp/company/>
 Representative: Tokuya Fujiwara, President and Representative Director
 Contact: Yoshinori Iseki, Director and Senior Managing Executive Officer, Management Control and Risk Management Officer
 Phone: +81-43-212-6203
 Scheduled date of general shareholders' meeting: May 21, 2026
 Scheduled date of commencing dividend payments: April 28, 2026
 Scheduled date of filing securities report: May 19, 2026
 Availability of supplementary explanatory materials on financial results: Available
 Schedule of financial results briefing session: Scheduled (for analysts and institutional investors)

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

1. Consolidated Financial Results for the Fiscal Year Ended February 28, 2026 (March 1, 2025 - February 28, 2026)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended February 28, 2026	93,290	6.9	6,114	40.7	7,358	113.9	2,790	-
February 28, 2025	87,240	6.7	4,344	21.2	3,440	(23.4)	(1,816)	-

(Note) Comprehensive income: Fiscal year ended February 28, 2026: ¥1,159 million [-%]
 Fiscal year ended February 28, 2025: ¥(1,518) million [-%]

	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 February 28, 2026	Yen 141.09	Yen 140.98	% 38.8	% 12.5	% 6.6
February 28, 2025	(91.87)	-	(24.4)	6.5	5.0

(Reference) Equity in earnings of affiliated companies: Fiscal year ended February 28, 2026: ¥- million
 Fiscal year ended February 28, 2025: ¥- million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of February 28, 2026	64,228	8,014	12.2	395.07
As of February 28, 2025	53,673	6,842	12.3	332.51

(Reference) Equity: As of February 28, 2026: ¥7,815 million
 As of February 28, 2025: ¥6,576 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 year-end
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
February 28, 2026	11,598	(14,856)	4,725	7,792
February 28, 2025	12,353	(10,858)	(2,841)	6,141

2. Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
February 28, 2025	-	5.00	-	0.00	5.00	98	-	1.3
Fiscal year ended	-	0.00	-	15.00	15.00	296	10.6	4.1
February 28, 2026	-	0.00	-	15.00	15.00			
Fiscal year ending	-	10.00	-	10.00	20.00		13.2	
February 28, 2027 (Forecast)	-	10.00	-	10.00	20.00			

3. Consolidated Financial Results Forecast for the Fiscal Year Ending February 28, 2027 (March 1, 2026 - February 28, 2027)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	98,000	5.0	8,000	30.8	6,300	(14.4)	3,000	7.5	151.67

* Notes:

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

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

1) Changes in accounting policies due to the revision of accounting standards: Yes

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

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(3) Total number of issued shares (common shares)

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

February 28, 2026: 19,784,125 shares

February 28, 2025: 19,780,525 shares

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

February 28, 2026: 2,354 shares

February 28, 2025: 2,204 shares

3) Average number of shares during the period:

Fiscal year ended February 28, 2026: 19,779,798 shares

Fiscal year ended February 28, 2025: 19,775,053 shares

(Reference) Summary of Non-consolidated Financial Results**1. Non-consolidated Financial Results for the Fiscal Year Ended February 28, 2026 (March 1, 2025 - February 28, 2026)**

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
February 28, 2026	75,516	8.7	7,019	13.0	7,921	26.4	881	-
February 28, 2025	69,468	7.7	6,210	35.9	6,269	0.4	(1,891)	-

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended		
February 28, 2026	44.57	44.54
February 28, 2025	(95.66)	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of February 28, 2026	46,187	6,006	12.9	302.07
As of February 28, 2025	39,528	5,112	12.9	257.05

(Reference) Equity: As of February 28, 2026: ¥5,975 million

As of February 28, 2025: ¥5,083 million

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending February 28, 2027 (March 1, 2026 - February 28, 2027)

(% indicates changes from the previous corresponding period.)

	Net sales		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	81,000	7.3	6,600	(16.7)	3,450	291.3	174.42

* These financial results are outside the scope of audit by certified public accountants or an audit firm.

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

(Cautionary note regarding forward-looking statements, etc.)

The financial results forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed to be reasonable, and the Company does not guarantee the achievement of the projections. In addition, actual results may differ significantly from these forecasts due to various factors. For the assumptions used for the financial results forecasts and the notes regarding the use thereof, please refer to "1. Overview of Operating Results, etc. (1) Overview of Operating Results for the Fiscal Year under Review" on page 2 of the attached document.

(Method of obtaining supplementary explanatory materials on financial results and the content of financial results briefing session)

The Company will hold a financial results briefing session on Friday, April 10, 2026.

The content of the session, along with the supplementary explanatory materials on financial results to be used at the session, will be posted on the Company's website promptly after the event.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Fiscal Year under Review

Toward the realization of our “Purpose” of “inspiring enthusiasm in every child so that there is a smile on every face,” the Company has established the medium-term management plan (2024–2026) and is moving ahead with business activities so as to contribute to a sustainable society and improve corporate value.

For the fiscal year ended February 28, 2026 (March 1, 2025 to February 28, 2026), consolidated operating results of the Company and its overseas subsidiaries were as follows: net sales of ¥93,290 million (up 6.9% year on year), operating profit of ¥6,114 million (up 40.7% year on year), ordinary profit of ¥7,358 million (up 113.9% year on year) as a result of the posting of foreign exchange gains of ¥1,821 million (foreign exchange losses of ¥457 million in the previous fiscal year) as non-operating income due to the depreciation of the yen against other currencies from the beginning of the fiscal year, and profit attributable to owners of parent of ¥2,790 million (loss attributable to owners of parent of ¥1,816 million in the previous fiscal year). Net sales have reached a record high for the third consecutive year, and operating profit and ordinary profit have also reached record highs. Earnings before interest, taxes, depreciation and amortization (EBITDA) which represents actual earning capacity was ¥17,201 million (up 13.9% year on year).

(Japan business)

The Japan business remained strong with net sales of existing stores reaching 105.7% compared to the previous fiscal year. In the amusement business, the Prizes Department, our mainstay, achieved 105.3%. In particular, the Kids Prizes Section, a section in the Prizes Department for young children, who are our primary target, achieved 115.6% to strongly drive the sales as the expansion of the “Easy-to-Win Booths” contributed to growing sales. In the Medals Department and the Experience Department, which have high gross margin ratios, both the number of members and sales grew steadily as a result of active investment in machines and facilities and promotional activities focused on clearly defined targets. In addition, the Cards Department, whose new card series remained popular, delivered strong performance.

As for new store openings, in the playground business, we actively expanded the NOBICCO brand, a new business format designed for a wide range of commercial spaces, and opened ten stores in total since its initial launch in June. In addition, we opened eleven stores of CHIKYUU NO NIWA, a business format designed for large-sized commercial facilities in which children can play and learn, and two stores of SKIDS GARDEN, a small-sized specialty store, for a total of 23 new stores. In the amusement business, we opened two stores of CRANE YOKOCHO KIWAMI, a new business format of large-sized prize specialty stores. CRANE YOKOCHO KIWAMI, which carries primarily groceries and daily necessities, provides customers with new value through enhanced experiences. Net sales at both stores significantly exceeded our targets.

During the fiscal year under review, while 95 stores were opened, 60 stores were closed. As of February 28, 2026, the total number of stores was 788.

As a result of these, regarding operating results in the Japan business for the fiscal year ended February 28, 2026, net sales were ¥75,516 million (up 8.7% year on year) and operating profit was ¥7,019 million (up 13.0% year on year), with net sales, operating profit, and ordinary profit all hitting record highs for the third consecutive year.

(ASEAN business)

Our core business in the ASEAN market is the playground business, where we are enhancing our strengths of original store interior decorating and playground equipment, a high level of security, and service skills of staff. Centered around kidzoona, our standard business format, we have developed KID’S BOX, KID’S BOX JUMBO, and Kidzoona Safari as new business formats that can be tailored to new commercial spaces and facilities where we had not been able to open stores and are expanding into new areas.

As for new store openings, active expansion into regional areas, in addition to urban areas, in which we had traditionally opened our stores, contributed to growing sales. Meanwhile, operating profit decreased as

profitability at existing stores declined due to intensifying competition primarily in urban areas. As part of initiatives for existing stores, we accelerated the implementation of our successful store revitalization measures from the third quarter onward. In the second half, we implemented these measures at 17 more stores than initially planned. In addition, we reviewed our pricing on a store-by-store basis to better align it with customer needs and environments, making our prices more appealing to customers. As a result, profitability has been improving.

In the fourth quarter, in Malaysia, profit declined partly due to the impact of the decrease in the number of school holidays resulting from the change in the start time of the new school term. In other countries, however, profit showed a recovery trend as we focused our efforts on implementing measures for existing stores. In Indonesia, in particular, new store openings and revitalization of existing stores primarily in regional areas proved successful and resulted in improvements in both net sales and operating profit.

During the fiscal year under review, while 100 new stores were opened, 34 stores were closed. Accordingly, the total number of stores as of February 28, 2026 was 398 (including five franchised stores).

As a result of these, regarding operating results in the ASEAN business for the fiscal year ended February 28, 2026, net sales were ¥15,222 million (up 15.5% year on year), hitting a record high for the fourth consecutive year, and operating profit was ¥465 million (down 60.9% year on year).

(China business)

In the China business, we carried out restructuring measures based on the profit improvement plan that we formulated at the end of the previous fiscal year. Due to the effects of disposal of unprofitable stores and cost reduction, operating loss decreased significantly from the previous fiscal year. However, both net sales and operating profit fell short of the plan due to the impacts of a decline in sales following store closure announcements at stores closed during the period and a lower-than-planned number of contracts secured for temporary spaces in addition to the weakness in the amusement business caused by intensified competition.

During the fiscal year under review, we converted the business format of seven stores from the amusement format to the playground format. We also opened 55 Molly Dynamic Space stores (business format conversions from Mollyfantasy: 26 stores, new stores: 29 stores), which are outsourced, low-investment stores. As a result, we opened 62 stores in total. Meanwhile, we closed 51 unprofitable stores in a large, standard stores. In addition, we closed 37 stores of Molly Dynamic Space. As a result, we closed 88 stores in total. Accordingly, as of February 28, 2026, the total number of stores was 117 (including six franchised stores).

As a result of these, regarding operating results in the China business for the fiscal year ended February 28, 2026, net sales were ¥2,850 million (down 41.0% year on year), and operating loss was ¥1,368 million (operating loss of ¥3,052 million in the previous fiscal year), decreasing by ¥1,683 million from the previous fiscal year.

(Status of social contribution activities)

The Company established its Sustainability Policy in April 2022 and has been promoting the enhancement of the effectiveness of its sustainability management, aiming to become a company that contributes to a sustainable society while raising its value as an enterprise.

To protect the rights of children who will shape the future society, we made donations totaling 10 million yen to seven children's support organizations worldwide as part of our "Fundraising Playday" campaign.

In our child support activities, we visited local social welfare facilities, etc. and invited children to our stores in Japan, China, Malaysia, Thailand, the Philippines, Indonesia, and Vietnam a total of 14,466 times. These events were attended by 1,490,260 children.

In addition, we donated funds to the AEON 1% Club Foundation, a public interest incorporated foundation, with the aim of achieving "sound development of children," "friendly relations with various foreign countries," "contribution to development of local communities," and "reconstruction assistance to disaster-affected areas" through the foundation's activities.

(Initiatives and projections for the next fiscal year)

(Million yen)

	Fiscal year ending February 28, 2027 (Results forecast)	Fiscal year ended February 28, 2026 (Actual results)
Net sales	98,000	93,290
Operating profit	8,000	6,114
Ordinary profit	6,300	7,358
Profit attributable to owners of parent	3,000	2,790

The business environment surrounding the Group encompasses changes in value of time use in response to climate change, the need to address the declining birth rate in Japan, intensifying competition across ASEAN countries, rising material, labor, and other costs, and growing demands from capital markets for enhanced corporate value. The Group needs to respond to these urgently for its growth and expansion.

To address these changes in the business environment, the Group has updated the current medium-term management plan (2024–2026) and will now pursue a new medium-term management plan (2026–2030). Under the plan, the Group will address “strategic enhancement of core domestic businesses in response to social trends,” “enhancing customer value and competitiveness of existing overseas stores,” “increasing corporate value based on business multi-layering,” and “further improving financial standing” as its key challenges.

Given these challenges, we have revised our Vision that defines our direction to realize our Purpose. We will expand the scope of value we provide to customers from traditional “fun for children” to “fun for parents and children alike” and drive our business forward accordingly.

We will execute strategies that leverage our unique strengths, centered on the “AEON Ecosystem.” Our key strategic priorities include:

- Returning the domestic business to a growth trajectory
- Pursuing synergies between businesses and brands
- Implementing focused and prioritized overseas strategies
- Evolving business portfolio management
- Achieving financial soundness
- Executing DX strategies that directly contribute to earnings

Furthermore, we remain committed to our Sustainability Policy and Materiality, striving to balance our contribution to a sustainable society with the enhancement of corporate value.

In the Japan business, we will identify and capture new consumer needs arising from changes in the environment and actively pursue entry into growth opportunities and business expansion by capitalizing on our competitive advantages.

CRANE YOKOCHO KIWAMI, a new business format in the amusement business launched in FY2025, and NOBICCO JUMBO and NOBICCO Picnic, new business formats in the playground business also launched in FY2025, will serve as growth drivers under the new medium-term management plan. We will prioritize investment in these business formats, which offer strong potential for market growth, profitability, and capital efficiency. As for CRANE YOKOCHO KIWAMI, we will expand its store network as a model aimed at cultivating new customer segments by carrying primarily groceries and daily necessities and delivering the value of enjoyable shopping experiences to customers. As for NOBICCO JUMBO and NOBICCO Picnic, we will enhance their value as communities for parents and other caregivers in addition to their function as playgrounds for children so that they will serve as tools to increase dwell time and attract customers at commercial facilities.

Mollyfantasy and Capsule Toy and Crane Specialty Stores, our existing business formats, will serve as sources of growth funding under the new medium-term management plan by enhancing capital efficiency and providing stable sources of earnings. In addition, by opening multiple stores across different business formats, we will generate synergies among business formats and maximize the profitability of the business as a whole.

Furthermore, by integrating our membership programs with a single ID and establishing a digital membership platform across various customer and business segments, we will aim to maximize customer lifetime value (LTV) and customer loyalty.

In the overseas business, in light of intensifying competition in various countries, we will shift away from our current growth-oriented strategies to profitability-oriented ones. With respect to existing stores, we will carefully examine market environments and promote revitalization with a focus on capital efficiency on a store-by-store basis, pricing policies reflecting the competitive environment, disposal of unprofitable stores, and enhancement of membership functions, while also rebuilding the competitive advantages of our overseas business models.

As for new store openings, in countries except for Vietnam, we will moderate the pace of expansion from previous levels, focus on low-price business models, which require less investment, and expand into regional cities, in which we have competitive advantages. In Vietnam, as the AEON Group expands its store network, we will pursue a store opening strategy focused on profitability and efficiency by opening multiple stores in a single commercial facility.

(2) Overview of Financial Position for the Fiscal Year under Review

i) Assets, Liabilities and Net Assets

(Assets)

Current assets at the end of the fiscal year under review were ¥17,599 million, an increase of ¥5,413 million from the end of the previous fiscal year. The main factors were an increase in deposits paid from sales (¥2,776 million) resulting from the fact that as the last day of the fiscal year was a non-business day of financial institutions, of deposits paid from sales, a portion for early February was settled in the following month, as well as an increase in cash and deposits (¥1,655 million).

Non-current assets at the end of the fiscal year under review were ¥46,629 million, an increase of ¥5,141 million from the end of the previous fiscal year. The main factors were an increase in amusement machines and facilities (¥2,258 million) and an increase in buildings (¥1,852 million) due to new store openings and store revitalization.

As a result, total assets were ¥64,228 million, an increase of ¥10,555 million from the end of the previous fiscal year.

(Liabilities)

Current liabilities at the end of the fiscal year under review were ¥39,011 million, an increase of ¥8,253 million from the end of the previous fiscal year. The main factors were an increase in short-term borrowings (¥5,398 million), an increase in current portion of long-term borrowings (¥1,625 million), and a decrease in notes payable - facilities (¥2,174 million) and an increase in electronically recorded obligations - facilities (¥1,966 million) due to a change in the method of payment related to facilities from notes payable to electronically recorded obligations.

Non-current liabilities at the end of the fiscal year under review were ¥17,203 million, an increase of ¥1,130 million from the end of the previous fiscal year. The main factors were an increase in long-term borrowings (¥1,618 million) and a decrease in long-term accounts payable - installment purchase (¥488 million).

As a result, total liabilities amounted to ¥56,214 million, an increase of ¥9,383 million from the end of the previous fiscal year.

(Net assets)

Net assets at the end of the fiscal year under review amounted to ¥8,014 million, an increase of ¥1,171 million from the end of the previous fiscal year. The main factors were the recording of profit attributable to owners of parent (¥2,790 million) and a decrease in foreign currency translation adjustment (¥1,626 million) due to fluctuations in exchange.

ii) Cash Flows

Cash flows in the fiscal year under review

(Million yen)

	Previous fiscal year	Fiscal year under review	Year-on-year change
Cash flows from operating activities	12,353	11,598	(754)
Cash flows from investing activities	(10,858)	(14,856)	(3,998)
Cash flows from financing activities	(2,841)	4,725	7,566
Effect of exchange rate change on cash and cash equivalents	(3)	184	188
Net increase (decrease) in cash and cash equivalents	(1,350)	1,651	3,002
Cash and cash equivalents at beginning of period	7,491	6,141	(1,350)
Cash and cash equivalents at end of period	6,141	7,792	1,651

(Cash flows from operating activities)

Cash provided by operating activities was ¥11,598 million. This was mainly due to an increase in funds resulting from the recording of ¥11,087 million in depreciation, ¥2,023 million in impairment losses, and ¥5,106 million in profit before income taxes, and a decrease in funds due to the recording of ¥2,768 million in an increase in deposits paid from sales, ¥1,821 million in foreign exchange gains, and ¥1,799 million in income taxes paid.

(Cash flows from investing activities)

Cash used in investment activities was ¥14,856 million. This was mainly due to the purchase of property, plant and equipment of ¥13,908 million in line with the opening of new stores and investments to revitalize existing stores.

(Cash flows from financing activities)

Cash provided by financing activities amounted to ¥4,725 million. This was mainly due to an increase in funds resulting from the recording of ¥5,176 million in a net increase in short-term borrowings and ¥6,662 million in proceeds from long-term borrowings, and a decrease in funds resulting from the recording of ¥3,776 million in repayments of long-term borrowings and ¥2,757 million in repayments of lease liabilities.

The trends in cash flow-related indicators are as follows:

	Fiscal year ended February 28, 2025	Fiscal year ended February 28, 2026
Capital adequacy ratio	12.3%	12.2%
Capital adequacy ratio based on market value	102.5%	80.9%
Interest-bearing debt to cash flow ratio	265.8%	351.7%
Interest coverage ratio	15.7 times	11.6 times

- (Notes)
- Capital adequacy ratio: Shareholders' equity / Total assets
Capital adequacy ratio based on market value: Total market value of shares / Total assets
Interest-bearing debt to cash flow ratio: Interest-bearing debt / Cash flows
Interest coverage ratio: Cash flows / Interest payments
 - Cash flows are calculated using cash flows from operating activities in the Consolidated Statements of Cash Flows. Interest-bearing debt refers to all liabilities for which interest are paid among the liabilities recorded on the Consolidated Balance Sheets. Interest payments use the amount of interest paid in the Statements of Cash Flows.

(3) Basic Policy on Profit Distribution, Dividends for Fiscal Year under Review and Next Fiscal Year

The Company positions the provision of stable returns to shareholders as one of the most important management goals. Our basic policy is to return profits to shareholders stably over the long term, after comprehensively taking into account factors including the enhancement of internal reserves, the reinforcement of our financial position, business performance, and the dividend payout ratio. Regarding internal reserves, we will use them to fund business development initiatives, such as opening new stores or making capital investments at existing stores both in Japan and overseas, while striving to further enhance our management structure.

As for the year-end dividend for the fiscal year under review, we have taken into consideration the Company's financial conditions and decided to pay out common dividends of ¥15 per share as announced in the dividend forecast. The scheduled date of commencing dividend payments is Tuesday, April 28, 2026. Accordingly, the annual dividend for the fiscal year under review will be ¥15 per share.

Regarding dividends for the next fiscal year, we plan to pay out an interim dividend of ¥10 per share and a year-end dividend of ¥10 per share, for an annual dividend of ¥20 per share.

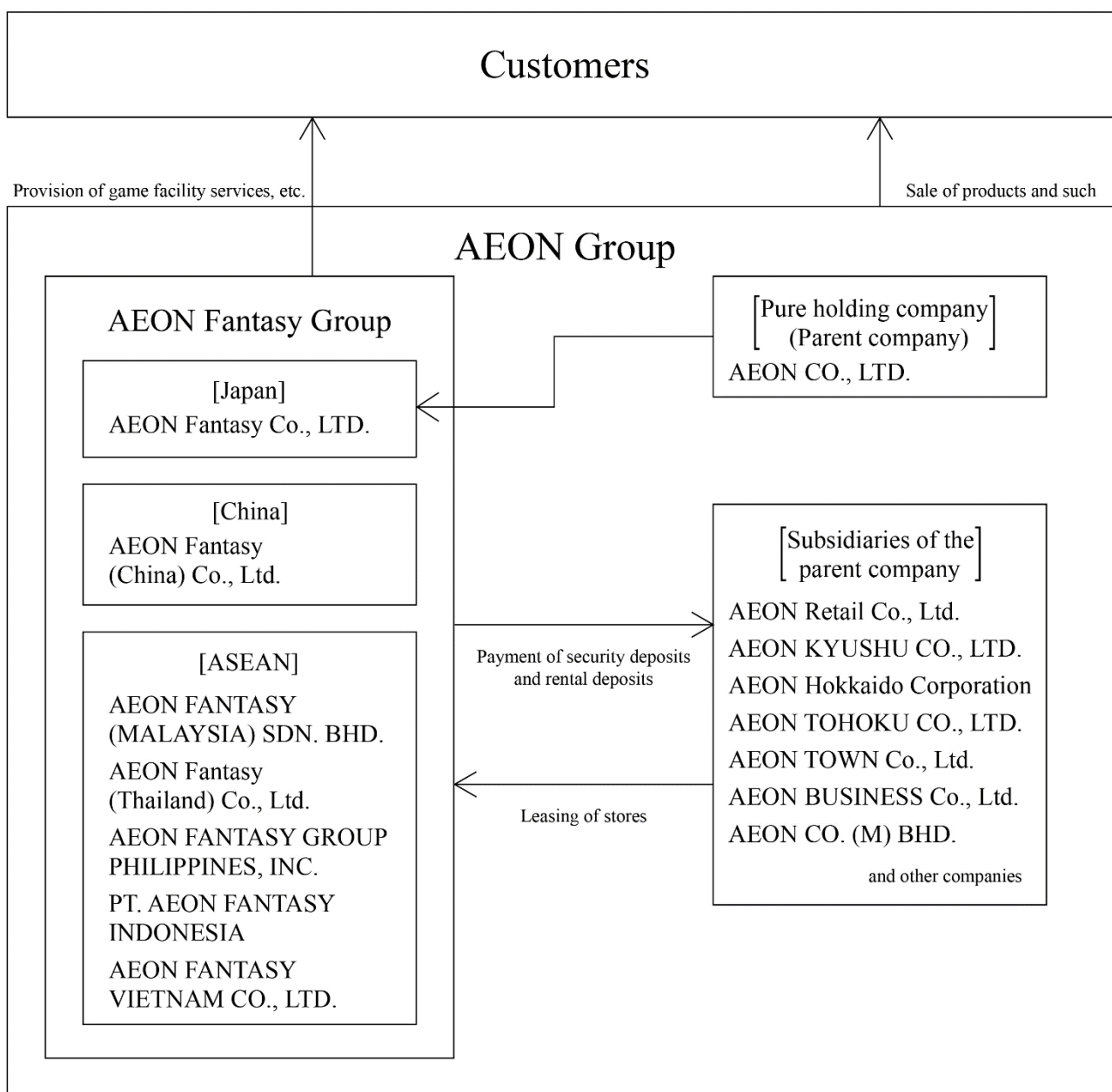
2. Status of the Corporate Group

AEON Co., Ltd., the parent company of the Company, is a pure holding company. Centering on the retail business that revolves around the GMS (General Merchandise Store) business, it operates an array of businesses, including general finance, developers, and services and specialty stores.

Within the AEON Group's business, the Group is classified as being in the service business. The Group mainly conducts the operation of amusement facilities, playground facilities, etc. for families. The Japan business consists of one company, the Company, which establishes and operates game facilities in shopping centers operated by the AEON Group and other developers.

The China business consists of one company, while the ASEAN business consists of six companies (including one pure holding company). We establish and operate game facilities in shopping centers operated by the AEON Group and other developers in China, Malaysia, Thailand, the Philippines, Indonesia, and Vietnam.

The matters described above are shown in the business system diagram below.



3. Basic Stance on Selection of Accounting Standards

The Group intends to prepare its consolidated financial statements based on Japanese accounting standards (J-GAAP) for the time being, taking into account the comparability of consolidated financial statements between periods and between companies.

Going forward, we will consider the application of International Financial Reporting Standards (IFRS) based on factors such as changes in the ratio of foreign shareholders, and trends in the application of IFRS by other companies in the same industry in Japan.

4. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Thousand yen)

	As of February 28, 2025	As of February 28, 2026
Assets		
Current assets		
Cash and deposits	6,167,459	7,822,989
Accounts receivable - trade	198,707	245,475
Deposits paid from sales	1,114,485	3,890,906
Merchandise	699,626	1,126,858
Supplies	2,033,555	2,286,993
Other	1,971,612	2,225,928
Total current assets	12,185,447	17,599,153
Non-current assets		
Property, plant and equipment		
Buildings	24,577,251	25,989,780
Accumulated depreciation	(17,516,762)	(17,077,180)
Buildings, net	7,060,488	8,912,600
Amusement machines and facilities	68,334,594	70,413,043
Accumulated depreciation	(49,501,365)	(49,320,999)
Amusement machines and facilities, net	18,833,228	21,092,043
Right of use assets	15,546,103	16,981,137
Accumulated depreciation	(10,746,456)	(12,183,381)
Right of use assets, net	4,799,646	4,797,756
Tools, furniture and fixtures	8,681,952	9,427,942
Accumulated depreciation	(6,651,855)	(7,020,046)
Tools, furniture and fixtures, net	2,030,096	2,407,895
Other	224,979	241,081
Accumulated depreciation	(75,419)	(83,638)
Other, net	149,559	157,442
Total property, plant and equipment	32,873,019	37,367,738
Intangible assets		
Goodwill	79,511	50,217
Software	1,076,508	1,060,681
Other	4,229	4,189
Total intangible assets	1,160,249	1,115,088
Investments and other assets		
Investment securities	5,323	0
Leasehold and guarantee deposits	4,886,681	5,177,889
Deferred tax assets	1,721,627	1,851,782
Retirement benefit asset	352,391	568,505
Other, net	488,724	548,700
Total investments and other assets	7,454,747	8,146,877
Total non-current assets	41,488,016	46,629,703
Total assets	53,673,464	64,228,857

(Thousand yen)

	As of February 28, 2025	As of February 28, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	1,870,036	2,103,078
Short-term borrowings	12,104,533	17,503,350
Current portion of long-term borrowings	3,289,494	4,914,943
Current portion of long-term accounts payable - installment purchase	579,770	488,365
Lease liabilities	2,391,805	2,609,315
Accounts payable - other	1,408,595	1,661,155
Accrued expenses	1,893,678	2,005,096
Income taxes payable	1,209,960	1,988,648
Provision for bonuses	465,160	448,632
Provision for remuneration for directors (and other officers)	31,808	44,387
Notes payable - facilities	3,077,850	903,180
Electronically recorded obligations - facilities	-	1,966,871
Provision for loss on closing of stores	288,264	210,205
Other	2,147,332	2,164,203
Total current liabilities	30,758,292	39,011,433
Non-current liabilities		
Long-term borrowings	10,540,600	12,159,528
Long-term accounts payable - installment purchase	488,365	-
Lease liabilities	3,441,751	3,119,544
Retirement benefit liability	87,204	129,487
Asset retirement obligations	1,389,094	1,712,816
Other	125,900	81,808
Total non-current liabilities	16,072,917	17,203,186
Total liabilities	46,831,209	56,214,620
Net assets		
Shareholders' equity		
Share capital	1,824,320	1,829,502
Capital surplus	4,815,842	3,242,711
Retained earnings	1,005,391	5,374,391
Treasury shares	(5,001)	(5,411)
Total shareholders' equity	7,640,552	10,441,193
Accumulated other comprehensive income		
Foreign currency translation adjustment	(1,279,349)	(2,905,555)
Remeasurements of defined benefit plans	215,220	279,606
Total accumulated other comprehensive income	(1,064,129)	(2,625,949)
Share acquisition rights	28,970	31,084
Non-controlling interests	236,861	167,908
Total net assets	6,842,255	8,014,237
Total liabilities and net assets	53,673,464	64,228,857

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Thousand yen)

	For the fiscal year ended February 28, 2025	For the fiscal year ended February 28, 2026
Net sales	87,240,584	93,290,048
Cost of sales	75,572,155	80,117,990
Gross profit	11,668,428	13,172,058
Selling, general and administrative expenses	7,323,567	7,057,134
Operating profit	4,344,860	6,114,924
Non-operating income		
Interest income	88,978	77,812
Foreign exchange gains	-	1,821,795
Insurance claim income	65,962	94,569
Gain on sale of non-current assets	4,271	55,198
Gains on write off of deposits	13,097	10,038
Gain on cancellation of leases	349,109	215,874
Other	119,096	188,364
Total non-operating income	640,516	2,463,652
Non-operating expenses		
Interest expenses	767,149	1,009,078
Foreign exchange losses	457,036	-
Loss on sale of non-current assets	13,563	10,827
Financing expenses	194,280	10,300
Other	113,106	189,663
Total non-operating expenses	1,545,136	1,219,869
Ordinary profit	3,440,240	7,358,707
Extraordinary income		
Gain on reversal of impairment losses	20,916	7,113
Reversal of provision for loss on closing of stores	63,716	71,680
Total extraordinary income	84,632	78,793
Extraordinary losses		
Loss on store closings	285,722	154,605
Provision for loss on closing of stores	291,700	147,840
Impairment losses	2,612,930	2,023,477
Loss on valuation of investment securities	-	5,323
Total extraordinary losses	3,190,353	2,331,246
Profit before income taxes	334,519	5,106,254
Income taxes - current	1,686,706	2,564,938
Income taxes - deferred	452,651	(168,796)
Total income taxes	2,139,358	2,396,141
Profit (Loss)	(1,804,839)	2,710,112
Profit (Loss) attributable to non-controlling interests	11,914	(80,573)
Profit (Loss) attributable to owners of parent	(1,816,753)	2,790,686

Consolidated Statements of Comprehensive Income

(Thousand yen)

	For the fiscal year ended February 28, 2025	For the fiscal year ended February 28, 2026
Profit (Loss)	(1,804,839)	2,710,112
Other comprehensive income		
Foreign currency translation adjustment	147,438	(1,614,585)
Remeasurements of defined benefit plans, net of tax	138,678	64,385
Total other comprehensive income	286,116	(1,550,199)
Comprehensive income	(1,518,722)	1,159,913
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,522,755)	1,230,874
Comprehensive income attributable to non-controlling interests	4,033	(70,961)

(3) Consolidated Statements of Changes in Equity

Fiscal year ended February 28, 2025 (from March 1, 2024 to February 28, 2025)

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,810,821	4,829,464	3,019,873	(4,635)	9,655,524
Changes of items during period					
Dividends of surplus			(197,728)		(197,728)
Loss attributable to owners of parent			(1,816,753)		(1,816,753)
Issuance of new shares	13,498	13,498			26,997
Purchase of treasury shares				(365)	(365)
Change in ownership interest of parent due to transactions with non-controlling interests		(27,121)			(27,121)
Deficit disposition					-
Net changes of items other than shareholders' equity					
Total changes of items during period	13,498	(13,622)	(2,014,481)	(365)	(2,014,971)
Balance at end of period	1,824,320	4,815,842	1,005,391	(5,001)	7,640,552

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	(1,434,669)	76,542	(1,358,126)	37,947	205,707	8,541,051
Changes of items during period						
Dividends of surplus						(197,728)
Loss attributable to owners of parent						(1,816,753)
Issuance of new shares						26,997
Purchase of treasury shares						(365)
Change in ownership interest of parent due to transactions with non-controlling interests						(27,121)
Deficit disposition						-
Net changes of items other than shareholders' equity	155,319	138,678	293,997	(8,977)	31,154	316,175
Total changes of items during period	155,319	138,678	293,997	(8,977)	31,154	(1,698,796)
Balance at end of period	(1,279,349)	215,220	(1,064,129)	28,970	236,861	6,842,255

Fiscal year ended February 28, 2026 (from March 1, 2025 to February 28, 2026)

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,824,320	4,815,842	1,005,391	(5,001)	7,640,552
Changes of items during period					
Dividends of surplus					-
Profit attributable to owners of parent			2,790,686		2,790,686
Issuance of new shares	5,182	5,182			10,364
Purchase of treasury shares				(409)	(409)
Change in ownership interest of parent due to transactions with non-controlling interests					-
Deficit disposition		(1,578,313)	1,578,313		-
Net changes of items other than shareholders' equity					
Total changes of items during period	5,182	(1,573,131)	4,368,999	(409)	2,800,640
Balance at end of period	1,829,502	3,242,711	5,374,391	(5,411)	10,441,193

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	(1,279,349)	215,220	(1,064,129)	28,970	236,861	6,842,255
Changes of items during period						
Dividends of surplus						-
Profit attributable to owners of parent						2,790,686
Issuance of new shares						10,364
Purchase of treasury shares						(409)
Change in ownership interest of parent due to transactions with non-controlling interests						-
Deficit disposition						-
Net changes of items other than shareholders' equity	(1,626,205)	64,385	(1,561,819)	2,114	(68,953)	(1,628,658)
Total changes of items during period	(1,626,205)	64,385	(1,561,819)	2,114	(68,953)	1,171,981
Balance at end of period	(2,905,555)	279,606	(2,625,949)	31,084	167,908	8,014,237

(4) Consolidated Statements of Cash Flows

(Thousand yen)

	For the fiscal year ended February 28, 2025	For the fiscal year ended February 28, 2026
Cash flows from operating activities		
Profit before income taxes	334,519	5,106,254
Depreciation	10,756,289	11,087,024
Loss (gain) on sale and retirement of non-current assets	87,557	41,213
Increase (decrease) in provision for bonuses	(52,447)	(30,787)
Increase (decrease) in retirement benefit liability	(39,418)	(75,657)
Interest income	(88,978)	(77,812)
Interest expenses	767,149	1,009,078
Foreign exchange losses (gains)	457,036	(1,821,795)
Insurance claim income	(65,962)	(94,569)
Gain on cancellation of leases	(349,109)	(215,874)
Gain on reversal of impairment losses	(20,916)	(7,113)
Impairment losses	2,612,930	2,023,477
Loss (gain) on valuation of investment securities	-	5,323
Decrease (increase) in trade receivables	(62,565)	(45,771)
Decrease (increase) in deposits paid from sales	(153,421)	(2,768,798)
Decrease (increase) in inventories	(316,309)	(555,975)
Increase (decrease) in trade payables	665	199,237
Other, net	739,317	591,478
Subtotal	14,606,336	14,368,933
Interest received	34,683	27,711
Interest paid	(785,001)	(998,819)
Income taxes paid	(1,502,917)	(1,799,544)
Net cash provided by (used in) operating activities	12,353,100	11,598,281
Cash flows from investing activities		
Purchase of property, plant and equipment	(9,825,205)	(13,908,990)
Proceeds from sale of property, plant and equipment	41,810	88,039
Purchase of intangible assets	(395,218)	(376,535)
Payments for increase in long-term prepaid expenses	(228,154)	(227,653)
Payments of leasehold and guarantee deposits	(640,496)	(496,279)
Proceeds from refund of leasehold and guarantee deposits	439,858	383,518
Other, net	(250,851)	(318,986)
Net cash provided by (used in) investing activities	(10,858,257)	(14,856,886)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(12,152,303)	5,176,758
Proceeds from long-term borrowings	16,205,919	6,662,950
Repayments of long-term borrowings	(3,371,577)	(3,776,443)
Dividends paid	(197,728)	-
Repayments of lease liabilities	(2,752,159)	(2,757,735)
Repayments of installment payables	(573,008)	(579,770)
Other, net	(365)	(409)
Net cash provided by (used in) financing activities	(2,841,223)	4,725,349
Effect of exchange rate change on cash and cash equivalents	(3,949)	184,944
Net increase (decrease) in cash and cash equivalents	(1,350,329)	1,651,688
Cash and cash equivalents at beginning of period	7,491,499	6,141,169
Cash and cash equivalents at end of period	6,141,169	7,792,858

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Important matters that serve as the basis for preparation of consolidated financial statements)

1. Matters regarding scope of consolidation

All subsidiaries are included in the scope of consolidation.

Number of consolidated subsidiaries 7

Names of consolidated subsidiaries
AEON Fantasy (China) Co., Ltd.
AEON FANTASY (MALAYSIA) SDN. BHD.
AEON Fantasy (Thailand) Co., Ltd.
AEON Fantasy Holdings (Thailand) Co., Ltd.
AEON FANTASY GROUP PHILIPPINES, INC.
PT. AEON FANTASY INDONESIA
AEON FANTASY VIETNAM CO., LTD.

2. Matters regarding application of equity method

Not applicable.

3. Matters regarding fiscal years of consolidated subsidiaries, etc.

Among the consolidated subsidiaries, although the fiscal year-ends of AEON Fantasy (China) Co., Ltd. and AEON FANTASY VIETNAM CO., LTD. fall on December 31, their results are based on financial statements that have made provisional settlements in accordance with the consolidated financial results as of the consolidated fiscal year-end.

The fiscal year-ends of other consolidated subsidiaries coincide with the consolidated fiscal year-end.

4. Matters regarding accounting policies

(1) Valuation criteria and valuation methods of important assets

i) Securities

Other securities

Shares, etc. that do not have a market price Cost method based on moving average method

ii) Inventories

Merchandise Cost method based on moving average method

(Method of writing down balance sheet book value based on a decrease in profitability)

Supplies Last purchase cost method

(Method of writing down balance sheet book value based on a decrease in profitability)

(2) Depreciation and amortization methods of important depreciable assets

i) Property, plant and equipment (excluding leased assets)

Straight line method

The following years are adopted as the life expectancy of each asset.

Buildings 3-20 years

Amusement machines and facilities 2-9 years

Tools, furniture and fixtures 2-8 years

ii) Intangible assets (excluding leased assets)

Regarding software for internal use, the straight line method is adopted based on the usable period in the Company (5-10 years).

iii) Right of use assets

The lease period is used as the life expectancy, and the straight line method with a residual value of zero is used.

(3) Recording criteria for important reserves

i) Allowance for doubtful accounts

In preparation for losses due to bad debts of trade receivables, etc., we individually examine the recoverability of specific receivables such as receivables with a possibility of default, and record the amount deemed irrecoverable.

ii) Provision for bonuses

In preparation for bonuses to be paid to employees and part-timers, out of the estimated payment amount, the amount to be paid in the fiscal year under review is recorded.

iii) Provision for remuneration for directors (and other officers)

In preparation for remuneration to be paid to directors (and other officers), out of the estimated payment amount, the amount to be paid in the fiscal year under review is recorded.

iv) Provision for loss on closing of stores

In preparation for losses that will be incurred in line with store closures, the estimated amount of loss related to store closures, which includes mid-term cancellation penalties that can reasonably be expected to arise due to store closures, is recorded.

(4) Revenue and expense recognition standards

The Group's main business is the operation of amusement facilities, playground facilities, etc. for families in Japan, the ASEAN region, and China. Revenue from the operation of these facilities is recognized at a point in time as performance obligations are deemed to be satisfied mainly when customers use the facilities.

(5) Accounting method concerning retirement benefits

i) Method of attributing estimated retirement benefits to accounting periods

In calculating retirement benefit obligations, the benefit formula standard is used to attribute the estimated amount of retirement benefits to the periods up to the end of the fiscal year under review.

ii) Amortization method for actuarial gains and losses and past service cost

Past service cost is processed as a one-time expense in the year in which it is incurred.

Regarding actuarial gains and losses, the amount that arises in each fiscal year derived using the straight line method over a certain number of years within the average remaining service period of employees (10 years) are amortized from the following fiscal year.

iii) Application of simple method at small enterprises, etc.

A portion of the consolidated subsidiaries apply a simple method.

(6) Standards for translating important assets or liabilities denominated in foreign currencies into yen

Foreign currency-denominated monetary receivables and debts are translated into yen based on the spot exchange rate on the consolidated fiscal year-end, and translation adjustments are recognized as gains or losses. Assets and liabilities of overseas subsidiaries are translated into yen based on the spot exchange rate on the fiscal year-end of each overseas subsidiary, while revenue and expenses are translated into yen based on the average exchange rate for the fiscal year. Translation adjustments are included in foreign currency translation adjustment and non-controlling interests and recorded under net assets.

(7) Method and period for amortization of goodwill

Goodwill is amortized using the straight line method based on a period where the effect can be detected, etc. (10 years).

(8) Scope of funds in the Consolidated Statements of Cash Flows

Funds (cash and cash equivalents) in the Consolidated Statements of Cash Flows include cash on hand and bank deposits that can be withdrawn at any time.

(Important accounting estimates)

Items recorded in the consolidated financial statements concerning the fiscal year under review due to accounting estimates which may have a material impact on the consolidated financial statements concerning the next fiscal year are as follows:

1. Impairment of non-current assets

(1) Amount recorded in the consolidated financial statements concerning the fiscal year under review

(Thousand yen)

	Previous fiscal year	Fiscal year under review
Property, plant and equipment	32,873,019	37,367,738
Intangible assets	1,160,249	1,115,088
Impairment losses	2,612,930	2,023,477

(2) Information on important accounting estimates concerning the item identified

When considering the impairment of non-current assets of the Group, future cash flows are estimated for the recognition of impairment losses and calculation of usage value. The said estimate is based on figures from the budget for the next fiscal year which has been approved by management, and takes into consideration the current usage status and a reasonable usage plan. The said figures have incorporated forecasts of net sales and gross profit margins at each store, forecasts of personnel expenses and expenses at each store, etc. as the main assumptions involving the judgment of management.

These key estimates and assumptions may be affected by changes in business strategies, changes in the external economic environment, etc., and additional impairment losses may arise in the consolidated financial statements for the next fiscal year if a review of the estimate of future cash flows is required.

2. Recoverability of deferred tax assets

(1) Amount recorded in the consolidated financial statements concerning the fiscal year under review

(Thousand yen)

	Previous fiscal year	Fiscal year under review
Deferred tax assets	1,721,627	1,851,782

(2) Information on important accounting estimates concerning the item identified

When the Company records deferred tax assets, recoverability is judged based on whether or not the assets have the effect of reducing the future tax burden. In this judgment process, we make several estimates, including the estimate of taxable income before adding and subtracting future temporary differences, etc., and the estimate of the timing of elimination of temporary differences. These estimates are calculated based on figures from the budget for the next fiscal year which has been approved by management, and take into account past performance, the future business environment, etc.

These key estimates and assumptions may be affected by changes in business strategies, changes in the external economic environment, etc. Accordingly, if a portion or all of the deferred tax assets is deemed to be irrecoverable, deferred tax assets may be broken down and income taxes - deferred may arise in the consolidated financial statements for the next fiscal year.

(Changes in accounting policies)

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

The Company has applied the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter “2022 Revised Accounting Standard”) and other standards from the beginning of the fiscal year ended February 28, 2026.

Regarding revisions concerning categories for recording of income taxes (taxation on other comprehensive income), the Company has conformed to the transitional treatment provided for in the proviso to Paragraph 20-3 of 2022 Revised Accounting Standard, and the transitional treatment provided for in the proviso to Paragraph 65-2 (2) of “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022). The changes in accounting policies have no impact on consolidated financial statements.

(Segment information, etc.)

[Segment information]

1. Overview of reportable segments

The Group’s reportable segments are segments with separate financial statements available among the constituent units of the Group. They are subject to periodic review by the Board of Directors in order to determine the allocation of management resources and to evaluate performance.

The Group’s main business is the operation of amusement facilities, playground facilities, etc. for families, with three reportable segments, namely “Japan,” “ASEAN,” and “China.”

“Japan” is operated by the Company, and as for “ASEAN,” the following companies are engaged in the operation of amusement facilities, playground facilities, etc. for families in each of their respective countries: AEON FANTASY (MALAYSIA) SDN. BHD. in Malaysia, AEON Fantasy (Thailand) Co., Ltd. in Thailand, AEON FANTASY GROUP PHILIPPINES, INC. in the Philippines, PT. AEON FANTASY INDONESIA in Indonesia, and AEON FANTASY VIETNAM CO., LTD. in Vietnam. “China” is managed by AEON Fantasy (China) Co., Ltd. in China.

2. Calculation method for the amount of net sales, profit (loss), assets and other items by reportable segment

The accounting method for the reported business segments is largely the same as that described in “Important matters that serve as the basis for preparation of consolidated financial statements.”

3. Information on the amount of net sales, profit (loss), assets and other items by reportable segment
Previous fiscal year (from March 1, 2024 to February 28, 2025)

(Thousand yen)

	Reportable segment				Adjustment (Note)	Amount recorded in Consolidated Financial Statements
	Japan	ASEAN	China	Total		
Net sales						
Net sales to external customers	69,230,158	13,181,280	4,829,145	87,240,584	–	87,240,584
Inter-segment net sales	238,630	–	–	238,630	(238,630)	–
Total	69,468,789	13,181,280	4,829,145	87,479,214	(238,630)	87,240,584
Segment profit (loss)	6,210,631	1,190,015	(3,052,128)	4,348,518	(3,657)	4,344,860
Segment assets	35,757,509	15,520,949	2,714,805	53,993,264	(319,799)	53,673,464
Other items						
Depreciation	5,737,037	3,394,036	1,594,062	10,725,137	–	10,725,137
Increase in property, plant and equipment and intangible assets	8,526,645	4,988,147	792,857	14,307,650	–	14,307,650

(Note) Adjustments were made due to the elimination of inter-segment transactions.

Fiscal year under review (from March 1, 2025 to February 28, 2026)

(Thousand yen)

	Reportable segment				Adjustment (Note)	Amount recorded in Consolidated Financial Statements
	Japan	ASEAN	China	Total		
Net sales						
Net sales to external customers	75,217,877	15,222,103	2,850,068	93,290,048	–	93,290,048
Inter-segment net sales	298,523	–	–	298,523	(298,523)	–
Total	75,516,400	15,222,103	2,850,068	93,588,572	(298,523)	93,290,048
Segment profit (loss)	7,019,481	465,776	(1,368,772)	6,116,486	(1,562)	6,114,924
Segment assets	42,364,022	20,230,870	1,751,789	64,346,682	(117,824)	64,228,857
Other items						
Depreciation	6,452,361	4,127,786	477,767	11,057,914	–	11,057,914
Increase in property, plant and equipment and intangible assets	9,304,640	5,486,077	480,048	15,270,767	–	15,270,767

(Note) Adjustments were made due to the elimination of inter-segment transactions.

[Related information]

Previous fiscal year (from March 1, 2024 to February 28, 2025)

1. Information by product or service

Since net sales to external customers in a single product and service segment exceed 90% of net sales in the Consolidated Statements of Income, this information is omitted.

2. Information by region

(1) Net sales

(Thousand yen)

Japan	Malaysia	China	Others	Total
69,230,158	5,347,232	4,829,145	7,834,047	87,240,584

(Note) Net sales are based on the location of the store, and are classified by country or region.

(2) Property, plant and equipment

(Thousand yen)

Japan	Malaysia	China	Others	Total
20,581,463	3,902,400	1,049,220	7,339,935	32,873,019

(Note) The countries classified under "Others" are Thailand, the Philippines, Indonesia, and Vietnam.

3. Information by major customer

Out of net sales to external customers, since there are no parties that account for 10% or more of net sales in the Consolidated Statements of Income, this information is omitted.

Fiscal year under review (from March 1, 2025 to February 28, 2026)

1. Information by product or service

Since net sales to external customers in a single product and service segment exceed 90% of net sales in the Consolidated Statements of Income, this information is omitted.

2. Information by region

(1) Net sales

(Thousand yen)

Japan	Malaysia	China	Others	Total
75,217,877	5,784,839	2,850,068	9,437,263	93,290,048

(Note) Net sales are based on the location of the store, and are classified by country or region.

(2) Property, plant and equipment

(Thousand yen)

Japan	Malaysia	China	Others	Total
23,043,794	5,013,722	311,656	8,998,564	37,367,738

(Note) The countries classified under "Others" are Thailand, the Philippines, Indonesia, and Vietnam.

3. Information by major customer

Out of net sales to external customers, since there are no parties that account for 10% or more of net sales in the Consolidated Statements of Income, this information is omitted.

[Information on impairment losses on non-current assets by reportable segment]

Previous fiscal year (from March 1, 2024 to February 28, 2025)

(Thousand yen)

	Japan	ASEAN	China	Total	Adjustment	Total
Impairment losses	267,466	114,870	2,230,593	2,612,930	–	2,612,930

Fiscal year under review (from March 1, 2025 to February 28, 2026)

(Thousand yen)

	Japan	ASEAN	China	Total	Adjustment	Total
Impairment losses	342,823	640,073	1,040,581	2,023,477	–	2,023,477

[Information on amortization amount and unamortized balance of goodwill by reportable segment]

Previous fiscal year (from March 1, 2024 to February 28, 2025)

(Thousand yen)

	Japan	ASEAN	China	Total	Adjustment	Total
Amortization amount during period	–	31,152	–	31,152	–	31,152
Balance at end of period	–	79,511	–	79,511	–	79,511

Fiscal year under review (from March 1, 2025 to February 28, 2026)

(Thousand yen)

	Japan	ASEAN	China	Total	Adjustment	Total
Amortization amount during period	–	29,109	–	29,109	–	29,109
Balance at end of period	–	50,217	–	50,217	–	50,217

(Per share information)

	Previous fiscal year (from March 1, 2024 to February 28, 2025)	Fiscal year under review (from March 1, 2025 to February 28, 2026)
Net assets per share	¥332.51	¥395.07
Basic earnings (loss) per share	¥(91.87)	¥141.09
Diluted earnings per share	–	¥140.98

(Notes) 1. Although there were dilutive shares in the previous fiscal year, diluted earnings per share are not stated as it was a loss per share.

2. The basis for calculating basic earnings or loss per share and diluted earnings per share is as follows:

	Previous fiscal year (from March 1, 2024 to February 28, 2025)	Fiscal year under review (from March 1, 2025 to February 28, 2026)
Basic earnings (loss) per share		
Profit (loss) attributable to owners of parent (Thousand yen)	(1,816,753)	2,790,686
Amount not attributable to common shareholders (Thousand yen)	–	–
Profit (loss) attributable to owners of parent relating to common shares (Thousand yen)	(1,816,753)	2,790,686
Average number of shares outstanding during the period (Shares)	19,775,053	19,779,798
Diluted earnings per share		
Adjustment to profit attributable to owners of parent (Thousand yen)	–	–
Increase in the number of common shares (Shares)	–	14,877
[of which, share acquisition rights (Shares)]	–	(14,877)

(Significant subsequent events)

Not applicable

5. Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheets

(Thousand yen)

	As of February 28, 2025	As of February 28, 2026
Assets		
Current assets		
Cash and deposits	4,343,907	5,063,023
Accounts receivable - trade	210,880	211,827
Deposits paid from sales	1,088,271	3,825,839
Merchandise	371,034	429,381
Supplies	1,557,090	1,840,186
Short-term loans receivable from subsidiaries and associates	2,165,000	1,228,000
Other	1,732,010	1,565,521
Total current assets	11,468,195	14,163,779
Non-current assets		
Property, plant and equipment		
Buildings	2,831,520	3,873,051
Amusement machines and facilities, net	16,091,991	17,329,586
Tools, furniture and fixtures	1,518,506	1,692,333
Other	139,445	148,821
Total property, plant and equipment	20,581,463	23,043,794
Intangible assets		
Software	942,017	969,829
Other	2,875	2,640
Total intangible assets	944,892	972,470
Investments and other assets		
Investment securities	5,323	0
Shares of subsidiaries and associates	1,020,312	1,291,664
Investments in capital of subsidiaries and associates	0	0
Deferred tax assets	1,560,734	1,726,744
Leasehold and guarantee deposits	3,673,014	3,685,761
Long-term loans receivable from subsidiaries and associates	393,269	1,055,047
Prepaid pension costs	58,190	166,118
Other	136,337	82,486
Provision for investment loss	(313,062)	-
Total investments and other assets	6,534,120	8,007,823
Total non-current assets	28,060,476	32,024,088
Total assets	39,528,672	46,187,867

(Thousand yen)

	As of February 28, 2025	As of February 28, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	1,676,001	1,852,752
Short-term borrowings	10,300,000	15,500,000
Current portion of long-term borrowings	2,600,400	3,400,040
Current portion of long-term accounts payable - installment purchase	579,770	488,365
Income taxes payable	1,176,008	1,948,874
Provision for bonuses	325,184	324,042
Provision for remuneration for directors (and other officers)	31,808	44,387
Notes payable - facilities	3,077,850	903,180
Electronically recorded obligations - facilities	-	1,966,871
Provision for loss on closing of stores	8,341	98,094
Other	3,392,820	3,632,509
Total current liabilities	23,168,184	30,159,118
Non-current liabilities		
Long-term borrowings	8,066,100	8,199,940
Long-term accounts payable - installment purchase	488,365	-
Provision for loss on business of subsidiaries and associates	1,933,887	798,996
Asset retirement obligations	685,497	949,913
Other	73,698	73,322
Total non-current liabilities	11,247,549	10,022,171
Total liabilities	34,415,733	40,181,290
Net assets		
Shareholders' equity		
Share capital	1,824,320	1,829,502
Capital surplus		
Legal capital surplus	4,810,268	315,450
Other capital surplus	32,695	2,954,381
Total capital surplus	4,842,963	3,269,832
Retained earnings		
Legal retained earnings	212,500	-
Other retained earnings		
Retained earnings brought forward	(1,790,813)	881,569
Total retained earnings	(1,578,313)	881,569
Treasury shares	(5,001)	(5,411)
Total shareholders' equity	5,083,968	5,975,492
Share acquisition rights	28,970	31,084
Total net assets	5,112,938	6,006,577
Total liabilities and net assets	39,528,672	46,187,867

(2) Non-consolidated Statements of Income

(Thousand yen)

	For the fiscal year ended February 28, 2025	For the fiscal year ended February 28, 2026
Net sales		
Children's play facilities sales	69,088,480	75,032,900
Other net sales	380,308	483,500
Total net sales	69,468,789	75,516,400
Cost of sales		
Game facilities cost of goods sold	58,474,233	63,680,677
Other cost of sales	412	131
Total cost of sales	58,474,646	63,680,808
Gross profit	10,994,142	11,835,592
Selling, general and administrative expenses	4,783,511	4,816,110
Operating profit	6,210,631	7,019,481
Non-operating income		
Interest income	706,156	123,013
Foreign exchange gains	-	1,131,606
Insurance claim income	41,238	30,464
Gain on sale of non-current assets	3,909	53,679
Other	75,508	53,361
Total non-operating income	826,812	1,392,124
Non-operating expenses		
Interest expenses	277,109	370,395
Foreign exchange losses	284,813	-
Loss on sale of non-current assets	8,890	996
Financing expenses	194,280	10,300
Commission expenses	-	104,081
Other	3,267	4,695
Total non-operating expenses	768,362	490,468
Ordinary profit	6,269,081	7,921,137
Extraordinary income		
Reversal of provision for loss on closing of stores	6,355	2,531
Total extraordinary income	6,355	2,531
Extraordinary losses		
Loss on store closings	50,035	40,070
Provision for loss on closing of stores	8,341	98,094
Impairment losses	267,466	342,823
Loss on valuation of investment securities	-	5,323
Loss on valuation of investments in capital of subsidiaries and associates	-	206,041
Loss on valuation of shares of subsidiaries and associates	-	198,865
Provision for investment loss	77,881	-
Provision of allowance for doubtful accounts for subsidiaries and associates	3,944,704	3,096,085
Provision for loss on business of subsidiaries and associates	2,025,937	729,267
Total extraordinary losses	6,374,366	4,716,571
Profit (loss) before income taxes	(98,929)	3,207,096
Income taxes - current	1,563,529	2,491,538
Income taxes - deferred	229,136	(166,010)
Total income taxes	1,792,665	2,325,527
Profit (Loss)	(1,891,595)	881,569

Detailed Statement of Game Facilities Cost of Goods Sold

		Fiscal year ended February 28, 2025 (from March 1, 2024 to February 28, 2025)			Fiscal year ended February 28, 2026 (from March 1, 2025 to February 28, 2026)		
Category	Note No.	Amount (Thousand yen)		Component ratio (%)	Amount (Thousand yen)		Component ratio (%)
I Premium expenses			10,062,976	17.2		10,944,754	17.2
II Rent expenses on amusement machines and facilities			1,759,821	3.0		1,550,855	2.4
III Merchandise cost			7,646,624	13.1		8,898,406	14.0
IV Labor expenses			12,838,152	22.0		13,983,232	22.0
V Expenses							
1. Rent expenses on buildings and common service expenses		14,223,372			15,035,654		
2. Depreciation		5,431,874			6,129,196		
3. Other		6,511,412	26,166,659	44.8	7,138,576	28,303,428	44.5
Total game facilities cost of goods sold			58,474,233	100.0		63,680,677	100.0

(3) Non-consolidated Statements of Changes in Equity

Fiscal year ended February 28, 2025 (from March 1, 2024 to February 28, 2025)

(Thousand yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	
					Retained earnings brought forward	Total other retained earnings	
Balance at beginning of period	1,810,821	4,796,769	32,695	4,829,464	212,500	298,510	298,510
Changes of items during period							
Dividends of surplus						(197,728)	(197,728)
Loss						(1,891,595)	(1,891,595)
Issuance of new shares	13,498	13,498		13,498			
Transfer from legal capital surplus to other capital surplus							
Deficit disposition							
Purchase of treasury shares							
Net changes of items other than shareholders' equity							
Total changes of items during period	13,498	13,498	-	13,498	-	(2,089,323)	(2,089,323)
Balance at end of period	1,824,320	4,810,268	32,695	4,842,963	212,500	(1,790,813)	(1,790,813)

	Shareholders' equity			Share acquisition rights	Total net assets
	Retained earnings	Treasury shares	Total shareholders' equity		
	Total retained earnings				
Balance at beginning of period	511,010	(4,635)	7,146,660	37,947	7,184,608
Changes of items during period					
Dividends of surplus	(197,728)		(197,728)		(197,728)
Loss	(1,891,595)		(1,891,595)		(1,891,595)
Issuance of new shares			26,997		26,997
Transfer from legal capital surplus to other capital surplus			-		-
Deficit disposition			-		-
Purchase of treasury shares		(365)	(365)		(365)
Net changes of items other than shareholders' equity				(8,977)	(8,977)
Total changes of items during period	(2,089,323)	(365)	(2,062,692)	(8,977)	(2,071,669)
Balance at end of period	(1,578,313)	(5,001)	5,083,968	28,970	5,112,938

Fiscal year ended February 28, 2026 (from March 1, 2025 to February 28, 2026)

(Thousand yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	
						Retained earnings brought forward	Total other retained earnings
Balance at beginning of period	1,824,320	4,810,268	32,695	4,842,963	212,500	(1,790,813)	(1,790,813)
Changes of items during period							
Dividends of surplus							
Profit						881,569	881,569
Issuance of new shares	5,182	5,182		5,182			
Transfer from legal capital surplus to other capital surplus		(4,500,000)	4,500,000		(212,500)	212,500	212,500
Deficit disposition			(1,578,313)	(1,578,313)		1,578,313	1,578,313
Purchase of treasury shares							
Net changes of items other than shareholders' equity							
Total changes of items during period	5,182	(4,494,817)	2,921,686	(1,573,131)	(212,500)	2,672,382	2,672,382
Balance at end of period	1,829,502	315,450	2,954,381	3,269,832	-	881,569	881,569

	Shareholders' equity			Share acquisition rights	Total net assets
	Retained earnings	Treasury shares	Total shareholders' equity		
	Total retained earnings				
Balance at beginning of period	(1,578,313)	(5,001)	5,083,968	28,970	5,112,938
Changes of items during period					
Dividends of surplus			-		-
Profit	881,569		881,569		881,569
Issuance of new shares			10,364		10,364
Transfer from legal capital surplus to other capital surplus			-		-
Deficit disposition	1,578,313		-		-
Purchase of treasury shares		(409)	(409)		(409)
Net changes of items other than shareholders' equity				2,114	2,114
Total changes of items during period	2,459,882	(409)	891,524	2,114	893,638
Balance at end of period	881,569	(5,411)	5,975,492	31,084	6,006,577