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Consolidated Financial Results for the Six Months Ended June 30, 2025 [Japanese GAAP]



August 8, 2025

Company name: FUJITA KANKO INC.

Stock exchange listing: Tokyo Stock Exchange

Code number: 9722

URL: <https://www.fujita-kanko.co.jp/>

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Scheduled date of filing semi-annual securities report: August 8, 2025

Scheduled date of commencing dividend payments: –

Availability of supplementary briefing material on financial results: Available

Schedule of financial results briefing session: Scheduled (for institutional investors and securities analysts)

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

1. Consolidated Financial Results for the Six Months Ended June 30, 2025 (January 1, 2025 to June 30, 2025)

(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	%
Six months ended June 30, 2025	39,955	11.4	6,877	34.2	6,797	21.1	4,517	12.8
Six months ended June 30, 2024	35,882	23.0	5,123	167.9	5,615	124.2	4,004	30.3

(Note) Comprehensive income: Six months ended June 30, 2025: ¥4,970 million [6.8%]
Six months ended June 30, 2024: ¥4,655 million [30.1%]

	Profit per share	Diluted profit per share
	Yen	Yen
Six months ended June 30, 2025	373.64	–
Six months ended June 30, 2024	317.56	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2025	91,803	30,061	32.7
As of December 31, 2024	94,041	25,651	27.3

(Reference) Equity: As of June 30, 2025: ¥30,061 million
As of December 31, 2024: ¥25,651 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended December 31, 2024	Yen —	Yen 0.00	Yen —	Yen 40.00	Yen 40.00
Fiscal year ending December 31, 2025	—	0.00			
Fiscal year ending December 31, 2025 (Forecast)			—	40.00	40.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) “Dividends” above are dividends for common shares. For dividends for class shares (unlisted) with different rights from those of common shares issued by the Company, please see “Dividends on Class Shares” to be described later.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2025 (January 1, 2025 to December 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	Profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	Yen
Full year	80,500	5.6	13,300	8.0	13,000	3.0	8,800 (3.7)	729.82

(Note) Revision to the financial results forecast announced most recently: Yes

For details of the full-year consolidated financial results forecast for the fiscal year ending December 31, 2025, please see “1. Qualitative Information on Semi-annual Financial Results for the Period under Review, (3)

Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the attached material.

*** Notes:**

- (1) Significant changes in the scope of consolidation during the period under review: No
- (2) Accounting policies adopted specially for the preparation of semi-annual consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (4) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):
 - June 30, 2025: 12,207,424 shares
 - December 31, 2024: 12,207,424 shares
 - 2) Total number of treasury shares at the end of the period:
 - June 30, 2025: 223,326 shares
 - December 31, 2024: 223,128 shares
 - 3) Average number of shares during the period:
 - Six months ended June 30, 2025: 11,984,249 shares
 - Six months ended June 30, 2024: 11,985,074 shares

* Semi-annual financial results are outside the scope of review by a certified public accountant or an audit corporation.

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

The financial results forecasts and other forward-looking statements herein are made based on currently available information and include a number of uncertainties. Accordingly, actual results may differ materially due to various factors. For the assumptions underlying the financial results forecasts, please see “1. Qualitative Information on Semi-annual Financial Results for the Period under Review, (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the attached material.

Dividends on Class Shares

The following shows the breakdown of dividend per share of Class A preferred shares, which have different rights from those of common shares.

Class A preferred shares	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended December 31, 2024	Yen —	Yen —	Yen —	Yen 4,010,958.90	Yen 4,010,958.90
Fiscal year ending December 31, 2025	—	—			
Fiscal year ending December 31, 2025 (Forecast)			—	—	—

(Notes) The Company plans to purchase and cancel all of issued Class A preferred shares (20 shares) on August 25, 2025. Details are as stated in the “Notice Concerning Purchase and Cancellation of Class A Preferred Shares,” which was released today (August 8, 2025).

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1. Qualitative Information on Semi-annual Financial Results for the Period under Review

(1) Explanation of Operating Results

During the six months ended June 30, 2025, the Japanese economy continued to recover moderately owing to developments such as an improvement in corporate earnings and personal consumption. Although the outlook remains uncertain due to policy trends in the U.S. and other factors, the number of foreign visitors to Japan increased year on year in the January-June period of 2025, and inbound demand continued to grow in the hotel and tourism industries.

Against this backdrop, the Group strengthened sales and promotions tailored to seasonal and country/region-specific characteristics, etc. to capture inbound demand, with the result that the number of inbound accommodation guests during the period under review increased year on year. In addition, we saw an increase in sales per use, particularly in the accommodation business, thanks to the implementation of sales strategies based on supply and demand and other initiatives. In terms of costs, labor costs increased year on year due to factors such as an increase in bonus payments compared to the same period of the previous fiscal year, and across-the-board wage raises implemented in April 2024 and April 2025.

As a result, net sales for the entire Group increased by ¥4,072 million year on year to ¥39,955 million, operating profit increased by ¥1,753 million year on year to ¥6,877 million, and ordinary profit increased by ¥1,182 million year on year to ¥6,797 million. Profit attributable to owners of parent increased by ¥513 million year on year to ¥4,517 million due to recording of tax expenses and other factors.

An overview of business results is as follows.

	(Million yen)	
	Six months ended June 30, 2025	YoY change
Net sales	39,955	4,072
Operating profit	6,877	1,753
Ordinary profit	6,797	1,182
Profit attributable to owners of parent	4,517	513

An overview of business results by segment is as follows.

Net sales and operating profit by segment			(Million yen)	
	Net sales		Operating profit (loss)	
	Actual	YoY change	Actual	YoY change
WHG Business	24,457	3,040	6,031	1,700
Luxury & Banquet Business	9,784	814	746	168
Resort Business	5,099	210	109	(72)
Other (including adjustment amounts)	612	7	(10)	(42)
Total	39,955	4,072	6,877	1,753

(Note) Adjustment amounts include eliminations of inter-segment transactions, as well as corporate expenses not allocated to each segment.

In the WHG Business, the number of inbound visitor overnight stays during the period under review increased year on year. This was due to our sales promotion activities conducted at trade fairs held in Europe, the United States, and Australia, as well as at travel expos held in Southeast Asia, which led to the capture of inbound demand. In addition, ADR rose due to pricing that was adjusted to reflect changes in supply and demand trends, such as during the cherry blossom season. As a result, net sales for this segment increased by ¥3,040 million year on year to ¥24,457 million, and operating profit increased by ¥1,700 million to ¥6,031 million.

In the Luxury & Banquet Business, revenue of the Hotel Chinzanso Tokyo increased year on year in all of wedding, banquet, accommodation and restaurant businesses. In the wedding business, the number of ceremonies

increased due to the enhancement of product competitiveness through tangible and intangible improvements. In the banquet business, we realigned our target customers and continued sales activities from an early stage, which resulted in capture of large-scale events such as organizational anniversaries and lectures. As a result, both the number of events and the number of users increased year on year. In the accommodation business, we focused on selling high-value-added products, particularly suite rooms, which led to an increase in sales per use. As a result, net sales for this segment increased by ¥814 million year on year to ¥9,784 million, and operating profit increased by ¥168 million to ¥746 million.

In the Resort Business, occupancy rates and ADR increased at the Hakone Kowakien Ten-yu, supported by improvement of hospitality through Japanese etiquette/culture training for employees, and by capture of inbound demand through enhancement of product competitiveness. At the Hakone Kowakien Hotel, ADR increased thanks to a sales strategy that targeted to capture families on holidays and inbound demand on weekdays. At the Hakone Kowakien Yunessun, renovations were made in March 2025 to water slides and Mori No Yu to enhance the competitiveness of these facilities. As a result, net sales for this segment increased by ¥210 million year on year to ¥5,099 million, and operating profit decreased by ¥72 million to ¥109 million.

(2) Explanation of Financial Position

1) Assets, liabilities and net assets

Total assets as of June 30, 2025 decreased by ¥2,238 million from the end of the previous fiscal year to ¥91,803 million. Current assets decreased by ¥2,247 million, mainly due to decreases in accounts receivable - trade and in cash and deposits.

Liabilities decreased by ¥6,647 million from the end of the previous fiscal year to ¥61,742 million, mainly due to the repayments of borrowings.

Net assets increased by ¥4,409 million from the end of the previous fiscal year to ¥30,061 million. Retained earnings increased by ¥3,957 million, mainly due to the recording of profit attributable to owners of parent.

2) Cash flows

Cash and cash equivalents as of June 30, 2025 amounted to ¥13,935 million, down ¥511 million from the end of the previous fiscal year.

i) Cash flows from operating activities

Net cash provided by operating activities was ¥7,042 million (¥5,754 million provided in the same period of the previous fiscal year). This was mainly due to the recording of an operating profit.

ii) Cash flows from investing activities

Net cash used in investing activities was ¥1,217 million (¥1,916 million used in the same period of the previous fiscal year). This was mainly due to the purchase of non-current assets.

iii) Cash flows from financing activities

Net cash used in financing activities was ¥6,313 million (¥172 million used in the same period of the previous fiscal year). This was mainly due to the repayment of long-term borrowings.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

Details of the explanation of consolidated financial results forecast and other forward-looking information are as stated in the “Notice Concerning Revisions to Full-Year Consolidated Financial Results Forecasts,” which was released today (August 8, 2025).

Consolidated financial results forecast for the full fiscal year (January 1, 2025 to December 31, 2025)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Profit per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previously announced forecast (A)	78,600	12,000	11,700	8,000	660.86
Revised forecast (B)	80,500	13,300	13,000	8,800	729.82
Difference (B-A)	1,900	1,300	1,300	800	
Rate of difference (%)	2.4%	10.8%	11.1%	10.0%	
Ref: Results for fiscal year ended December 31, 2024 (January 1, 2024 to December 31, 2024)	76,211	12,309	12,623	9,134	733.53

2. Semi-annual Consolidated Financial Statements

(1) Semi-annual Consolidated Balance Sheets

(Million yen)

	As of December 31, 2024	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	14,456	13,945
Notes and accounts receivable - trade	6,158	4,786
Merchandise and finished goods	56	48
Work in process	34	22
Raw materials and supplies	481	359
Other	2,520	2,297
Allowance for doubtful accounts	(4)	(3)
Total current assets	23,703	21,455
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	36,053	34,957
Tools, furniture and fixtures, net	3,683	3,925
Land	6,330	6,278
Construction in progress	60	237
Golf courses	2,501	2,501
Other, net	817	811
Total property, plant and equipment	49,447	48,712
Intangible assets		
Other	559	752
Total intangible assets	559	752
Investments and other assets		
Investment securities	10,472	11,317
Guarantee deposits	9,705	9,344
Other	156	225
Allowance for doubtful accounts	(4)	(4)
Total investments and other assets	20,330	20,883
Total non-current assets	70,338	70,347
Total assets	94,041	91,803
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,235	940
Short-term borrowings	8,320	7,792
Current portion of long-term borrowings	9,773	7,760
Income taxes payable	1,260	2,254
Provision for bonuses	349	315
Provision for noncurrent assets removal cost	119	83
Provision for loss on disaster	172	62
Provision for loss on business withdrawal	309	81
Other	9,677	8,071
Total current liabilities	31,217	27,360

(Million yen)

	As of December 31, 2024	As of June 30, 2025
Non-current liabilities		
Long-term borrowings	19,335	16,139
Provision for retirement benefits for directors (and other officers)	83	95
Asset retirement obligations	954	958
Retirement benefit liability	6,367	6,325
Deposits received from members	9,778	9,888
Other	653	974
Total non-current liabilities	37,172	34,381
Total liabilities	68,389	61,742
Net assets		
Shareholders' equity		
Share capital	100	100
Capital surplus	14,067	14,067
Retained earnings	9,955	13,913
Treasury shares	(911)	(913)
Total shareholders' equity	23,211	27,167
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,691	3,206
Deferred gains or losses on hedges	8	11
Foreign currency translation adjustment	(372)	(432)
Remeasurements of defined benefit plans	112	107
Total accumulated other comprehensive income	2,440	2,893
Total net assets	25,651	30,061
Total liabilities and net assets	94,041	91,803

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income
Semi-annual Consolidated Statements of Income

(Million yen)

	For the six months ended June 30, 2024	For the six months ended June 30, 2025
Net sales	35,882	39,955
Cost of sales	29,003	31,080
Gross profit	6,878	8,874
Selling, general and administrative expenses	1,754	1,996
Operating profit	5,123	6,877
Non-operating income		
Interest income	4	2
Dividend income	257	307
Foreign exchange gains	405	—
Rental income from land and buildings	45	56
Other	52	46
Total non-operating income	766	412
Non-operating expenses		
Interest expenses	226	232
Foreign exchange losses	—	196
Other	47	62
Total non-operating expenses	274	492
Ordinary profit	5,615	6,797
Extraordinary income		
Gain on reversal of provision for loss on business withdrawal	1	25
Reversal of allowance for doubtful accounts	102	—
Gain on reversal of asset retirement obligations	27	—
Gain on sale of non-current assets	0	—
Other	7	—
Total extraordinary income	139	25
Extraordinary losses		
Provision for loss on business withdrawal	783	35
Loss on sale of non-current assets	—	13
Loss on disaster	—	12
Loss on valuation of investment securities	1	—
Total extraordinary losses	784	61
Profit before income taxes	4,970	6,761
Income taxes	966	2,244
Profit	4,004	4,517
Profit attributable to owners of parent	4,004	4,517

Semi-annual Consolidated Statements of Comprehensive Income

(Million yen)

	For the six months ended June 30, 2024	For the six months ended June 30, 2025
Profit	4,004	4,517
Other comprehensive income		
Valuation difference on available-for-sale securities	721	514
Deferred gains or losses on hedges	18	3
Foreign currency translation adjustment	(81)	(60)
Remeasurements of defined benefit plans, net of tax	(6)	(4)
Total other comprehensive income	651	453
Comprehensive income	4,655	4,970
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,655	4,970

(3) Semi-annual Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended June 30, 2024	For the six months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	4,970	6,761
Depreciation	1,920	2,037
Increase (decrease) in allowance for doubtful accounts	(103)	(1)
Increase (decrease) in provision for bonuses	(1)	(34)
Increase (decrease) in provision of noncurrent assets removal	(176)	(35)
Increase (decrease) in provision for loss on disaster	–	(109)
Increase (decrease) in provision for loss on business withdrawal	582	(228)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(3)	11
Increase (decrease) in retirement benefit liability	(194)	(46)
Gain on reversal of asset retirement obligations	(27)	–
Interest and dividend income	(261)	(309)
Interest expenses	226	232
Foreign exchange losses (gains)	(405)	196
Loss (gain) on sale of non-current assets	(0)	10
Loss on retirement of non-current assets	22	35
Loss (gain) on valuation of investment securities	1	–
Decrease (increase) in trade receivables	320	1,369
Decrease (increase) in inventories	124	143
Increase (decrease) in trade payables	(251)	(296)
Increase (decrease) in accrued consumption taxes	52	(822)
Other, net	(1,054)	(665)
Subtotal	5,739	8,250
Interest and dividends received	263	312
Interest paid	(233)	(224)
Income taxes refund (paid)	(14)	(1,296)
Net cash provided by (used in) operating activities	5,754	7,042

(Million yen)

	For the six months ended June 30, 2024	For the six months ended June 30, 2025
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(1,054)	(1,522)
Proceeds from sale of property, plant and equipment and intangible assets	0	8
Proceeds from withdrawal of time deposits	19	–
Payments of guarantee deposits	(1,028)	(10)
Proceeds from refund of guarantee deposits	189	306
Other, net	(44)	0
Net cash provided by (used in) investing activities	(1,916)	(1,217)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,759)	(528)
Proceeds from long-term borrowings	7,654	528
Repayments of long-term borrowings	(5,632)	(5,738)
Purchase of treasury shares	(1)	(1)
Dividends paid	(400)	(559)
Repayments of finance lease liabilities	(18)	(20)
Other, net	(13)	6
Net cash provided by (used in) financing activities	(172)	(6,313)
Effect of exchange rate change on cash and cash equivalents	45	(22)
Net increase (decrease) in cash and cash equivalents	3,711	(511)
Cash and cash equivalents at beginning of period	13,675	14,446
Cash and cash equivalents at end of period	17,387	13,935