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Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 [Japanese GAAP]

May 12, 2026

Company name: DAIICHI JITSUGYO CO., LTD.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 8059
 URL: <https://www.djk.co.jp/>
 Representative: Yuji Funawatari, President & COO
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 Phone: +81-3-6370-8697
 Scheduled date of Annual General Meeting of Shareholders: June 25, 2026
 Scheduled date to commence dividend payments: June 5, 2026
 Scheduled date to file annual securities report: June 23, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 - March 31, 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 March 31, 2026	219,140	(1.2)	13,696	4.5	14,353	5.6	9,951	12.6
March 31, 2025	221,755	18.1	13,103	44.1	13,597	51.0	8,841	18.5

(Note) Comprehensive income: Fiscal year ended March 31, 2026: ¥14,039 million [62.9%]
 Fiscal year ended March 31, 2025: ¥8,617 million [(26.8)%]

	Basic earnings per share	Diluted earnings per share	Ratio of return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2026	311.77	310.98	11.7	8.3	6.3
March 31, 2025	278.57	277.66	11.6	7.4	5.9

(Reference) Equity in earnings (losses) of affiliates: Fiscal year ended March 31, 2026: ¥180 million
 Fiscal year ended March 31, 2025: ¥9 million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2026	175,639	90,701	51.5	2,834.14
As of March 31, 2025	171,373	79,852	46.5	2,499.41

(Reference) Equity: As of March 31, 2026: ¥90,490 million
 As of March 31, 2025: ¥79,687 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2026	16,136	(188)	1,221	51,829
March 31, 2025	11,594	(1,290)	(7,690)	33,882

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	%	%
March 31, 2025	–	41.00	–	51.00	92.00	2,927	33.0	3.8
Fiscal year ended	–	51.00	–	74.00	125.00	3,991	40.1	4.7
March 31, 2026								
Fiscal year ending	–	62.00	–	63.00	125.00		42.5	
March 31, 2027 (Forecast)								

(Note) Year-end Dividends for the Fiscal year ended March 31, 2025: ordinary dividend of 43.00 yen
: special dividend of 8.00 yen

3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2027 (April 1, 2026 - March 31, 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
	210,000	(4.2)	12,000	(12.4)	12,400	(13.6)	9,400	(5.5)	294.40

*** 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: None
 - 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 and outstanding shares (common shares)
- 1) Total number of issued and outstanding shares at the end of the period (including treasury shares):

March 31, 2026:	32,759,200 shares
March 31, 2025:	32,759,200 shares
 - 2) Total number of treasury shares at the end of the period:

March 31, 2026:	830,307 shares
March 31, 2025:	876,844 shares
 - 3) Average number of shares during the period:

Fiscal year ended March 31, 2026:	31,920,630 shares
Fiscal year ended March 31, 2025:	31,740,270 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 - March 31, 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 March 31, 2026	179,813	0.3	9,767	23.0	11,609	12.2	8,460	7.5
March 31, 2025	179,213	18.9	7,940	46.1	10,347	41.9	7,868	20.6

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	265.04	264.37
March 31, 2025	247.90	247.09

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2026	127,423	63,840	50.1	1,997.61
As of March 31, 2025	130,175	55,779	42.8	1,747.09

(Reference) Equity: As of March 31, 2026: ¥63,781 million

As of March 31, 2025: ¥55,701 million

2. Non-consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2027 (April 1, 2026 - March 31, 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	172,000	(4.3)	9,900	(14.7)	7,900	(6.6)	247.42

* These consolidated financial results reports are exempt from audit by certified public accountants or an audit firm.

* Explanation of the proper use of financial forecasts and other notes

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable, and the Company does not promise the achievement of these forecasts. Actual results may differ significantly from these forecasts due to a wide range of factors.

The Company plans to hold a financial results briefing session for institutional investors and analysts on Friday, May 22, 2026. Reference materials to be distributed at the briefing session will be available on the Company's website promptly after the session.

Consolidated Financial Statements
(1) Consolidated Balance Sheet

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	35,960	53,007
Notes and accounts receivable - trade, and contract assets	37,631	39,030
Electronically recorded monetary claims - operating	14,048	9,001
Merchandise and finished goods	22,216	17,939
Work in process	1,716	1,363
Raw materials and supplies	881	830
Advance payments to suppliers	26,950	23,735
Accounts receivable - other	9,173	2,448
Other	1,467	2,014
Allowance for doubtful accounts	(105)	(110)
Total current assets	149,940	149,260
Non-current assets		
Property, plant and equipment		
Buildings	3,014	3,091
Accumulated depreciation	(1,709)	(1,650)
Buildings, net	1,304	1,441
Machinery, equipment and vehicles	1,200	1,293
Accumulated depreciation	(716)	(829)
Machinery, equipment and vehicles, net	484	463
Tools, furniture and fixtures	1,573	1,505
Accumulated depreciation	(1,154)	(1,105)
Tools, furniture and fixtures, net	418	399
Land	527	527
ESCO business assets	132	132
Accumulated depreciation	(125)	(129)
ESCO business assets, net	6	3
Solar photovoltaics business assets	770	782
Accumulated depreciation	(444)	(483)
Solar photovoltaics business assets, net	326	299
Assets leased to others	770	784
Accumulated depreciation	(527)	(602)
Assets leased to others, net	243	182
Construction in progress	30	79
Total property, plant and equipment	3,343	3,397
Intangible assets		
Goodwill	953	841
Software	951	897
Other	182	208
Total intangible assets	2,087	1,946

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Investments and other assets		
Investment securities	12,709	17,527
Retirement benefit asset	1,232	1,630
Deferred tax assets	672	595
Other	1,547	1,454
Allowance for doubtful accounts	(158)	(173)
Total investments and other assets	16,002	21,033
Total non-current assets	21,433	26,378
Total assets	171,373	175,639
Liabilities		
Current liabilities		
Notes and accounts payable-trade	31,977	26,285
Short-term borrowings	2,100	6,400
Current portion of long-term borrowings	120	120
Accounts payable- other	9,436	2,781
Income taxes payable	1,917	2,501
Advances received	36,565	35,887
Provision for product warranties	165	195
Provision for bonuses	1,548	1,742
Provision for bonuses for directors (and other officers)	181	191
Provision for loss on orders received	736	234
Provision for loss on litigation	—	303
Other	3,028	2,614
Total current liabilities	87,777	79,258
Non-current liabilities		
Long-term borrowings	—	480
Deferred tax liabilities	2,523	3,887
Provision for retirement benefits for directors (and other officers)	32	31
Retirement benefit liability	562	557
Other	625	722
Total non-current liabilities	3,743	5,679
Total liabilities	91,521	84,937
Net assets		
Shareholders' equity		
Share capital	5,105	5,105
Capital surplus	3,787	3,820
Retained earnings	62,792	69,489
Treasury shares	(858)	(807)
Total shareholders' equity	70,826	77,607
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,854	6,312
Deferred gains or losses on hedges	564	894
Foreign currency translation adjustment	4,268	5,296
Remeasurements of defined benefit plans	172	380
Total accumulated other comprehensive income	8,860	12,883
Share acquisition rights	78	59
Non-controlling interests	86	151
Total net assets	79,852	90,701
Total liabilities and net assets	171,373	175,639

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	221,755	219,140
Cost of sales	183,984	180,030
Gross profit	37,771	39,109
Selling, general and administrative expenses		
Remuneration, salaries and allowances for directors (and other officers)	9,362	9,840
Bonuses	2,360	1,857
Provision for bonuses	1,325	1,560
Provision for bonuses for directors (and other officers)	181	191
Provision for retirement benefits for directors (and other officers)	8	10
Retirement benefit expenses	407	389
Welfare expenses	2,094	2,061
Travel expenses	1,470	1,543
Communication expenses	200	204
Rent expenses	1,726	1,840
Entertainment expenses	360	402
Business taxes and establishment taxes	277	331
Depreciation	951	954
Automobile expenses	390	416
Amortization of goodwill	112	112
Other	3,435	3,696
Total selling, general and administrative expenses	24,668	25,413
Operating profit	13,103	13,696
Non-operating income		
Interest income	142	132
Dividend income	644	415
Purchase discounts	168	191
Share of profit of entities accounted for using equity method	9	180
Gain on investments in silent partnerships	58	57
Other	217	316
Total non-operating income	1,240	1,293
Non-operating expenses		
Interest expenses	42	37
Commission expenses	109	104
Commitment fees	12	6
Foreign exchange losses	536	145
Provision for loss on litigation	—	286
Other	45	55
Total non-operating expenses	746	636
Ordinary profit	13,597	14,353

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Extraordinary income		
Gain on sale of investment securities	186	458
Total extraordinary income	186	458
Extraordinary losses		
Loss on sale of investment securities	0	—
Loss on valuation of investment securities	106	145
Loss on valuation of membership	—	2
Total extraordinary losses	107	147
Profit before income taxes	13,676	14,665
Income taxes - current	3,863	4,590
Income taxes - deferred	932	69
Total income taxes	4,795	4,659
Profit	8,881	10,005
Profit attributable to non-controlling interests	39	53
Profit attributable to owners of parent	8,841	9,951

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	8,881	10,005
Other comprehensive income		
Valuation difference on available-for-sale securities	(708)	2,457
Deferred gains or losses on hedges	(311)	329
Foreign currency translation adjustment	1,004	1,039
Remeasurements of defined benefit plans, net of tax	(248)	207
Total other comprehensive income	(263)	4,034
Comprehensive income	8,617	14,039
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,575	13,974
Comprehensive income attributable to non-controlling interests	41	64

(3) Consolidated Statements of Changes in Equity

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

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,105	3,842	56,753	(1,508)	64,191
Changes during period					
Dividends of surplus			(2,728)		(2,728)
Profit attributable to owners of parent			8,841		8,841
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		238		161	400
Cancellation of treasury shares		(489)		489	—
Transfer of loss on disposal of treasury shares		196	(196)		—
Change in scope of consolidation			122		122
Net changes in items other than shareholders' equity					
Total changes during period	—	(54)	6,038	650	6,634
Balance at end of period	5,105	3,787	62,792	(858)	70,826

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	4,563	876	3,266	420	9,126	78	44	73,441
Changes during period								
Dividends of surplus								(2,728)
Profit attributable to owners of parent								8,841
Purchase of treasury shares								(0)
Disposal of treasury shares								400
Cancellation of treasury shares								—
Transfer of loss on disposal of treasury shares								—
Change in scope of consolidation								122
Net changes in items other than shareholders' equity	(708)	(311)	1,002	(248)	(265)	—	41	(224)
Total changes during period	(708)	(311)	1,002	(248)	(265)	—	41	6,410
Balance at end of period	3,854	564	4,268	172	8,860	78	86	79,852

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

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,105	3,787	62,792	(858)	70,826
Changes during period					
Dividends of surplus			(3,254)		(3,254)
Profit attributable to owners of parent			9,951		9,951
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		32		51	84
Cancellation of treasury shares					—
Transfer of loss on disposal of treasury shares					—
Change in scope of consolidation					—
Net changes in items other than shareholders' equity					
Total changes during period	—	32	6,697	50	6,780
Balance at end of period	5,105	3,820	69,489	(807)	77,607

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	3,854	564	4,268	172	8,860	78	86	79,852
Changes during period								
Dividends of surplus								(3,254)
Profit attributable to owners of parent								9,951
Purchase of treasury shares								(0)
Disposal of treasury shares								84
Cancellation of treasury shares								—
Transfer of loss on disposal of treasury shares								—
Change in scope of consolidation								—
Net changes in items other than shareholders' equity	2,457	329	1,028	207	4,022	(19)	64	4,068
Total changes during period	2,457	329	1,028	207	4,022	(19)	64	10,849
Balance at end of period	6,312	894	5,296	380	12,883	59	151	90,701

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	13,676	14,665
Depreciation	1,145	1,155
Share-based payment expenses	41	180
Amortization of goodwill	112	112
Increase (decrease) in allowance for doubtful accounts	(16)	16
Increase (decrease) in provision for bonuses	259	192
Increase (decrease) in provision for bonuses for directors (and other officers)	0	9
Increase (decrease) in provision for loss on orders received	249	(501)
Increase (decrease) in provision for product warranties	(208)	29
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(0)	(1)
Increase (decrease) in provision for loss on litigation	—	286
Decrease (increase) in retirement benefit asset	303	(398)
Increase (decrease) in retirement benefit liability	7	(4)
Interest and dividend income	(786)	(547)
Interest expenses	42	37
Foreign exchange losses (gains)	(80)	(57)
Share of loss (profit) of entities accounted for using equity method	(9)	(180)
Loss (gain) on sale and retirement of non-current assets	9	0
Loss (gain) on sale of investment securities	(185)	(458)
Loss on valuation of investment securities	106	145
Loss (gain) on investments in silent partnerships	(58)	(57)
Loss on valuation of membership	—	2
Decrease (increase) in accounts receivable - trade, and contract assets	10,370	4,260
Decrease (increase) in advance payments to suppliers	23,438	3,886
Decrease (increase) in inventories	(1,172)	4,811
Decrease (increase) in accounts receivable - other	(6,322)	6,725
Decrease (increase) in other current assets	60	(131)
Increase (decrease) in trade payables	(7,898)	(6,020)
Increase (decrease) in advances received	(24,272)	(1,549)
Increase (decrease) in accounts payable - other	6,176	(6,614)
Increase (decrease) in other current liabilities	340	(498)
Purchase of assets for lease	—	(3)
Other, net	(592)	517
Subtotal	14,734	20,007
Interest and dividends received	786	567
Interest paid	(42)	(37)
Income taxes paid	(3,884)	(4,401)
Net cash provided by (used in) operating activities	11,594	16,136

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from investing activities		
Net decrease (increase) in time deposits	(224)	966
Purchase of property, plant and equipment	(405)	(427)
Proceeds from sale of property, plant and equipment	4	4
Purchase of intangible assets	(363)	(483)
Purchase of investment securities	(317)	(584)
Proceeds from sale of investment securities	251	536
Payments for investments in capital	(173)	(186)
Loan advances	(56)	(4)
Proceeds from collection of loans receivable	50	3
Payments of guarantee deposits	(55)	(27)
Other, net	0	16
Net cash provided by (used in) investing activities	(1,290)	(188)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(4,586)	4,300
Proceeds from long-term borrowings	—	600
Repayments of long-term borrowings	(120)	(120)
Repayments of finance lease liabilities	(261)	(306)
Purchase of treasury shares	(0)	(0)
Dividends paid	(2,721)	(3,250)
Other, net	—	0
Net cash provided by (used in) financing activities	(7,690)	1,221
Effect of exchange rate change on cash and cash equivalents	865	777
Net increase (decrease) in cash and cash equivalents	3,479	17,946
Cash and cash equivalents at beginning of period	30,217	33,882
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	185	—
Cash and cash equivalents at end of period	33,882	51,829

Non-Consolidated Financial Statements

(1) Non-Consolidated Balance Sheet

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	13,133	28,242
Notes receivable - trade	732	132
Electronically recorded monetary claims - operating	13,596	8,730
Accounts receivable - trade	29,503	29,637
Merchandise and finished goods	19,495	14,325
Advance payments to suppliers	20,819	16,619
Prepaid expenses	403	512
Short-term loans receivable	1,000	420
Accounts receivable - other	9,146	2,433
Other	598	442
Allowance for doubtful accounts	(9)	(3)
Total current assets	108,421	101,492
Non-current assets		
Property, plant and equipment		
Buildings	1,757	1,778
Accumulated depreciation	(975)	(1,045)
Buildings, net	782	733
Machinery, equipment and vehicles	69	71
Accumulated depreciation	(57)	(62)
Machinery, equipment and vehicles, net	12	9
Tools, furniture and fixtures	919	866
Accumulated depreciation	(639)	(594)
Tools, furniture and fixtures, net	279	271
Land	527	527
ESCO business assets	132	132
Accumulated depreciation	(125)	(129)
ESCO business assets, net	6	3
Solar photovoltaics business assets	770	782
Accumulated depreciation	(444)	(483)
Solar photovoltaics business assets, net	326	299
Assets leased to others	635	635
Accumulated depreciation	(491)	(532)
Assets leased to others, net	144	103
Construction in progress	26	33
Total property, plant and equipment	2,107	1,982

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Intangible assets		
Software	817	763
Other	134	101
Total intangible assets	951	865
Investments and other assets		
Investment securities	10,804	15,187
Shares of subsidiaries and associates	6,040	6,079
Long-term loans receivable from employees	7	4
Bad debts	32	46
Long-term prepaid expenses	219	119
Guarantee deposits	761	764
Prepaid pension costs	763	833
Other	223	221
Allowance for doubtful accounts	(158)	(172)
Total investments and other assets	18,695	23,084
Total non-current assets	21,754	25,931
Total assets	130,175	127,423
Liabilities		
Current liabilities		
Accounts payable - trade	29,788	22,450
Short-term borrowings	2,100	6,400
Current portion of long-term borrowings	120	120
Accrued expenses	922	924
Accounts payable - other	9,332	2,772
Income taxes payable	1,431	2,151
Advances received	26,606	23,309
Deposits received	245	127
Provision for bonuses	1,140	1,364
Provision for bonuses for directors (and other officers)	138	149
Provision for loss on orders received	736	234
Provision for product warranties	127	159
Other	52	56
Total current liabilities	72,741	60,221
Non-current liabilities		
Long-term borrowings	—	480
Deferred tax liabilities	1,278	2,495
Other	375	386
Total Non-current liabilities	1,654	3,361
Total liabilities	74,395	63,582

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Net assets		
Shareholders' equity		
Share capital	5,105	5,105
Capital surplus		
Legal capital surplus	3,786	3,786
Other capital surplus	—	32
Total capital surplus	3,786	3,818
Retained earnings		
Legal retained earnings	970	970
Other retained earnings		
Reserve for tax purpose reduction entry of buildings	20	19
General reserve	4,442	4,442
Retained earnings brought forward	37,827	43,034
Total retained earnings	43,260	48,466
Treasury shares	(858)	(807)
Total shareholders' equity	51,293	56,583
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	3,840	6,302
Deferred gains or losses on hedges	567	895
Total valuation and translation adjustments	4,407	7,198
Share acquisition rights	78	59
Total net assets	55,779	63,840
Total liabilities and net assets	130,175	127,423

(2) Non-Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	179,213	179,813
Cost of sales		
Beginning merchandise inventory	15,233	19,495
Cost of purchased goods	160,638	149,429
Total	175,872	168,925
Ending merchandise inventory	19,495	14,325
Cost of goods sold	156,376	154,600
Total cost of sales	156,376	154,600
Gross profit	22,836	25,213
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	295	307
Salaries	4,455	4,751
Bonuses	1,797	1,378
Provision for bonuses	1,140	1,364
Provision for bonuses for directors (and other officers)	138	149
Retirement benefit expenses	289	274
Welfare expenses	1,451	1,457
Travel expenses	872	908
Communication expenses	96	99
Office supplies expenses	10	7
Book and printing expenses	35	42
Rent expenses	1,129	1,204
Entertainment expenses	261	301
Advertising expenses	229	265
Insurance expenses	52	68
Taxes and dues	21	25
Business taxes and establishment taxes	246	287
Depreciation	497	539
Utilities expenses	16	16
Investigation expenses	20	24
Automobile expenses	173	184
Provision of allowance for doubtful accounts	3	7
Miscellaneous expenses	1,658	1,780
Total selling, general and administrative expenses	14,895	15,445
Operating profit	7,940	9,767

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Non-operating income		
Interest income	11	11
Dividend income	2,347	1,485
Purchase discounts	168	191
Commission income	41	40
Foreign exchange gains	—	146
Gain on investments in silent partnerships	58	57
Other	22	62
Total non-operating income	2,649	1,994
Non-operating expenses		
Interest expenses	19	25
Commission expenses	75	71
Commitment fees	12	6
Foreign exchange losses	102	—
Settlement payments	—	18
Other	34	30
Total non-operating expenses	243	152
Ordinary profit	10,347	11,609
Extraordinary income		
Gain on sale of investment securities	186	458
Total extraordinary income	186	458
Extraordinary losses		
Loss on sale of investment securities	0	—
Loss on valuation of investment securities	106	145
Loss on valuation of membership	—	2
Total extraordinary losses	107	147
Profit before income taxes	10,426	11,921
Income taxes - current	2,610	3,530
Income taxes - deferred	(51)	(69)
Total income taxes	2,558	3,460
Profit	7,868	8,460

(3) Non-Consolidated Statements of Changes in Equity

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

(Million yen)

	Shareholders' equity			
	Share capital	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of period	5,105	3,786	54	3,840
Changes during period				
Dividends of surplus				
Reversal of reserve for tax purpose reduction entry of buildings				
Profit				
Purchase of treasury shares				
Disposal of treasury shares			238	238
Cancellation of treasury shares			(489)	(489)
Transfer of loss on disposal of treasury shares			196	196
Net changes in items other than shareholders' equity				
Total changes during period	—	—	(54)	(54)
Balance at end of period	5,105	3,786	—	3,786

	Shareholders' equity					
	Retained earnings					Treasury shares
	Legal retained earnings	Other retained earnings			Total retained earnings	
Reserve for tax purpose reduction entry of buildings		General reserve	Retained earnings brought forward			
Balance at beginning of period	970	21	4,442	32,883	38,317	(1,508)
Changes during period						
Dividends of surplus				(2,728)	(2,728)	
Reversal of reserve for tax purpose reduction entry of buildings		(0)		0	—	
Profit				7,868	7,868	
Purchase of treasury shares						(0)
Disposal of treasury shares						161
Cancellation of treasury shares						489
Transfer of loss on disposal of treasury shares				(196)	(196)	
Net changes in items other than shareholders' equity						
Total changes during period	—	(0)	—	4,944	4,943	650
Balance at end of period	970	20	4,442	37,827	43,260	(858)

	Shareholders' equity	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at beginning of period	45,754	4,554	878	5,433	78	51,266
Changes during period						
Dividends of surplus	(2,728)					(2,728)
Reversal of reserve for tax purpose reduction entry of buildings	—					—
Profit	7,868					7,868
Purchase of treasury shares	(0)					(0)
Disposal of treasury shares	400					400
Cancellation of treasury shares	—					—
Transfer of loss on disposal of treasury shares	—					—
Net changes in items other than shareholders' equity		(714)	(311)	(1,025)	—	(1,025)
Total changes during period	5,539	(714)	(311)	(1,025)	—	4,513
Balance at end of period	51,293	3,840	567	4,407	78	55,779

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

(Million yen)

	Shareholders' equity			
	Share capital	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of period	5,105	3,786	—	3,786
Changes during period				
Dividends of surplus				
Reversal of reserve for tax purpose reduction entry of buildings				
Profit				
Purchase of treasury shares				
Disposal of treasury shares			32	32
Cancellation of treasury shares				
Transfer of loss on disposal of treasury shares				
Net changes in items other than shareholders' equity				
Total changes during period	—	—	32	32
Balance at end of period	5,105	3,786	32	3,818

	Shareholders' equity					
	Retained earnings					Treasury shares
	Legal retained earnings	Other retained earnings			Total retained earnings	
		Reserve for tax purpose reduction entry of buildings	General reserve	Retained earnings brought forward		
Balance at beginning of period	970	20	4,442	37,827	43,260	(858)
Changes during period						
Dividends of surplus				(3,254)	(3,254)	
Reversal of reserve for tax purpose reduction entry of buildings		(1)		1	—	
Profit				8,460	8,460	
Purchase of treasury shares						(0)
Disposal of treasury shares						51
Cancellation of treasury shares						
Transfer of loss on disposal of treasury shares						
Net changes in items other than shareholders' equity						
Total changes during period	—	(1)	—	5,206	5,205	50
Balance at end of period	970	19	4,442	43,034	48,466	(807)

	Shareholders' equity	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at beginning of period	51,293	3,840	567	4,407	78	55,779
Changes during period						
Dividends of surplus	(3,254)					(3,254)
Reversal of reserve for tax purpose reduction entry of buildings	—					—
Profit	8,460					8,460
Purchase of treasury shares	(0)					(0)
Disposal of treasury shares	84					84
Cancellation of treasury shares	—					—
Transfer of loss on disposal of treasury shares	—					—
Net changes in items other than shareholders' equity		2,462	328	2,790	(19)	2,771
Total changes during period	5,289	2,462	328	2,790	(19)	8,061
Balance at end of period	56,583	6,302	895	7,198	59	63,840