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May 12, 2026

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

Company name: Yonex Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 7906
URL: <https://www.yonex.co.jp>
Representative: President Alyssa Yoneyama
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Telephone: 03-3839-7112
Scheduled date of annual general meeting of shareholders: June 24, 2026
Scheduled date to commence dividend payments: June 25, 2026
Scheduled date to file annual securities report: June 17, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the fiscal year ended March 31, 2026

(from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2026	163,643	18.3	16,546	16.7	16,316	16.8	12,092	14.2
March 31, 2025	138,276	18.8	14,176	22.1	13,964	14.5	10,591	19.6

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	141.42	—	16.2	13.7	10.1
March 31, 2025	122.96	—	16.3	13.9	10.3

(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
March 31, 2026	128,620	80,740	62.6	940.87
March 31, 2025	109,551	69,426	63.2	809.91

(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
March 31, 2026	9,485	(10,035)	4,501	33,738
March 31, 2025	12,978	(5,765)	(2,614)	29,000

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 March 31, 2025	—	11.00	—	11.00	22.00	1,899	17.9	2.9
Fiscal year ended March 31, 2026	—	12.00	—	13.00	25.00	2,144	17.7	2.9
Fiscal year ending March 31, 2027 (Forecast)	—	14.00	—	14.00	28.00		18.1	

3. Forecast of consolidated financial results for the year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2026	89,000	11.9	9,500	7.4	9,400	14.6	7,100	11.4	82.99
Full year	178,000	8.8	17,800	7.6	17,600	7.9	13,200	9.2	154.29

*** 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 March 31, 2026	92,870,800 shares
As of March 31, 2025	92,870,800 shares

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

As of March 31, 2026	7,319,247 shares
As of March 31, 2025	7,427,727 shares

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

Fiscal year ended March 31, 2026	85,510,691 shares
Fiscal year ended March 31, 2025	86,130,803 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2026

(from April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2026	99,610	13.4	4,063	10.1	11,710	(9.9)	10,074	(13.3)
March 31, 2025	87,802	16.3	3,691	115.5	12,998	56.5	11,621	59.1

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	117.82	—
March 31, 2025	134.93	—

(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
March 31, 2026	96,146	62,427	64.9	729.71
March 31, 2025	80,842	54,192	67.0	634.26

* 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

The earnings forecasts and other forward-looking statements herein are based on information currently available and certain assumptions deemed reasonable by the Company, and actual results may differ significantly from these forecasts due to various factors.

1. Overview of Operating Results, etc.

(1) Overview of operating results for the period

During the fiscal year under review, while the sports market remained solid globally, particularly in Asia, our company continued to strengthen proposals under the "Head-to-Toe" concept and actively disseminated information leveraging the achievements of Team Yonex athletes in international competitions. In addition to sales activities in each region, we worked to expand customer touchpoints through pop-up stores, various events, and e-commerce, striving to broaden the fan base for sports and further invigorate the market.

As a result, in badminton equipment, demand remained strong and sales increased, supported by the continued popularity of the sport, particularly in Asia, our main market. For tennis equipment, sales also increased due to enhanced brand recognition resulting from the success of Team Yonex athletes in international tournaments. In addition, sales of other products such as apparel and bags expanded globally, supporting the overall growth of the business. As a result, consolidated net sales reached a record high.

With regard to profit, although there were factors such as rising raw material prices and foreign exchange effects, gross profit increased due to higher sales. While selling, general and administrative expenses such as advertising expenses and personnel expenses increased as a result of continued marketing investments aimed at expanding brand awareness and revitalizing the market, the increase in gross profit exceeded the increase in selling, general and administrative expenses, resulting in record-high profits.

As a result, consolidated net sales were 163,643 million yen (up 18.3% YoY), and operating profit was 16,546 million yen (up 16.7% YoY). Due in part to foreign exchange losses, ordinary profit was 16,316 million yen (up 16.8% YoY), and profit attributable to owners of parent was 12,092 million yen (up 14.2% YoY). In addition, our overseas subsidiaries (in China, Taiwan, North America, Germany, the United Kingdom, as well as manufacturing subsidiaries in India and Thailand) are included in the consolidated results for the period from January to December 2025, and the financial statements as of December 31, 2025 are used.

Amid significant changes in people's values, ways of thinking, and lifestyles, our company formulated the "Medium- to Long-Term Vision: Global Growth Strategy (GGS)" in May 2023 to deliver the joy of sports to more people and build new connections with customers around the world. The GGS is centered on the pillars of "geographic footprint," "marketing," "DTC and digital," "IT," "monozukuri (craftsmanship)," and the "evolution of corporate culture," which serves as the foundation for executing these initiatives. We are promoting efforts in each of these areas.

Going forward, while continuing to take on new challenges in line with GGS, we will strive to realize our Purpose, "Craft a better future with unique innovations," and our Mission, "Bring the world together by deepening people's connection to sport and to each other."

1) Sporting Goods Segment

a. Japan

Domestically, while demand for badminton equipment continued to remain strong, sales of racquets increased across a wide range of price points, and sales of shuttlecocks and strings also performed well. In tennis equipment, in addition to racquets, sales of various products including shoes and strings also grew.

For overseas distributors, demand for badminton products remained firm, particularly in the Asian region, while sales also increased in the European region due to the growing popularity of the sport. Sales of tennis products also increased as a result of marketing activities leveraging the success of Team Yonex athletes.

As for profit, although there were increases in advertising expenses and personnel expenses, the increase in gross profit due to higher revenue exceeded these, resulting in higher profit.

As a result, net sales were 64,092 million yen (up 10.5% YoY), and operating profit was 3,962 million yen (up 7.3% YoY).

b. Asia

At the Chinese sales subsidiary, while the badminton market continued to perform steadily, sales increased mainly for badminton products due to enhanced grassroots promotional activities and strengthened proposals under the "Head-to-Toe" concept. In addition, sales of other products such as apparel and bags also grew. For tennis products, marketing initiatives leveraging the adoption of our balls as official balls in international tournaments and other efforts to expand the player base were continued, resulting in increased sales.

At the Taiwan subsidiary, driven by the solid badminton market and the strong performance of Team Yonex athletes in international tournaments, sales of badminton-related products, particularly racquets and shuttlecocks, increased.

Regarding profit, although there was an increase in selling, general and administrative expenses mainly due to higher advertising expenses associated with strengthened marketing activities at the sales subsidiary in China, the increase in gross profit resulting from higher sales exceeded this, resulting in higher profit.

As a result, net sales were 85,562 million yen (up 25.8% YoY), and operating profit was 11,864 million yen (up 22.2% YoY).

c. North America

At the North American sales subsidiary, sales of badminton products increased amid growing activity in badminton. For tennis products, sales remained solid, particularly for racquets, driven by the promotion of marketing initiatives. In addition, sales of other products such as apparel also grew, contributing to overall sales. Furthermore, as part of DTC initiatives, we strengthened direct contact with customers in the United States through the development of e-commerce sites and pop-up stores, focusing on expanding brand awareness and disseminating product information under the "Head-to-Toe" concept.

As for profit, although gross profit increased due to higher revenue, selling, general and administrative expenses increased as a result of higher personnel expenses, advertising expenses, and costs associated with DTC initiatives, resulting in a decrease in profit.

As a result, net sales were 7,358 million yen (up 15.8% YoY), and operating profit was 256 million yen (down 54.2% YoY).

d. Europe

At the sales subsidiaries in Germany and the United Kingdom, demand for badminton products remained strong, supported by the growing popularity of the sport due to the hosting of international tournaments, resulting in increased sales, particularly of racquets. For tennis products, enhanced brand recognition driven by the success of Team Yonex athletes supported solid racquet sales contributing to overall sales growth.

As for profit, although there were increases in personnel expenses and advertising expenses, the increase in gross profit due to higher revenue exceeded these, resulting in higher profit.

As a result, net sales were 6,077 million yen (up 13.4% YoY), and operating profit was 506 million yen (up 6.2% YoY).

As a result, the total net sales of the Sporting Goods Segment, which is the sum of each regional segment, were 163,091 million yen (up 18.4% YoY), and operating profit was 16,590 million yen (up 14.9% YoY).

2) Sports Facilities Segment

At the Yonex Country Club, which is the core of our Sports Facilities Segment, although we were affected by the intense heat in summer and heavy snowfall in winter, the number of visitors increased over the year, resulting in a slight increase in sales. On the other hand, other facilities experienced a decrease in revenue due to operational restrictions caused by unfavorable weather conditions.

In terms of profit, due to factors such as an increase in repair expenses for facilities, we recorded an operating loss.

As a result, net sales of the Sports Facilities Segment were 552 million yen (down 0.8% YoY), and operating loss was 22 million yen (compared to an operating profit of 16 million yen in the previous period).

(Note) In the segment information, net sales refer to "net sales to external customers," and operating income or loss is presented before adjustment.

(2) Future Outlook

The global economy continues to face uncertainty regarding the future, due to heightened geopolitical risks as well as the impact on raw material prices, logistics costs, and procurement and supply. Even under such circumstances, activity in the sports market remains solid, and we expect this trend to continue to a certain extent.

Based on our Global Growth Strategy (GGS), we are working to strengthen our business foundation for medium- to long-term growth, while focusing on activities to reach more customers worldwide and initiatives to further develop the sport, aiming for sustainable growth.

Regarding the consolidated forecasts for the fiscal year ending March 31, 2027, we expect increased marketing investments aimed at enhancing global brand recognition, as well as higher personnel expenses associated with strengthening our business foundation, as outlined below.

	Consolidated Forecasts for the Fiscal Year Ending March 31, 2027	Changes
Net sales	178,000 million yen	8.8% increase
Operating profit	17,800 million yen	7.6% increase
Ordinary profit	17,600 million yen	7.9% increase
Profit attributable to owners of parent	13,200 million yen	9.2% increase

(Reference) Major Assumed Exchange Rates

	Results for the fiscal year ended March 31, 2026	Forecast for the fiscal year ending March 31, 2027
USD	149.70 yen	155 yen
RMB	20.81 yen	22.5 yen
EUR	168.99 yen	180 yen

(3) Overview of Financial Position for current Fiscal Year

1) Assets, Liabilities, and Net Assets

As for assets at the end of the fiscal year, they amounted to 128,620 million yen, an increase of 19,069 million yen compared to the end of the previous fiscal year. The main factors for this increase were the growth in property, plant and equipment, cash and deposits, and inventories.

As for liabilities at the end of the fiscal year, they amounted to 47,880 million yen, an increase of 7,755 million yen compared to the end of the previous fiscal year. The main reason for this increase was the rise in long-term borrowings.

As for net assets at the end of the fiscal year, they amounted to 80,740 million yen, an increase of 11,313 million yen compared to the end of the previous fiscal year. The main reason for this increase was the growth in retained earnings.

2) Cash Flows

Cash and cash equivalents (hereinafter referred to as "cash") at the end of the fiscal year increased by 4,737 million yen compared to the end of the previous fiscal year, amounting to 33,738 million yen.

The cash flows for the fiscal year and their respective factors are as follows.

Operating Cash Flow

As a result of operating activities, cash obtained amounted to 9,485 million yen (down 26.9% YoY). The main sources of income were income before income taxes of 16,970 million yen, while the main expenditures were income taxes paid of 5,476 million yen and an increase in inventories of 3,591 million yen.

Investing Cash Flow

As a result of investing activities, cash used amounted to 10,035 million yen (up 74.1% YoY). The main breakdown of expenditures was 9,383 million yen for the acquisition of property, plant and equipment.

Financing Cash Flow

As a result of financing activities, cash obtained amounted to 4,501 million yen (compared to cash used of 2,614 million yen in the previous fiscal year). The main source of income was proceeds from long-term borrowings of 8,415 million yen, while the main expenditures were dividends paid by the parent company of 1,987 million yen and repayments of long-term borrowings of 1,237 million yen.

2. Basic Approach to the Selection of Accounting Standards

The Yonex Group prepares its consolidated financial statements in accordance with Japanese accounting standards for better comparability over time and between companies. IFRS standards may be adopted in the future as necessary, depending on various factors in Japan and overseas.

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	29,478	34,312
Notes receivable - trade	5,585	6,622
Accounts receivable - trade	14,417	16,033
Merchandise and finished goods	14,467	17,336
Work in process	2,701	2,988
Raw materials and supplies	2,836	3,870
Other	3,804	4,617
Allowance for doubtful accounts	(75)	(87)
Total current assets	73,216	85,693
Non-current assets		
Property, plant and equipment		
Buildings and structures	20,973	25,914
Accumulated depreciation	(11,067)	(11,920)
Buildings and structures, net	9,905	13,993
Machinery, equipment and vehicles	9,690	11,663
Accumulated depreciation	(7,267)	(8,049)
Machinery, equipment and vehicles, net	2,422	3,614
Tools, furniture and fixtures	4,462	5,035
Accumulated depreciation	(3,702)	(4,171)
Tools, furniture and fixtures, net	760	864
Golf courses	189	189
Trees	7	7
Land	12,080	15,114
Leased assets	96	110
Accumulated depreciation	(35)	(51)
Leased assets, net	60	59
Right of use assets	3,179	2,840
Accumulated depreciation	(1,197)	(1,109)
Right of use assets, net	1,982	1,730
Construction in progress	3,197	1,849
Total property, plant and equipment	30,607	37,423
Intangible assets		
Software	1,651	1,213
Software in progress	58	223
Other	15	14
Total intangible assets	1,725	1,452
Investments and other assets		
Investment securities	276	151
Long-term time deposits	400	440
Deferred tax assets	2,571	2,615
Other	754	846
Allowance for doubtful accounts	(0)	(1)
Total investments and other assets	4,002	4,050
Total non-current assets	36,334	42,926
Total assets	109,551	128,620

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	10,402	11,115
Accounts payable - other	4,969	4,578
Current portion of long-term borrowings	829	1,322
Lease liabilities	695	756
Income taxes payable	1,800	1,412
Accrued consumption taxes	4	7
Provision for bonuses	1,926	2,496
Provision for bonuses for directors (and other officers)	55	71
Provision for point card certificates	7	7
Other	4,239	4,838
Total current liabilities	24,931	26,607
Non-current liabilities		
Long-term borrowings	8,272	15,018
Lease liabilities	1,410	1,102
Retirement benefit liability	3,118	2,721
Provision for share awards	167	163
Asset retirement obligations	154	159
Long-term guarantee deposits	1,951	2,006
Other	118	100
Total non-current liabilities	15,193	21,273
Total liabilities	40,124	47,880
Net assets		
Shareholders' equity		
Share capital	4,706	4,706
Capital surplus	7,992	8,033
Retained earnings	57,071	67,191
Treasury shares	(5,126)	(4,998)
Total shareholders' equity	64,643	74,932
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	69	33
Foreign currency translation adjustment	4,900	5,690
Remeasurements of defined benefit plans	(412)	(163)
Total accumulated other comprehensive income	4,558	5,560
Non-controlling interests	224	247
Total net assets	69,426	80,740
Total liabilities and net assets	109,551	128,620

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	138,276	163,643
Cost of sales	76,214	91,116
Gross profit	62,061	72,527
Selling, general and administrative expenses		
Advertising expenses	21,608	25,905
Provision of allowance for doubtful accounts	10	27
Salaries and allowances	7,492	8,605
Provision for bonuses	1,274	1,637
Provision for bonuses for directors (and other officers)	55	72
Retirement benefit expenses	363	370
Depreciation	1,643	1,624
Research and development expenses	2,185	2,499
Provision for point card certificates	0	0
Other	13,251	15,235
Total selling, general and administrative expenses	47,884	55,980
Operating profit	14,176	16,546
Non-operating income		
Interest income	149	142
Rental income	11	106
Other	149	125
Total non-operating income	310	374
Non-operating expenses		
Interest expenses	148	285
Commission expenses	40	4
Foreign exchange losses	322	140
Other	11	173
Total non-operating expenses	522	604
Ordinary profit	13,964	16,316
Extraordinary income		
Gain on sale of investment securities	—	38
National subsidies	927	828
Total extraordinary income	927	866
Extraordinary losses		
Loss on retirement of non-current assets	—	212
Total extraordinary losses	—	212
Profit before income taxes	14,892	16,970
Income taxes - current	5,148	5,001
Income taxes - deferred	(865)	(135)
Total income taxes	4,282	4,866
Profit	10,610	12,103
Profit attributable to non-controlling interests	18	10
Profit attributable to owners of parent	10,591	12,092

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	10,610	12,103
Other comprehensive income		
Valuation difference on available-for-sale securities	40	(36)
Foreign currency translation adjustment	2,065	806
Remeasurements of defined benefit plans, net of tax	(193)	250
Total other comprehensive income	1,913	1,020
Comprehensive income	12,523	13,124
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,479	13,095
Comprehensive income attributable to non-controlling interests	43	29

Consolidated statements of changes in equity

Fiscal year ended March 31,2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,706	7,945	48,218	(2,837)	58,033
Changes during period					
Dividends of surplus			(1,738)		(1,738)
Profit attributable to owners of parent			10,591		10,591
Purchase of treasury shares				(2,400)	(2,400)
Disposal of treasury shares		46		111	157
Net changes in items other than shareholders' equity					
Total changes during period	—	46	8,852	(2,289)	6,609
Balance at end of period	4,706	7,992	57,071	(5,126)	64,643

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	29	2,860	(219)	2,669	197	60,901
Changes during period						
Dividends of surplus						(1,738)
Profit attributable to owners of parent						10,591
Purchase of treasury shares						(2,400)
Disposal of treasury shares						157
Net changes in items other than shareholders' equity	40	2,040	(192)	1,888	26	1,915
Total changes during period	40	2,040	(192)	1,888	26	8,525
Balance at end of period	69	4,900	(412)	4,558	224	69,426

Fiscal year ended March 31,2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,706	7,992	57,071	(5,126)	64,643
Changes during period					
Dividends of surplus			(1,972)		(1,972)
Profit attributable to owners of parent			12,092		12,092
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		41		128	169
Net changes in items other than shareholders' equity					
Total changes during period	—	41	10,120	127	10,289
Balance at end of period	4,706	8,033	67,191	(4,998)	74,932

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	69	4,900	(412)	4,558	224	69,426
Changes during period						
Dividends of surplus						(1,972)
Profit attributable to owners of parent						12,092
Purchase of treasury shares						(0)
Disposal of treasury shares						169
Net changes in items other than shareholders' equity	(36)	789	248	1,002	22	1,024
Total changes during period	(36)	789	248	1,002	22	11,313
Balance at end of period	33	5,690	(163)	5,560	247	80,740

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	14,892	16,970
Depreciation	3,275	3,631
State subsidy	(927)	(828)
Increase (decrease) in allowance for doubtful accounts	(21)	12
Increase (decrease) in provision for bonuses	414	543
Net increase (decrease) in retirement benefit asset and liability	71	(48)
Increase (decrease) in other provisions	7	15
Interest and dividend income	(156)	(148)
Interest expenses	148	285
Foreign exchange losses (gains)	(178)	(380)
Loss (gain) on sale of non-current assets	(45)	(6)
Loss on retirement of non-current assets	9	243
Loss (gain) on sale of investment securities	—	(38)
Decrease (increase) in trade receivables	(2,239)	(2,654)
Decrease (increase) in inventories	(2,328)	(3,591)
Increase (decrease) in trade payables	3,681	542
Increase (decrease) in accrued consumption taxes	(487)	(338)
Other, net	1,054	7
Subtotal	17,171	14,216
Interest and dividends received	167	89
Interest paid	(160)	(282)
Subsidies received	662	828
Income taxes refund (paid)	(4,946)	(5,476)
Other, net	83	109
Net cash provided by (used in) operating activities	12,978	9,485
Cash flows from investing activities		
Payments into time deposits	(459)	(600)
Proceeds from withdrawal of time deposits	369	489
Purchase of property, plant and equipment	(5,801)	(9,383)
Proceeds from sale of property, plant and equipment	68	11
Payments for retirement of property, plant and equipment	—	(102)
Purchase of intangible assets	(149)	(444)
Proceeds from State Subsidy	264	—
Proceeds from sale of investment securities	—	111
Other, net	(56)	(117)
Net cash provided by (used in) investing activities	(5,765)	(10,035)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(2,303)	—
Proceeds from long-term borrowings	5,560	8,415
Repayments of long-term borrowings	(982)	(1,237)
Repayments of lease liabilities	(712)	(675)
Purchase of treasury shares	(2,400)	(0)
Dividends paid	(1,720)	(1,987)
Dividends paid to non-controlling interests	(16)	(6)
Other, net	(38)	(5)
Net cash provided by (used in) financing activities	(2,614)	4,501
Effect of exchange rate change on cash and cash equivalents	1,220	785
Net increase (decrease) in cash and cash equivalents	5,820	4,737
Cash and cash equivalents at beginning of period	23,180	29,000
Cash and cash equivalents at end of period	29,000	33,738

(4) Notes on Consolidated Financial Statements

(Notes Regarding Going Concern Assumptions)

Not applicable.

(Notes on case of significant changes in the amount of shareholders' equity)

Not applicable.

(Notes on Additional Information)

(Change in Presentation)

(Consolidated Statement of Income)

In the previous fiscal year, "Gain on sale of non-current assets," which was separately presented under "Non-operating income," has been included in "Others" in the current fiscal year due to its decreased materiality.

As a result, in the consolidated statement of income for the previous fiscal year, the 46 million yen that had been presented under 'Gain on sale of non-current assets' in 'Non-operating income' has been reclassified as 'Others.'

(Notes on Consolidated Statement of Cash Flows)

In the previous fiscal year, the item "Increase (decrease) in retirement benefit liability (- indicates decrease)" under "Cash flows from operating activities," which was presented separately, is now presented as "Increase (decrease) in retirement benefit assets and liabilities (- indicates decrease)" for the sake of clarity in presentation.

As a result, in the consolidated statement of cash flows for the previous fiscal year, the increase (decrease) in "Retirement benefit liability" of 71 million yen, which was previously presented under "Cash flows from operating activities," has been reclassified as "Increase (decrease) in retirement benefit assets and liabilities."

(Notes on Segment Information, etc.)

a. Segment Information

1. Overview of Reporting Segments

The reportable segments of the Group are those components of the group for which separate financial information is available and which are regularly reviewed by the Board of Directors for the purpose of making decisions regarding the allocation of management resources and evaluating performance.

The Group consists of the Sporting Goods Segment, which manufactures and sells sporting goods, and the Sports Facilities Segment, which operates golf courses and related activities.

Regarding the Sporting Goods Segment, we manufacture and sell badminton equipment, tennis equipment, golf equipment, and other related products. Manufacturing is carried out not only at the Group's domestic production bases, but also at local subsidiaries in Asia (Taiwan, India, and Thailand). As for sales, the Company handles domestic sales as well as exports and intermediary trade to overseas sales agents. Overseas, local subsidiaries in North America (the United States and Canada), Europe (the United Kingdom and Germany), and Asia (Taiwan and China) are each responsible for sales in their respective regions. It should be noted that the subsidiaries in India and Thailand are manufacturing subsidiaries, and sales in those regions are handled by sales agents.

Each local subsidiary operates as an independent management unit, formulating comprehensive strategies for its respective region and conducting business activities accordingly.

With regard to the Sports Facilities Segment, only the Company operates golf courses and tennis/golf practice facilities in Japan.

Accordingly, the Sporting Goods Segment of the Group is composed of regional segments based on the sales structure, with "Japan," "Asia," "North America," and "Europe" as the four reportable segments. The Sports Facilities Segment is treated as a single reportable segment, making a total of five reportable segments.

2. Method of calculating amounts of Net sales, profit or loss, assets, and other items by reportable segment

The accounting methods for the reported business segments are in accordance with the accounting policies adopted for the preparation of the consolidated financial statements.

The profit of the reportable segments is based on operating profit.

Internal revenues and transfers between segments are based on market prices.

3. Information on Net sales, profit or loss, assets, and other items by reportable segment

Fiscal year ended March 31, 2025 (April 1, 2024 - March 31, 2025)

(Millions of yen)

	Reportable segment						Total	Adjustment (Note 2)	Consolidated Financial Statements Recorded amount (Note 3)
	Sporting Goods Segment					Sports Facilities Segment			
	Japan	Asia (Note 1)	North America	Europe	Total				
Net sales									
External customers	58,005	67,999	6,354	5,359	137,718	557	138,276	-	138,276
Intersegment sales and transfers	29,287	8,994	10	45	38,337	25	38,362	(38,362)	-
Total	87,292	76,993	6,364	5,405	176,056	582	176,639	(38,362)	138,276
Segment profit	3,694	9,712	560	477	14,444	16	14,460	(283)	14,176
Segment Assets	78,928	33,410	5,695	4,565	122,600	2,120	124,720	(15,169)	109,551
Other items									
Depreciation	2,026	1,159	30	29	3,245	40	3,286	(10)	3,275
Extraordinary income	264	662	-	-	927	-	927	-	927
Increase in property, plant and equipment and intangible assets	6,243	1,235	27	66	7,573	86	7,659	(3)	7,655

(Note) 1. Within the net sales of 'Asia' in the Sporting Goods Segment, net sales of China accounts for 61,125 million yen.

Fiscal year ended March 31, 2026 (April 1, 2025 - March 31, 2026)

(Millions of yen)

	Reportable segment						Total	Adjustment (Note 2)	Consolidated Financial Statements Recorded amount (Note 3)
	Sporting Goods Segment					Sports Facilities Segment			
	Japan	Asia (Note 1)	North America	Europe	Total				
Net sales									
External customers	64,092	85,562	7,358	6,077	163,091	552	163,643	-	163,643
Intersegment sales and transfers	35,002	10,976	5	36	46,021	24	46,046	(46,046)	-
Total	99,094	96,539	7,364	6,114	209,112	577	209,690	(46,046)	163,643
Segment profit (loss)	3,962	11,864	256	506	16,590	(22)	16,567	(21)	16,546
Segment Assets	93,925	38,216	4,832	5,969	142,943	2,007	144,951	(16,330)	128,620
Other items									
Depreciation	2,388	1,132	40	29	3,590	43	3,634	(2)	3,631
Extraordinary income	38	828	-	-	866	-	866	-	866
Extraordinary losses	212	-	-	-	212	-	212	-	212
Increase in property, plant and equipment and intangible assets	9,240	1,361	24	346	10,972	22	10,995	(0)	10,995

(Note) 1. Within the net sales of 'Asia' in the Sporting Goods Segment, net sales of China accounts for 77,756 million yen.

2. The details of the adjustments are as follows.

Segment profit (Millions of yen)

	Previous fiscal year	For the fiscal year
Elimination of inter-segment transactions	97	119
Adjustment amount for inventories	(386)	(140)
Adjustments to non-current assets	5	(0)
Total	(283)	(21)

Segment Assets (Millions of yen)

	Previous fiscal year	For the fiscal year
Elimination of inter-segment transactions	(15,955)	(17,020)
Company-wide Assets*	2,971	3,015
Adjustment amount for inventories	(2,179)	(2,319)
Adjustments to non-current assets	(7)	(5)
Total	(15,169)	(16,330)

*Company-wide assets consist of deferred tax assets and deferred tax liabilities, as well as time deposits, which are not attributable to any reportable segment.

3. Segment profit (loss) is adjusted with operating profit in the consolidated financial statements.

b. Related Information

Fiscal year ended March 31, 2025 (April 1, 2024 - March 31, 2025)

1. Information by Product and Service

As similar information is disclosed in the segment information, the details are omitted here.

2. Information by Geographical Area

(1) Net sales

(Millions of yen)

Japan	Asia	North America	Europe	Other	Total
38,217	80,677	6,354	10,936	2,089	138,276

(Note) 1. Net sales are classified by country or region based on the location of customers.

2. Of the amount classified as Net sales to Asia, Net sales to China were 61,125 million yen.

(2) Property, plant and equipment

(Millions of yen)

Japan	Asia	North America	Europe	Total
24,454	4,609	1,011	531	30,607

(Note) Classification is based on the location of property, plant and equipment, and grouped by country or region.

3. Information by Major Customer

As there are no customers whose net sales to external customers account for 10% or more of the consolidated statement of income net sales, this information is omitted.

Fiscal year ended March 31, 2026 (April 1, 2025 - March 31, 2026)

1. Information by Product and Service

As similar information is disclosed in the segment information, the details are omitted here.

2. Information by Geographical Area

(1) Net sales

(Millions of yen)

Japan	Asia	North America	Europe	Other	Total
41,874	99,443	7,385	12,122	2,817	163,643

(Note) 1. Net sales are classified by country or region based on the location of customers.

2. Of the amount classified as Net sales to Asia, Net sales to China were 77,756 million yen.

(2) Property, plant and equipment

(Millions of yen)

Japan	Asia	North America	Europe	Total
30,783	4,915	803	920	37,423

(Note) Classification is based on the location of property, plant and equipment, and grouped by country or region.

3. Information by Major Customer

As there are no customers whose net sales to external customers account for 10% or more of the consolidated statement of income net sales, this information is omitted.

(Per Share Information)

(Yen)

	Fiscal year ended March 31, 2025 (April 1, 2024 - March 31, 2025)	Fiscal year ended March 31, 2026 (April 1, 2025 - March 31, 2026)
Net assets per share	809.91 yen	940.87 yen
Basic earnings per share	122.96 yen	141.42 yen
Diluted earnings per share	-	-

(Note) The basis for the calculation of basic earnings per share is as follows.

(Millions of yen)

	Fiscal year ended March 31, 2025 (April 1, 2024 - March 31, 2025)	Fiscal year ended March 31, 2026 (April 1, 2025 - March 31, 2026)
Basic earnings per share		
Profit attributable to owners of parent	10,591	12,092
Amount not attributable to common shareholders	-	-
Attributable to owners of parent for common stock	10,591	12,092
Net income		
Average number of shares (thousand of shares)	86,130	85,510

(Note)

1. Diluted earnings per share are not stated as there are no potential shares outstanding.
2. Shares of the Company held by Japan Custody Bank, Ltd. (Trust Account) are included in treasury shares deducted from the average number of shares for the calculation of basic earnings per share. In addition, they are included in treasury shares deducted from the total number of shares issued at the end of the period for the calculation of net assets per share. The average number of shares of the Company held by the said trust account was 343 thousand shares in the previous fiscal year and 255 thousand shares in the current fiscal year, and the number of shares at the end of the period was 312 thousand shares in the previous fiscal year and 220 thousand shares in the current fiscal year.

(Notes on Significant Subsequent Event)

Not applicable