

Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 [Japanese GAAP]



February 12, 2026

Company name: FUJITA KANKO INC.

Stock exchange listing: Tokyo Stock Exchange

Code number: 9722

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Scheduled date of Ordinary General Meeting of Shareholders: March 25, 2026

Scheduled date of filing annual securities report: March 23, 2026

Scheduled date of commencing dividend payments: March 26, 2026

Availability of supplementary briefing material on annual financial results: Available

Schedule of annual 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 Fiscal Year Ended December 31, 2025 (January 1, 2025 to December 31, 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	%
Fiscal year ended December 31, 2025	82,004	7.6	13,795	12.1	13,704	8.6	9,292	1.7
Fiscal year ended December 31, 2024	76,211	18.1	12,309	85.5	12,623	78.3	9,134	12.6

(Note) Comprehensive income: Fiscal year ended December 31, 2025: ¥13,785 million [65.1%]
Fiscal year ended December 31, 2024: ¥8,347 million [(8.7)%]

	Profit per share	Diluted profit per share	Return on equity	Ordinary profit to total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended December 31, 2025	154.19	—	29.8	14.2	16.8
Fiscal year ended December 31, 2024	146.71	—	35.4	13.5	16.2

(Reference) Profit (loss) of entities accounted

for using equity method: Fiscal year ended December 31, 2025: ¥- million

Fiscal year ended December 31, 2024: ¥- million

(Note) The Company implemented a 5-for-1 stock split of its common shares, with an effective date of January 1, 2026. Accordingly, profit per share is calculated assuming that the stock split was implemented at the beginning of the previous consolidated fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2025	98,834	36,818	37.3	614.47
As of December 31, 2024	94,041	25,651	27.3	393.38

(Reference) Equity: As of December 31, 2025: ¥36,818 million
As of December 31, 2024: ¥25,651 million

(Note) The Company implemented a 5-for-1 stock split of its common shares, with an effective date of January 1, 2026. Accordingly, net assets per share are calculated assuming that the stock split was implemented at the beginning of the previous consolidated fiscal year.

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended December 31, 2025	15,922	(5,685)	(12,427)	12,245
Fiscal year ended December 31, 2024	15,905	(3,831)	(11,311)	14,446

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended December 31, 2024	-	0.00	-	40.00	40.00	479	5.5	1.9
Fiscal year ended December 31, 2025	-	0.00	-	70.00	70.00	838	9.0	2.7
Fiscal year ending December 31, 2026 (Forecast)	-	0.00	-	20.00	20.00		10.4	

(Notes) 1. “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.

2. The Company implemented a 5-for-1 stock split of its common shares, with an effective date of January 1, 2026. For the dividends for the fiscal years ended December 31, 2024 and December 31, 2025, the actual dividend amounts before the stock split are provided. The dividends for the fiscal year ending December 31, 2026 (Forecast) reflect figures after the stock split.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2026 (January 1, 2026 to December 31, 2026)

(% 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
First half	39,700	(0.6)	5,100	(25.8)	4,900	(27.9)	7,000	55.0	116.83
Full year	83,000	1.2	12,000	(13.0)	11,600	(15.4)	11,500	23.8	191.93

(Note) The Company implemented a 5-for-1 stock split of its common shares, with an effective date of January 1, 2026. Profit per share in the consolidated financial results forecast reflects the figures after the stock split.

*** Notes:**

- (1) Significant changes in the scope of consolidation during the period under review: No
- (2) 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
- (3) Total number of issued shares (common shares)
- 1) Total number of issued shares at the end of the period (including treasury shares):
 - December 31, 2025: 61,037,120 shares
 - December 31, 2024: 61,037,120 shares
 - 2) Total number of treasury shares at the end of the period:
 - December 31, 2025: 1,118,520 shares
 - December 31, 2024: 1,115,640 shares
 - 3) Average number of shares during the period:
 - Fiscal year ended December 31, 2025: 59,920,356 shares
 - Fiscal year ended December 31, 2024: 59,923,977 shares
- (Note) The Company implemented a 5-for-1 stock split of its common shares, with an effective date of January 1, 2026. Accordingly, total number of issued shares at the end of the period, total number of treasury shares at the end of the period, and average number of shares during the period are calculated assuming that the stock split was implemented at the beginning of the previous consolidated fiscal year.

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended December 31, 2025 (January 1, 2025 to December 31, 2025)

(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 December 31, 2025	63,543	7.7	10,699	7.7	10,752	2.4	9,010	0.6
Fiscal year ended December 31, 2024	58,989	19.5	9,933	70.4	10,497	61.3	8,956	9.2

	Profit per share		Diluted profit per share	
	Yen		Yen	
Fiscal year ended December 31, 2025	149.48		-	
Fiscal year ended December 31, 2024	143.73		-	

(Note) The Company implemented a 5-for-1 stock split of its common shares, with an effective date of January 1, 2026. Accordingly, profit per share is calculated assuming that the stock split was implemented at the beginning of the previous consolidated fiscal year.

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2025	97,899	35,328	36.1	589.60
As of December 31, 2024	93,926	24,923	26.5	381.23

(Reference) Equity: As of December 31, 2025: ¥35,328 million

As of December 31, 2024: ¥24,923 million

(Note) The Company implemented a 5-for-1 stock split of its common shares, with an effective date of January 1, 2026. Accordingly, net assets per share are calculated assuming that the stock split was implemented at the beginning of the previous consolidated fiscal year.

* Financial results are outside the scope of audit 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 “Overview of Operating Results for Current Fiscal Year” on page 2 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 ended December 31, 2025	-	-	-		
Fiscal year ending December 31, 2026 (Forecast)				-	-

(Note) Class A preferred shares (150 shares) were issued by the Company on September 28, 2021. The Company purchased these Class A preferred shares on December 22, 2023, August 23, 2024, December 20, 2024, and August 25, 2025, respectively (totaling 150 shares), and cancelled them on the same dates.

Table of Contents

1. Overview of Operating Results, etc.	2
(1) Overview of Operating Results for Current Fiscal Year	2
(2) Overview of Financial Position for Current Fiscal Year	3
(3) Overview of Cash Flows for Current Fiscal Year	3
(4) Future Outlook	4
(5) Basic Dividend Policy and Dividend Payments for Current Fiscal Year and Next Fiscal Year	4
2. Basic Policy on Selecting Accounting Standard.....	4
3. Consolidated Financial Statements.....	5
(1) Consolidated Balance Sheets	5
(2) Consolidated Statements of Income and Comprehensive Income	7
Consolidated Statements of Income	7
Consolidated Statements of Comprehensive Income	8
(3) Consolidated Statements of Changes in Net Assets	9
(4) Consolidated Statements of Cash Flows	11

1. Overview of Operating Results, etc.

(1) Overview of Operating Results for Current Fiscal Year

During the fiscal year ended December 31, 2025, the Japanese economy continued to recover moderately owing to developments such as an improvement in corporate earnings and personal consumption. The number of foreign visitors to Japan reached a record high of 42.68 million on an annual basis (according to figures released by the Japan National Tourism Organization (JNTO)), leading to increased inbound demand in the hotel and tourism industries.

Under these circumstances, the Group advanced measures to enhance added value and productivity in line with the Medium-term Management Plan. In the accommodation business, the number of inbound accommodation guests increased due to strengthened overseas sales and promotion activities, which, in turn, contributed to the rise in ADR (average daily rate). In the wedding and banquet businesses, we saw an increase in the number of guests and sales per use, thanks to our efforts to strengthen product competitiveness, which resulted in year-on-year revenue growth in all segments. In terms of investments in human resources, the Group promoted initiatives to improve employee engagement, including wage increases and other improvements in compensation.

As a result, net sales for the entire Group increased by ¥5,792 million year on year to ¥82,004 million, operating profit increased by ¥1,486 million year on year to ¥13,795 million, and ordinary profit increased by ¥1,081 million year on year to ¥13,704 million. Profit attributable to owners of parent increased by ¥157 million year on year to ¥9,292 million primarily due to an increase in tax expenses. Operating profit and ordinary profit both attained record highs.

In addition, of the Class A preferred shares issued on September 28, 2021, shares that had remained unredeemed were redeemed during the current fiscal year (purchased and canceled).

An overview of business results is as follows.

	(Million yen)	
	Actual results for the current period	YoY change
Net sales	82,004	5,792
Operating profit	13,795	1,486
Ordinary profit	13,704	1,081
Profit attributable to owners of parent	9,292	157

An overview of business results by segment is as follows.

Sales and operating profit by segment

	Net sales		Operating profit (loss)	
	Actual	YoY change	Actual	YoY change
WHG Business	49,200	3,617	11,480	1,285
Luxury & Banquet Business	20,209	1,564	1,483	249
Resort Business	11,289	523	925	4
Other (including adjustment amounts)	1,304	86	(93)	(53)
Total	82,004	5,792	13,795	1,486

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

1) WHG Business

In the WHG Business, we implemented measures to enhance value added such as guest room renovations aimed at improving functionality and convenience, and enhancing breakfast offerings. Furthermore, by continuously implementing chain promotions utilizing local sales in Europe, the U.S., Australia, and Southeast Asia, as well as overseas OTA (Online Travel Agent), we captured inbound demand not only in the metropolitan area but also at

regional hotels. As a result, the number of inbound accommodation guests for the current fiscal year increased year on year. Additionally, ADR increased due to pricing aligned with seasonal characteristics and supply-demand trends. Although some rooms were temporarily unavailable due to guest room renovation work, overall for this business segment, net sales increased by ¥3,617 million year on year to ¥49,200 million, and operating profit increased by ¥1,285 million to ¥11,480 million.

2) Luxury & Banquet Business

In the Luxury & Banquet Business, Hotel Chinzanso Tokyo saw a year-on-year increase in revenue in all of the weddings, banquet, accommodation and restaurant businesses, due to higher sales per use resulting from enhanced product competitiveness. In the wedding business, there was an increase in the number of ceremonies performed resulting from efforts to increase product competitiveness through tangible and intangible improvements, including banquet hall renovations and improved proposal capabilities. In the banquet business, realignment of target customers and developing new customers led to an increase in the number of large-scale events such as organizational anniversaries. As a result, net sales for this segment increased by ¥1,564 million year on year to ¥20,209 million, and operating profit increased by ¥249 million to ¥1,483 million.

3) Resort Business

In the Resort Business, various measures were taken to enhance value added at Hakone Kowakien Ten-yu, including expanding activity offerings. Furthermore, the number of guests from Europe and the U.S. increased year on year thanks to promotions on overseas OTA, which resulted in higher ADR while maintaining high occupancy. At Hakone Kowakien Hotel, marketing strategies targeting families on holidays and inbound tourists on weekdays proved successful, resulting in increases year on year in both ADR and occupancy rate. At Hakone Kowakien Yunessun, we have enhanced the facility's competitiveness by renovating the water slides and the MORI NO YU bath. As a result, net sales for this segment increased by ¥523 million year on year to ¥11,289 million, and operating profit increased by ¥4 million to ¥925 million.

(2) Overview of Financial Position for Current Fiscal Year

Total assets as of December 31, 2025 increased by ¥4,729 million from the end of the previous fiscal year to ¥98,834 million. Non-current assets increased by ¥7,819 million due to the acquisition of property, plant and equipment related to the expansion of rooms at Hakone Kowakien Hotel and an increase in investment securities, while current assets decreased by ¥3,027 million mainly due to a decrease in cash and deposits.

Liabilities decreased by ¥6,373 million from the end of the previous fiscal year to ¥62,015 million mainly due to the repayments of borrowings.

Net assets increased by ¥11,166 million from the end of the previous fiscal year to ¥36,818 million. Retained earnings increased by ¥8,733 million mainly due to the recording of profit attributable to owners of parent, while capital surplus decreased by ¥2,053 million resulted from the redemption of Class A preferred shares.

(3) Overview of Cash Flows for Current Fiscal Year

Cash and cash equivalents (hereinafter referred to as "Funds") as of December 31, 2025 amounted to ¥12,245 million, down ¥2,200 million from the end of the previous fiscal year.

1) Cash flows from operating activities

Net cash provided by operating activities was ¥15,922 million (¥15,905 million provided in the previous fiscal year). This was mainly due to the recording of profit before income taxes of ¥13,376 million and depreciation of ¥4,210 million, while income taxes paid amounted to ¥1,916 million.

2) Cash flows from investing activities

Net cash used in investing activities was ¥5,685 million (¥3,831 million used in the previous fiscal year). This was mainly due to the purchase of non-current assets of ¥5,949 million.

3) Cash flows from financing activities

Net cash used in financing activities was ¥12,427 million (¥11,311 million used in the previous fiscal year). This was mainly due to the purchase of treasury shares of ¥2,005 million associated with the redemption of Class A preferred shares and repayments of borrowings of ¥9,773 million.

(4) Future Outlook

Regarding 2026, we anticipate an increase in inbound tourism as an external factor, while domestic tourism and leisure spending is expected to remain flat. Furthermore, during the first half of 2026, we plan to accelerate renovations of guest rooms at existing facilities to enhance our product competitiveness. Due to the impact of temporary room closures associated with these renovations, we anticipate that both operating profit and ordinary profit for the interim consolidated accounting period (January to June 2026) will decrease year on year. As for the full-year financial results forecast for 2026, the Group forecasts net sales of ¥83,000 million, an increase of ¥995 million year on year, operating profit of ¥12,000 million, a decrease of ¥1,795 million year on year, and ordinary profit of ¥11,600 million, a decrease of ¥2,104 million year on year. The Group anticipates profit attributable to owners of parent of ¥11,500 million.

Forecast for the consolidated financial results and financial results by segment is as follows.

Consolidated financial results forecast for the fiscal year ending December 31, 2026 (January 1, 2026 to December 31, 2026)

(Million yen)

	First half				Full year			
	Net sales	Operating profit (loss)	Ordinary profit	Profit attributable to owners of parent	Net sales	Operating profit (loss)	Ordinary profit	Profit attributable to owners of parent
Consolidated total	39,700	5,100	4,900	7,000	83,000	12,000	11,600	11,500
WHG Business	23,700	4,450	—	—	49,600	10,100	—	—
Luxury & Banquet Business	10,200	700	—	—	20,500	1,250	—	—
Resort Business	5,200	0	—	—	11,600	800	—	—
Other (including adjustment amounts)	600	(50)	—	—	1,300	(150)	—	—

(Note) Adjustment amounts refer to eliminations of inter-segment transactions.

(5) Basic Dividend Policy and Dividend Payments for Current Fiscal Year and Next Fiscal Year

Regarding dividends of surplus, the Company has a basic policy to fully consider passing its profits on to shareholders, and pay dividends in proportion to the results of its business in consideration of further reinforcement of corporate structure and accumulation of internal reserves to be utilized to promote businesses.

Regarding the year-end dividend for the current fiscal period, in light of the recovery in our business performance and financial condition, we propose to increase the dividend by ¥30 per share from the most recent forecast of ¥40 per share, resulting in a dividend of ¥70 per share.

Regarding dividends for the next fiscal year, we plan to pay a dividend of ¥20 per share, based on the basic dividend policy mentioned above and taking into account the stock split which was implemented with an effective date of January 1, 2026. The dividend would be ¥100 per share if not considering the stock split.

2. Basic Policy on Selecting Accounting Standard

The Group will continue to prepare consolidated financial statements based on Japanese GAAP for the time being, taking into consideration the comparability of consolidated financial statements in terms of periods and companies.

In the future, we will take appropriate actions in accordance with various conditions in Japan and overseas.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Million yen)

	As of December 31, 2024	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	14,456	12,255
Notes and accounts receivable - trade	6,158	5,888
Merchandise and finished goods	56	52
Work in process	34	28
Raw materials and supplies	481	506
Other	2,520	1,949
Allowance for doubtful accounts	(4)	(4)
Total current assets	23,703	20,676
Non-current assets		
Property, plant and equipment		
Buildings and structures	95,508	96,669
Accumulated depreciation	(59,454)	(61,769)
Buildings and structures, net	36,053	34,899
Tools, furniture and fixtures	21,595	23,329
Accumulated depreciation	(17,911)	(18,144)
Tools, furniture and fixtures, net	3,683	5,184
Land	6,330	5,990
Construction in progress	60	1,795
Golf courses	2,501	2,521
Other	4,025	4,032
Accumulated depreciation	(3,208)	(3,207)
Other, net	817	825
Total property, plant and equipment	49,447	51,215
Intangible assets		
Software	333	475
Other	226	178
Total intangible assets	559	653
Investments and other assets		
Investment securities	10,472	16,716
Guarantee deposits	9,705	9,362
Deferred tax assets	15	–
Other	141	213
Allowance for doubtful accounts	(4)	(4)
Total investments and other assets	20,330	26,288
Total non-current assets	70,338	78,157
Total assets	94,041	98,834

(Million yen)

	As of December 31, 2024	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,235	1,239
Short-term borrowings	8,320	7,792
Current portion of long-term borrowings	9,773	7,388
Income taxes payable	1,260	3,037
Accrued consumption taxes	1,624	855
Provision for bonuses	349	408
Provision for loss on business withdrawal	309	–
Provision for loss on disaster	172	–
Provision for noncurrent assets removal cost	119	–
Other	8,052	8,645
Total current liabilities	31,217	29,366
Non-current liabilities		
Long-term borrowings	19,335	12,475
Provision for retirement benefits for directors (and other officers)	83	104
Asset retirement obligations	954	964
Deferred tax liabilities	56	2,698
Retirement benefit liability	6,367	5,845
Deposits received from members	9,778	9,976
Other	596	583
Total non-current liabilities	37,172	32,648
Total liabilities	68,389	62,015
Net assets		
Shareholders' equity		
Share capital	100	100
Capital surplus	14,067	12,013
Retained earnings	9,955	18,688
Treasury shares	(911)	(917)
Total shareholders' equity	23,211	29,885
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,691	6,693
Deferred gains or losses on hedges	8	19
Foreign currency translation adjustment	(372)	(414)
Remeasurements of defined benefit plans	112	634
Total accumulated other comprehensive income	2,440	6,933
Total net assets	25,651	36,818
Total liabilities and net assets	94,041	98,834

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Million yen)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Net sales	76,211	82,004
Cost of sales	60,210	63,978
Gross profit	16,000	18,025
Selling, general and administrative expenses	3,691	4,229
Operating profit	12,309	13,795
Non-operating income		
Interest income	10	6
Dividend income	257	307
Rental income from land and buildings	98	128
Dividend income of life insurance	54	56
Subsidy income	103	32
Foreign exchange gains	240	–
Other	112	120
Total non-operating income	878	651
Non-operating expenses		
Interest expenses	463	441
Loss on retirement of non-current assets	61	132
Foreign exchange losses	–	68
Other	40	100
Total non-operating expenses	565	742
Ordinary profit	12,623	13,704
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	4
Total extraordinary income	139	29
Extraordinary losses		
Impairment losses	482	309
Loss on withdrawal from business	344	21
Loss on sale of non-current assets	–	13
Loss on disaster	–	11
Loss on valuation of investment securities	1	0
Provision for loss on business withdrawal	309	–
Provision for loss on disaster	172	–
Provision for removal expenses of noncurrent assets	119	–
Other	5	0
Total extraordinary losses	1,434	357
Profit before income taxes	11,328	13,376
Income taxes – current	1,305	3,693
Income taxes – deferred	888	390
Total income taxes	2,193	4,083
Profit	9,134	9,292
Profit attributable to owners of parent	9,134	9,292

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Profit	9,134	9,292
Other comprehensive income		
Valuation difference on available-for-sale securities	(739)	4,002
Deferred gains or losses on hedges	21	10
Foreign currency translation adjustment	(15)	(42)
Remeasurements of defined benefit plans, net of tax	(54)	522
Total other comprehensive income	(787)	4,492
Comprehensive income	8,347	13,785
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,347	13,785

(3) Consolidated Statements of Changes in Net Assets

For the fiscal year ended December 31, 2024 (January 1, 2024 to December 31, 2024)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	100	26,457	(2,906)	(904)	22,746
Changes during period					
Dividends of surplus					–
Dividends of surplus - other capital surplus		(663)			(663)
Deficit disposition		(3,726)	3,726		–
Profit attributable to owners of parent			9,134		9,134
Purchase of treasury shares				(8,007)	(8,007)
Cancellation of treasury shares		(8,000)		8,000	–
Disposal of treasury shares		0		0	0
Net changes in items other than shareholders' equity					–
Total changes during period	–	(12,390)	12,861	(6)	464
Balance at end of period	100	14,067	9,955	(911)	23,211

	Accumulated other comprehensive income					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	3,430	(12)	(357)	167	3,227	25,974
Changes during period						
Dividends of surplus						–
Dividends of surplus - other capital surplus						(663)
Deficit disposition						–
Profit attributable to owners of parent						9,134
Purchase of treasury shares						(8,007)
Cancellation of treasury shares						–
Disposal of treasury shares						0
Net changes in items other than shareholders' equity	(739)	21	(15)	(54)	(787)	(787)
Total changes during period	(739)	21	(15)	(54)	(787)	(322)
Balance at end of period	2,691	8	(372)	112	2,440	25,651

For the fiscal year ended December 31, 2025 (January 1, 2025 to December 31, 2025)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	100	14,067	9,955	(911)	23,211
Changes during period					
Dividends of surplus			(559)		(559)
Dividends of surplus - other capital surplus		(53)			(53)
Deficit disposition					-
Profit attributable to owners of parent			9,292		9,292
Purchase of treasury shares				(2,005)	(2,005)
Cancellation of treasury shares		(2,000)		2,000	-
Disposal of treasury shares					-
Net changes in items other than shareholders' equity					-
Total changes during period	-	(2,053)	8,733	(5)	6,673
Balance at end of period	100	12,013	18,688	(917)	29,885

	Accumulated other comprehensive income					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	2,691	8	(372)	112	2,440	25,651
Changes during period						
Dividends of surplus						(559)
Dividends of surplus - other capital surplus						(53)
Deficit disposition						-
Profit attributable to owners of parent						9,292
Purchase of treasury shares						(2,005)
Cancellation of treasury shares						-
Disposal of treasury shares						-
Net changes in items other than shareholders' equity	4,002	10	(42)	522	4,492	4,492
Total changes during period	4,002	10	(42)	522	4,492	11,166
Balance at end of period	6,693	19	(414)	634	6,933	36,818

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Cash flows from operating activities		
Profit before income taxes	11,328	13,376
Depreciation	3,916	4,210
Impairment losses	482	309
Increase (decrease) in allowance for doubtful accounts	(103)	(0)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	10	20
Increase (decrease) in provision for bonuses	132	59
Increase (decrease) in provision for loss on business withdrawal	109	(309)
Increase (decrease) in provision of noncurrent assets removal	(58)	(119)
Increase (decrease) in provision for loss on disaster	172	(172)
Increase (decrease) in retirement benefit liability	(38)	19
Gain on reversal of asset retirement obligations	(27)	–
Interest and dividend income	(268)	(313)
Interest expenses	463	441
Foreign exchange losses (gains)	(240)	68
Loss (gain) on sale of non-current assets	(0)	8
Loss on retirement of non-current assets	61	132
Loss (gain) on valuation of investment securities	1	0
Decrease (increase) in trade receivables	(999)	270
Decrease (increase) in inventories	(51)	(12)
Increase (decrease) in trade payables	102	1
Increase (decrease) in accrued consumption taxes	723	(769)
Other, net	413	745
Subtotal	16,128	17,968
Interest and dividends received	267	317
Interest paid	(471)	(446)
Income taxes refund (paid)	(19)	(1,916)
Net cash provided by (used in) operating activities	15,905	15,922

(Million yen)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(2,968)	(5,949)
Proceeds from sale of property, plant and equipment and intangible assets	0	11
Payments into time deposits	(0)	(0)
Proceeds from withdrawal of time deposits	19	–
Payments of guarantee deposits	(1,031)	(23)
Proceeds from refund of guarantee deposits	191	432
Other, net	(44)	(156)
Net cash provided by (used in) investing activities	(3,831)	(5,685)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,067)	(528)
Proceeds from long-term borrowings	9,962	528
Repayments of long-term borrowings	(11,483)	(9,773)
Proceeds from sale of treasury shares	0	–
Purchase of treasury shares	(8,007)	(2,005)
Dividends paid	(663)	(613)
Repayments of finance lease liabilities	(37)	(40)
Other, net	(14)	6
Net cash provided by (used in) financing activities	(11,311)	(12,427)
Effect of exchange rate change on cash and cash equivalents	8	(10)
Net increase (decrease) in cash and cash equivalents	770	(2,200)
Cash and cash equivalents at beginning of period	13,675	14,446
Cash and cash equivalents at end of period	14,446	12,245