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February 9, 2026

Consolidated Financial Results for the Nine Months Ended December 31, 2025 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange
 Securities code: 8850
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: None
 Holding of quarterly financial results briefing: None

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

1. Consolidated financial results for the nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
December 31, 2025	181,408	8.3	25,939	10.2	27,462	10.6	17,849	(2.1)
December 31, 2024	167,579	2.5	23,539	11.7	24,826	10.7	18,238	25.2

Note: Comprehensive income For the nine months ended December 31, 2025: ¥17,737 million [5.5%]
 For the nine months ended December 31, 2024: ¥16,815 million [13.4%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2025	370.53	-
December 31, 2024	367.17	-

(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
December 31, 2025	341,272	189,676	54.5	3,859.90
March 31, 2025	333,647	178,239	52.4	3,627.61

Reference: Equity
 As of December 31, 2025: ¥185,939 million
 As of March 31, 2025: ¥174,749 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	55.00	-	65.00	120.00
Fiscal year ending March 31, 2026	-	65.00	-		
Fiscal year ending March 31, 2026 (Forecast)				65.00	130.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Earnings Forecast of Consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 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
Full year	250,000	7.3	35,000	7.3	34,500	3.3	23,500	(3.2)	487.83

Note: Revisions to the earnings forecasts most recently announced: None

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Adoption of accounting treatment specific to the preparation of consolidated financial statements: None
- (3) 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

(4) Number of issued shares (common shares)

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

As of December 31, 2025	53,998,205 shares
As of March 31, 2025	53,998,205 shares

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

As of December 31, 2025	5,826,129 shares
As of March 31, 2025	5,826,051 shares

(iii) Average number of shares during the period

Nine months ended December 31, 2025	48,172,093 shares
Nine months ended December 31, 2024	49,672,453 shares

* Review of the Japanese-language originals of the attached consolidated financial statements by a certified public accountant or an audit firm: Yes (optional).

* Proper use of earnings forecasts, and other special matters

The earnings forecasts and other forward-looking statements in this document are based on information available to the Company and on certain assumptions deemed reasonable by the Company. Actual results may differ significantly from these forecasts due to various factors. For assumptions underlying the forecasts and notes to the forecasts, refer to 1. Qualitative Information on the Financial Results, (3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Information on page 7.

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1. Qualitative Information on the Financial Results

(1) Explanation of Operating Results

For the consolidated nine-month period ended December 31, 2025, the domestic economy continued to recover moderately, supported by improvements in employment and income conditions as well as robust inbound demand. However, the economic outlook remains uncertain, reflecting factors such as the impact of U.S. monetary policy, fluctuations in foreign exchange rates, rising prices, and expectations of higher interest rates.

Under these circumstances, in the Tokyo metropolitan area and other major cities in Japan, the Group has aimed for stable and sustainable growth and business development together with its customers by providing one-stop services in real estate utilization, from construction, rental brokerage and real estate brokerage to real estate management, as well as by promoting cooperation among related businesses.

As of December 31, 2025, the Group's stable revenue base consisted of the following managed units and facilities: 156,102 rental apartments, 103,060 monthly parking spaces, and 58,467 hourly parking spaces through the Navi Park service. In our corporate housing management outsourcing business, we managed 118,915 housing units, 2,156 offices, and 12,574 parking spaces (for 494 client companies). In addition, we managed 4,531 condominium units and provided our 24-hour emergency response service, "Access 24," covering 774,079 housing units and 22,036 parking spaces. In total, this represents 1,053,627 housing units, 2,156 offices, and 196,137 parking spaces, with 2,741 buildings and facilities under management.

As of December 31, 2025, the PITAT HOUSE network of real estate brokerage outlets numbered 636 nationwide (115 Starts Group outlets and 521 network outlets). As for elderly care and childcare facilities, we operated 128 facilities as of December 31, 2025, and are preparing to open five additional facilities in the Tokyo metropolitan area and the Kansai region.

As of December 31, 2025, in 34 cities in 22 countries (including countries and regions) around the world, our overseas offices have provided services tailored to the needs of each country, such as brokering offices and company housing for expatriates of Japanese companies seeking to expand overseas, brokering the purchase and sale of investment real estate, factories and other facilities, and managing rental offices, service apartments, and hotels.

As part of our commitment to sports and cultural activities, we sponsor the All-Japan University Women's Ekiden Championship and the Japanese National Table Tennis Team. In addition, we actively support the activities of our affiliated athletes in various disciplines, including women's track and field, table tennis, golf, canoeing, and skateboarding.

As for the business results for the nine months of the fiscal year under review, the Construction segment progressed largely as planned. In the Real Estate Brokerage segment, our focus on corporate transactions has driven an increase in both the number of transactions and total transaction volume. In the Real Estate Management and Rental Brokerage segments, revenues from renewal fees, management fees, and maintenance services continued to show steady growth, driven by an increase in the number of managed properties. In the Real Estate Development segment, we transferred rental housing as underlying assets for publicly offered digital securities (real estate security tokens). The Hotel and Leisure segment also performed strongly, with high occupancy rates.

As a result of the above, net sales totaled 181,408 million yen (up 8.3% year-on-year), operating income was 25,939 million yen (up 10.2 % year-on-year), ordinary income was 27,462 million yen (up 10.6% year-on-year), and net income attributable to owners of the parent amounted to 17,849 million yen (down 2.1% year-on-year), reflecting the absence of the gain on the sale of fixed assets recorded in the same period of the previous fiscal year.

Overview by Segment

The following is a summary of business results by business segment.

(i) Construction Business

In the Construction Business, we have consistently provided consulting services for asset management and asset inheritance through our long-standing, community-focused approach since our founding, and we make proposals for effective land utilization with a wealth of content that leverages our comprehensive strengths, including rental housing, commercial buildings, hotels, senior assistance facilities, childcare facilities, and logistics warehouses.

In the field of “buildings with seismic isolation structures,” which we are focusing on promoting as social infrastructure, we have proposed optimal land utilization for all land, owners, and tenants based on regional characteristics. As a result, we have accumulated orders for 647 buildings in total as of December 31, 2025.

We are steadily expanding our concept-based rental housing offerings that address evolving lifestyle needs, with a focus on differentiation through functionality and design quality. During the period, we launched “Otonowa,” a soundproof rental housing product, and added new floor plan options aimed at improving overall residential comfort. Through these initiatives, we continue to pursue product development that meets the needs of both tenants and property owners.

In addition, we are strengthening human resource collaboration between the Tokyo metropolitan area and other major cities. By utilizing the expertise accumulated in the metropolitan region and adapting our proposals to local market characteristics, we aim to contribute to the enhancement of property owners’ asset value and to promote the steady growth of construction orders.

In the nine-month of fiscal year under review, net sales totaled 53,924 million yen (up 8.1% year-on-year), operating income was 5,823 million yen (up 23.3% year-on-year), and the order backlog was 142,048 million yen (up 6.9% year-on-year), driven by a rise in completed and newly commenced wooden construction projects, as well as steady order intake from corporate clients.

■ Construction Business orders received and construction work completed

Item	Classifica- tion	Amount of construction carried from the previous period	Orders received	Total	Net sales of completed construction contracts	Amount of construction carried to the next period		Amount of construction in the current period
						Construc- tion contracts on hand	Of which, completed amount	
Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)	General housing	2,224	1,173	3,398	1,555	1,842	31	1,577
	Rental housing	89,794	34,043	123,838	36,136	87,701	747	36,040
	Other	39,121	16,470	55,591	12,193	43,397	1,553	12,977
	Total	131,140	51,688	182,828	49,886	132,941	2,332	50,595
Nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)	General housing	1,572	1,698	3,271	1,191	2,080	31	1,198
	Rental housing	93,130	38,800	131,931	33,827	98,103	679	33,749
	Other	47,896	12,875	60,771	18,905	41,865	875	18,454
	Total	142,599	53,373	195,973	53,924	142,048	1,586	53,402

(ii) Rental Brokerage Business

In the Rental Brokerage Business, renewal fees have remained steady due to the increase in the number of managed properties. We also continued to focus on corporate transactions, including the provision of comprehensive support services for corporate office relocations. In addition, we strengthened our organizational structure by increasing personnel, including the expansion of dedicated teams specializing in corporate clients, and promoted human resource development initiatives aimed at improving customer satisfaction. As a result, net sales for the nine months of the fiscal year under review amounted to 5,707 million yen (up 2.2% year-on-year) and operating income totaled 965 million yen (down 20.7% year-on-year).

(iii) Real Estate Brokerage Business

In the Real Estate Brokerage Business, We focused on consulting services for income-producing and business-use assets through a community-based sales approach, which resulted in an increase in transactions involving large-scale projects in the Tokyo metropolitan area as well as other major cities. We also have enhanced transaction transparency for both sellers and buyers by utilizing our property sales support service, “My Home Auction.” As a result, net sales for the nine months of the fiscal year under review amounted to 7,453 million yen (up 23.0% year-on-year) and operating income totaled 3,153 million yen (up 44.8% year-on-year).

(iv) Real Estate Management Business

In the Real Estate Management Business, we strengthened our organizational structure primarily in central urban areas and promoted the acquisition of new property management contracts. In addition, we advanced service offerings in response to customer needs, including the digitization of property management consignment agreements and functional enhancements to the Navi Park hourly parking application.

In the nine-month of fiscal year under review, management fee revenue and rental business revenue continued to grow steadily, supported by an increase in the number of managed properties as well as the promotion of rent revisions for new leasing and renewals. Maintenance revenue also increased due to the expansion of large-scale repair and renovation projects. Consequently, net sales totaled 74,746 million yen (up 5.6% year-on-year), operating income was 10,537 million yen (up 5.9% year-on-year).

■ Real Estate Management Business Sales

(Millions of yen)

	Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)	Nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)
	Amount	Amount
Sales from management commissions	9,525	10,110
Maintenance sales	23,044	24,476
Leasing sales	38,188	40,160
Total	70,759	74,746

(v) Real Estate Development Business

In the Real Estate Development Business, we transferred two rental residential buildings as underlying assets to the real estate security token “Starts Asset Token,” and one rental residential building to “Starts Proceed Investment Corporation.” In addition, we completed the sale of all units of the newly built detached houses “QUWON GARDEN Bunkyo Sendagi” (Bunkyo-ku, Tokyo), and the sale of the remaining units of the newly built condominium “Alpha Grande Koshigaya Lake Town” (Koshigaya City, Saitama). As a result, net sales for the nine months of the fiscal year under review were 5,127 million yen (compared to net sales of 1,038 million yen for the same period of the previous year), and operating income was 149 million yen (compared to operating loss of 223 million yen for the same period of the previous year).

■ Contract for Real Estate Properties

(Millions of yen)

	Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)				Nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)			
	Contract volume		Contract balance		Contract volume		Contract balance	
	Volume	Amount	Volume	Amount	Volume	Amount	Volume	Amount
Detached house	2	513	-	-	2	746	-	-
Condominium	18	977	38	2,084	6	344	-	-
Rental housing	1	144	-	-	5	3,570	-	-
Land	1	208	-	-	-	-	-	-
Other revenue	-	27	-	-	-	5	-	-
Total	22	1,871	38	2,084	13	4,667	-	-

■ Sales for Real Estate Properties

(Millions of yen)

	Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)		Nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)	
	Volume	Amount	Volume	Amount
Detached house	2	513	2	746
Condominium	3	144	15	804
Rental housing	1	144	5	3,570
Land	1	208	-	-
Other revenue	-	27	-	5
Total	7	1,038	22	5,127

(vi) Publishing Business

In the Publishing Business, we focused on the launch of new labels, the development of products aligned with reader preferences, the expansion of IP utilization initiatives such as adaptations into visual media, and promotional activities leveraging social media platforms. In February 2025, we launched the romance novel label “Berries Bunko with,” and in March 2025, the youth novel label “Starts Publishing Bunko Anti-Blue.” In addition, we are promoting marketing activities that leverage the media adaptations of popular titles, including the television anime adaptation of “*Oni no Hanayome*” and the television drama adaptation of “*Subete no Koi ga Owaru to Shitemo.*”

For the success-based referral service “OZ Premium Reservation” on the women-focused website “OZ mall,” which has over 4.5 million members, we worked to enhance user satisfaction by developing high-quality facilities and reservation plans and expanding the number of bookable facilities.

As a result, net sales for the nine months of the fiscal year under review were 5,381 million yen (down 15.6% year-on-year), and operating income was 1,064 million yen (down 44.5% year-on-year), mainly due to the absence of the previous year’s boost from hit titles, including the novel adapted into a film, “*Ano Hana ga Saku Oka de, Kimi to Mata Deaetara.*”

(vii) Hotel and Leisure Business

In the Hotel and Leisure Business, beginning with HOTEL Emion TOKYO BAY (Urayasu City, Chiba), which marked its 20th anniversary since opening, hotels under the Emion brand received favorable ratings on major online travel agencies. As a result, occupancy rates and average daily room rates at each property remained strong. In addition, we focused on enhancing service quality through initiatives such as the reopening of HOTEL LUMIERE NISHIKASAI (Edogawa-ku, Tokyo) following renovation and the introduction of value-added accommodation plans.

Net sales for the nine months of the fiscal year under review were 12,339 million yen (up 6.7% year-on-year), and operating income was 2,174 million yen (up 26.7% year-on-year).

(viii) Elderly Assistance and Childcare Business

In the Elderly Assistance and Childcare Business, we opened “Kirara Nishiogiminami,” a group home and small-scale multifunctional facility, in July 2025 in Suginami City, Tokyo. In addition, “Kirara Itabashi Tokumarū,” a group home and small-scale multifunctional care facility in Itabashi Ward, Tokyo, is scheduled to open in February 2026, and “Kirara Omori Kaihin Park,” a group home in Ota Ward, Tokyo, is scheduled to open in March 2026. While existing facilities continued to operate steadily, rising prices led to increased food and personnel expenses. As a result, net sales for the nine months of the consolidated fiscal year were 9,683 million yen (up 4.8% year-on-year), and operating income was 438 million yen (up 3.1% year-on-year).

(ix) Finance and Consulting Business

In the Finance and Consulting Business, we focused on strengthening our business domains through initiatives such as the release of real estate security tokens as a new real estate investment product and the establishment of Starts Career Management Co., Ltd., a company engaged in staffing services and paid employment placement businesses.

In the nine months of the consolidated fiscal year, the number of small-amount, short-term insurance contracts and trust fees from real estate management remained solid. However, due to the impact of rising interest rates, housing loan-related fees declined. As a result, net sales totaled 6,337 million yen (down 1.7% year-on-year) and operating income amounted to 1,529 million yen (down 2.6% year-on-year).

(x) Merchandising and Culture Business

In the Merchandising and Culture Business, we manufacture and sell the Sherlock series of card key systems and operate art museums. Net sales for the nine months of the fiscal year under review were 705 million yen (up 11.7% year-on-year) and operating income was 159 million yen (up 62.9% year-on-year).

(2) Explanation of Financial Position

1) Assets, Liabilities and Net Assets

Total assets as of the end of the consolidated nine-month reporting period increased by 7,624 million yen from the end of the previous fiscal year to 341,272 million yen. This was primarily due to an increase in real estate for sale in process and property, plant and equipment, while cash and deposits decreased.

Total liabilities amounted to 151,596 million yen, a decrease of 3,811 million yen from the end of the previous fiscal year. This was mainly due to a decrease in accounts payable, accounts payable for construction contracts, and income taxes payable.

Total net assets amounted to 189,676 million yen, an increase of 11,436 million yen from the end of the previous fiscal year. This was mainly due to an increase in retained earnings.

2) Cash Flows

Cash and cash equivalents (hereinafter referred to as “cash”) at the end of the consolidated nine-month reporting period totaled 77,400 million yen, a decrease of 11,382 million yen from the end of the previous fiscal year.

The status of each cash flow category at the end of the consolidated nine-month reporting period is as follows.

(Cash flows from operating activities)

Net cash provided by operating activities totaled 3,991 million yen (compared with 18,072 million yen provided in the same period of the previous fiscal year), primarily due to profit before income taxes of 27,404 million yen and depreciation and amortization of 5,194 million yen, despite increases in inventories such as real estate for sale in process of 11,592 million yen, income taxes paid of 11,573 million yen, and increases in accounts receivable from construction contracts of 5,507 million yen.

(Cash flows from investing activities)

Net cash used in investing activities totaled 8,810 million yen (compared with 6,859 million yen used in the same period of the previous fiscal year) mainly due to the acquisition of rental properties and other investments.

(Cash flows from financing activities)

Net cash used in financing activities totaled 6,580 million yen (compared with 5,221 million yen used in the same period of the previous fiscal year), mainly due to dividends of surplus.

(3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Information

Business performance for the fiscal year ending March 2026 is progressing as planned, and there is no change to the earnings forecast as announced on May 12, 2025.

Consolidated Financial Statements and Principal Notes

Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	99,085	87,087
Notes and accounts receivable - trade, and contract assets	14,930	20,438
Real estate for sale	8,464	6,977
Real estate for sale in process	20,770	33,104
Costs on construction contracts in progress	2,319	2,889
Other	12,351	11,025
Allowance for doubtful accounts	(484)	(504)
Total current assets	157,435	161,018
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	56,279	59,413
Land	73,831	74,272
Other, net	7,634	5,853
Total property, plant and equipment	137,745	139,538
Intangible assets		
Software	2,767	4,120
Software in progress	2,324	1,832
Goodwill	393	199
Other	65	65
Total intangible assets	5,551	6,216
Investments and other assets		
Investment securities	13,920	17,281
Deferred tax assets	2,591	1,261
Other	16,738	16,281
Allowance for doubtful accounts	(192)	(183)
Allowance for investment loss	(143)	(143)
Total investments and other assets	32,915	34,498
Total non-current assets	176,211	180,253
Total assets	333,647	341,272

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Accounts payable-trade and accounts payable for construction contracts	20,731	18,909
Short-term borrowings	7,194	10,194
Current portion of long-term borrowings	16,226	15,734
Income taxes payable	6,820	3,102
Contract liabilities	14,523	14,614
Deposits received from the tenant of an apartment	16,481	17,088
Provision for bonuses	3,204	1,809
Other	10,333	12,917
Total current liabilities	95,514	94,371
Non-current liabilities		
Long-term borrowings	46,226	43,463
Provision for retirement benefits for directors (and other officers)	1,174	1,184
Provision for warranties for completed construction	700	684
Provision for loss on lease business	300	305
Deferred tax liabilities for land revaluation	589	589
Retirement benefit liability	276	286
Asset retirement obligations	3,405	3,611
Other	7,220	7,100
Total non-current liabilities	59,893	57,224
Total liabilities	155,408	151,596
Net assets		
Shareholders' equity		
Share capital	11,039	11,039
Capital surplus	6,564	6,564
Retained earnings	163,688	175,284
Treasury shares	(13,081)	(13,082)
Total shareholders' equity	168,210	179,805
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,045	2,905
Revaluation reserve for land	1,237	1,237
Foreign currency translation adjustment	884	145
Remeasurements of defined benefit plans	2,371	1,845
Total accumulated other comprehensive income	6,538	6,133
Non-controlling interests	3,489	3,736
Total net assets	178,239	189,676
Total liabilities and net assets	333,647	341,272

**Consolidated Statements of Income and Consolidated Statements of
Comprehensive Income (cumulative)
Consolidated Statements of Income (cumulative)**

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net sales	167,579	181,408
Cost of sales	111,396	121,032
Gross profit	56,182	60,376
Selling, general and administrative expenses	32,642	34,436
Operating profit	23,539	25,939
Non-operating income		
Interest income	297	370
Dividend income	273	286
Foreign exchange gains	592	966
Surrender value of insurance policies	15	225
Other	476	307
Total non-operating income	1,656	2,156
Non-operating expenses		
Interest expenses	274	443
Other	94	190
Total non-operating expenses	369	633
Ordinary profit	24,826	27,462
Extraordinary income		
Gain on sale of non-current assets	2,659	78
Gain on sale of investment securities	91	331
Total extraordinary income	2,750	409
Extraordinary losses		
Loss on retirement of non-current assets	144	317
Other	3	149
Total extraordinary losses	147	467
Profit before income taxes	27,429	27,404
Income taxes - current	7,417	8,116
Income taxes - deferred	1,298	1,129
Total income taxes	8,715	9,246
Profit	18,713	18,158
Profit attributable to non-controlling interests	475	309
Profit attributable to owners of parent	18,238	17,849

Consolidated Statements of Comprehensive Income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Profit	18,713	18,158
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,295)	849
Foreign currency translation adjustment	(86)	(739)
Remeasurements of defined benefit plans, net of tax	(515)	(531)
Total other comprehensive income	(1,898)	(421)
Comprehensive income	16,815	17,737
Comprehensive income attributable to		
Owners of parent	16,354	17,443
Non-controlling interests	460	293

Consolidated Statements of Cash Flows (cumulative)

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Cash flows from operating activities		
Profit before income taxes	27,429	27,404
Depreciation	4,929	5,194
Loss (gain) on sale and retirement of property, plant and equipment	(2,514)	254
Increase (decrease) in allowance for doubtful accounts	106	10
Increase (decrease) in provision for bonuses	(1,313)	(1,395)
Increase (decrease) in net defined benefit asset and liability	(180)	(41)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	7	9
Interest and dividend income	(570)	(656)
Interest expenses	274	443
Foreign exchange losses (gains)	(592)	(966)
Decrease (increase) in trade receivables	4,424	(5,507)
Decrease (increase) in inventories	(7,064)	(11,592)
Increase (decrease) in trade payables	(4,332)	(1,205)
Increase (decrease) in contract liabilities	(234)	61
Decrease (increase) in other current assets	6,588	1,430
Increase (decrease) in other current liabilities	1,062	3,199
Other, net	112	(1,355)
Subtotal	28,131	15,288
Interest and dividends received	533	723
Interest paid	(280)	(447)
Income taxes paid	(10,312)	(11,573)
Net cash provided by (used in) operating activities	18,072	3,991
Cash flows from investing activities		
Payments into time deposits	(3,067)	(3,867)
Proceeds from withdrawal of time deposits	241	4,561
Purchase of property, plant and equipment	(5,960)	(6,973)
Proceeds from sale of property, plant and equipment	3,430	119
Purchase of intangible assets	(1,376)	(1,171)
Purchase of investment securities	(945)	(3,301)
Proceeds from sale of investment securities	1,022	1,412
Loan advances	(34)	(90)
Proceeds from collection of loans receivable	12	55
Other, net	(181)	443
Net cash provided by (used in) investing activities	(6,859)	(8,810)

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	4,750	3,000
Proceeds from long-term borrowings	8,878	7,756
Repayments of long-term borrowings	(12,371)	(11,010)
Purchase of treasury shares	(0)	(0)
Dividends paid	(5,381)	(6,171)
Dividends paid to non-controlling interests	(386)	(154)
Payments from withdrawal of investments deposits in silent partnership	(848)	—
Other, net	138	(0)
Net cash provided by (used in) financing activities	(5,221)	(6,580)
Effect of exchange rate change on cash and cash equivalents	222	17
Net increase (decrease) in cash and cash equivalents	6,213	(11,382)
Cash and cash equivalents at beginning of period	86,878	88,782
Cash and cash equivalents at end of period	93,091	77,400

(4) Notes on the Consolidated Financial Statements

(Notes on Segment Information)

Segment information

I. Nine-month period in the previous fiscal year (From April 1, 2024 to December 31, 2024)

1. Information on net sales, income or loss, and breakdown of revenue by reporting segment

(Millions of yen)

	Construction Business	Rental Brokerage Business	Real Estate Brokerage Business	Real Estate Management Business	Real Estate Development Business	Publishing Business	Hotel and Leisure Business
Net sales							
Revenue from customer contracts	49,886	5,584	6,058	43,472	1,038	6,374	11,564
Other revenue (Note) 3	-	-	-	27,286	-	-	-
Net sales to external customers	49,886	5,584	6,058	70,759	1,038	6,374	11,564
Intersegment net sales and transfer	5,078	1,276	52	3,065	30	308	394
Total	54,964	6,860	6,110	73,824	1,068	6,682	11,958
Segment profit(loss)	4,722	1,217	2,178	9,953	(223)	1,917	1,716

	Elderly Assistance and Childcare Business	Finance and Consulting Business	Merchandising and Culture Business	Total	Adjustment (Note) 1	Amount recorded in the Consolidated Statements of Income (Note) 2
Net sales						
Revenue from customer contracts	9,237	4,611	632	138,459	-	138,459
Other revenue (Note) 3	-	1,833	-	29,120	-	29,120
Net sales to external customers	9,237	6,444	632	167,579	-	167,579
Intersegment net sales and transfer	0	2,520	4,375	17,101	(17,101)	-
Total	9,238	8,964	5,007	184,680	(17,101)	167,579
Segment profit(loss)	425	1,569	97	23,576	(36)	23,539

(Notes) 1. Adjustments to segment profit(loss) are eliminations of intersegment transactions.

2. Segment profit(loss) is reconciled with operating income in the Consolidated Statements of Income.

3. Other revenue includes rental income from real estate.

II. Nine-month period under review (From April 1, 2025 to December 31, 2025)

1. Information on net sales, income or loss, and breakdown of revenue by reporting segment

(Millions of yen)

	Construction Business	Rental Brokerage Business	Real Estate Brokerage Business	Real Estate Management Business	Real Estate Development Business	Publishing Business	Hotel and Leisure Business
Net sales							
Revenue from customer contracts	53,924	5,707	7,453	46,219	5,127	5,381	12,339
Other revenue (Note) 3	-	-	-	28,527	-	-	-
Net sales to external customers	53,924	5,707	7,453	74,746	5,127	5,381	12,339
Intersegment net sales and transfer	7,839	1,288	23	3,023	22	292	524
Total	61,763	6,996	7,477	77,770	5,149	5,673	12,863
Segment profit	5,823	965	3,153	10,537	149	1,064	2,174

	Elderly Assistance and Childcare Business	Finance and Consulting Business	Merchandising and Culture Business	Total	Adjustment (Note) 1	Amount recorded in the Consolidated Statements of Income (Note) 2
Net sales						
Revenue from customer contracts	9,683	4,399	705	150,943	-	150,943
Other revenue (Note) 3	-	1,938	-	30,465	-	30,465
Net sales to external customers	9,683	6,337	705	181,408	-	181,408
Intersegment net sales and transfer	1	3,798	4,396	21,210	(21,210)	-
Total	9,684	10,136	5,102	202,618	(21,210)	181,408
Segment profit	438	1,529	159	25,996	(56)	25,939

(Notes) 1. Adjustments to segment profit are eliminations of intersegment transactions.

2. Segment income is reconciled with operating income in the Consolidated Statements of Income.

3. Other revenue includes rental income from real estate.

(Notes on Noteworthy Changes in Shareholders' Equity)

Not applicable.

(Notes on the Going Concern Assumption)

Not applicable.