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## Non-consolidated Financial Results for the Year Ended February 28, 2025 [Japanese GAAP]

April 11, 2025

Company name: WADAKOHSAN CORPORATION

Listing: Tokyo Stock Exchange

Securities code: 8931

URL: <https://www.wadakohsan.co.jp>

Representative: Toshiya Mizomoto

President and Representative Director

Inquiries: Hiroyuki Kurokawa

Director

Telephone: +81-78-361-1510

Scheduled date of annual general meeting of shareholders: May 28, 2025

Scheduled date to commence dividend payments: May 29, 2025

Scheduled date to file annual securities report: May 29, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (for institutional investors and analysts, in Japanese)

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

### 1. Non-consolidated Financial Results for the Fiscal Year Ended February 28, 2025 (March 1, 2024 to February 28, 2025)

#### (1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended February 28, 2025	40,130	3.4	5,285	16.7	4,502	17.9	3,122	18.3
February 29, 2024	38,825	(9.1)	4,528	3.2	3,820	5.9	2,638	10.8

  

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended February 28, 2025	284.51	-	9.8	4.3	13.2
February 29, 2024	237.73	-	8.9	4.1	11.7

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended February 28, 2025: ¥ - million  
Fiscal year ended February 29, 2024: ¥ - million

#### (2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of February 28, 2025	110,655	32,929	29.8	3,005.80
February 29, 2024	101,228	30,658	30.3	2,762.11

(Reference) Equity: As of February 28, 2025: ¥ 32,929 million  
As of February 29, 2024: ¥ 30,658 million

#### (3) Non-consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended February 28, 2025	(1,939)	(2,094)	3,896	14,832
February 29, 2024	(1,176)	(458)	7,466	14,970

## 2. Dividends

	Annual dividends					Total dividends	Payout ratio	Dividends to net assets
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
February 29, 2024	-	26.00	-	34.00	60.00	665	25.2	2.2
February 28, 2025	-	26.00	-	44.00	70.00	771	24.6	2.4
Fiscal year ending February 28, 2026 (Forecast)	-	35.00	-	35.00	70.00		-	

(Note) Breakdown of the year-end dividend for the fiscal year ended February 29, 2024 :

Commemorative dividend	32.00 yen
Special dividend	2.00 yen

## 3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending February 28, 2026 (March 1, 2025 to February 28, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending August 31, 2025	23,000	14.1	2,500	14.9	2,000	9.6	1,400	12.7	127.79
Full year	41,000	2.2	4,500	(14.9)	3,500	(22.3)	2,500	(19.9)	228.20

\* Notes:

(1) Changes in accounting policies, changes in accounting estimates, and restatement

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(2) Number of issued shares (common shares)

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

February 28, 2025:	11,100,000 shares
February 29, 2024:	11,100,000 shares

2) Number of treasury shares at the end of the period:

February 28, 2025:	144,680 shares
February 29, 2024:	248 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended February 28, 2025:	10,973,918 shares
Fiscal Year ended February 29, 2024:	11,099,752 shares

\* 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

Forward-looking statements in this document, including the forecasts of financial results, etc., are based on the information currently available to the company and certain assumptions deemed to be reasonable. Actual performance and other results may differ materially from these forecasts due to various factors.

# Non-consolidated Financial Statements

## Non-consolidated Balance Sheets

(Thousands of yen)

	As of February 29, 2024	As of February 28, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	17,345,545	17,198,152
Accounts receivable - trade	5,559	6,066
Lease receivables	794,384	770,987
Real estate for sale	9,610,934	10,083,182
Real estate for sale in process	44,283,350	51,364,374
Prepaid expenses	83,861	82,515
Consumption taxes refund receivable	66,370	-
Other	198,529	274,298
Allowance for doubtful accounts	(7,663)	(7,640)
Total current assets	72,380,873	79,771,937
Non-current assets		
Property, plant and equipment		
Buildings	21,109,287	22,843,542
Accumulated depreciation	(8,638,700)	(9,250,387)
Buildings, net	12,470,586	13,593,154
Structures	270,309	296,788
Accumulated depreciation	(193,687)	(202,550)
Structures, net	76,621	94,238
Machinery and equipment	280,111	280,111
Accumulated depreciation	(277,735)	(278,015)
Machinery and equipment, net	2,376	2,095
Tools, furniture and fixtures	290,121	335,849
Accumulated depreciation	(238,432)	(252,809)
Tools, furniture and fixtures, net	51,688	83,040
Land	13,660,426	13,924,696
Leased assets	17,923	17,923
Accumulated depreciation	(7,335)	(9,490)
Leased assets, net	10,587	8,432
Construction in progress	427,274	857,684
Total property, plant and equipment	26,699,562	28,563,344
Intangible assets		
Leasehold interests in land	644,837	665,022
Software	15,704	16,934
Other	7,601	7,601
Total intangible assets	668,143	689,558
Investments and other assets		
Investment securities	233,277	266,881
Shares of subsidiaries and associates	62,000	62,000
Investments in capital	3,210	3,210
Long-term loans receivable	-	185,661
Distressed receivables	15,506	15,506
Deferred tax assets	466,061	499,377
Guarantee deposits	270,080	280,798
Other	445,502	332,796
Allowance for doubtful accounts	(15,609)	(15,584)
Total investments and other assets	1,480,029	1,630,647
Total non-current assets	28,847,735	30,883,550
Total assets	101,228,609	110,655,487

(Thousands of yen)

	As of February 29, 2024	As of February 28, 2025
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	3,783,196	2,677,098
Electronically recorded obligations - operating	4,864,649	7,157,728
Short-term borrowings	7,754,500	6,794,000
Current portion of bonds payable	56,000	56,000
Current portion of long-term borrowings	9,969,623	12,531,138
Accounts payable - other	255,979	267,516
Accounts payable - facilities	233,899	13,596
Accrued expenses	36,295	38,857
Income taxes payable	853,085	822,246
Accrued consumption taxes	-	293,587
Advances received	6,287,288	7,402,540
Deposits received	96,522	85,131
Lease liabilities	2,370	1,639
Unearned revenue	190,607	205,229
Provision for bonuses	150,940	175,429
Provision for bonuses for directors (and other officers)	10,275	16,620
Provision for warranties for completed construction	20,000	20,000
Asset retirement obligations	1,240	3,268
Other	156,832	110,041
Total current liabilities	34,723,306	38,671,669
Non-current liabilities		
Bonds payable	176,000	120,000
Long-term borrowings	34,633,089	37,855,353
Long-term guarantee deposits	338,438	330,815
Provision for retirement benefits	246,116	254,198
Provision for retirement benefits for directors (and other officers)	122,569	-
Provision for share awards for directors (and other officers)	-	20,550
Lease liabilities	9,276	7,636
Asset retirement obligations	315,735	334,039
Other	5,350	131,753
Total non-current liabilities	35,846,575	39,054,347
Total liabilities	70,569,882	77,726,017

(Thousands of yen)

	As of February 29, 2024	As of February 28, 2025
Net assets		
Shareholders' equity		
Share capital	1,403,091	1,403,091
Capital surplus		
Legal capital surplus	1,448,280	1,450,767
Total capital surplus	1,448,280	1,450,767
Retained earnings		
Legal retained earnings	20,100	20,100
Other retained earnings		
General reserve	13,000,000	13,000,000
Retained earnings brought forward	14,770,232	17,228,426
Total retained earnings	27,790,332	30,248,526
Treasury shares	(121)	(206,258)
Total shareholders' equity	30,641,581	32,896,127
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	20,859	29,692
Deferred gains or losses on hedges	(3,714)	3,651
Total valuation and translation adjustments	17,145	33,343
Total net assets	30,658,726	32,929,470
Total liabilities and net assets	101,228,609	110,655,487

## Non-consolidated Statements of Income

(Thousands of yen)

	For the fiscal year ended February 29, 2024	For the fiscal year ended February 28, 2025
Net sales		
Real estate sales	35,602,151	36,765,892
Rent income of real estate and other	3,223,702	3,364,661
Total net sales	38,825,853	40,130,553
Cost of sales		
Cost of sales - real estate	28,498,280	28,391,669
Cost of real estate lease revenue	1,838,483	1,982,700
Total cost of sales	30,336,763	30,374,369
Gross profit	8,489,090	9,756,184
Selling, general and administrative expenses		
Advertising expenses	900,340	1,082,125
Sample room expenses	373,946	463,399
Remuneration for directors (and other officers)	208,750	234,945
Salaries and allowances	798,035	853,161
Provision for bonuses	150,940	175,429
Provision for bonuses for directors (and other officers)	10,275	16,620
Retirement benefit expenses	39,996	39,394
Provision for retirement benefits for directors (and other officers)	31,615	9,184
Welfare expenses	184,723	192,818
Taxes and dues	753,770	876,066
Depreciation	25,005	24,742
Commission expenses	196,017	200,249
Rent expenses	31,715	29,372
Other	255,310	272,870
Total selling, general and administrative expenses	3,960,439	4,470,380
Operating profit	4,528,650	5,285,803
Non-operating income		
Interest income	258	8,226
Dividend income	5,676	3,288
Gain on investments in capital	8,136	9,399
Commission income	5,948	5,205
Surrender value of insurance policies	11,284	88,628
Reversal of allowance for doubtful accounts	5,787	-
Other	4,110	8,718
Total non-operating income	41,203	123,467
Non-operating expenses		
Interest expenses	613,364	749,463
Financing expenses	109,168	125,531
Other	26,974	31,567
Total non-operating expenses	749,508	906,562
Ordinary profit	3,820,345	4,502,708

(Thousands of yen)

	For the fiscal year ended February 29, 2024	For the fiscal year ended February 28, 2025
Extraordinary income		
Gain on sale of non-current assets	-	57
Gain on sale of investment securities	4,610	-
Total extraordinary income	4,610	57
Extraordinary losses		
Loss on sale of non-current assets	2,597	-
Loss on retirement of non-current assets	-	7,629
Total extraordinary losses	2,597	7,629
Profit before income taxes	3,822,357	4,495,137
Income taxes - current	1,279,000	1,413,000
Income taxes - deferred	(95,407)	(40,083)
Total income taxes	1,183,592	1,372,916
Profit	2,638,765	3,122,220

# Non-consolidated Statements of Changes in Equity

For the fiscal year ended February 29, 2024

(Thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus		Retained earnings			
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
					General reserve	Retained earnings brought forward	
Balance at beginning of period	1,403,091	1,448,280	1,448,280	20,100	13,000,000	12,730,853	25,750,953
Changes during period							
Dividends of surplus						(599,386)	(599,386)
Profit						2,638,765	2,638,765
Purchase of treasury shares							
Disposal of treasury shares							
Net changes in items other than shareholders' equity							
Total changes during period	-	-	-	-	-	2,039,378	2,039,378
Balance at end of period	1,403,091	1,448,280	1,448,280	20,100	13,000,000	14,770,232	27,790,332

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	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	(121)	28,602,203	(20,120)	(2,565)	(22,686)	28,579,516
Changes during period						
Dividends of surplus		(599,386)				(599,386)
Profit		2,638,765				2,638,765
Purchase of treasury shares		-				-
Disposal of treasury shares		-				-
Net changes in items other than shareholders' equity			40,980	(1,148)	39,831	39,831
Total changes during period	-	2,039,378	40,980	(1,148)	39,831	2,079,210
Balance at end of period	(121)	30,641,581	20,859	(3,714)	17,145	30,658,726



For the fiscal year ended February 28, 2025

(Thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus		Legal retained earnings	Retained earnings		
		Legal capital surplus	Total capital surplus		Other retained earnings		Total retained earnings
					General reserve	Retained earnings brought forward	
Balance at beginning of period	1,403,091	1,448,280	1,448,280	20,100	13,000,000	14,770,232	27,790,332
Changes during period							
Dividends of surplus						(664,026)	(664,026)
Profit						3,122,220	3,122,220
Purchase of treasury shares							
Disposal of treasury shares		2,487	2,487				
Net changes in items other than shareholders' equity							
Total changes during period	-	2,487	2,487	-	-	2,458,194	2,458,194
Balance at end of period	1,403,091	1,450,767	1,450,767	20,100	13,000,000	17,228,426	30,248,526

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	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	(121)	30,641,581	20,859	(3,714)	17,145	30,658,726
Changes during period						
Dividends of surplus		(664,026)				(664,026)
Profit		3,122,220				3,122,220
Purchase of treasury shares	(303,567)	(303,567)				(303,567)
Disposal of treasury shares	97,431	99,918				99,918
Net changes in items other than shareholders' equity			8,832	7,365	16,198	16,198
Total changes during period	(206,136)	2,254,545	8,832	7,365	16,198	2,270,743
Balance at end of period	(206,258)	32,896,127	29,692	3,651	33,343	32,929,470

## Non-consolidated Statements of Cash Flows

(Thousands of yen)

	For the fiscal year ended February 29, 2024	For the fiscal year ended February 28, 2025
<b>Cash flows from operating activities</b>		
Profit before income taxes	3,822,357	4,495,137
Depreciation	681,461	731,833
Increase (decrease) in allowance for doubtful accounts	(5,805)	(48)
Increase (decrease) in provision for bonuses	16,701	24,489
Increase (decrease) in provision for bonuses for directors (and other officers)	1,025	6,345
Increase (decrease) in provision for warranties for completed construction	1,000	-
Increase (decrease) in provision for retirement benefits	10,956	8,082
Increase (decrease) in provision for retirement benefits for directors (and other officers)	21,595	(122,569)
Increase (decrease) in provision for share awards for directors (and other officers)	-	20,550
Interest and dividend income	(5,935)	(11,514)
Interest expenses	613,364	749,463
Loss (gain) on sale of property, plant and equipment	2,597	(57)
Loss (gain) on sale of investment securities	(4,610)	-
Loss on retirement of property, plant and equipment	6,016	523
Decrease (increase) in trade receivables	(410)	(506)
Decrease (increase) in lease receivables	21,783	23,396
Decrease (increase) in inventories	(9,907,391)	(8,245,812)
Increase (decrease) in trade payables	1,621,264	1,186,981
Increase (decrease) in advances received	2,797,104	1,115,251
Increase (decrease) in long-term guarantee deposits received	6,177	(7,623)
Decrease (increase) in other assets	637,807	(54,485)
Increase (decrease) in other liabilities	20,431	275,477
Subtotal	357,491	194,913
Interest and dividends received	6,144	11,205
Interest paid	(615,260)	(762,311)
Income taxes paid	(925,303)	(1,383,204)
Net cash provided by (used in) operating activities	(1,176,928)	(1,939,397)
<b>Cash flows from investing activities</b>		
Net decrease (increase) in time deposits	241,399	9,986
Purchase of property, plant and equipment	(693,647)	(2,045,276)
Proceeds from sale of property, plant and equipment	14,665	100
Purchase of intangible assets	(48,743)	(18,734)
Proceeds from sale of investment securities	104,647	-
Other payments	(107,030)	(256,943)
Other proceeds	30,216	216,153
Net cash provided by (used in) investing activities	(458,494)	(2,094,714)

(Thousands of yen)

	For the fiscal year ended February 29, 2024	For the fiscal year ended February 28, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,447,500)	(960,500)
Proceeds from long-term borrowings	21,517,600	22,732,900
Repayments of long-term borrowings	(11,946,438)	(16,949,120)
Redemption of bonds	(56,000)	(56,000)
Purchase of treasury shares	-	(303,567)
Proceeds from disposal of treasury shares	-	99,918
Dividends paid	(599,287)	(664,555)
Repayments of lease liabilities	(2,370)	(2,370)
Net cash provided by (used in) financing activities	7,466,004	3,896,704
Net increase (decrease) in cash and cash equivalents	5,830,582	(137,407)
Cash and cash equivalents at beginning of period	9,139,618	14,970,200
Cash and cash equivalents at end of period	14,970,200	14,832,793