

August 14, 2025

## Consolidated Financial Results for the Fiscal Year Ended June 30, 2025 (Under Japanese GAAP)

Company name: Fibergate Inc.  
 Listing: Tokyo Stock Exchange / Sapporo Stock Exchange  
 Securities code: 9450  
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 Scheduled date of annual general meeting of shareholders: September 25, 2025  
 Scheduled date to commence dividend payments: September 26, 2025  
 Scheduled date to file annual securities report: September 24, 2025  
 Preparation of supplementary material on financial results: Yes (Supplementary explanatory materials for financial results will be posted on the Company's website as appropriate. )  
 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 June 30, 2025 (from July 1, 2024 to June 30, 2025)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	13,070	3.6	1,958	-18.0	1,943	-18.9	1,319	-15.8
June 30, 2024	12,613	-1.4	2,387	2.9	2,395	4.6	1,567	5.7

Note: Comprehensive income For the fiscal year ended June 30, 2025: ¥1,309 million [(16.8)%]  
 For the fiscal year ended June 30, 2024: ¥1,573 million [6.0%]

	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	%	%	%
June 30, 2025	65.20	65.07	21.6	15.4	15.0
June 30, 2024	77.20	76.95	29.9	18.5	18.9

#### (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
June 30, 2025	12,144	6,502	53.1	320.34
June 30, 2024	13,076	5,836	44.3	285.59

Reference: Equity  
 As of June 30, 2025: ¥6,445 million  
 As of June 30, 2024: ¥5,789 million

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
June 30, 2025	3,156	-1,564	-1,860	1,853
June 30, 2024	2,833	-2,377	-723	2,120

## 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 June 30, 2024	-	5.00	-	12.50	17.50	354	22.7	6.8
Fiscal year ended June 30, 2025	-	13.50	-	13.50	27.00	527	41.4	8.9
Fiscal year ending June 30, 2026 (Forecast)	-	13.50	-	13.50	27.00		42.8	

## 3. Forecast of consolidated financial results for the fiscal year ending June 30, 2026 (from July 1, 2025 to June 30, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending June 30, 2026	14,050	7.5	2,000	2.1	2,000	2.9	1,270	-3.7	63.12

### \* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 company (Enepulse Corporation)

(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 June 30, 2025	20,593,600 shares
As of June 30, 2024	20,593,600 shares

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

As of June 30, 2025	472,207 shares
As of June 30, 2024	322,207 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended June 30, 2025	20,236,660 shares
Fiscal year ended June 30, 2024	20,306,773 shares

**[Reference] Overview of non-consolidated financial results**

**1. Non-consolidated financial results for the fiscal year ended June 30, 2025 (from July 1, 2024 to June 30, 2025)**

**(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	12,366	6.2	1,709	-14.7	1,687	-16.3	1,143	-13.6
June 30, 2024	11,643	8.3	2,004	2.4	2,016	3.8	1,323	-7.2

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
June 30, 2025	56.52	56.41
June 30, 2024	65.18	64.97

**(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
June 30, 2025	11,562	5,102	44.0	253.06
June 30, 2024	12,094	4,611	38.1	227.51

Reference: Equity

As of June 30, 2025: ¥5,091 million

As of June 30, 2024: ¥4,611 million

**2. Non-consolidated earnings forecast for the fiscal year ending June 30, 2026 (July 1, 2025 ~ June 30, 2026)**

(Percentages indicate year-on-year changes.)

	Net sales		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending June 30, 2026	13,300	7.6	1,800	6.7	1,170	2.3	58.15

\* 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

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. For the conditions on which earnings forecasts are predicated and precautions for the use of earnings forecasts, please refer to Appendix P.5 "1. Please refer to the explanation of forward-looking information such as "Summary of Business Results (5) Future Outlook".

(Method of accessing the contents of the financial results briefing)

The Company plans to hold an earnings call for institutional investors and analysts on Thursday, August 14, 2025.

The financial results briefing materials to be used on the day of the event will be posted on the Company's website as soon as possible after the event.

(Method of accessing supplementary material on financial results)

Supplementary financial results materials will be disclosed on TDnet on the same day and posted on the Company's website.

\* Information on treasury stock

The Company recorded 472,207 shares as treasury stock in the consolidated financial statements for the fiscal year ending June 30, 2025. Therefore, it is included in treasury stock to be deducted in the calculation of the average number of shares during the period for calculating net income per share and net income per share after adjusting for potential shares.

(the fiscal year ending June 30, 2025: 356,940 shares)

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## 1. Overview of Operating Results, etc.

Forward-looking statements in this report are based on the judgment as of the end of the current consolidated fiscal year.

### (1) Overview of operating results for the FY ended June 2025

(Millions of yen)

	Sales	Operating income	Ordinary income	Net income attributable to the parent company's shareholders	Net income per share (Yen)
Current consolidated fiscal year	13,070	1,958	1,943	1,319	65.20
Previous consolidated fiscal year	12,613	2,387	2,395	1,567	77.20
Percent change from the same period last year (%)	3.6	-18.0	-18.9	-15.8	-15.5

During the current consolidated fiscal year (July 1, 2024 to June 30, 2025), the Japanese economy continued its gradual recovery, driven by improvements in employment and income—including wage hikes—and heightening inbound demand. On the other hand, there are also risks of downward pressure on the economy, including uncertainties surrounding policy stemming from the U.S. presidential transition, unstable circumstances internationally, and persistently high energy prices pushing the cost of goods upward. As a result, the future remains uncertain, and the situation mandates continued caution.

Under these circumstances, our group aims to transform its business model in line with the changes in the environment and continue to grow as an on-premise infrastructure integrator.

In the Home-Use Business, the accumulated effects of stock revenue (monthly subscription revenue) continue to be stable. In addition, sales of cross-selling products such as network cameras and intercom compatible systems “FG Smart Call,” which we have been focusing on, remained steady, centered on new construction. The percentage of sales in the Home-Use Business is trending upward.

On the other hand, we are increasing the number of cases in which we use the outright sale method to provide equipment, and as the cost is recorded in a lump sum in the first year of the transaction, profit margins are temporarily decreasing. By adopting the outright sale method, although the profit margin in the first year of trading will decrease, it is expected that the profit margin of future stock income (monthly subscription income) will improve, and the tax burden will be reduced due to the control of depreciable assets.

As a result of the above, the Home-Use Business had segment sales of 10,864 million yen (up 4.6% from the same period last year) and segment profit of 2,638 million yen (down 9.4% from the same period last year).

In the Business-Use Business, sales of on-premise communication infrastructure services for medical and nursing care facilities, public facilities, and tourist facilities, which we have focused on, grew. Sales related to communications services for medical and nursing care facilities were recorded in the first quarter of the current consolidated fiscal year, and sales related to communications services for tourist facilities were recorded in the second quarter. Moreover, sales related to communications services for schools and other educational institutions were recorded in the third quarter, and in the fourth quarter, sales related to communication services for medical institutions were recorded.

On the other hand, due to a decrease in large-scale, high-profit-margin projects, profit margin is trending downward.

As a result of the above, the Business-Use Business had sales of 1,684 million yen (up 0.5% from the same period last year) and segment profit of 326 million yen (down 32.0% from the same period last year).

In the Real Estate Business, FG Smart Asset Co., Ltd. had one real estate sale.

As a result of the above, the Real Estate Business had sales of 441 million yen (down 15.7% from the same period last year) and segment profit of 67 million yen (up 17.0% from the same period last year).

In other businesses, the Renewable Energy (electricity) Business of Off Grid Lab Co., Ltd. generated revenue. Additionally, costs were incurred in the establishment of Enepulse Co., Ltd.

As a result of the above, other businesses had sales of 79 million yen (up 187.6% from the same period last year) and segment profit of 0 million yen (segment profit of 7 million yen in the same period last year).

As a result, the business results for the current consolidated fiscal year were sales of 13,070 million yen (up 3.6% from the same period last year), operating profit of 1,958 million yen (down 18.0% from the same period last year), ordinary profit of 1,943 million yen (down 18.9% from the same period last year), and profit attributable to owners of parent of 1,319 million yen (down 15.8% from the same period last year).

(2) Overview of financial position for the FY ended June 2024

	At the end of previous consolidated fiscal year	At the end of current consolidated fiscal year	Percent change (%)
Total assets (million yen)	13,076	12,144	-7.1
Net assets (million yen)	5,836	6,502	11.4
Shareholders' equity ratio (%)	44.3	53.1	19.9
Net assets per share (yen)	285.59	320.34	12.2

(Assets)

Total assets for the current consolidated fiscal year were 12,144 million yen, a decrease of 931 million yen compared with the end of the previous consolidated fiscal year. This was due to a decrease of 632 million yen in current assets and a decrease of 299 million yen in fixed assets.

The decrease in current assets was mainly due to a decrease of 267 million yen in cash and deposits and a decrease of 276 million yen in real estate for sale, despite an increase of 37 million yen in accounts receivable. The decrease in fixed assets was due to a decrease of 197 million yen in communications equipment used to provide our communications services and a decrease of 91 million yen in deferred tax assets.

(Liabilities)

Total liabilities for the current consolidated fiscal year were 5,641 million yen, a decrease of 1,598 million yen compared with the end of the previous consolidated fiscal year.

This was mainly due to decreases of 329 million yen in contract liabilities and 1,296 million yen in long-term borrowings (including repayments within one year).

(Net Assets)

Total net assets for the current consolidated fiscal year were 6,502 million yen, an increase of 666 million yen compared with the end of the previous consolidated fiscal year. This was mainly due to an increase of 792 million yen in retained earnings, despite an increase of 136 million in treasury shares.

(3) Overview of cash flows for the FY ended June 2024

(Millions of yen)

	Prior period	Current period	Percent change (%)
Cash flows from operating activities	2,833	3,156	11.4
Cash flows from investing activities	-2,377	-1,564	34.2
Cash flows from financing activities	-723	-1,860	-157.1
Change in cash and cash equivalents	-262	-267	-1.8
Beginning balance of cash and cash equivalents	2,382	2,120	-11.0
Cash and cash equivalents at end of period	2,120	1,853	-12.6

The balance of cash and cash equivalents (hereinafter referred to as "funds") at the end of the current consolidated fiscal year is 1,853 million yen, a decrease of 267 million yen compared with the end of the previous consolidated fiscal year.

The status of cash flows for the current fiscal year and their factors are as follows.

(Cash flows from operating activities)

In the current consolidated fiscal year, funds obtained from operating activities amounted to 3,156 million yen (2,833 million yen was acquired in the previous consolidated fiscal year). This was mainly due to net income before taxes of 1,890 million yen and depreciation expenses of 1,726 million yen.

(Cash flows from investing activities)

In the current consolidated fiscal year, funds used through investment activities amounted to 1,564 million yen (compared with 2,377 million yen in the previous consolidated fiscal year). This was mainly due to expenditures of 1,557 million yen from the acquisition of tangible fixed assets.

(Cash flows from financing activities)

In the current consolidated fiscal year, funds used through financing activities amounted to 1,860 million yen (compared with 723 million yen in the previous consolidated fiscal year). This was mainly due to income from long-term borrowings of 300 million yen, while expenditures of 1,596 million yen from repayment of long-term borrowings, 526 million yen from dividend payments, and 136 million yen from acquisition of treasury stock.

(Reference) Trends in indicators related to cash flows

	June 2022	June 2023	June 2024	June 2025
Shareholders' equity ratio (%)	25.1	36.8	44.3	53.1
Market value based Shareholders' equity ratio (%)	148.2	237.8	172.2	119.2
Cash Flow Interest Bearing Debt Ratio (years)	2.9	1.1	1.6	1.0
Interest Coverage Ratio (times)	93.2	146.4	121.6	132.7

Shareholders' equity ratio:

Shareholders' equity / Total assets

Market value based Shareholders' equity ratio:

Market capitalization / Total assets

Cash Flow Interest Bearing Debt Ratio:

Interest-bearing debt / Cash flow

Interest Coverage Ratio:

Cash flow / Interest payment

(Notes) 1. All calculations are based on consolidated financial figures.

2. The market capitalization is calculated based on the number of shares issued excluding treasury share.

3. Cash flow is based on operating cash flow.

4. Interest-bearing debt refers to short-term borrowings and long-term borrowings (including current portion of long-term borrowings), and corporate bonds (including current portion of corporate bonds) for which interest is paid among the liabilities reported on the consolidated balance sheet. For interest payment, we use the amount of interest paid in the consolidated statements of cash flows.

(4) Basic policy on profit distribution and dividends for the current and next fiscal years

The Group aims to expand its business performance through growth investments and regards the return of profits to shareholders as one of the most important management issues.

Profits for each fiscal year will be divided into three major divisions, and in principle, one-third of them will be used as a source of profit dividends as a return to shareholders, another one-third of them will be used for returns to executives and employees, which are important human capital, and business investments for further growth of the Company, and the remaining one-third will be retained earnings. While we have set a basic dividend payout ratio of approximately 33% based on this "triple win approach" principle, we have determined that it has become less urgent to strengthen finances and, as such, have adopted a policy of prioritizing shareholder returns. We therefore plan to maintain a total annual dividend of 27.0 yen per share.

Based on this, the year-end dividend for the current fiscal year will be 13.5 yen per share. The interim dividend was 13.5 yen per share. This results in a total annual dividend of 27.0 yen per share.

For the next fiscal year, while maintaining the above policy, we plan to pay an interim dividend of 13.5 yen per share and a year-end dividend of 13.5 yen per share, for a total annual dividend of 27.0 yen per share.

(5) Future Forecast

With regard to the outlook for the next consolidated fiscal year, while not in the form of a V-shaped recovery, the Company does expect to rapidly break free from the current profit decline by developing new winning patterns through measures including changes in its sales structure and the introduction of B2C services in response to the current labor shortage and insufficient response capability.

The equipment outright sales system of the Home-Use Business has stabilized, and profits are expected to rise due to an increase in added value. In the Business-Use Business, we will continue to focus on three target areas: medical and nursing care, public facilities, transportation, and logistics, and tourism, with the goal of increasing sales and improving profit margins. Looking at other businesses, the Company will also expand renewable energy-related sales in its Renewable Energy (electricity) Business.

The calculation of the consolidated earnings forecast is based on the information and forecasts currently available.

(Forecast of consolidated business results)

(unit: million yen)			
	June 2025 Result	June 2026 Result	Percentage change (%)
Sales	13,070	14,050	7.5
Operating income	1,958	2,000	2.1
Ordinary income	1,943	2,000	2.9
Net income attributable to owners of the parent	1,319	1,270	-3.7

(Forecast of consolidated segment sales)

(unit: million yen)				
Segment		June 2025 Result	June 2026 Result	Percentage change (%)
telecom business	Home-Use business	10,864	11,600	6.8
	Business-Use business	1,684	1,810	7.5
Real estate business		441	290	-34.3
Others		79	350	340.5
Total		13,070	14,050	7.5

Based on the background described above, we expect sales of 14,050 million yen, operating income of 2,000 million yen, ordinary income of 2,000 million yen, and net income attributable to owners of the parent of 1,270 million yen for the fiscal year ending June 2026.

Please note that the above forecasts are based on information available as of the date of publication of this document, and actual results may differ from the forecasts due to various factors in the future. Please refer to the financial results briefing released on the same date.

(6) Material events with regard to assumptions for going concern

There are no applicable matters.



## 2. Basic Approach towards Selection of Accounting Standard

Considering the comparability of consolidated financial statements over time and between companies, the Group policy is to prepare consolidated financial statements in Japan GAAP for the time being.

With regard to the application of IFRS in the future, the company will take appropriate actions in light of situations in Japan and overseas.

## Consolidated balance sheet

(Millions of yen)

	As of June 30, 2024	As of June 30, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	2,120	1,853
Accounts receivable - trade	1,772	1,809
Contract assets	208	182
Merchandise	665	577
Real estate for sale	489	212
Work in process	0	0
Supplies	0	0
Other	87	76
Allowance for doubtful accounts	(5)	(5)
Total current assets	5,339	4,707
Non-current assets		
Property, plant and equipment		
Buildings, net	35	32
Tools, furniture and fixtures, net	10	10
Communication equipment, net	7,153	6,956
Construction in progress	0	-
Total property, plant and equipment	7,200	6,998
Intangible assets		
Software	67	49
Software in progress	20	33
Total intangible assets	88	82
Investments and other assets		
Investment securities	11	11
Leasehold deposits	46	45
Deferred tax assets	372	281
Distressed receivables	1	1
Other	18	17
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	447	355
Total non-current assets	7,736	7,436
Deferred assets		
Organization expenses	0	0
Total deferred assets	0	0
Total assets	13,076	12,144

	As of June 30, 2024	As of June 30, 2025
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	623	681
Short-term borrowings	140	240
Current portion of long-term borrowings	1,203	1,070
Income taxes payable	358	176
Contract liabilities	1,317	987
Provision for bonuses	88	85
Other	356	403
Total current liabilities	4,086	3,645
Non-current liabilities		
Bonds payable	50	50
Long-term borrowings	3,049	1,884
Retirement benefit liability	53	61
Total non-current liabilities	3,153	1,996
Total liabilities	7,240	5,641
<b>Net assets</b>		
Shareholders' equity		
Share capital	494	494
Capital surplus	423	423
Retained earnings	5,225	6,017
Treasury shares	(356)	(493)
Total shareholders' equity	5,786	6,442
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	0	(0)
Foreign currency translation adjustment	3	3
Total accumulated other comprehensive income	3	3
Share award rights	-	10
Non-controlling interests	46	46
Total net assets	5,836	6,502
Total liabilities and net assets	13,076	12,144

# Consolidated statement of income

(Millions of yen)

	Fiscal year ended June 30, 2024	Fiscal year ended June 30, 2025
Net sales	12,613	13,070
Cost of sales	6,795	7,641
Gross profit	5,817	5,428
Selling, general and administrative expenses	3,430	3,470
Operating profit	2,387	1,958
Non-operating income		
Interest income	0	1
Dividend income	0	0
Point income	5	5
Insurance claim income	26	-
Compensation for damage income	-	3
Other	2	1
Total non-operating income	34	11
Non-operating expenses		
Interest expenses	23	23
Foreign exchange losses	2	2
Other	0	0
Total non-operating expenses	26	26
Ordinary profit	2,395	1,943
Extraordinary losses		
Loss on retirement of non-current assets	51	52
Loss on valuation of investment securities	39	-
Total extraordinary losses	91	52
Profit before income taxes	2,304	1,890
Income taxes - current	631	490
Income taxes - deferred	100	91
Total income taxes	732	581
Profit	1,572	1,309
Profit (loss) attributable to non-controlling interests	4	(10)
Profit attributable to owners of parent	1,567	1,319

## Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended June 30, 2024	Fiscal year ended June 30, 2025
Profit	1,572	1,309
Other comprehensive income		
Valuation difference on available-for-sale securities	0	(0)
Foreign currency translation adjustment	1	0
Total other comprehensive income	1	0
Comprehensive income	1,573	1,309
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,568	1,319
Comprehensive income attributable to non-controlling interests	4	(10)

## Consolidated statement of changes in equity

Fiscal year ended June 30, 2024

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income
Balance at beginning of period	494	426	3,963	(188)	4,694	(0)	1	1
Issuance of new shares	0	0			0			
Dividends of surplus			(305)		(305)			
Profit attributable to owners of parent			1,567		1,567			
Purchase of treasury shares				(188)	(188)			
Disposal of treasury shares		(2)		20	17			
Net changes in items other than shareholders' equity						0	1	1
Total changes during period	0	(2)	1,262	(168)	1,091	0	1	1
Balance at end of period	494	423	5,225	(356)	5,786	0	3	3

	Share award rights	Non-controlling interests	Total net assets
Balance at beginning of period	19	42	4,758
Issuance of new shares			0
Dividends of surplus			(305)
Profit attributable to owners of parent			1,567
Purchase of treasury shares			(188)
Disposal of treasury shares			17
Net changes in items other than shareholders' equity	(19)	4	(13)
Total changes during period	(19)	4	1,077
Balance at end of period	-	46	5,836

**Fiscal year ended June 30, 2025**

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income
Balance at beginning of period	494	423	5,225	(356)	5,786	0	3	3
Dividends of surplus			(527)		(527)			
Profit attributable to owners of parent			1,319		1,319			
Purchase of treasury shares				(136)	(136)			
Net changes in items other than shareholders' equity						(0)	0	0
Total changes during period	-	-	792	(136)	655	(0)	0	0
Balance at end of period	494	423	6,017	(493)	6,442	(0)	3	3

	Share award rights	Non-controlling interests	Total net assets
Balance at beginning of period	-	46	5,836
Dividends of surplus			(527)
Profit attributable to owners of parent			1,319
Purchase of treasury shares			(136)
Net changes in items other than shareholders' equity	10	(0)	10
Total changes during period	10	(0)	666
Balance at end of period	10	46	6,502

# Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended June 30, 2024	Fiscal year ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	2,304	1,890
Depreciation	1,650	1,726
Share-based payment expenses	(7)	10
Loss on retirement of non-current assets	51	52
Loss (gain) on valuation of investment securities	39	-
Increase (decrease) in allowance for doubtful accounts	(0)	0
Increase (decrease) in provision for bonuses	1	(2)
Increase (decrease) in retirement benefit liability	9	7
Interest and dividend income	(0)	(1)
Interest expenses	23	23
Decrease (increase) in trade receivables	(186)	(37)
decrease in trade receivables and contract assets	9	25
Decrease (increase) in inventories	125	360
Increase (decrease) in trade payables	19	64
Increase (decrease) in contract liabilities	(321)	(329)
Foreign exchange losses (gains)	(3)	0
Other, net	(73)	55
Subtotal	3,640	3,848
Interest and dividends received	0	1
Interest paid	(23)	(23)
Income taxes paid	(784)	(669)
Net cash provided by (used in) operating activities	2,833	3,156
Cash flows from investing activities		
Purchase of investment securities	(0)	(0)
Purchase of property, plant and equipment	(2,331)	(1,557)
Purchase of intangible assets	(30)	(15)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	9
Payments of leasehold deposits	(14)	(0)
Other, net	(0)	0
Net cash provided by (used in) investing activities	(2,377)	(1,564)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(160)	100
Proceeds from long-term borrowings	1,050	300
Repayments of long-term borrowings	(1,119)	(1,596)
Purchase of treasury shares	(188)	(136)
Dividends paid	(305)	(526)
Proceeds from exercise of employee share options	0	-
Net cash provided by (used in) financing activities	(723)	(1,860)
Effect of exchange rate change on cash and cash equivalents	5	0
Net increase (decrease) in cash and cash equivalents	(262)	(267)
Cash and cash equivalents at beginning of period	2,382	2,120
Cash and cash equivalents at end of period	2,120	1,853



(5) Notes to consolidated financial statements

(Notes to assumptions for going concern)

There are no applicable matters.

(Notes on segment information, etc.)

Segment Information

1. Overview of Reporting Segments

The Group's reporting segments are those of the Group's business constituent units for which segregated financial information is available and are subject to periodic review by the Board of Directors in order to determine the allocation of management resources and evaluate business performance.

The methods used to identify reporting segments were by product and service, and there were three reporting segments:

(1) Home use business

Construction, maintenance, operation, support, PB provision, etc.

(2) Business use business

Construction, maintenance, operation, support, PB provision, etc.

(3) Real estate business

Buying, selling, leasing, etc. of real estate

2. Method of calculating the amount of sales, profits or losses, assets, liabilities and other items for each reporting segment

The method of accounting for the reported business segments is in accordance with the accounting policy adopted to prepare consolidated financial statements.

Profit in the reporting segment is a figure based on operating income.

3. Information on the amount of sales, profits or losses, assets, liabilities, and other items for each reporting segment.

The previous fiscal year (July 1, 2023 to June 30, 2024)

(in millions of yen)

	Reportable segments				Others (Note 1)	Total	Adjustment amount (Note 2)	Amount recorded in consolidated financial statements (Note 3)
	Home Use	Business Use	real estate business	Total				
Sales								
Revenues from external customers	10,386	1,675	523	12,585	27	12,613	-	12,613
Transactions with other segments	-	-	-	-	-	-	-	-
Total	10,386	1,675	523	12,585	27	12,613	-	12,613
Segment Profit	2,910	480	57	3,448	7	3,456	(1,068)	2,387
Segment Assets	9,375	430	489	10,295	5	10,300	2,775	13,076
Other items								
Depreciation	1,590	20	10	1,621	0	1,621	28	1,650
Increase in property, plant and equipment and intangible assets	2,185	77	-	2,262	4	2,267	96	2,364

Note: 1. The "Other" category is a business segment that is not included in the reporting segments and includes the renewable energy (electricity) business.

2. The adjustment amount is as follows:

- (1) Adjustments to segment income were (1,068) million yen, which is general and administrative expenses that have not been allocated to each reporting segment.
- (2) Adjusted segment assets of ¥2,775 million are company-wide assets that have not been allocated to each reporting segment. Company-wide assets are primarily surplus funds under management (cash and deposits).
- (3) The adjustment for depreciation and amortization of ¥28 million is a depreciation expense related to company-wide assets that have not been allocated to reporting segments.
- (4) The adjustment for the increase in property, plant and equipment and intangible assets of 96 million yen is the increase in fixed assets related to company-wide assets that have not been allocated to reporting segments.

3. Segment profit is adjusted to operating income in consolidated financial statements.

	Reportable segments				Others (Note 1)	Total	Adjustment amount (Note 2)	Amount recorded in consolidated financial statements (Note 3)
	Home Use	Business Use	real estate business	Total				
Sales								
Revenues from external customers	10,864	1,684	441	12,990	79	13,070	-	13,070
Transactions with other segments	-	-	-	-	-	-	-	-
Total	10,864	1,684	441	12,990	79	13,070	-	13,070
Segment Profit	2,638	326	67	3,031	(0)	3,031	(1,073)	1,958
Segment Assets	9,056	473	212	9,742	4	9,747	2,397	12,144
Other items								
Depreciation	1,664	29	4	1,697	1	1,698	27	1,726
Increase in property, plant and equipment and intangible assets	1,490	54	-	1,544	-	1,544	23	1,568

Note: 1. The "Other" category is a business segment that is not included in the reporting segments and includes the renewable energy (electricity) business.

2. The adjustment amount is as follows:

- (1) Adjustments to segment income were (1,073) million yen, which is general and administrative expenses that have not been allocated to each reporting segment.
- (2) Adjusted segment assets of ¥2,397 million are company-wide assets that have not been allocated to each reporting segment. Company-wide assets are primarily surplus funds under management (cash and deposits).
- (3) The adjustment for depreciation and amortization of ¥27 million is a depreciation expense related to company-wide assets that have not been allocated to reporting segments.
- (4) Adjustment for the increase in property, plant and equipment and intangible assets of 23 million yen is the increase in fixed assets related to company-wide assets that have not been allocated to reporting segments.

3. Segment profit is adjusted to operating income in consolidated financial statements.

## Related Information

The previous fiscal year (July 1, 2023 to June 30, 2024)

### 1. Product and Service Information

Since the same information is disclosed in the segment information, it is omitted.

### 2. Regional Information

#### (1) Net sales

Since sales to external customers in Japan exceed 90% of sales in the consolidated statements of income, the description is omitted.

#### (2) Property, plant and equipment

The amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the consolidated balance sheet.

The description has been omitted.

### 3. Information per main customer

(in millions of yen)

Name or surname of the customer	Sales	Relevant Segment Names
USEN-NEXT LIVING PARTNERS Inc.	2,669	Home Use

The current fiscal year (July 1, 2024 to June 30, 2025)

### 1. Product and Service Information

Since the same information is disclosed in the segment information, it is omitted.

### 2. Regional Information

#### (1) Net sales

Since sales to external customers in Japan exceed 90% of sales in the consolidated statements of income, the description is omitted.

#### (2) Property, plant and equipment

The amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the consolidated balance sheet.

The description has been omitted.

### 3. Information per main customer

(in millions of yen)

Name or surname of the customer	Sales	Relevant Segment Names
USEN-NEXT LIVING PARTNERS Inc.	2,565	Home Use

Information on impairment losses on fixed assets by reporting segment

The previous fiscal year (July 1, 2023 to June 30, 2024)

Not applicable.

The current fiscal year (July 1, 2024 to June 30, 2025)

Not applicable.

Information on amortization and unamortized balances of goodwill by reporting segment

The previous fiscal year (July 1, 2023 to June 30, 2024)

Not applicable.

The current fiscal year (July 1, 2024 to June 30, 2025)

Not applicable.

Information on Negative Goodwill Accrual Gains by Reporting Segment

Not applicable.

## (Information per share)

	Previous consolidated fiscal year (from July 1, 2023 to June 30, 2024)	Current consolidated fiscal year (from July 1, 2024 to June 30, 2025)
Net assets per share	285.59 yen	320.34 yen
Net income per share	77.20 yen	65.20 yen
Diluted Net income per share	76.95 yen	65.07 yen

(Notes) The basis for the calculation of Net income per share and Diluted Net income per share is as follows.

	Previous consolidated fiscal year (from July 1, 2023 to June 30, 2024)	Current consolidated fiscal year (from July 1, 2024 to June 30, 2025)
Net income per share		
Profit attributable to owners of parent (million yen)	1,567	1,319
Amounts not attributable to common shareholders(million yen)	—	—
Net income attributable to owners of parent related to common stock (million yen)	1,567	1,319
Average number of shares of common stock during the period (shares)	20,306,773	20,236,660
Diluted Net income per share		
Adjusted amount of Profit attributable to owners of parent (million yen)	—	—
Increase in common share (shares)	64,459	39,833
(of which Stock acquisition rights (shares))	(64,459)	(39,833)
Since it does not have a dilution effect, it was not included in the calculation of net income per share after adjusting for potential shares	—	—

## (Significant Aftermath)

There are no applicable matters.