

1. (Consolidated financial statements, etc.)

(1) (Consolidated financial statements)

1) (Consolidated balance sheet)

(Unit: thousands of yen)

	Previous consolidated fiscal year (December 31, 2024)	Current consolidated fiscal year (December 31, 2025)
Assets		
Current assets		
Cash and deposits	4,198,305	4,935,131
Accounts receivable – trade	1,904,190	2,761,120
Operational investment securities	2,139,445	4,281,168
Merchandise and finished goods	10,448	16,182
Work in process	—	93,779
Raw materials and supplies	2,105	6,907
Advance payments to suppliers	26,390	7,313
Prepaid expenses	372,840	517,638
Current portion of long-term loans receivable	1,999	4,333
Deposits paid	190,910	148,236
Other	92,594	39,227
Allowance for doubtful accounts	-20,631	-28,704
Total current assets	8,918,600	12,782,332
Non-current assets		
Property, plant and equipment		
Buildings	2,442,154	4,005,962
Accumulated depreciation	-1,127,589	-1,819,249
Buildings, net	1,314,564	2,186,713
Vehicles	31,426	52,281
Accumulated depreciation	-8,488	-28,694
Vehicles, net	22,938	23,587
Tools, furniture and fixtures	611,349	1,172,346
Accumulated depreciation	-546,514	-824,173
Tools, furniture and fixtures, net	64,834	348,173
Land	(*1) 1,538,479	(*1) 1,703,883
Leased assets	43,229	43,967
Accumulated depreciation	-30,827	-36,962
Leased assets, net	12,401	7,005
Right-of-use assets	—	5,523,500
Accumulated depreciation	—	-1,580,476
Right-of-use assets, net	—	3,943,023
Total property, plant and equipment	2,953,219	8,212,386
Intangible assets		
Goodwill	1,320,307	4,895,462
Software	969,167	563,979
Software in progress	11,151	6,235
Other	19,982	47
Total intangible assets	2,320,608	5,465,724
Investments and other assets		
Investment securities	1,604,165	2,064,166
Long-term prepaid expenses	146,644	140,237
Long-term loans receivable	833	41,500
Deferred tax assets	644,436	944,613
Insurance funds	279,309	292,602
Guarantee deposits	1,591,125	2,574,368
Other	6,690	6,750
Total investments and other assets	4,273,203	6,064,239
Total non-current assets	9,547,030	19,742,349
Total assets	18,465,631	32,524,682

(Unit: thousands of yen)

	Previous consolidated fiscal year (December 31, 2024)	Current consolidated fiscal year (December 31, 2025)
Liabilities		
Current liabilities		
Accounts payable – trade	281,764	528,059
Short-term borrowings	(*2) 1,160,000	(*2) 2,460,000
Current portion of long-term borrowings	(*1) 468,198	(*1) 1,817,116
Account payable – other	748,974	1,099,000
Accrued expenses	841,468	1,083,969
Income taxes payable	400,819	982,554
Accrued consumption taxes	312,390	373,802
Advances received	649,637	1,018,284
Deposits received	302,823	1,449,338
Lease obligations	6,847	617,137
Asset retirement obligations	—	36,973
Provision for paid annual leave	—	68,305
Other	48,051	61,637
Total current liabilities	5,220,976	11,596,180
Non-current liabilities		
Long-term borrowings	(*1) 3,537,516	(*1) 4,727,622
Lease obligations	5,064	3,102,600
Asset retirement obligations	718,664	1,167,213
Other	13,129	7,736
Total non-current liabilities	4,274,373	9,005,172
Total liabilities	9,495,349	20,601,352
Net assets		
Shareholders' equity		
Share capital	699,585	699,585
Capital surplus	929,640	937,276
Retained earnings	9,272,311	11,047,313
Treasury shares	-2,436,380	-2,384,213
Total shareholders' equity	8,465,156	10,299,961
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-78,980	-120,380
Total accumulated other comprehensive income	-78,980	-120,380
Share acquisition rights	37,512	51,304
Non-controlling interests	546,592	1,692,443
Total net assets	8,970,281	11,923,329
Total liabilities and net assets	18,465,631	32,524,682

2) Consolidated statements of income and comprehensive income

(Consolidated statement of income)

(Unit: thousands of yen)

	Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)	Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)
Net sales	(*1) 17,739,874	(*1) 20,172,914
Cost of sales	1,276,770	1,511,300
Gross profit	16,463,103	18,661,614
Selling, general and administrative expenses	(*2) 13,884,017	(*2) 15,052,916
Operating profit	2,579,086	3,608,697
Non-operating income		
Interest income	349	5,976
Subsidy income	2,191	10,055
Other	8,982	6,290
Total non-operating income	11,523	22,321
Non-operating expenses		
Interest expenses	22,626	45,898
Loss on investments in investment partnerships	240	529
Commission expenses	1,779	—
Loss on valuation of securities	—	60,737
Share of loss of entities accounted for using equity method	—	48,844
Other	4,302	3,579
Total non-operating expenses	28,947	159,588
Ordinary profit	2,561,662	3,471,430
Extraordinary income		
Gain on sale of non-current assets	(*3) 2,893	—
Gain on reversal of share acquisition rights	82,210	—
Gain on step acquisitions	—	243,524
Other	—	647
Total extraordinary income	85,103	244,172
Extraordinary losses		
Loss on retirement of non-current assets	(*3) 24,430	(*3) 30,836
Loss on sale of investment securities	170,061	—
Loss on valuation of investment securities	92,791	—
Impairment losses	(*4) 81,526	(*4) 391,835
Other	—	7,416
Total extraordinary losses	368,809	430,087
Profit before income taxes	2,277,956	3,285,515
Income taxes – current	725,991	1,209,464
Income taxes – deferred	-42,159	-137,414
Total income taxes	683,831	1,072,050
Profit	1,594,124	2,213,465
Profit attributable to non-controlling interests	70,573	136,160
Profit attributable to owners of parent	1,523,551	2,077,304

(Consolidated statement of income)

(Unit: thousands of yen)

	Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)	Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)
Profit	1,594,124	2,213,465
Other comprehensive income		
Valuation difference on available-for-sale securities	241,192	-41,400
Total other comprehensive income	(*) 241,192	(*) -41,400
Comprehensive income	1,835,317	2,172,064
Comprehensive income attributable to:		
Owners of parent	1,764,744	2,035,903
Non-controlling interests	70,573	136,160

3) (Consolidated statement of changes in net assets)

Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)

(Unit: thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Opening balance	699,585	929,640	7,981,454	-1,843,347	7,767,333
Changes during period					
Dividends of surplus			-232,694		-232,694
Profit attributable to owners of parent			1,523,551		1,523,551
Purchase of treasury shares				-593,032	-593,032
Net changes in items other than shareholders' equity					—
Total changes during period	—	—	1,290,856	-593,032	697,823
Ending balance	699,585	929,640	9,272,311	-2,436,380	8,465,156

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income			
Opening balance	-320,172	-320,172	100,693	476,019	8,023,873
Changes during period					
Dividends of surplus					-232,694
Profit attributable to owners of parent					1,523,551
Purchase of treasury shares					-593,032
Net changes in items other than shareholders' equity	241,192	241,192	-63,181	70,573	248,584
Total changes during period	241,192	241,192	-63,181	70,573	946,408
Ending balance	-78,980	-78,980	37,512	546,592	8,970,281

Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)

(Unit: thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Opening balance	699,585	929,640	9,272,311	-2,436,380	8,465,156
Changes during period					
Dividends of surplus			-302,302		-302,302
Profit attributable to owners of parent			2,077,304		2,077,304
Restricted stock remuneration		7,636		52,166	59,802
Purchase of shares of consolidated subsidiaries					—
Net changes in items other than shareholders' equity					—
Total changes during period	—	7,636	1,775,002	52,166	1,834,804
Ending balance	699,585	937,276	11,047,313	-2,384,213	10,299,961

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income			
Opening balance	-78,980	-78,980	37,512	546,592	8,970,281
Changes during period					
Dividends of surplus					-302,302
Profit attributable to owners of parent					2,077,304
Restricted stock remuneration					59,802
Purchase of shares of consolidated subsidiaries				1,009,690	1,009,690
Net changes in items other than shareholders' equity	-41,400	-41,400	13,792	136,160	108,552
Total changes during period	-41,400	-41,400	13,792	1,145,851	2,953,047
Ending balance	-120,380	-120,380	51,304	1,692,443	11,923,329

4) (Consolidated cash flow statement)

(Unit: thousands of yen)

	Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)	Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)
Cash flows from operating activities		
Profit before income taxes	2,277,956	3,285,515
Depreciation	575,734	611,416
Amortization of goodwill	165,435	217,332
Amortization of long-term prepaid expenses	4,673	11,229
Increase (decrease) in allowance for doubtful accounts	6,699	8,000
Interest and dividend income	-349	-5,976
Share of loss (profit) of entities accounted for using equity method	—	48,844
Interest expenses	22,626	45,898
Loss on retirement of non-current assets	24,430	30,836
Loss (gain) on sale of investment securities	170,061	—
Loss (gain) on investments in investment partnerships	240	529
Loss (gain) on valuation of investment securities	92,791	60,737
Gain on reversal of share acquisition rights	-82,210	—
Impairment losses	81,526	391,835
Loss (gain) on step acquisitions	—	-243,524
Decrease (increase) in trade receivable	-276,782	-543,532
Decrease (increase) in advance payments to suppliers	-23,725	22,804
Decrease (increase) in deposits paid	-4,643	1,457
Increase (decrease) in deposits received	279,507	1,096,484
Decrease (increase) in inventories	-1,196,937	-2,152,923
Increase (decrease) in trade payables	-205,452	189,187
Increase (decrease) in advances received	77,593	5,415
Increase (decrease) in accounts payable – other, and accrued expenses	22,597	237,001
Increase (decrease) in accrued consumption taxes	172,097	-35,232
Other	122,550	236,768
Subtotal	2,306,420	3,520,102
Interest and dividends received	349	5,976
Interest paid	-23,184	-47,239
Income taxes paid	-974,606	-828,860
Net cash provided by (used in) operating activities	1,308,978	2,649,979

(Unit: thousands of yen)

	Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)	Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)
Cash flows from investing activities		
Purchase of property, plant and equipment	-205,457	-289,684
Purchase of intangible assets	-241,733	-273,471
Proceeds from sale of investment securities	892,369	—
Purchase of investment securities	-452,477	-1,270,088
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(*2) -982,658
Loan advances	—	-45,000
Proceeds from collection of loans receivable	1,999	1,999
Payments of leasehold and guarantee deposits	-357,480	-459,848
Proceeds from refund of leasehold and guarantee deposits	20,199	67,695
Other	-14,704	-13,332
Net cash provided by (used in) investing activities	-357,283	-3,264,388
Cash flows from financing activities		
Proceeds from short-term borrowings	950,000	7,850,000
Repayments of short-term borrowings	-3,006,817	-6,550,000
Proceeds from long-term borrowings	1,932,500	901,000
Repayments of long-term borrowings	-428,062	-580,839
Purchase of treasury shares	-593,032	—
Dividends paid	-232,681	-302,004
Other	-7,624	-7,793
Net cash provided by (used in) financing activities	-1,385,718	1,310,363
Effect of exchange rate change on cash and cash equivalents	2,652	-345
Net increase (decrease) in cash and cash equivalents	-431,371	695,608
Opening balance of cash and cash equivalents	4,805,205	4,373,834
Ending balance of cash and cash equivalents	(*1) 4,373,834	(*1) 5,069,443

[Notes]

(Important items that are to become the basis for preparation of consolidated financial statements)

1. Items relating to the scope of consolidation

Number of consolidated subsidiaries: 9 companies

Names of consolidated subsidiaries

Sunmarie Co., Ltd.

K Village Inc.

IBJ Financial Advisory CO., LTD.

ZWEI CO., LTD.

Selfit Corporation

i-motto inc.

GROWBING, Inc.

Decollte Holdings Corporation

Decollte Corporation

GROWBING, Inc. has been included in the scope of consolidation from the fiscal year under review, as a result of share acquisition.

In addition, Decollte Holdings Corporation, which was an associate applying the equity method of the Company, has been included in the scope of consolidation together with its subsidiary from the fiscal year under review, due to additional acquisition of shares. As the deemed acquisition date is the end date of the fiscal year under review, only the balance sheets have been consolidated for the fiscal year under review.

2. Items relating to the application of equity method

There are no applicable items.

3. Items related to fiscal year, etc., of consolidated subsidiaries

Of the consolidated subsidiaries, Decollte Holdings Corporation and its subsidiary have the closing date of September 30. As the difference between the closing date of these consolidated subsidiaries and the consolidated closing date does not exceed three months, the financial statements of these consolidated subsidiaries as of their closing date are used for the preparation of the consolidated financial statements.

Necessary adjustments are made to the consolidated financial statements to reflect any significant transactions taking place between the closing date of these consolidated subsidiaries and the consolidated closing date. The closing date of other consolidated subsidiaries is the same as the consolidated closing date.

4. Items related to accounting policies

(1) Valuation basis and valuation method of significant assets

1) Investment securities

a. Available-for-sale-securities

Items other than shares, etc., that do not have a market price

We use the fair value method based on the fair value, etc., at the end of the fiscal year under review (the difference in value is processed by reporting as a component of shareholders' equity, and the cost of sale is calculated with the moving average method).

Shares, etc., that do not have a market price

We use the cost method based on the moving average method.

2) Inventories

a. Merchandise and finished goods

We primarily use the cost method based on the first-in, first-out method (the consolidated balance sheet value is calculated by degradation of book value method based on decline of profitability). Some consolidated subsidiaries use the gross average method.

b. Work in process

We use the cost method based on the gross average method (degradation of book value method based on decline of profitability).

c. Raw materials and supplies

We primarily use the cost method based on the gross average method (the consolidated balance sheet value is calculated by degradation of book value method based on decline of profitability).

(2) Depreciation methods for significant depreciation of assets

1) Property, plant and equipment (excluding leased assets)

We use the declining-balance method.

However, we use the straight-line method for buildings (excluding accompanying facilities) acquired after April 1, 1998 and for accompanying facilities acquired after April 1, 2016, as well as for some consolidated subsidiaries.

Furthermore, service life is primarily as follows.

Buildings	3-31 years
Vehicles	2-6 years
Tools, furniture and fixtures	2-15 years

2) Intangible assets (excluding leased assets)

We use the straight-line method.

Furthermore, we use the straight-line method based on the in-house usable period (five years) regarding software used within the Company.

3) Long-term prepaid expenses

Long-term prepaid expenses are amortized in equal amounts. The amortization period is principally five years.

4) Leased assets

Leased assets concerned with finance lease transaction property rights not transferred

We apply the straight-line method that assumes their lease periods are usable years and residual values are zero.

5) Right-of-use assets

We apply the straight-line method that assumes their lease periods are usable years and residual values are zero.

(3) Accounting standards for significant provisions

Allowance for doubtful accounts

To prepare for bad debt loss receivables, regarding general receivables, we individually consider the possibility of recovery for specific receivables such as doubtful accounts receivable by loan loss ratio, and record the values anticipated to be impossible to recover.

Provision for paid annual leave

To prepare for use of paid annual leave by employees, we record the values anticipated to be paid in future corresponding to the unused paid annual leave as of the end of the fiscal year under review.

(4) Method for accounting process for retirement benefit liability

Although the Company, concerning multi-employer plans, has enrolled in a comprehensively established employee's pension fund system, as the value of pension assets concerning the Company's contributions is unable to be reasonably calculated, the accounting process is to record necessary contribution amounts to the welfare pension fund as retirement benefit expenses.

(5) Significant revenue and expense recognition standards

The Group mainly engages in the Marriage-Hunting Business (Affiliate Business, Directly-Managed Lounge Business, and Matching Business) and the Life Design Business targeting domestic customers. It has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020, hereinunder "Revenue Recognition Standard"), etc., and based on the contracts with customers, recognizes revenue at the time the control of promised goods or services is transferred to the customer at the amount expected to be received upon exchange of said goods or services. The details of the main

performance obligations in the Group's businesses related to revenue from contracts with customers and the timing at which the Company typically satisfies these performance obligations (when it typically recognizes revenue) are as follows:

1) Affiliate Business

Revenue from the Affiliate Business mainly consists of revenue from franchise fees and monthly membership fees.

- a. Performance obligations of revenue from franchise fees are to enable customers who join IBJ that the Company operates to use (log in) the IBJ platform's system required for starting a marriage consulting business after registering with it. Such performance obligations are satisfied at a point of issuance of the affiliated marriage consulting agency account and therefore, revenue is recognized when this requirement is fulfilled. We receive consideration related to revenue from franchise fees in advance of satisfaction of the performance obligations.
- b. Performance obligations of revenue from monthly membership fees are to enable affiliated marriage consulting agencies to use the IBJ's system for operating a marriage consulting business on a continual basis. Such performance obligations are satisfied for a certain period of time according to the period of the service and therefore, revenue is recognized over such a period of time. We receive monthly membership fees within approximately one month from the point of satisfying all the performance obligations.

2) Directly-Managed Lounge Business

Revenue from the Directly-Managed Lounge Business mainly consists of revenue from enrollment fees, monthly membership fees, support fees, matchmaking incentive fees, etc., at marriage consulting agencies that the Group directly operates.

- a. Performance obligations of revenue from enrollment fees are to enable registering with and using (logging in) the system of consulting agencies that the Group directly operates and such performance obligations are satisfied at a point when a membership contract is concluded and registration with the system is made. Therefore, revenue is recognized when this requirement is fulfilled. We receive consideration related to revenue from enrollment fees in advance of satisfaction of the performance obligations.
- b. Performance obligations of revenue from monthly membership fees and support fees are to enable a member to carry out activities at a consulting agency that the Group directly operates. These performance obligations are satisfied for a certain period of time according to the period of the service and therefore, revenue is recognized over such a period of time. We receive consideration related to monthly membership fees within approximately one month from the point of satisfying all the performance obligations.
- c. Revenue from matchmaking incentive fees is success-based revenue to be received when a member gets married. The performance obligations are deemed to be satisfied at a point in time when a member gets married and revenue is recognized at such a point in time. We receive consideration related to matchmaking incentive fees within approximately one month after sending an invoice following successful marriage.

3) Matching Business

Revenue from the Matching Business mainly consists of revenue from marriage-hunting party participation fees and monthly membership fees from app members.

- a. Performance obligations of revenue from marriage-hunting party participation fees are participation by a customer in a marriage-hunting party hosted by the Company and such performance obligations are satisfied when a marriage-hunting party is held, in which the customer participates. Therefore, revenue is recognized when this requirement is fulfilled. We receive consideration related to revenue from marriage-hunting parties in advance of satisfaction of the performance obligations.
- b. Performance obligations of revenue from monthly membership fees from app members is to enable using (logging in) the application services and such performance obligations are satisfied over a period of the contract with a customer. Therefore, revenue is recognized over such a period of time. We receive consideration related to revenue from monthly membership fees from app members in advance of satisfaction of the performance obligations.

4) Life Design Business

Revenue from the Life Design Business mainly consists of revenue from insurance agency fees.

- a. Performance obligations of revenue from insurance agency fees are to conclude an insurance contract between an insurance company and a customer and such performance obligations are satisfied by continuation of the insurance contract (request for termination of the contract is not made by a designated date or the insurance contract is not expired). Therefore, revenue is recognized at a point in time when this requirement is fulfilled. We receive consideration related to revenue from insurance agency fees within approximately one month from the point of satisfying the performance obligations.
- b. Performance obligations of the Company for revenue from the Wedding Business are to refer the Company's members to wedding hall or ring business operators so that these business operators can conclude contracts to provide products or services with the referred members, and such performance obligations are deemed to be satisfied at a point when a contract is concluded between a referred customer and a business operator. Therefore, revenue is recognized at such a point in time. Since the Company is not a party that provides the products or services provided by the wedding hall and ring business operators and is not involved in the setting of prices or the determination of contract terms for such products or services, the revenue is deemed to be revenue from agent transactions and recognized in the net amount. We receive consideration related to such revenue within approximately one month from the point of satisfying the performance obligations.

5) K Village Business

- a. Performance obligations of revenue from tuition fees are to give lessons to enrolled persons and such performance obligations are satisfied at a point when a lesson is given to enrolled persons. Therefore, revenue is recognized at such a point in time. We receive consideration related to revenue from tuition fees in advance of satisfaction of the performance obligations.
- b. Performance obligations of revenue from franchise fees are to support customers for the opening of franchised schools and such performance obligations are satisfied at a point when a customer opens a school. Therefore, revenue is recognized at such a point in time. We receive consideration related to revenue from franchise fees, which is received for supporting the opening of a franchised school, in advance of satisfaction of the performance obligations.

In addition, performance obligations of revenue related to loyalty, which is calculated based on a customer's sales (revenue from tuition fees at franchised schools), etc., are satisfied at a point when such sales, etc. are generated. Therefore, revenue is recognized at such a point in time. We receive consideration related to revenue from tuition fees at franchised schools, which is the basis for calculating revenue related to loyalty, in advance of satisfaction of the performance obligations.

- c. Other revenues mainly consist of receipt of sales of textbooks and administrative fees, receipt of fees for arrangement of studying abroad, and receipt of membership fees for subscription-type apps. Performance obligations of revenue from sales of textbooks are to sell textbooks to customers and such performance obligations are satisfied at a point when a textbook is delivered to a customer. Therefore, revenue is recognized at such a point in time. Performance obligations of revenue from administrative fees are to perform administrative procedures for school admission for customers and such performance obligations are satisfied at a point when the administrative procedures for school admission are completed. Therefore, revenue is recognized at such a point in time.

Performance obligations of revenue from fees for arrangement of studying abroad are to perform arrangement for studying abroad, etc. on behalf of customers and such performance obligations are satisfied at a point when a customer leaves Japan after completion of the said arrangement. Therefore, the revenue is deemed to be revenue from agent transactions and recognized in the net amount at such a point in time. Performance obligations of revenue from monthly membership fees from app members are to enable using (logging in) the application services and such performance obligations are satisfied at a point when the service period has passed. Therefore, revenue is recognized at such a point in time.

- d. Performance obligations of the Beauty e-Commerce Business are deemed to be satisfied mainly at a point when a product is delivered to a customer and the control of it transfers to the customer. However, for sales in Japan, revenue is recognized at a point when a product is shipped out, if the period from the shipping to the transfer of control of the product to the

customer is a normal period of time.

e. Performance obligations of the Concert Planning and Production Business are satisfied at a point when a concert is held and the promised services are transferred to the customers. Therefore, revenue is recognized at such a point in time.

(6) Amortization process and amortization period of goodwill

Goodwill is amortized in equal amounts over a reasonable period within fifteen years. However, goodwill of which amount is insignificant is fully amortized in the year in which it is incurred.

(7) Scope of assets of the consolidated cash flow statement

Cash on hand, deposits which can be withdrawn as necessary, and possible to be easily liquidated, moreover, regarding change in value, short term investments with an amortization period of within three months of acquisition which carry insignificant risk.

(8) Other important items that are to become the basis for preparation of consolidated financial statements

Accounting process of consumption taxes and other taxes not qualified for tax deductions

Consumption taxes and local consumption taxes not qualified for tax deductions are processed as expenses for the fiscal year under review.

(Estimates of important accounting)

1. Impairment losses on non-current assets

(1) Amount recorded in the consolidated financial statements for the current consolidated fiscal year

(Unit: thousands of yen)

	Previous consolidated fiscal year	Current consolidated fiscal year
Property, plant and equipment	2,953,219	8,212,386
Intangible assets (excluding Goodwill)	1,000,300	570,262
Goodwill	1,320,307	4,895,462
Impairment losses	81,526	391,835

(2) Information related to the contents of estimates of important accounting concerned with identified items

The base unit of the Group to create cash flow is each branch facility, etc., as a minimum unit. Regarding goodwill and assets for business, application of impairment accounting is performed by grouping assets based on the section of managerial accounting. Regarding the profitability of asset groups which have fallen considerably, by decreasing the book value of non-current assets to the amount which can be recovered, said decreased amount is recorded as impairment losses.

In the event that indications of impairment are deemed to exist, the necessity of recognition of impairment loss is determined through comparison of the total amount of the future cash flow before discounting and the book value of the asset group including goodwill. For determining the existence of indications of impairment, consideration is made on whether it is due to continuous losses mainly from operating activities and significant deterioration of a business environment. Furthermore, even though losses from operating activities are not continuously generated, indications of impairment may be deemed to exist in such cases where there is concern about the achievement of business growth as expected at the time of acquisition and a business environment assumed for the business plan at the time of acquisition has significantly deteriorated, resulting in the necessity to determine whether to recognize impairment loss. The business plan includes important assumptions such as plans for the new establishment of system infrastructure and sales offices and estimates of expansion of the scale of the marriage-hunting market.

Regarding the amount which can be recovered for non-current assets, it is calculated based on the assumptions of future cash flows, discount rate, net sale amounts, etc., based on the approved business plan by corporate managers. In the event that there are changes to assumptions for future cash flows, in such cases where earnings which were originally estimated cannot be obtained due to concern about the achievement of business growth as expected at the time of the acquisition of non-current assets, there is a possibility that the consolidated financial statements for the next consolidated fiscal year will be impacted.

2. Possibility of recovery of deferred tax assets

(1) Amounts recorded on the consolidated financial statements for the current consolidated fiscal year

(Unit: thousands of yen)

	Previous consolidated fiscal year	Current consolidated fiscal year
Deferred tax assets	644,436	944,613

(2) Information related to the contents of estimates of important accounting concerned with identified items

Recognition of deferred tax assets are estimates based on when the taxable income occurs and the amount based on future business plans. Said estimates include the possibility of being impacted by changes, etc., to uncertain future economic conditions. In the event the estimates to when the taxable income occurs and the amount differs from what actually occurs, there is a possibility that there will be significant impacts to the deferred tax asset amounts of the consolidated financial statements for the next consolidated fiscal year.

(Changes in accounting policies)

(Application of Accounting Standard for Current Income Taxes, etc.)

The “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27; October 28, 2022, hereinafter referred to as ‘Revised Accounting Standard 2022’) and other related accounting standards have been applied from the beginning of the fiscal year under review. Revisions in the accounting classification of current income taxes (taxes on other comprehensive income) have been applied in accordance with the transitional treatments stipulated in the proviso of Paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatments stipulated in the proviso of Paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28; October 28, 2022, hereinafter referred to as ‘Revised Guidance 2022’).” These changes in accounting policies had no impact on the consolidated financial statements.

With respect to revisions regarding reviews on treatments in the consolidated financial statements in the case that gains or losses associated with sales of shares, etc. of subsidiaries among consolidated companies are deferred for tax purposes, the Revised Guidance 2022 has been applied from the beginning of the fiscal year under review. These changes in accounting policies had no impact on the consolidated financial statements.

(Unapplied accounting standards, etc.)

(Accounting Standard for Leases, etc.)

- “Accounting Standard for Leases” (ASBJ Statement No. 34; September 13, 2024)
- “Implementation Guidance on Accounting Standard for Leases” (ASBJ Guidance No. 33; September 13, 2024) and other related revisions of ASBJ Statements, ASBJ Implementation Guidance, Practical Solutions, and Transferred Guidance

(1) Overview

These accounting standards, etc. provide for accounting treatment, such as the recognition of assets and liabilities for all leases of a lessee similarly to international accounting standards.

(2) Scheduled date of application

To be applied from the beginning of the fiscal year ending December 31, 2028.

(3) Effects of application of this accounting standard, etc.

Impact of the application of the “Accounting Standard for Leases,” etc. on the consolidated financial statements is currently under evaluation.

(Change in method of disclosure)

(Consolidated balance sheet)

“Deposits received” which were included in “Other” under “Current liabilities” in the previous fiscal year are separately presented from the fiscal year under review due to increased importance in amount. To reflect this change in method of

disclosure, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, 350,875 thousand yen presented as “Other” under “Current liabilities” in the consolidated balance sheet for the previous fiscal year has been reclassified to 48,051 thousand yen in “Other” and 302,823 thousand yen in “Deposits received.”

(Consolidated cash flow statement)

“Increase (decrease) in deposits received,” which was included in “Other” under “Cash flows from operating activities” in the previous fiscal year, is separately presented from the fiscal year under review due to increased importance in amount. To reflect this change in method of disclosure, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, 402,057 thousand yen presented as “Other” under “Cash flows from operating activities” in the consolidated cash flow statement for the previous fiscal year has been reclassified to 122,550 thousand yen in “Other” and 279,507 thousand yen in “Increase (decrease) in deposits received.”

(Related to the consolidated balance sheet)

*1 Assets pledged as collateral and secured liabilities are as follows.

Assets pledged as collateral

	Previous consolidated fiscal year (December 31, 2024)	Current consolidated fiscal year (December 31, 2025)
Land	— thousand yen	432,702 thousand yen
Total	—	432,702

Liabilities for which assets are pledged as collateral

	Previous consolidated fiscal year (December 31, 2024)	Current consolidated fiscal year (December 31, 2025)
Current portion of long-term borrowings	— thousand yen	7,980 thousand yen
Long-term borrowings	—	209,375
Total	—	217,355

*2 Regarding the Group, in order to provide efficient working capital, has entered into overdrafts contracts, etc., with ten banks that we have dealings with. Based on these contracts, the balance of unexercised borrowings at the end of the fiscal year under review is as follows.

	Previous consolidated fiscal year (December 31, 2024)	Current consolidated fiscal year (December 31, 2025)
Sum total of maximum amount of overdrafts and loan commitments	2,730,000 thousand yen	4,280,000 thousand yen
Balance of exercised borrowings	1,160,000	2,460,000
Difference	1,570,000	1,820,000

(Related to the consolidated statement of income)

*1 Revenue from contracts with customers

Regarding net sales, revenue from contracts with customers and other revenues are not presented separately. The amount of revenue from contracts with customers is presented in “Notes (Segment information, etc.)”

*2 Principal items of expenditure and amounts of selling, general and administrative expenses are as follows.

	Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)	Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)
Payroll and allowances	3,861,101 thousand yen	4,000,632 thousand yen
Advertising expenses	2,570,578	2,303,198
Rent expenses on land and buildings	1,615,648	1,739,391
Amortization of goodwill	165,435	217,332
Provision of allowance for doubtful accounts	14,582	15,582
Retirement benefit expenses	25,993	22,948

*3 The contents of the loss on retirement of non-current assets are as follows.

	Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)	Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)
Buildings	11,252 thousand yen	25,326 thousand yen
Tools, furniture and fixtures	78	5,419
Tangible leased assets	—	90
Software	13,099	—
Total	24,430	30,836

*4 Impairment losses

Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)

The Group has recorded impairment losses on the following asset groups in regard to the previous consolidated fiscal year.

Location	Purpose	Category	Amount (thousands of yen)
Shinjuku-ku, Tokyo	Branch	Buildings	5,163
		Tools, furniture and fixtures	73
Shinjuku-ku, Tokyo	Branch	Software	10,022
		Goodwill	41,354
Osaka-shi, Osaka	Branch	Buildings	14,559
		Tools, furniture and fixtures	111
Fukuoka-shi, Fukuoka	Branch	Buildings	10,237
		Tools, furniture and fixtures	4
Total	—	—	81,526

With each branch facility, etc., as the base unit, the Group groups assets for goodwill and assets for business based on the section of managerial accounting.

Regarding asset groups of which profitability fallen considerably, we have reduced the book value of non-current assets to the recoverable amount, and have recorded said decrease in amount as impairment losses under extraordinary losses.

Furthermore, we have calculated the use value of the recoverable amount concerned with assets as zero.

Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)

The Group has recorded impairment losses on the following asset groups in regard to the current consolidated fiscal year.

Location	Purpose	Category	Amount (thousands of yen)
Headquarters	Assets for business	Software	381,818
Shinjuku-ku, Tokyo	Assets for business	Tools, furniture and fixtures	1,560
		Software	4,003
		Other intangible assets	4,453
Total	—	—	391,835

With each branch facility, etc., as the base unit, the Group groups assets for goodwill and assets for business based on the section of managerial accounting.

Regarding asset groups of which profitability fallen considerably, we have reduced the book value of non-current assets to the recoverable amount, and have recorded said decrease in amount as impairment losses under extraordinary losses.

Furthermore, we have calculated the use value of the recoverable amount concerned with assets as zero.

(Related to the consolidated statement of comprehensive income)

* Reclassification adjustment and income taxes and tax effect adjustment concerning other comprehensive income

	Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)	Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)
Valuation difference on available-for-sale securities:		
Amount generated in the current consolidated fiscal year	177,646 thousand yen	-59,383 thousand yen
Reclassification adjustment	170,061	—
Before adjustment of income taxes and tax effects	347,707	-59,383
Income taxes and tax effects	-106,515	17,982
Valuation difference on available-for-sale securities	241,192	-41,400
Other comprehensive income	241,192	-41,400

(Related to the consolidated statement of changes in net assets)

Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)

1. Items related to the class and total number of issued shares along with the class and total number of treasury shares

	Shares at the beginning of the current consolidated fiscal year (shares)	Increase in shares in the current consolidated fiscal year (shares)	Decrease in shares in the current consolidated fiscal year (shares)	Shares at the end of the current consolidated fiscal year (shares)
Issued shares				
Ordinary shares	42,000,000	—	—	42,000,000
Total	42,000,000	—	—	42,000,000
Treasury shares				
Ordinary shares (Note)	3,217,506	994,700	—	4,212,206
Total	3,217,506	994,700	—	4,212,206

(Note) The number of treasury shares of ordinary shares increased by 994,700 shares due to acquisition of 992,800 of treasury shares through resolution by the Board of Directors meeting and acquisition of 1,900 shares of restricted stock without compensation.

2. Items related to share acquisition rights and treasury share acquisition rights

Classification	Breakdown of share acquisition rights	Class of share acquisition rights	Number of share acquisition rights (shares)				Balance at the end of the current consolidated fiscal year (thousands of yen)
			Beginning of the current consolidated fiscal year	Increase in the current consolidated fiscal year	Decrease in the current consolidated fiscal year	End of the current consolidated fiscal year	
Consolidated subsidiary	Share acquisition rights by stock options (1st series)	—	—	—	—	—	634
Consolidated subsidiary	Share acquisition rights by stock options (2nd series)	—	—	—	—	—	—
Reporting company	Share acquisition rights by stock options (5th series)	—	—	—	—	—	—
Reporting company	Share acquisition rights by stock options (6th series)	—	—	—	—	—	36,877
Total		—	—	—	—	—	37,512

(Note) The periods to exercise stock options as share acquisition rights of consolidated subsidiaries (2nd series) and stock options as share acquisition rights of the reporting company (5th and 6th series) have not yet begun.

3. Items related to dividends

(1) Dividends to be paid

(Resolution)	Class of shares	Total dividends (thousands of yen)	Dividends per share (yen)	Record date	Effective date
Annual General Meeting of Shareholders held on March 25, 2024	Ordinary shares	232,694	6	December 31, 2023	March 26, 2024

(2) Dividends whose record date is in the current consolidated fiscal year but whose effective date is in the following consolidated fiscal year

(Resolution)	Class of shares	Total dividends (thousands of yen)	Dividend capital	Dividends per share (yen)	Record date	Effective date
Annual General Meeting of Shareholders held on March 27, 2025	Ordinary shares	302,302	Retained earnings	8	December 31, 2024	March 28, 2025

Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)

1. Items related to the class and total number of issued shares along with the class and total number of treasury shares

	Shares at the beginning of the current consolidated fiscal year (shares)	Increase in shares in the current consolidated fiscal year (shares)	Decrease in shares in the current consolidated fiscal year (shares)	Shares at the end of the current consolidated fiscal year (shares)
Issued shares				
Ordinary shares	42,000,000	—	—	42,000,000
Total	42,000,000	—	—	42,000,000
Treasury shares				
Ordinary shares (Note)	4,212,206	6,400	90,200	4,128,406
Total	4,212,206	6,400	90,200	4,128,406

(Note) The number of treasury shares of ordinary shares increased by 6,400 shares due to acquisition of 6,400 shares of restricted stock without compensation.

2. Items related to share acquisition rights and treasury share acquisition rights

Classification	Breakdown of share acquisition rights	Class of share acquisition rights	Number of share acquisition rights (shares)				Balance at the end of the current consolidated fiscal year (thousands of yen)
			Beginning of the current consolidated fiscal year	Increase in the current consolidated fiscal year	Decrease in the current consolidated fiscal year	End of the current consolidated fiscal year	
Consolidated subsidiary	Share acquisition rights by stock options (1st series)	—	—	—	—	—	634
Consolidated subsidiary	Share acquisition rights by stock options (2nd series)	—	—	—	—	—	—
Reporting company	Share acquisition rights by stock options (6th series)	—	—	—	—	—	50,670
Total		—	—	—	—	—	51,304

(Note) The periods to exercise stock options as share acquisition rights of consolidated subsidiaries (2nd series) and stock options as share acquisition rights of the reporting company (6th series) have not yet begun.

3. Items related to dividends

(1) Dividends to be paid

(Resolution)	Class of shares	Total dividends (thousands of yen)	Dividends per share (yen)	Record date	Effective date
Annual General Meeting of Shareholders held on March 27, 2025	Ordinary shares	302,302	8	December 31, 2024	March 28, 2025

(2) Dividends whose record date is in the current consolidated fiscal year but whose effective date is in the following consolidated fiscal year

The Company plans to submit the following as a proposal to the Annual General Meeting of Shareholders to be held on March 27, 2026.

(Resolution)	Class of shares	Total dividends (thousands of yen)	Dividend capital	Dividends per share (yen)	Record date	Effective date
Annual General Meeting of Shareholders held on March 27, 2026	Ordinary shares	378,715	Retained earnings	10	December 31, 2025	March 30, 2026

(Related to the consolidated cash flow statement)

*1. Related to amounts of items in the consolidated balance sheet and end of fiscal year balance of cash and cash equivalents

	Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)	Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)
Calculation of cash and deposits	4,198,305 thousand yen	4,935,131 thousand yen
Deposits paid	175,528	134,311
Cash and cash equivalents	4,373,834	5,069,443

*2. Breakdown of principal assets and liabilities of companies that became consolidated subsidiaries due to acquisition of shares

Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)

There are no applicable items.

Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)

Breakdown of assets and liabilities at the beginning of consolidation of GROWBING, Inc. and Decollte Holdings Corporation which were newly consolidated through acquisition of shares, along with the relationship of the cost of share acquisition and the expenditure for acquisition (net amount) is as follows.

(1) GROWBING, Inc.

Current assets	159,926 thousand yen
Non-current assets	70,449
Goodwill	775,449
Current liabilities	-58,470
Non-current liabilities	-47,355
Cost of share acquisition	900,000
Cash and cash equivalents	-87,010
Difference: Expenditure for acquisition	812,990

(2) Decollte Holdings Corporation

Current assets	809,486	thousand yen
Non-current assets	8,554,483	
Goodwill	340,039	
Current liabilities	-2,181,131	
Non-current liabilities	-5,159,377	
Non-controlling interests	-1,009,690	
Cost of share acquisition	1,353,810	
Cost of acquisition prior to the acquisition of control	-695,949	
Share of loss of entities accounted for using equity method	48,844	
Gain on step acquisitions	-243,524	
Cash and cash equivalents	-293,513	
Difference: Expenditure for acquisition	169,667	

(Related to lease transactions)

(Borrower side)

1. Finance lease transactions

Finance lease transaction property rights not transferred

(1) Contents of leased assets

Property, plant and equipment

Printers, etc., associated with the Back-Office Division.

(2) Methods of depreciating leased assets

The significant items that are the basis of preparing the consolidated financial statements are in “4. Items related to accounting policies (2) Depreciation methods for significant depreciation of assets.”

2. Operating lease transactions

Future lease payments under non-cancellable operating leases in operating lease transactions

	Previous consolidated fiscal year (December 31, 2024)	Current consolidated fiscal year (December 31, 2025)
Within one year	237,861 thousand yen	251,504 thousand yen
Over one year	216,033	1,859,008
Total	453,895	2,110,513

(Related to financial instruments)

1. Items related to the condition of financial instruments

(1) Policy related to dealing with financial instruments

The Group will raise necessary capital referred to in the capital investment plan, etc., mainly with its own capital and bank loans including long-term borrowings. Temporary surplus funds are primarily used for short-term deposits and term deposits which have a high degree of security.

In the investment business conducted by a consolidated subsidiary, the capital will be raised mainly with its own capital and indirect loans through bank loans, adjusting market conditions, a balance between long and short term, etc. The capital raised as such is invested in exchange-traded funds, investment partnerships, etc.

Furthermore, short-term working capital will be raised with bank loans. The policy is to not utilize derivative transactions and speculative transactions.

(2) Contents and risks of financial instruments

Accounts receivable for trade is primarily for individual customers and is exposed to credit risk. Operational investment securities

and investment securities are primarily investments in listed company shares and investment business associations and are exposed to market value fluctuation risk and credit risk of issuing entities. Deposits paid, long-term loans receivable, and guarantee deposits are primarily leasehold and guarantee deposits for leasing the Headquarters and branches and are exposed to credit risk of the entities receiving the deposits. Accounts payable for trade and others all have a payment date within one year. Borrowings are primarily aimed at raising capital for business transactions, capital investment, and M&A, part of which is exposed to interest risk related to capital raising and liquidity risk.

(3) Risk management system related to financial instruments

The Group in accordance with the credit management system related to trade, regularly monitors the conditions of principal trade partners of each division, and each trade partner's closing date and balance are managed along with planning to reduce and catch at an early-stage doubtful recoveries due to deteriorating conditions of financial affairs, etc. Regarding long-term loans receivable, monitoring of the conditions of financial affairs of entities that have received loans are implemented. Regarding guarantee deposits, the conditions of principal trade partners of each division are regularly monitored, and each trade partner's closing date and balance are managed.

2) Management of liquidity risk (risk of not paying on the date of payment) related to raising capital

The Group manages liquidity risk by maintaining liquidity on hand, etc. along with the Management Division preparing and renewing plans to raise capital timely, based on reports from each department.

3) Management of market risk (risk of currency, interest rate, etc., fluctuation)

Regarding investment securities, by consistently knowing fair value and issuing entities' (trade partner corporations) conditions of financial affairs, etc., we continuously reevaluate conditions of possession by taking into consideration changes in market conditions.

4) Management of price fluctuation risk

Regarding operational investment securities, the management committee or the Board of Directors makes investment decisions based on the related operational regulations. Regarding new investment projects, we make investment plans including the maximum investment amount and price fluctuation risk, on which the management committee or the Board of Directors makes decisions. Furthermore, we mitigate price fluctuation risk by collecting and analyzing management information about investee companies and monitoring risk status continuously.

(4) Supplementary explanation regarding items regarding fair value, etc., of financial instruments

Because the primary cause of fluctuation is incorporated into the calculation of fair value of financial instruments, differing assumptions, etc., are adopted, and said amounts may change.

(5) Concentration of credit risk

65.1% of trade (63.4% at the end of the previous fiscal year) at the present closing date of the fiscal year under review is in relation to a specific trade partner (a company that is an agent to collect credit card settlements and bank account transfers, etc.).

2. Items related to fair value, etc. of financial instruments

The fair value and difference concerning amounts recorded on the consolidated balance sheet is as follows.

Previous consolidated fiscal year (December 31, 2024)

	Amounts recorded on the consolidated balance sheet (thousands of yen)	Fair value (thousands of yen)	Difference (thousands of yen)
(1) Operational investment securities and investment securities			
Available-for-sale securities			
Shares	486,331	486,331	—
Investment trust	152,107	152,107	—
(2) Long-term loans receivable (*2)	2,833	2,815	-17
(3) Guarantee deposits	1,591,125	1,511,643	-79,481
Total assets	2,232,397	2,152,898	-79,499
(1) Long-term borrowings (*3)	4,005,714	3,909,228	-96,485
(2) Lease obligations (*4)	11,911	11,852	-59
Total liabilities	4,017,625	3,921,081	-96,544

(*1) “Cash and deposits,” “Accounts receivable – trade,” “Deposits paid,” “Accounts payable – trade,” “Short-term borrowings,” “Account payable – other,” “Accrued expenses,” “Income taxes payable,” and “Accrued consumption taxes” are omitted because “Cash and deposits” are cash and the fair value of the remainder approximates book value as they are settled in a short period of time.

(*2) Current portion of long-term loans receivable is included in long-term loans receivable.

(*3) Current portion of long-term borrowings is included in long-term borrowings.

(*4) The total amount of lease obligations in current liabilities and non-current liabilities is presented.

(*5) Notes on investments in partnerships and other similar entities for which equity interests are recorded on a net basis on the consolidated balance sheet are omitted. The amount of these investments recorded on the consolidated balance sheet is 1,944,739 thousand yen.

(*6) Shares, etc., that do not have a market price are not included in “(1) Operational investment securities and investment securities.” The amount of these financial instruments is recorded as follows on the consolidated balance sheet.

Classification	Current consolidated fiscal year (thousands of yen)
Unlisted shares	1,160,431

Current consolidated fiscal year (December 31, 2025)

	Amounts recorded on the consolidated balance sheet (thousands of yen)	Fair value (thousands of yen)	Difference (thousands of yen)
(1) Operational investment securities and investment securities			
Available-for-sale securities			
Shares	902,107	902,107	—
Investment trust	185,342	185,342	—
(2) Long-term loans receivable (*2)	45,833	45,345	-487
(3) Guarantee deposits	2,574,368	2,485,192	-89,176
Total assets	3,707,652	3,617,988	-89,663
(1) Long-term borrowings (*3)	6,544,738	6,331,415	-213,322
(2) Lease obligations (*4)	3,719,738	3,719,763	25
Total liabilities	10,264,476	10,051,179	-213,297

(*1) “Cash and deposits,” “Accounts receivable – trade,” “Deposits paid,” “Accounts payable – trade,” “Short-term borrowings,” “Account payable – other,” “Accrued expenses,” “Income taxes payable,” and “Accrued consumption taxes” are omitted because “Cash and deposits” are cash and the fair value of the remainder approximates book value as they are settled in a short period of time.

(*2) Current portion of long-term loans receivable is included in long-term loans receivable.

(*3) Current portion of long-term borrowings is included in long-term borrowings.

(*4) The total amount of lease obligations in current liabilities and non-current liabilities is presented.

(*5) Notes on investments in partnerships and other similar entities for which equity interests are recorded on a net basis on the consolidated balance sheet are omitted. The amount of these investments recorded on the consolidated balance sheet is 4,097,452 thousand yen.

(*6) Shares, etc., that do not have a market price are not included in “(1) Operational investment securities and investment securities.” The amount of these financial instruments is recorded as follows on the consolidated balance sheet.

Classification	Previous consolidated fiscal year (thousands of yen)
Unlisted shares	1,160,431

(Note) 1. Monetary claims of planned amortization amount after the consolidated closing date

Previous consolidated fiscal year (December 31, 2024)

	Within one year (thousands of yen)	Over one year, within five years (thousands of yen)	Over five years, within ten years (thousands of yen)	Over ten years (thousands of yen)
Cash and deposits	4,198,305	—	—	—
Accounts receivable – trade	1,904,190	—	—	—
Deposits paid	190,910	—	—	—
Long-term loans receivable	1,999	833	—	—
Total	6,295,406	833	—	—

(Note) Regarding guarantee deposits, they are not listed as the expected date of amortization is undecided.

Current consolidated fiscal year (December 31, 2025)

	Within one year (thousands of yen)	Over one year, within five years (thousands of yen)	Over five years, within ten years (thousands of yen)	Over ten years (thousands of yen)
Cash and deposits	4,935,131	—	—	—
Accounts receivable – trade	2,761,120	—	—	—
Deposits paid	148,236	—	—	—
Long-term loans receivable	4,333	41,500	—	—
Total	7,848,821	41,500	—	—

(Note) Regarding guarantee deposits, they are not listed as the expected date of amortization is undecided.

(Note) 2. Planned repayment amount of long-term borrowings and lease obligations after the consolidated closing date

Previous consolidated fiscal year (December 31, 2024)

	Within one year (thousands of yen)	Over one year, within two years (thousands of yen)	Over two years, within three years (thousands of yen)	Over three years, within four years (thousands of yen)	Over four years, within five years (thousands of yen)	Over five years (thousands of yen)
Long-term borrowings	468,198	1,185,448	290,448	267,948	524,071	1,269,601
Lease obligations	6,847	2,276	1,215	1,249	322	—
Total	475,045	1,187,724	291,663	269,197	524,393	1,269,601

Current consolidated fiscal year (December 31, 2025)

	Within one year (thousands of yen)	Over one year, within two years (thousands of yen)	Over two years, within three years (thousands of yen)	Over three years, within four years (thousands of yen)	Over four years, within five years (thousands of yen)	Over five years (thousands of yen)
Long-term borrowings	1,817,116	1,170,036	823,328	854,451	391,228	1,488,579
Lease obligations	617,137	558,124	453,952	419,122	328,840	1,342,560
Total	2,434,253	1,728,160	1,277,280	1,273,573	720,068	2,831,139

3. Fair value information by level within the fair value hierarchy

The fair value of financial instruments is classified into the following three levels according to the observability and materiality of inputs used to measure fair value.

Level 1 fair value: Fair value measured using observable inputs, i.e., quoted prices in active markets for assets or liabilities that are the subject of the measurement.

Level 2 fair value: Fair value measured using observable inputs other than Level 1 inputs.

Level 3 fair value: Fair value measured using unobservable inputs.

If multiple inputs are used that are significant to the fair value measurement, the fair value measurement is categorized in its entirety in the level of the lowest level input that is significant to the entire measurement.

(1) Financial instruments measured at fair value

Previous consolidated fiscal year (December 31, 2024)

(Unit: thousands of yen)

Classification	Fair value			
	Level 1	Level 2	Level 3	Total
Operational investment securities and investment securities				
Available-for-sale securities				
Shares	486,331	—	—	486,331
Investment trust	152,107	—	—	152,107
Total assets	638,438	—	—	638,438

Current consolidated fiscal year (December 31, 2025)

(Unit: thousands of yen)

Classification	Fair value			
	Level 1	Level 2	Level 3	Total
Operational investment securities and investment securities				
Available-for-sale securities				
Shares	902,107	—	—	902,107
Investment trust	185,342	—	—	185,342
Total assets	1,087,449	—	—	1,087,449

(2) Financial instruments other than those measured at fair value

Previous consolidated fiscal year (December 31, 2024)

(Unit: thousands of yen)

Classification	fair value			
	Level 1	Level 2	Level 3	Total
Long-term loans receivable	—	2,815	—	2,815
Guarantee deposits	—	1,511,643	—	1,511,643
Total assets	—	1,514,459	—	1,514,459
Long-term borrowings	—	3,909,228	—	3,909,228
Lease obligations	—	11,852	—	11,852
Total liabilities	—	3,921,081	—	3,921,081

Current consolidated fiscal year (December 31, 2025)

(Unit: thousands of yen)

Classification	fair value			
	Level 1	Level 2	Level 3	Total
Long-term loans receivable	—	45,345	—	45,345
Guarantee deposits	—	2,485,192	—	2,485,192
Total assets	—	2,530,538	—	2,530,538
Long-term borrowings	—	6,331,415	—	6,331,415
Lease obligations	—	3,719,763	—	3,719,763
Total liabilities	—	10,051,179	—	10,051,179

(Note) A description of the valuation technique(s) and inputs used in the fair value measurements

Operational investment securities and investment securities

Fair values of listed shares are valued using quoted prices. As listed shares are traded in active markets, their fair value is classified as Level 1.

Long-term loans receivable

The fair value of long-term loans receivable is measured by discounting the total of the principal and interest at the interest rate assumed if a similar loan is newly made and is classified as Level 2.

Guarantee deposits

Guarantee deposits are lease deposits for branches and offices, etc., and the fair value is measured and classified as Level 2 based on the present value from which relevant indicators such as interest of government bonds are discounted from future cash flow.

Long-term borrowings and lease obligations

These fair values are measured by discounting the total of the principal and interest at the interest rate assumed if a similar loan is newly made and are classified as Level 2.

(Related to securities)

1. Securities for the purposes to buying and selling

There are no applicable items.

2. Bonds held for the purpose of maturity

There are no applicable items.

3. Available-for-sale securities

Previous consolidated fiscal year (December 31, 2024)

	Category	Amounts recorded on the consolidated balance sheet (thousands of yen)	Cost of acquisition (thousands of yen)	Difference (thousands of yen)
Amounts recorded on the consolidated balance sheet which exceed cost of acquisition	(1) Shares	33,684	33,594	89
	(2) Other	—	—	—
	Subtotal	33,684	33,594	89
Amounts recorded on the consolidated balance sheet which do not exceed cost of acquisition	(1) Shares	452,647	531,763	-79,115
	(2) Other	3,257,279	3,293,640	-36,361
	Subtotal	3,709,927	3,825,404	-115,477
Total		3,743,611	3,858,999	-115,388

Current consolidated fiscal year (December 31, 2025)

	Category	Amounts recorded on the consolidated balance sheet (thousands of yen)	Cost of acquisition (thousands of yen)	Difference (thousands of yen)
Amounts recorded on the consolidated balance sheet which exceed cost of acquisition	(1) Shares	—	—	—
	(2) Other	—	—	—
	Subtotal	—	—	—
Amounts recorded on the consolidated balance sheet which do not exceed cost of acquisition	(1) Shares	902,107	1,094,704	-192,597
	(2) Other	5,443,227	5,459,000	-15,773
	Subtotal	6,345,334	6,553,704	-208,370
Total		6,345,334	6,553,704	-208,370

4. Available-for-sale securities sold during the consolidated fiscal year

Previous consolidated fiscal year (December 31, 2024)

Category	Amount sold (thousands of yen)	Total amount of profit on sale (thousands of yen)	Total amount of loss on sale (thousands of yen)
Shares	892,369	—	170,061
Other	59,839	9,366	—
Total	952,209	9,366	170,061

Current consolidated fiscal year (December 31, 2025)

Category	Amount sold (thousands of yen)	Total amount of profit on sale (thousands of yen)	Total amount of loss on sale (thousands of yen)
Shares	—	—	—
Other	57,396	2,617	—
Total	57,396	2,617	—

5. Sold bonds held for the purpose of maturity

There are no applicable items.

6. Securities for which the purpose of possession changed

There are no applicable items.

7. Securities for which impairment was recorded

For the previous consolidated fiscal year, regarding investment securities, 92,791 thousand yen (shares of available-for-sale securities: 92,791 thousand yen) was recorded as impairment.

For the current consolidated fiscal year, there are no applicable items.

Furthermore, concerning recording impairment, in the event that the fair value at the end of the fiscal year declines over 50% compared to the cost of acquisition, they are recorded as impairment as unrecoverable. For shares, etc., that do not have a market price, taking into consideration the financial condition of the issuing company of said shares and determining the possibility of recovery, for those that are determined to be unrecoverable, they will be recorded as impairment in the actual amount.

(Related to retirement benefit liability)

1. Outline of adopted retirement benefit liability system

The Company, in order to assign retirement benefit liability for employees, is enrolled in the “Japanese IT Software Corporation Company Pension Fund,” a welfare pension fund concerned with multi-employer plans. As the value of pension assets concerning the Company’s contributions is unable to be reasonably calculated, the accounting process is to record them the same as defined-contribution pension.

2. Multi-employer plans

Japanese IT Software Corporation Company Pension Fund

The necessary contribution amounts to the welfare pension fund for multi-employer plans where the accounting process is to record them the same as defined-contribution pension for the previous consolidated fiscal year was 25,993 thousand yen, and for the current consolidated fiscal year, 22,948 thousand yen.

(1) Items relating to the conditions of reserves of the multi-employer plans as a whole

	Previous consolidated fiscal year (March 31, 2024)	Current consolidated fiscal year (March 31, 2025)
Amount of pension assets	58,726,013 thousand yen	58,861,542 thousand yen
Total amount of amount of mathematical obligations calculated by pension financing and amount of minimum reserve for liability	52,636,715 thousand yen	54,372,646 thousand yen
Difference	6,089,298 thousand yen	4,488,896 thousand yen

(Note) For items related to reserves, the Group bases pension financing calculations on latest available settlements.
The values listed are as of March 31, 2025.

(2) Percentage of enrolled Company personnel accounting for the plan as a whole

Previous consolidated fiscal year	1.41%	(as of March 31, 2024)
Current consolidated fiscal year	1.36%	(as of March 31, 2025)

(3) Supplementary explanation

The primary factor for the difference in the above (1) is separate funds (1,721,716 thousand yen) and the accumulated actual surplus/deficit for the year (4,367,582 thousand yen) for the previous consolidated fiscal year and separate funds (6,069,735 thousand yen) and the accumulated actual surplus/deficit for the year (1,533,063 thousand yen) for the current consolidated fiscal year.

Furthermore, the percentage of the above (2) does not match the Company’s actual percentage of responsibility.

(Related to stock options, etc.)

1. Sum of costs and names of items concerned with stock options

	Previous consolidated fiscal year	Current consolidated fiscal year
Share-based payment expenses of selling, general and administrative expenses	19,029 thousand yen	13,792 thousand yen

2. Amount recorded as a gain due to expiration due to non-exercise of rights

	Previous consolidated fiscal year	Current consolidated fiscal year
Gain on reversal of share acquisition rights	82,210 thousand yen	—

3. Details, scope, and changes to the conditions of stock options

(1) Details of stock options

Company name	K Village Inc.
Name of share acquisition rights	1st series of share acquisition rights (Note) 1
Classification and number of eligible persons for grant	Mr. Ryu Segawa (Note) 4
Number of stock options by type of share (Note) 2	Ordinary shares 2,450 shares
Grant date (Note) 3	September 19, 2019
Vesting conditions	<p>(1) The share acquisition rights holder, upon acquisition of share acquisition rights, in the event that the share acquisition rights holder is an officer such as Director or employee of the Company or subsidiary, must continue to be in a position of an officer such as Director or employee of the Company or subsidiary from the time of acquisition of share acquisition rights until exercising the rights. However, this does not apply if the majority of the Company Directors approve due cause.</p> <p>(2) In the event that the share acquisition rights holder passes away during the period to exercise rights, an inheritor may not exercise the share acquisition rights.</p> <p>(3) The share acquisition rights holder may not exercise the share acquisition rights in the event that any of the following items become applicable. However, this does not apply if the majority of the Company Directors approve special treatment.</p> <ul style="list-style-type: none"> · In the event of a sentence beyond imprisonment. · In the event that directly or indirectly a company is founded that operates a business that competes with the Company, or installs an officer such as Director or employee of the Company, or competes with the Company regardless of pretext (excluded however, are cases where approval is obtained before by documents from the Company). · In the event that the Company's reputation is harmed through violations of laws and regulations or other wrongdoings. · In the event seizure, provisional seizure, provisional disposition, compulsory execution, or petition of auction is received, or disposition for failure to pay taxes and public dues is received. · In the event of stopped payment or insolvency, or a dishonored bill or check that is drawn or accepted. · In the event of petition to start bankruptcy proceedings, start Civil Rehabilitation Act proceedings, or any other petitions to start similar proceedings, or in the event of personally starting a petition. · In the event of receiving disciplinary measures due to violations of work regulations. · In the event of violations of fiduciary duties, etc., that need to be fulfilled as an officer. <p>(4) Some share acquisition rights cannot be exercised.</p>
Service period	It is not set.
Period to exercise rights	Between September 20, 2019 to September 19, 2029 (However, if September 19, 2029 is not a bank working day, it will be the working day prior) within four days after the day of publication of each quarterly financial statement.

- (Notes)
1. Compensation grant is fair value.
 2. Listed are number of shares that have been converted.
 3. The listed grant date is the allotment date.
 4. The share acquisition rights have been allocated to a trust with Mr. Ryu Segawa as beneficiary, at the end of the trust period, they will be granted to Directors, employees, etc., of the Company or subsidiaries.

Company name	K Village Inc.
Name of share acquisition rights	2nd series of share acquisition rights (Note) 1
Classification and number of eligible persons for grant	5 Directors of K Village Inc.
Number of stock options by type of share (Note) 2	Ordinary shares 800 shares
Grant date (Note) 3	December 21, 2023
Vesting conditions	<p>(1) The share acquisition rights can be exercised only when the Company's ordinary shares to be issued upon exercise of share acquisition rights have been listed on a financial instruments exchange in Japan.</p> <p>(2) The share acquisition rights holder, upon acquisition of share acquisition rights, in the event that the share acquisition rights holder is an officer such as Director or employee of the Company or the Company's subsidiary, must continue to be in a position of an officer such as Director or employee of the Company or the Company's subsidiary from the time of acquisition of share acquisition rights until exercising the rights or an external partner who entered into an advisory agreement or service agreement with the Company or the Company's subsidiary.</p> <p>(3) In the event that the share acquisition rights holder passes away during the period to exercise rights, an inheritor may not exercise the share acquisition rights.</p> <p>(4) The share acquisition rights cannot be exercised in the event of any breach of other conditions provided for in the stock acquisition right allotment agreement which is entered into between the Company and the share acquisition rights holder.</p> <p>(5) Other conditions are based on the stock acquisition right allotment agreement to be entered into with the Company.</p>
Service period	It is not set.
Period to exercise rights	From December 22, 2025 to December 21, 2035

- (Notes)
1. Grant without compensation based on fair value
 2. Listed are number of shares that have been converted.
 3. The listed grant date is the allotment date.

Company name	Reporting company
Name of share acquisition rights	6th series of share acquisition rights
Classification and number of eligible persons for grant	489 employees of the Company
Number of stock options by type of share (Note) 1	Ordinary shares 278,900 shares
Grant date (Note) 2	May 8, 2023
Vesting conditions	As stated in "Part 4. Status of the Reporting Company, 1. Status of the shares, etc., (2) Status of the share acquisition rights" (Japanese only)
Service period	From May 1, 2023 to April 1, 2026
Period to exercise rights	From April 1, 2026 to April 18, 2033

- (Notes)
1. Listed are number of shares that have been converted.
 2. The listed grant date is the allotment date.

(2) Scope and changes to the conditions of stock options

For existing stock options included in the current consolidated fiscal year (ended December 31, 2025), in regard to the number of stock options, listed are the number of shares that have been converted.

1) Number of stock options

Company name	K Village Inc.	K Village Inc.	Reporting company
Name of share acquisition rights	1st series of share acquisition rights	2nd series of share acquisition rights	6th series of share acquisition rights
Prior to vesting (shares)			
End of previous consolidated fiscal year	2,450	800	212,400
Granted	—	—	—
Expired	—	—	30,000
Vested	—	—	—
Balance of unvested	2,450	800	182,400
After vesting (shares)			—
End of previous consolidated fiscal year	—	—	—
Vested	—	—	—
Exercised	—	—	—
Expired	—	—	—
Balance of unexercised	—	—	—

2) Information on unit price

Company name	K Village Inc.	K Village Inc.	Reporting company
Name of share acquisition rights	1st series of share acquisition rights	2nd series of share acquisition rights	6th series of share acquisition rights
Exercised amount (yen)	40,910	44,898	669
Average share price at the time of exercising (yen)	—	—	—
Estimated fair unit price on grant date (yen)	—	—	303

3. Estimation methods of fair valuation unit price of stock options granted in the fiscal year under review

There are no applicable items.

4. Estimation methods of number of options that will vest

Basically, as reasonably estimating the number of future expirations is difficult, applied is the method where only numbers of actual expirations are reflected.

5. Total intrinsic value at the end of the fiscal year under review when calculated based on the intrinsic value per unit of stock options and total intrinsic value of stock options exercised in the fiscal year under review on the exercise date

(1) Total intrinsic value at the end of the fiscal year under review 193,897 thousand yen

(2) Total intrinsic value of stock options exercised in the fiscal year under review on the exercise date — thousand yen

(Restricted stock remuneration)

1. Sum of costs and names of items concerned with restricted stock remuneration

	Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)	Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)
Selling, general and administrative expenses	76,422 thousand yen	84,744 thousand yen

2. Details of restricted stock remuneration

	1st series restricted stock remuneration	2nd series restricted stock remuneration
Classification and number of grantees	5 Directors of the Company, 21 employees of the Company	2 Directors of the Company, 24 employees of the Company
Number of granted stock	Ordinary shares of the Company 16,500 shares	Ordinary shares of the Company 191,000 shares
Grant date	April 20, 2021	April 21, 2022
Transfer restriction period	From April 20, 2021 to April 19, 2026	From April 21, 2022 to April 20, 2027
Condition subsequent	<p>The Company will lift restrictions on all granted stock held by a grantee at the time of the expiration of the period on the condition that the grantee continues to hold either the position of Director or employee of the Company or a subsidiary of the Company from the time the transfer restriction period starts to the day the first Annual General Meeting of Shareholders of the Company is held.</p> <p>However, in the event that a grantee due to reasons that are deemed valid by the Board of the Directors of the Company resigns or retires from either the position of Director or employee of the Company or a subsidiary of the Company will have the number of months including the day of resignation or retirement from either the position of Director or employee of the Company or a subsidiary of the Company from April 2021 divided by 12 (However, if the calculation is over 1, it will be deemed as 1.) and this will be multiplied by the number of granted stock held by the grantee at said time (However, if the calculation leads to a fraction of less than one stock, it will be rounded down.) and for the granted stock, at the time immediately following said resignation or retirement, the restrictions will be lifted.</p>	<p>The Company will lift restrictions on all granted stock held by a grantee at the time of the expiration of the period on the condition that the grantee continues to hold either the position of Director or employee of the Company or a subsidiary of the Company from the time the transfer restriction period starts to the day the first Annual General Meeting of Shareholders of the Company is held.</p> <p>However, in the event that a grantee due to reasons that are deemed valid by the Board of the Directors of the Company resigns or retires from either the position of Director or employee of the Company or a subsidiary of the Company will have the number of months including the day of resignation or retirement from either the position of Director or employee of the Company or a subsidiary of the Company from April 2022 divided by 12 (However, if the calculation is over 1, it will be deemed as 1.) and this will be multiplied by the number of granted stock held by the grantee at said time (However, if the calculation leads to a fraction of less than one stock, it will be rounded down.) and for the granted stock, at the time immediately following said resignation or retirement, the restrictions will be lifted.</p>
Fair value unit price at time of grant date	966 yen	785 yen

	3rd series restricted stock remuneration	4th series restricted stock remuneration
Classification and number of grantees	1 Director of the Company, 68 employees of the Company	3 Directors of the Company, 26 employees of the Company
Number of granted stock	Ordinary shares of the Company 298,100 shares	Ordinary shares of the Company 90,200 shares
Grant date	April 18, 2023	April 23, 2025
Transfer restriction period	From April 18, 2023 to April 17, 2028	From April 23, 2025 to April 22, 2030
Condition subsequent	<p>The Company will lift restrictions on all granted stock held by a grantee at the time of the expiration of the period on the condition that the grantee continues to hold either the position of Director or employee of the Company or a subsidiary of the Company from the time the transfer restriction period starts to the day the first Annual General Meeting of Shareholders of the Company is held.</p> <p>However, in the event that a grantee due to reasons that are deemed valid by the Board of the Directors of the Company resigns or retires from either the position of Director or employee of the Company or a subsidiary of the Company will have the number of months including the day of resignation or retirement from either the position of Director or employee of the Company or a subsidiary of the Company from April 2023 divided by 12 (However, if the calculation is over 1, it will be deemed as 1.) and this will be multiplied by the number of granted stock held by the grantee at said time (However, if the calculation leads to a fraction of less than one stock, it will be rounded down.) and for the granted stock, at the time immediately following said resignation or retirement, the restrictions will be lifted.</p>	<p>The Company will lift restrictions on all granted stock held by a grantee at the time of the expiration of the period on the condition that the grantee continues to hold either the position of Director or employee of the Company or a subsidiary of the Company from the time the transfer restriction period starts to the day the first Annual General Meeting of Shareholders of the Company is held.</p> <p>However, in the event that a grantee due to reasons that are deemed valid by the Board of the Directors of the Company resigns or retires from either the position of Director or employee of the Company or a subsidiary of the Company will have the number of months including the day of resignation or retirement from either the position of Director or employee of the Company or a subsidiary of the Company from April 2025 divided by 12 (However, if the calculation is over 1, it will be deemed as 1.) and this will be multiplied by the number of granted stock held by the grantee at said time (However, if the calculation leads to a fraction of less than one stock, it will be rounded down.) and for the granted stock, at the time immediately following said resignation or retirement, the restrictions will be lifted.</p>
Fair value unit price at time of grant date	723 yen	663 yen

3. Number of restricted stock remuneration

	1st series restricted stock remuneration	2nd series restricted stock remuneration	3rd series restricted stock remuneration	4th series restricted stock remuneration
End of the previous consolidated fiscal year	15,000	189,500	296,200	—
Granted stock	—	—	—	90,200
Acquired without compensation	2,000	2,500	1,900	—
Unrestricted stock	—	—	—	—
Balance of restricted stock	13,000	187,000	294,300	90,200

(Related to accounting for income taxes)

1. Breakdown of primary separate causes of occurrence of deferred tax assets and deferred tax liabilities

	Previous consolidated fiscal year (December 31, 2024)	Current consolidated fiscal year (December 31, 2025)
Deferred tax assets		
Accrued expenses	17,562 thousand yen	19,606 thousand yen
Accrued business taxes	29,759	56,913
Accrued bonuses	107,644	128,692
Accrued business office tax	1,418	7,482
Allowance for doubtful accounts	6,353	9,046
Provision for paid annual leave	—	24,173
Excess amount of depreciation	62,943	271,961
Asset retirement obligations	205,439	367,782
Asset adjustment account	40,520	23,371
Loss carried forward for taxes (Note) 2	229,808	36,694
Loss on valuation of investment securities	114,335	117,696
Share-based payment expenses	49,697	77,814
Valuation difference on available-for-sale securities	36,435	54,391
Lease obligations	—	1,313,852
Other	87,438	132,849
Subtotal deferred tax assets	989,358	2,642,327
Valuation allowance concerning loss carried forward for taxes (Note) 2	-154,972	—
Valuation allowance concerning total of deductible temporary difference	-90,306	-96,083
Subtotal valuation allowance (Note) 1	-245,279	-96,083
Total deferred tax assets	744,079	2,546,243
Deferred tax liabilities		
Removal costs related to asset retirement obligations	-76,707	-183,236
Valuation difference on available-for-sale securities	-27	—
Right-of-use assets	—	-1,395,436
Other	-22,908	-22,957
Total deferred tax liabilities	-99,643	-1,601,630
Net amount deferred tax assets	644,436	944,613

Net amount of deferred tax assets is included in the following items of the consolidated balance sheet.

	Previous consolidated fiscal year (December 31, 2024)	Current consolidated fiscal year (December 31, 2025)
Non-current assets - Deferred tax assets	644,436	944,613
(Notes) 1. Main reasons resulting in important changes to valuation allowance		
This is due to the reconsideration of the possibility of recover of deferred tax assets because of improvement of some consolidated subsidiaries' achievements.		
2. Amounts of separate time periods of balances carried forward for loss carried forward for taxes and deferred tax assets		

Previous consolidated fiscal year (December 31, 2024)

	Within one year (thousands of yen)	Over one year, within two years (thousands of yen)	Over two years, within three years (thousands of yen)	Over three years, within four years (thousands of yen)	Over four years, within five years (thousands of yen)	Over five years (thousands of yen)	Total
Loss carried forward for taxes*	—	—	163,938	35,624	—	30,245	229,808
Valuation allowance	—	—	141,217	9,136	—	4,618	154,972
Deferred tax assets	—	—	22,720	26,487	—	25,627	74,835

*Loss carried forward for taxes is the amount multiplied by the normal effective statutory tax rate.

Current consolidated fiscal year (December 31, 2025)

	Within one year (thousands of yen)	Over one year, within two years (thousands of yen)	Over two years, within three years (thousands of yen)	Over three years, within four years (thousands of yen)	Over four years, within five years (thousands of yen)	Over five years (thousands of yen)	Total
Loss carried forward for taxes*	—	36,694	—	—	—	—	36,694
Valuation allowance	—	—	—	—	—	—	—
Deferred tax assets	—	36,694	—	—	—	—	36,694

*Loss carried forward for taxes is the amount multiplied by the normal effective statutory tax rate.

2. Breakdown of principal separated items responsible for difference when there is a significant difference between statutory tax rate and effective tax rate after application of tax effect accounting

	Previous consolidated fiscal year (December 31, 2024)	Current consolidated fiscal year (December 31, 2025)
Statutory tax rate		30.6 %
(Adjustment)	Entry is omitted as difference between the statutory tax rate and the effective tax rate after application of tax effect accounting is five one-hundredths or less of the statutory tax rate.	
Permanent difference		-0.4
Inhabitant tax on a per capita basis		1.2
Increase or decrease of valuation allowance		-0.8
Amortization, etc. of goodwill		1.9
Other		0.2
Effective tax rate after application of tax effect accounting		32.8

3. Revision of amounts of deferred tax assets and deferred tax liabilities due to the change in income tax rate, etc.

As the “Act for Partial Amendment of the Income Tax Act” (Act No. 13 of 2025) was enacted in the Diet session on March 31, 2025, imposition of the “Defense Special Corporate Tax” will start in the consolidated fiscal year beginning on or after April 1, 2026. Accordingly, deferred tax assets and deferred tax liabilities related to temporary differences expected to be reversed in the consolidated fiscal years beginning on or after January 1, 2027 are calculated by revising the statutory tax rate from 30.6% to 31.5%.

The change in tax rate will not have a significant impact on the consolidated financial statements.

(Related to business combinations, etc.)

(Business combinations by acquisition)

(GROWBING, Inc.)

1. Details of business combination

(1) Name of the acquiree and business contents

Name of the acquiree GROWBING, Inc.
Business contents Beauty salon business

(2) Main reason for the business combination

The Group decided to make GROWBING its wholly-owned subsidiary, aiming mainly at a significant increase in customer referrals by recommending beauty care and other services to the members of marriage consulting agencies, as well as expansion and growth by developing salon franchisees after the business combination through synergies with the Marriage-Hunting Business.

(3) Date of business combination

March 26, 2025

(4) Legal form of business combination

Acquisition of shares with cash as consideration

(5) Name after the business combination

There are no changes.

(6) Percentage of voting rights acquired

100%

(7) Main grounds for determining the acquiree

Due to the acquisition of shares by the Company with cash as consideration.

2. The period of financial result of the acquiree included in the consolidated financial statements

From April 1, 2025 through December 31, 2025

3. Acquisition cost of the acquiree and breakdown of consideration by type

Consideration for acquisition	Cash	900,000 thousand yen
Acquisition cost		900,000 thousand yen

4. Details and amount of main acquisition-related costs

Intermediary fee of 33,800 thousand yen, etc.

5. Amount of goodwill generated, reason for generation, amortization method and amortization period

(1) Amount of goodwill generated

775,449 thousand yen

(2) Reason for generation

The goodwill was generated from excess earnings power expected in the future due to future business development.

(3) Amortization method and amortization period

Amortized in equal amounts over ten years

6. Amount and main breakdown of assets acquired and liabilities assumed on the date of business combination

Current assets	159,926 thousand yen
Non-current assets	70,449
Total assets	230,376
Current liabilities	58,470
Non-current liabilities	47,355
Total liabilities	105,825

(Decollte Holdings Corporation)

1. Details of business combination

(1) Name of the acquiree and business contents

Name of the acquiree	Decollte Holdings Corporation
Business contents	Ownership of shares of subsidiaries operating wedding photo and other studios Operation of fitness gyms Management guidance to subsidiaries and acceptance of internal controls services

(2) Main reason for the business combination

By allowing Decollte Holdings Corporation to utilize the member base of the marriage-hunting services and the affiliate base with as many as 4,766 companies nationwide operated by the Company, the Company will be able to provide photo wedding, anniversary photo, and other value-added services to married couples of the Group, and thereby the Company can expect improvement of customer satisfaction and life time value (LTV). On the other hand, Decollte Holdings Corporation will be able to receive referrals of married couples from the Group for its photo wedding services at all studios, and thereby it can expect strengthening of its business foundation through the diversified customer acquisition methods other than use of websites. In addition, for its anniversary photo services, Decollte Holdings Corporation can expect the acquisition of potential customers, diversification of customer acquisition methods, and improved profitability. Aiming at improvement of the corporate value of both companies through these business synergies, the Company made Decollte Holdings Corporation its consolidated subsidiary.

(3) Date of business combination

December 25, 2025 (Effective date of the tender offer)

December 31, 2025 (Deemed acquisition date)

(4) Legal form of business combination

Acquisition of shares with cash as consideration

(5) Name after the business combination

There are no changes.

(6) Percentage of voting rights acquired

Percentage of voting rights held immediately before the acquisition	33.0	%
Percentage of voting rights additionally acquired on the date of business combination	17.1	%
Percentage of voting rights after the acquisition	50.1	%

(7) Main grounds for determining the acquiree

Due to the acquisition of shares by the Company with cash as consideration.

2. The period of financial result of the acquiree included in the consolidated financial statements (the period of applying the equity method)

From April 1, 2025 through September 30, 2025

3. Acquisition cost of the acquiree and breakdown of consideration by type

Consideration for acquisition	Cash	1,353,810 thousand yen
Acquisition cost		1,353,810 thousand yen

4. Details and amount of main acquisition-related costs

Intermediary fee of 36,183 thousand yen, etc.

5. Difference between the acquisition cost of the acquiree and the total amount of the acquisition costs of the respective transactions leading to the acquisition

Gain on step acquisitions of 243,524 thousand yen

6. Amount of goodwill generated, reason for generation, amortization method and amortization period

(1) Amount of goodwill generated

340,039 thousand yen

(2) Reason for generation

The goodwill was generated from excess earnings power expected in the future due to future business development.

(3) Amortization method and amortization period

Amortized in equal amounts over ten years

7. Amount and main breakdown of assets acquired and liabilities assumed on the date of business combination

Current assets	809,486 thousand yen
Non-current assets	8,554,483
Total assets	9,363,969
Current liabilities	2,181,131
Non-current liabilities	5,159,377
Total liabilities	7,340,508

(Related to asset retirement obligations)

Items of asset retirement obligations recorded on the consolidated balance sheet

1) Outline of said asset retirement obligations

Obligations to restore the original state in the leases of the Headquarters and branches are present.

2) Calculation method of amount of said asset retirement obligations

The estimated utilization period is estimated at five to fifteen years from acquisition, and asset retirement obligations amounts are calculated using a discount rate of 0.00 to 1.03%.

3) Increase or decrease of the sum total of said asset retirement obligations

The changes in balances of asset retirement obligations are as follows.

	Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)	Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)
Balance at the beginning of fiscal year	671,070 thousand yen	718,664 thousand yen
Increase resulting from acquisition of new consolidated subsidiaries	—	429,147
Increase resulting from acquisition of property, plant and equipment	55,675	73,023
Adjustment resulting from passage of time	2,512	2,907
Decrease resulting from fulfilment of asset retirement obligations	-10,593	-19,555
Balance at the end of the fiscal year	718,664	1,204,187

(Related to leases, etc., and real estate)

IBJ Financial Advisory CO., LTD. that is the Company's consolidated subsidiary holds apartments for rent (including land) in Tokyo and other areas. Rental income related to these leases, etc., and real estate in the previous consolidated fiscal year was 29,617 thousand yen (rental revenue was recorded in net sales and rental expenses were recorded in cost of sales). Rental income related to these leases, etc., and real estate in the fiscal year under review was 11,025 thousand yen (rental revenue was recorded in net sales and rental expenses were recorded in cost of sales).

In addition, the amount of these leases, etc., and real estate recorded on the consolidated balance sheet, changes during the period, and the fair value are as follows.

(Unit: thousands of yen)

	Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)	Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)
Amounts recorded on the consolidated balance sheet		
Balance at the beginning of the period	1,879,307	1,859,117
Changes during the period	-20,190	-20,189
Balance at the end of the period	1,859,117	1,838,927
Fair value at the end of the period	1,855,538	1,948,544

- (Notes)
1. Amounts recorded on the consolidated balance sheet were value of acquisition costs less accumulated depreciation.
 2. Changes during the period are mainly a decrease due to the depreciation (20,189 thousand yen).
 3. Fair value at the end of the period was calculated and appraised mainly at the Company based on the Japan Real Estate Appraisal Standards. However, if there have been no significant changes in certain appraised value or indicators considered to appropriately reflect market value since the last appraisal, the amount adjusted by such appraisal value or indicators is used.

(Revenue recognition)

(1) Breakdown information for revenue

Breakdown information for revenue from contracts with the Group's customers are as shown in "Notes (Segment information, etc.), 3. Disclosure of sales, profit (loss), asset, liability, other items, and breakdown of revenue for each reportable segment."

(2) Useful information in understanding revenue

Useful information in understanding revenue from contracts with the Group's customers are as shown in "Notes (Important items that are to become the basis for preparation of consolidated financial statements), 4. Items related to accounting policies, (5) Significant revenue and expense recognition standards."

(3) Information in understanding the amount of revenue for the fiscal year under review and the following fiscal years

Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)

1) Receivables and contract liabilities from contracts with customers

(Unit: thousands of yen)

	Beginning balance	Ending balance
Receivables from contracts with customers (accounts receivable – trade)	1,597,012	1,873,067
Contract liabilities (advances received)	583,167	649,637

Contract liabilities are advances received from customers in advance of satisfying the performance obligations and reversed as revenue is recognized.

The amount of revenue recognized in the fiscal year that was included in the beginning balance of contract liabilities was 583,167 thousand yen.

2) Transaction price allocated to the remaining performance obligations

The Group has applied the practical expedient and omits disclosure of information about transaction prices allocated to the remaining performance obligations, because there are no significant contracts with an original expected duration exceeding one year.

Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)

1) Receivables and contract liabilities from contracts with customers

(Unit: thousands of yen)

	Beginning balance	Ending balance
Receivables from contracts with customers (accounts receivable – trade)	1,873,067	2,740,010
Contract liabilities (advances received)	649,637	1,018,284

Contract liabilities are advances received from customers in advance of satisfying the performance obligations and reversed as revenue is recognized.

The amount of revenue recognized in the fiscal year that was included in the beginning balance of contract liabilities was 649,637 thousand yen.

2) Transaction price allocated to the remaining performance obligations

The Group has applied the practical expedient and omits disclosure of information about transaction prices allocated to the remaining performance obligations, because there are no significant contracts with an original expected duration exceeding one year.

(Segment information, etc.)

(Segment information)

1. Description of reportable segments

The Company's reportable segments are constituent units of the Company for which separate financial information is available and which are subject to periodic review by the Board of Directors for the purpose of determining the allocation of management resources and evaluating business performance.

From the fiscal year under review, the Group has newly added the "K Village Business" as a reportable segment. This decision was made to strengthen management by separating the business of K Village Inc., which had been operating within the hobby and community business under the Life Design Business, from the Life Design Business, in light of the business's growing scale. As a result, segment classification has been revised for greater clarity. Segment information for the previous fiscal year has been prepared and presented in accordance with the revised segment classification.

(1) Affiliate Business

Affiliate Business consists of the Agency Opening Support Business and the Affiliate Business.

- In the Agency Opening Support Business, the Company mainly provides support for the opening of marriage consulting businesses for corporations and individuals, and attracts customers for marriage consulting businesses that use IBJ, one of Japan's largest marriage consulting agency networks provided by the Company.
- In the Affiliate Business, the Company provides a core system of the arranged-marriage meeting for member management and arrangements of arranged-marriage meetings, to affiliated consulting agencies and their arranged marriage meeting members, and operates IBJ, of which marriage consulting agencies are members.

(2) Directly-Managed Lounge Business

- In the Directly-Managed Lounge Business, the Company operates three directly-operated marriage consulting agency brands including IBJ Members which specialize in major cities and terminal locations, Sunmarie which features the dedicated services of professional matchmakers, and ZWEI which operates 54 branches throughout Japan, and provides face-to-face marriage partner introduction services to the arranged marriage meeting members thereof, including marriage consulting, arranged-marriage meeting arrangements, and relationship management.

(3) Matching Business

Matching Business consists of the Party Business and the App Business.

- In the Party Business, the Company plans and holds various events held at its own venues and at external venues, in addition to planning marriage-hunting party events and operating and holding the IBJ Matching website for recruiting participants for those events.
- In the App Business, in addition to Bridal Net, a marriage-hunting application in which dedicated counselors provide support up to the point of meeting, the Company provides multiple matching services for users including Youbride and IBJ online.

(4) Life Design Business

The Life Design Business consists of the Real Estate Business, the Insurance Business, and the Wedding Business.

- IBJ Financial Advisory CO., LTD.'s real estate business consists of introducing properties, leasing real estate, and providing housing loans.
- The Insurance Business offers insurance proposals to support life planning, risk hedging, and wealth building needs.

(5) K Village Business

The K Village Business consists of the Hobby and Community Business of K Village Inc.

With the aim to create the largest Japanese and Korean community, K Village Inc. operates Korean language schools, provides support for studying abroad, operates an e-commerce site for beauty products, operates the voice training school "NAYUTAS," and plans and holds K-POP idol events.

2. Explanation of measurements of sales, profit (loss), asset, liability, and other items for each reportable segment

The accounting method for the reported business segments is generally the same as the method used in the preparation of the consolidated financial statements.

Inter-segment internal revenues and transfers are based on prevailing market prices.

3. Disclosure of sales, profit (loss), asset, liability, other items, and breakdown of revenue for each reportable segment

Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)

(Unit: thousands of yen)

	Reportable segment						Adjustments	Per consolidated financial statements
	Affiliate Business	Directly-Managed Lounge Business	Matching Business	Life Design Business	K Village Business	Total		
Sales								
Services at transferred at a point in time	2,018,050	3,039,567	944,467	621,158	816,892	7,440,136	—	7,440,136
Services transferred over time	1,346,978	5,959,971	690,268	178,620	1,886,570	10,062,408	—	10,062,408
Revenue from contracts with customers	3,365,028	8,999,538	1,634,736	799,779	2,703,462	17,502,545	—	17,502,545
Other revenues	—	—	—	237,329	—	237,329	—	237,329
Revenues from external customers	3,365,028	8,999,538	1,634,736	1,037,108	2,703,462	17,739,874	—	17,739,874
Transactions with other segments	159,109	51,442	92,441	393	—	303,387	-303,387	—
Total	3,524,138	9,050,980	1,727,178	1,037,501	2,703,462	18,043,261	-303,387	17,739,874
Segment profit (loss)	2,178,623	1,746,760	137,687	224,073	258,141	4,545,286	-1,966,199	2,579,086
Other items								
Depreciation	49,133	196,414	86,924	35,783	52,804	421,060	154,673	575,734
Amortization of long-term prepaid expenses	—	—	—	129	4,543	4,673	—	4,673
Impairment losses	—	5,236	—	—	76,289	81,526	—	81,526
Increase in property, plant and equipment and intangible assets	80,038	122,237	64,171	26,722	189,845	483,015	20,381	503,397

- (Notes)
- Adjustments to segment profit (loss) of -1,966,199 thousand yen include elimination of inter-segment transactions of 1,020 thousand yen and corporate expenses of -1,967,219 thousand yen that are not allocated to each reportable segment. Corporate expenses mainly consist of general and administrative expenses that do not belong to any reportable segment.
 - Segment profit (loss) is adjusted with the operating profit in the consolidated financial statements.
 - Segment assets and liabilities are not shown because assets are not allocated to business segments, and this information is not used in decision-making by the highest management decision-making body.
 - “Other revenues” are transactions related to financial instruments based on the “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019) and real estate rental income, etc. based on the “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13, March 30, 2007).

Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)

(Unit: thousands of yen)

	Reportable segment						Adjustments	Per consolidated financial statements
	Affiliate Business	Directly-Managed Lounge Business	Matching Business	Life Design Business	K Village Business	Total		
Sales								
Services at transferred at a point in time	2,040,879	3,105,295	949,581	1,642,310	911,025	8,649,091	—	8,649,091
Services transferred over time	1,779,540	6,339,577	611,040	66,947	2,381,601	11,178,706	—	11,178,706
Revenue from contracts with customers	3,820,420	9,444,873	1,560,621	1,709,257	3,292,626	19,827,798	—	19,827,798
Other revenues	—	—	—	345,115	—	345,115	—	345,115
Revenues from external customers	3,820,420	9,444,873	1,560,621	2,054,373	3,292,626	20,172,914	—	20,172,914
Transactions with other segments	190,711	58,132	96,067	24,379	—	369,291	-369,291	—
Total	4,011,131	9,503,006	1,656,688	2,078,752	3,292,626	20,542,205	-369,291	20,172,914
Segment profit (loss)	2,559,882	1,941,494	239,936	597,823	375,196	5,714,333	-2,105,636	3,608,697
Other items								
Depreciation	56,858	202,233	87,521	40,598	69,642	456,854	154,561	611,416
Amortization of long-term prepaid expenses	—	408	—	4,026	6,794	11,229	—	11,229
Impairment losses	—	—	—	—	10,017	10,017	381,818	391,835
Increase in property, plant and equipment and intangible assets	103,726	182,234	116,039	86,410	140,941	629,352	44,143	673,495

- (Notes)
- Adjustments to segment profit (loss) of -2,105,636 thousand yen include elimination of inter-segment transactions of 17 thousand yen and corporate expenses of -2,105,653 thousand yen that are not allocated to each reportable segment. Corporate expenses mainly consist of general and administrative expenses that do not belong to any reportable segment.
 - Segment profit (loss) is adjusted with the operating profit in the consolidated financial statements.
 - Segment assets and liabilities are not shown because assets are not allocated to business segments, and this information is not used in decision-making by the highest management decision-making body.
 - “Other revenues” are transactions related to financial instruments based on the “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019) and real estate rental income, etc. based on the “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13, March 30, 2007).

(Related information)

Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)

1. Information of respective merchandise and services

Entry is omitted as the same information is disclosed in segment information.

2. Information of respective regions

(1) Sales

Entry is omitted as net sales to external customers in Japan exceeds 90% of net sales in the consolidated statement of income.

(2) Property, plant and equipment

Entry is omitted as the amount of property, plant and equipment in Japan exceeds 90% of the amount listed under property, plant and equipment in the consolidated balance sheet.

3. Information of respective principal customers

Entry is omitted as for overall sales to external customers, there are no parties who comprise 10% or more of net sales in the consolidated statement of income.

Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)

1. Information of respective merchandise and services

Entry is omitted as the same information is disclosed in segment information.

2. Information of respective regions

(1) Sales

Entry is omitted as net sales to external customers in Japan exceeds 90% of net sales in the consolidated statement of income.

(2) Property, plant and equipment

Entry is omitted as the amount of property, plant and equipment in Japan exceeds 90% of the amount listed under property, plant and equipment in the consolidated balance sheet.

3. Information of respective principal customers

Entry is omitted as for overall sales to external customers, there are no parties who comprise 10% or more of net sales in the consolidated statement of income.

(Information related to impairment losses of non-current assets of respective reportable segments)

Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)

(Unit: thousands of yen)

	Affiliate Business	Directly-Managed Lounge Business	Matching Business	Life Design Business	K Village Business	Total	Whole company / elimination	Per consolidated financial statements
Impairment losses	—	5,236	—	—	76,289	81,526	—	81,526

Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)

(Unit: thousands of yen)

	Affiliate Business	Directly-Managed Lounge Business	Matching Business	Life Design Business	K Village Business	Total	Whole company / elimination	Per consolidated financial statements
Impairment losses	—	—	—	—	10,017	10,017	381,818	391,835

(Information related to amortization of goodwill and unamortized balance of respective reportable segments)

Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)

(Unit: thousands of yen)

	Affiliate Business	Directly-Managed Lounge Business	Matching Business	Life Design Business	K Village Business	Total	Whole company / elimination	Per consolidated financial statements
Amortization for the current fiscal year	—	118,831	—	23,829	22,775	165,435	—	165,435
Closing balance of the current fiscal year	—	1,215,082	—	71,488	33,736	1,320,307	—	1,320,307

Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)

(Unit: thousands of yen)

	Affiliate Business	Directly-Managed Lounge Business	Matching Business	Life Design Business	K Village Business	Total	Whole company / elimination	Per consolidated financial statements
Amortization for the current fiscal year	—	118,831	—	88,450	10,050	217,332	—	217,332
Closing balance of the current fiscal year	—	1,096,251	—	3,775,525	23,685	4,895,462	—	4,895,462

(Information related to gain on negative goodwill of respective reportable segments)

Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)

There are no applicable items.

Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)

There are no applicable items.

(Information on related parties)

1. Transactions with related parties

(1) Transactions between consolidated financial statements reporting company and related parties

1) Parent company and principal shareholders, etc. (includes only companies, etc.) of consolidated financial statements reporting company

Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)

There are no applicable items.

Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)

There are no applicable items.

2) Unconsolidated subsidiaries and associates, etc. of consolidated financial statements reporting company

Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)

There are no applicable items.

Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)

There are no applicable items.

3) Officers and principal shareholders, etc. (includes only individuals) of consolidated financial statements reporting company

Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)

There are no applicable items.

Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)

There are no applicable items.

(2) Transactions between related parties and consolidated subsidiaries of consolidated financial statements reporting company

1) Parent company and principal shareholders, etc. (includes only companies, etc.) of consolidated financial statements reporting company

Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)

There are no applicable items.

Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)

There are no applicable items.

2) Unconsolidated subsidiaries and associates, etc. of consolidated financial statements reporting company

Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)

There are no applicable items.

Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)

There are no applicable items.

3) Officers and principal shareholders, etc. (includes only individuals) of consolidated financial statements reporting company

Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)

There are no applicable items.

Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)

There are no applicable items.

(Per share information)

	Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)	Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)
Net assets per share	221.93 yen	268.79 yen
Basic earnings per share	40.16 yen	54.89 yen

- Notes: 1. Diluted earnings per share is not shown because there are no dilutive potential shares.
2. The basis for calculating basic earnings per share is as follows.

	Previous consolidated fiscal year (from January 1, 2024 to December 31, 2024)	Current consolidated fiscal year (from January 1, 2025 to December 31, 2025)
Basic earnings per share		
Profit attributable to owners of parent (thousands of yen)	1,523,551	2,077,304
Amount not attributable to ordinary shareholders (thousands of yen)	—	—
Profit attributable to owners of parent regarding ordinary shares (thousands of yen)	1,523,551	2,077,304
Average number of shares of ordinary shares during the period	37,935,680	37,845,736
An outline of potential shares not included in the calculation of diluted earnings per share because they do not have dilutive effects	(Consolidated subsidiary) K Village Inc. 1st series of share acquisition rights Number of share acquisition rights 2,450 units (Ordinary shares: 2,450 shares) 2nd series of share acquisition rights Number of share acquisition rights 800 units (Ordinary shares: 800 shares) (Reporting company) 6th series of share acquisition rights Number of share acquisition rights 2,124 units (Ordinary shares: 212,400 shares)	(Consolidated subsidiary) K Village Inc. 1st series of share acquisition rights Number of share acquisition rights 2,450 units (Ordinary shares: 2,450 shares) 2nd series of share acquisition rights Number of share acquisition rights 800 units (Ordinary shares: 800 shares) (Reporting company) 6th series of share acquisition rights Number of share acquisition rights 1,824 units (Ordinary shares: 182,400 shares)

(Significant events after reporting period)

There are no applicable items.

5) (Consolidated Supplementary Schedules)

(Schedule of corporate bonds)

There are no applicable items.

(Schedules of borrowings, etc.)

Classification	Opening balance of the current fiscal year (thousands of yen)	Closing balance of the current fiscal year (thousands of yen)	Average interest rate (%)	Repayment term
Short-term borrowings	1,160,000	2,460,000	1.19	—
Current portion of long-term borrowings	468,198	1,817,116	0.46	—
Long-term borrowings (excluding current portion of long-term borrowings)	3,537,516	4,727,622	0.49	2027 to 2036
Lease obligations (current portion)	6,847	617,137	1.63	—
Lease obligations (excluding current portion of lease obligations)	5,064	3,102,600	1.64	2027 to 2029
Total	5,177,625	12,724,475	—	—

- (Notes)
- Regarding the average interest rate, the weighted average interest rate of the ending balance of borrowings, etc. is listed.
 - The planned repayment amounts for the five years after the consolidated closing date for long-term borrowings and lease obligations (excluding current portion of long-term borrowings and lease obligations) is as follows.

	Over one year, within two years (thousands of yen)	Over two years, within three years (thousands of yen)	Over three years, within four years (thousands of yen)	Over four years, within five years (thousands of yen)
Long-term borrowings	1,170,036	823,328	854,451	391,228
Lease obligations	558,124	453,952	419,122	328,840

(Schedules of asset retirement obligations)

Items that should be listed on these schedules are omitted from the schedules of asset retirement obligations as they are listed in item notes pursuant to Article 15-23 of the Ordinance on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements.

(2) (Other)

Semiannual information for the current consolidated fiscal year

	First half of the current consolidated fiscal year	End of the current consolidated fiscal year
Net sales (thousands of yen)	9,734,294	20,172,914
Profit before income taxes (thousands of yen)	1,764,492	3,285,515
Profit attributable to owners of parent (thousands of yen)	1,096,693	2,077,304
Earnings per share (yen)	29.00	54.89