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Consolidated Financial Results [Japanese GAAP] for the Fiscal Year Ended January 20, 2026

March 5, 2026

Company name: Takasho Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 7590
 URL: <https://takasho.co.jp/en>
 Representative: Nobuo Takaoka, President & CEO
 Inquiries: Atsushi Inoue, Corporate Officer, Vice Director of Corporate Management Headquarters
 Telephone: +81-73-482-4128
 Scheduled date of annual general meeting of shareholders: 15-Apr-26
 Scheduled date to commence dividend payments: 16-Apr-26
 Scheduled date to file annual securities report: 17-Apr-26
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (Only for institutional investors and analysts)

*Yen amounts are rounded down to millions, unless otherwise noted

*Percentages indicate year-on-year changes

1. Consolidated Financial Results for the Fiscal Year Ended January 20, 2026 (from January 21, 2025 to January 20, 2026)

(1) Consolidated Operating Results (Cumulative)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2026 (Fiscal year ended January 20, 2026)	20,246	1.8	218	—	717	756.6	198	—
FY2025 (Fiscal year ended January 20, 2025)	19,890	2.5	(150)	—	83	(66.5)	(242)	—

(Note) Comprehensive income:

FY2026(Fiscal year ended January 20, 2026): ¥201 million [(41.0)%]

FY2025(Fiscal year ended January 20, 2025): ¥340 million [—%]

	Basic earnings per share	Diluted earnings per share	Return on Equity (ROE)	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
FY2026 (Fiscal year ended January 20, 2026)	11.78	—	1.6	3.0	1.1
FY2025 (Fiscal year ended January 20, 2025)	(14.41)	—	(1.9)	0.4	(0.8)

(Reference) Share of profit (loss) of entities accounted for using equity method:

FY2026 (Fiscal year ended January 20, 2026): N/A

FY2025 (Fiscal year ended January 20, 2025): N/A

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets Per share
	Millions of yen	Millions of yen	%	Yen
FY2026 (As of January 20, 2026)	23,473	12,873	54.2	754.81
FY2025 (As of January 20, 2025)	23,814	12,756	53.0	748.41

(Reference) Equity:

FY2026 (As of January 20, 2026): ¥12,724 million

FY2025 (As of January 20, 2025): ¥12,617 million

(3) Consolidated Results of Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY2026 (Fiscal year ended January 20, 2026)	641	(392)	(310)	3,394
FY2025 (Fiscal year ended January 20, 2025)	(266)	(884)	599	3,432

2. Dividends

	Annual cash dividends per share					Total dividend (Total)	Dividend payout ratio (Consolidated)	Rate of total dividend to net assets (Consolidated)
	1Q	2Q	3Q	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY2025 (Fiscal year ended January 20, 2025)	—	0.00	—	5.00	5.00	84	—	0.7
FY2026 (Fiscal year ended January 20, 2026)	—	0.00	—	5.00	5.00	84	42.4	0.7
FY2027 (Fiscal year ending January 20, 2027) (forecast)	—	0.00	—	5.00	5.00		70.2	

3. Forecast for the Fiscal Year Ending January 20, 2027 (from Jan. 21, 2026 to Jan. 20, 2027)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY2027 (full year)	22,961	13.4	501	129.0	520	(27.5)	120	(39.6)	7.12

※ **Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of January 20, 2026	17,590,114 shares
As of January 20, 2025	17,590,114 shares

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

As of January 20, 2026	731,661 shares
As of January 20, 2025	731,661 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Fiscal year ended January 20, 2026	16,858,453 shares
Fiscal year ended January 20, 2025	16,858,454 shares

(Reference)

Summary of Non-Consolidated Financial Results for the Fiscal Year Ended January 20, 2026

(From January 21, 2025, to January 20, 2026)

(1) Non-Consolidated Operating Results

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2026 (Fiscal year ended January 20, 2026)	15,694	1.9	409	227.7	482	—	196	488.5
FY2025 (Fiscal year ended January 20, 2025)	15,395	(1.3)	124	3.9	34	—	33	—

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY2026 (Fiscal year ended January 20, 2026)	11.65	—
FY2025 (Fiscal year ended January 20, 2025)	1.98	—

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets Per share
	Millions of yen	Millions of yen	%	Yen
FY2026 (As of January 20, 2026)	15,383	6,447	41.9	382.46
FY2025 (As of January 20, 2025)	15,313	6,326	41.3	375.26

(Reference) Equity:

FY2026 (As of January 20, 2026): ¥6,447 million

FY2025 (As of January 20, 2025): ¥6,326 million

*Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including earnings forecasts, contained in this document are based on information available as of the date of this report. Actual results may differ from these forecasts due to changes in future economic conditions and other factors. For details regarding earnings forecasts, please refer to page 5 of the attached materials, "Future Performance Forecast".

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1. Qualitative Information on the Financial Results for the Fiscal Year Ended January 20, 2026

(1) Operating Results

The Takasho Group continues to incorporate the principles of the SDGs to propose sustainable garden lifestyles that make use of garden spaces, aiming to reduce the environmental impact of our business activities and help build a more sustainable future. The growing focus of well-being (i.e., emphasizing physical and mental health, comfort, and sustainability) in the business environment drives interest in biophilic designs incorporating natural elements. This growing interest is also becoming a tailwind in our business as a company endorsing Garden Therapy®.

Against this backdrop, Group performance improved during the current consolidated fiscal year. Net sales increased and profitability improved, and we posted higher sales and profit. This growth was supported by continued growth in non-residential contracts driven by increased sales of exterior decorative building materials and related products in the pro-use segment and the greater adoption of design specifications across facilities. Business expansion at TAKASHO DIGITEC CO., LTD., a consolidated subsidiary seeing rapid growth in LED signage and garden lights and other products, also contributed to Group performance.

Operating profit increased to ¥218 million, a significant improvement of ¥369 million from an operating loss of ¥150 million in the same period of the previous fiscal year. Ordinary income totaled ¥717 million (up 856.6% year over year). Net income attributable to owners of the parent amounted to ¥198 million (net loss of ¥242 million in the same period of the previous fiscal year). The substantial improvement in operating income and lower-line profit items resulted from the optimization of selling, general and administrative expenses and the recognition of foreign exchange gains. The following table summarizes consolidated business results for the fiscal year ended January 20, 2026.

Regarding the difference between the full-year consolidated financial forecasts and the actual results, please refer to the "Notice of Variance between Consolidated Financial Forecasts and Actual Results for the Fiscal Year Ending January 20, 2026" announced today.

(Millions of yen)

	Fiscal Year Ended January 20, 2026	Fiscal Year Ended January 20, 2025	Change	YoY (%)
Net sales	20,246	19,890	356	101.8
Operating income (loss)	218	(150)	369	—
Ordinary income	717	83	633	856.6
Net income (loss) attributable to owners of the parent	198	(242)	441	—

(Pro-use segment)

The pro-use segment accounts for approximately 70% of consolidated net sales. Pro-use segment sales increased to 103.3% year over year. Sales in the non-residential sector remained firm at 115.4% year over year, reflecting increased adoption of our products in public and commercial facility projects and increased installations at major restaurant chains. These results were supported by our in-house exhibition TGEF2025 held on July 31 and August 1 and strengthened product proposals for the non-residential sector leveraging the Shinagawa showroom.

Demand for garden and exterior renovations also began to emerge in the general housing market. In addition, the 5thROOM® brand concept continued to gain traction in the market and lifestyle-oriented package proposals were well received. We implemented digital transformation sales activities based on AR and VR developed by GLD-

LAB. and launched EXVIZ®AI, a generative AI-powered service. These initiatives further strengthened our spatial proposal capabilities.

Furthermore, sharing information via Instagram and other social media platforms increasingly drives visits to our in-house showrooms nationwide, and enhanced brand recognition combined with the showroom experience expands customer touchpoints across both BtoB and BtoC markets.

TAKASHO DIGITEC CO., LTD., a consolidated subsidiary which operates the LED signage and lighting and illumination businesses, achieved significant sales growth, with full-year sales rising to 116.3% year over year. This result reflects strong performance across all business areas. Sales to customers outside the Group expanded as demand grew for LED signage for commercial spaces and landscape lighting. New revenue sources, including the full-scale launch of the drone show business, also took hold. The illumination sector, which sees strong seasonal demand in winter, contributed in the fourth quarter and drove full-year performance.

(Millions of yen)

	Fiscal Year Ended January 20, 2026	Fiscal Year Ended January 20, 2025	Change	YoY (%)
Net sales	14,297	13,838	458	103.3

(Home-use segment)

Home-use segment sales declined to 98.6% year over year, while e-commerce sales, including the direct-to-consumer site "Aoyama Garden," remained firm at 103.4% year over year.

(Millions of yen)

	Fiscal Year Ended January 20, 2026	Fiscal Year Ended January 20, 2025	Change	YoY (%)
Net sales	3,989	4,047	(57)	98.6

(Overseas segment)

Overseas segment sales recovered to 97.6% year over year, despite the impact of a temporary suspension of online sales in the U.S. market to achieve appropriate pricing. This recovery was driven by our shift to retail sales channels and the start of product rollouts at new major leading retail chains, including The Home Depot, Inc. We strengthened our business foundation in the U.S. by advancing efforts to build a local procurement system to address tariffs and launching product supply to local home improvement retailers. In Europe and Australia, we also furthered efforts to enhance our sales structure, steadily building a foundation for medium- to long-term growth.

(Millions of yen)

	Fiscal Year Ended January 20, 2026	Fiscal Year Ended January 20, 2025	Change	YoY (%)
Net sales	1,897	1,943	(45)	97.6

(2) Summary of Financial Position

Assets, liabilities and net assets

(Assets)

Current assets decreased by ¥476,236 thousand from the end of the previous consolidated fiscal year to ¥14,649,468 thousand. Major factors included cash and deposits of ¥3,506,673 thousand (down ¥142,708 thousand from the end of the previous consolidated fiscal year); notes receivable, accounts receivable and contract assets of ¥2,670,478 thousand (down ¥101,860 thousand); and merchandise and finished goods of ¥4,360,120 thousand (down ¥309,584 thousand).

Non-current assets increased ¥134,743 thousand from the end of the previous consolidated fiscal year to ¥8,823,717 thousand. Major factors included leased assets, included under tangible assets, of ¥341,536 thousand (down ¥144,045 thousand from the end of the previous consolidated fiscal year) and retirement benefit assets, included under investments and other assets, of ¥877,105 thousand (up ¥332,507 thousand).

As a result, total assets decreased by ¥341,492 thousand from the end of the previous consolidated fiscal year to ¥23,473,186 thousand.

(Liabilities)

Current liabilities decreased by ¥649,185 thousand from the end of the previous consolidated fiscal year to ¥9,161,144 thousand. Major factors included electronically recorded payables of ¥1,078,474 thousand (down ¥461,731 thousand from the end of the previous consolidated fiscal year); short-term borrowings of ¥4,000,000 thousand (down ¥438,304 thousand); and income taxes payable of ¥420,790 thousand (up ¥276,937 thousand).

Non-current liabilities increased ¥190,681 thousand from the end of the previous consolidated fiscal year to ¥1,438,730 thousand. Major factors included long-term borrowings of ¥848,149 thousand (up ¥259,115 thousand from the end of the previous consolidated fiscal year) and lease obligations of ¥201,900 thousand (down ¥119,236 thousand).

As a result, total liabilities decreased by ¥458,503 thousand from the end of the previous consolidated fiscal year to ¥10,599,875 thousand.

(Net assets)

Total net assets increased ¥117,011 thousand from the end of the previous consolidated fiscal year to ¥12,873,310 thousand. Major factors included retained earnings of ¥5,560,899 thousand (up ¥114,327 thousand from the end of the previous consolidated fiscal year).

(3) Summary of Cash Flows

Cash and cash equivalents ("cash," below) as of the end of the fiscal year ended January 20, 2026, amounted to ¥3,394,873 thousand, a decrease of ¥37,808 thousand from the end of the previous consolidated fiscal year.

Cash flows from operating, investing, and financing activities were as follows:

(Net cash provided by (used in) operating activities)

Net cash provided by operating activities during the fiscal year ended January 20, 2026, amounted to ¥641,325 thousand (compared to ¥266,488 thousand used in the same period of the previous year).

Major factors included income before income taxes of ¥696,926 thousand (compared to income before income taxes of ¥125,066 thousand in the same period of the previous year); depreciation of ¥790,825 thousand (compared to depreciation of ¥801,185 thousand); a net decrease of ¥330,583 thousand in inventory (compared to a net decrease of ¥228,649 thousand); and a net decrease of ¥759,134 thousand in accounts payable (compared to a net increase of ¥35,244 thousand).

(Net cash provided by (used in) investing activities)

Net cash used in investing activities during the fiscal year ended January 20, 2026, amounted to ¥392,603 thousand (compared to ¥884,179 thousand used in the same period of the previous year).

Major factors included purchase of tangible assets of ¥442,790 thousand (compared to a purchase of ¥506,815 thousand in the same period of the previous year); purchase of intangible assets of ¥77,529 thousand (compared to a purchase of ¥79,035 thousand); payment into time deposits of ¥111,800 thousand (compared to a purchase of ¥216,700 thousand); and proceeds from withdrawal of time deposits of ¥223,600 thousand (not applicable in the same period of the previous year).

(Net cash provided by (used in) financing activities)

Net cash used in financing activities during the fiscal year ended January 20, 2026, amounted to ¥310,556 thousand (compared to ¥599,947 thousand provided in the same period of the previous year).

Major factors included a net decrease in short-term borrowings of ¥436,234 thousand (compared to an increase of ¥550,331 thousand in the same period of the previous year); proceeds from long-term borrowings of ¥730,000 thousand (compared to proceeds of ¥504,112 thousand); repayments of long-term borrowings of ¥357,898 thousand (compared to a repayment of ¥178,344 thousand); and repayments of finance lease liabilities of ¥162,131 thousand (compared to a repayment of ¥191,858 thousand).

(4) Future Performance Forecast

Looking ahead, we expect sales to expand further for lighting products that continue to sell well in the pro-use segment, supported by coordination with TAKASHO DIGITEC CO., LTD. Hotels, commercial facilities, and major chain stores are investing in capital, driven by regional revitalization initiatives, local development programs, and the recovery of inbound demand. To this end, we intend to strengthen sales efforts to capture demand for new construction and renovations. Green×Expo 2027, an international horticultural expo scheduled for 2027, will likely heighten social interest in urban greening and outdoor space development. We expect this momentum to create additional tailwinds for Takasho Group garden lifestyle proposals centered on living in gardens

We are driving the expansion of our solutions in the non-residential sector, including public and commercial facilities. Simultaneously, we are broadening our product lineup by featuring high-quality sustainable products, such as "NewTechWood" (premium recycled wood) and the world's leading watering and irrigation systems from the German brand "GARDENA®.

The home-use segment will capture demand from customers seeking to enhance the value of their living environments by continuing to launch new products on the market that address diverse garden lifestyle needs. The segment will also expand our growing e-commerce sector and promote the expansion of professional-grade materials into physical stores, which have been growing in recent years.

Efforts in the overseas segment include increasing new customers through participation in local exhibitions in both Europe and the U.S. In Europe, we will advance sales development in untapped areas (France, Italy, etc.) and introduce new items. In the U.S., we seek to establish new transactions with major home improvement retailers by building a local procurement framework as a tariff countermeasure to control procurement costs and establish a stable supply system. Furthermore, through our overseas subsidiaries in regions including the USA, EU, UK, and Australia, we will strengthen the sales of "Ever Bamboo"—our artificial reinforced bamboo fencing that embodies the harmony between Japanese culture and nature. These highly realistic materials evoke the essence of "Zen" and "minimalism." By integrating these physical assets with the digital space solutions developed by GLD-LAB. Inc., we will launch a full-scale sales initiative for these spatial environments. Through these efforts, we aim to enhance brand recognition and drive global sales expansion.

As a result, we expect to achieve a second consecutive year of sales and profit growth in the next fiscal year, with net sales of ¥22,961 million (up 113.4% year over year), and operating income of ¥501 million (up 229.0%).

(5) Dividend Payout Policies

The Company recognizes that returning profit to our shareholders is one of the significant management objectives and will deliberate on such payouts, based on a comprehensive assessment of our business performance, financial condition, and future business development, such as future investment needs etc., maintaining and expanding internal reserves to secure sufficient cash to finance business operation and sustainable growth.

Our basic policy is to aim for a consolidated dividend payout ratio of around 40% (annual), with a lower limit of 5 yen per share, to continuously return profit to our shareholders.

Taking into consideration our basic policy above and our FY2026 business performance, we have decided to pay a year-end annual dividend of 5 yen per share for FY2026.

Regarding FY2027 dividends, we have decided to pay a dividend of 5 yen per share based on our policy of maintaining stable dividends in accordance with our basic policy. We will continue to strive for both sustainable enhancement of corporate value and appropriate return of profits to shareholders while ensuring financial soundness.

2. Basic Approach to the Selection of Accounting Standards

For the time being, our policy is to prepare its consolidated financial statements in accordance with Japanese GAAP, taking into consideration the comparability from period to period (horizontal analysis) and the comparability among companies (vertical analysis).

We will continue to consider the appropriate adoption of IFRS, with holistic views on all key aspects of domestic and international environments.

The forward-looking statements in this document are based on information available to us as of the date of this announcement. Accordingly, actual results and developments may differ materially from those expressed or implied by these statements due to various factors.

3. Annual Financial Statements and Notes

(1) Annual Consolidated Balance Sheet

(Thousands of yen)

	FY2025 (As of Jan. 20, 2025)	FY2026 (As of Jan. 20, 2026)
Assets		
Current assets		
Cash and deposits	3,649,382	3,506,673
Notes receivable, account receivable and contract assets	2,772,338	2,670,478
Electronically recorded receivables	722,497	813,610
Merchandise and finished goods	4,669,704	4,360,120
Work in process	755,434	761,641
Raw materials and supplies	1,598,646	1,652,907
Short-term loan	29,104	22,732
Others	963,475	892,371
Allowance for doubtful accounts	(34,878)	(31,068)
Total current assets	15,125,705	14,649,468
Non-current assets		
Property, plant and equipment		
Buildings and structures	8,121,659	8,483,386
Accumulated depreciation	(4,079,464)	(4,411,116)
Buildings and structures, net	4,042,194	4,072,270
Machines and vehicles	1,399,904	1,489,733
Accumulated depreciation	(1,076,742)	(1,202,832)
Machines and vehicles, net	323,162	286,901
Equipment	1,292,625	1,340,732
Accumulated depreciation	(1,115,111)	(1,116,230)
Equipment, net	177,514	224,501
Land	1,142,675	1,142,223
Leased assets	1,333,239	1,100,148
Accumulated depreciation	(847,657)	(758,612)
Leased assets, net	485,582	341,536
Construction in progress	281,338	246,299
Total property, plant and equipment	6,452,467	6,313,733
Intangible assets		
Goodwill	17,606	9,333
Software	318,118	276,946
Software in progress	6,129	-
Others	176,193	175,430
Total intangible assets	518,048	461,710
Investments and other assets		
Investment securities	180,245	194,656
Investment stake	43,812	56,982
Long-term loan	119,595	104,559
Retirement benefit asset	544,598	877,105
Deferred tax assets	147,433	153,613
Others	706,669	684,059

Allowance for doubtful accounts	(23,896)	(22,704)
Total investment and other assets	1,718,458	2,048,273
Total non-current assets	8,688,973	8,823,717
Total Assets	23,814,678	23,473,186

(Thousands of yen)

	FY2025 (As of Jan. 20, 2025)	FY2026 (As of Jan. 20, 2026)
Liabilities		
Current liabilities		
Notes and accounts payable	2,127,407	2,003,541
Electronically recorded payables	1,540,206	1,078,474
Short-term borrowings	4,438,304	4,000,000
Current portion of long-term borrowings	261,754	374,740
Lease obligations	182,404	149,894
Accounts payable - other	764,593	723,182
Accrued expenses	120,775	145,595
Income taxes payable	143,853	420,790
Consumption taxes payable	76,057	106,968
Provision for bonuses	15,688	15,614
Others	139,285	142,341
Total current liabilities	9,810,329	9,161,144
Non-current liabilities		
Long-term borrowings	589,033	848,149
Lease obligations	321,137	201,900
Retirement benefit liability	13,724	15,786
Asset retirement obligations	247,428	261,974
Deferred tax liabilities	74,717	108,910
Others	2,008	2,009
Total non-current liabilities	1,248,049	1,438,730
Total Liabilities	11,058,379	10,599,875
Net assets		
Shareholders' equity		
Share capital	3,043,623	3,043,623
Capital surplus	3,096,857	3,096,857
Retained earnings	5,446,571	5,560,899
Treasury shares	(494,177)	(494,177)
Total shareholders' equity	11,092,874	11,207,202
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	84,314	93,574
Foreign currency translation adjustment	1,280,073	1,091,282
Remeasurements of defined benefit plans	159,751	332,887
Total accumulated other comprehensive income	1,524,140	1,517,744
Non-controlling interests	139,284	148,364
Total Net assets	12,756,299	12,873,310
Total Liabilities and Net assets	23,814,678	23,473,186

(2) Annual Consolidated Statement of Income and Comprehensive Income

(Consolidated Statement of Income)

(Thousands of yen)

	FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)	FY2026 (From Jan. 21, 2025, to Jan. 20, 2026)
Net sales	19,890,018	20,246,400
Cost of sales	11,500,956	11,655,989
Gross profit	8,389,062	8,590,411
Selling, general and administrative expenses	8,539,739	8,371,676
Operating income (loss)	(150,677)	218,734
Non-operating income		
Interest income	15,992	10,562
Dividend income	6,334	6,776
Foreign exchange gains	166,311	419,253
Royalty income	41,702	43,438
Subsidy income	11,726	19,414
Gain on sale of scraps	39,055	42,662
Others	71,654	95,326
Total non-operating income	352,778	637,435
Non-operating expenses		
Interest expenses	96,414	104,342
Commitment fee	602	339
Others	21,310	33,893
Total non-operating expenses	118,326	138,576
Ordinary income	83,774	717,593
Extraordinary income		
Gain on sales of non-current assets	2,186	9,203
Gain on sale of investment securities	4,859	3,360
Insurance claim income	146,844	-
Total extraordinary income	153,890	12,564
Extraordinary losses		
Loss on sales of non-current assets	123	-
Loss on retirements of non-current assets	7,039	9,195
Impairment losses	17,530	24,035
Loss on disaster	87,904	-
Total extraordinary losses	112,597	33,231
Income before income taxes	125,066	696,926
Income tax - current	260,690	551,550
Income taxes for prior periods	51,607	-
Income tax - deferred	49,715	(58,070)
Total income taxes	362,013	493,479
Profit (loss)	(236,946)	203,446
attributable to non-controlling interests	5,988	4,826
attributable to owners of the parent	(242,934)	198,619

(Consolidated Statement of Comprehensive Income)

(Thousands of yen)

	FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)	FY2026 (From Jan. 21, 2025, to Jan. 20, 2026)
Profit (loss)	(236,946)	203,446
Other comprehensive income		
Valuation difference on available-for-sale securities	(6,941)	9,259
Deferred gains or losses on hedges	(36,827)	-
Foreign currency translation adjustment	534,273	(184,538)
Remeasurements of defined benefit plans	87,383	173,136
Total accumulated other comprehensive income	577,887	(2,142)
Comprehensive income	340,941	201,303
attributable to owners of parent	324,594	192,224
attributable to non-controlling interests	16,346	9,079

(3) Annual Consolidated Statement of Shareholder Equity

FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance as of January 21, 2024	3,043,623	3,096,857	5,773,798	(494,176)	11,420,103
Increase/Decrease during current period					
Distributions of dividend			(84,292)		(84,292)
Net loss attributable to owners of the parent			(242,934)		(242,934)
Purchase of treasury shares				(1)	(1)
Increase/Decrease other than shareholders equity during current period (net)					-
Total Increase/Decrease during current period	-	-	(327,227)	(1)	(327,228)
Balance as of January 20, 2024	3,043,623	3,096,857	5,446,571	(494,177)	11,092,874

(Thousands of yen)

	Accumulated other comprehensive income				
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income
Balance as of January 21, 2024	91,255	36,827	756,158	72,368	956,610
Increase/Decrease during current period					
Distributions of dividend					-
Net income attributable to owners of the parent					-
Purchase of treasury shares					-
Increase/Decrease other than shareholders equity during current period (net)	(6,941)	(36,827)	523,915	87,383	567,529
Total Increase/Decrease during current period	(6,941)	(36,827)	523,915	87,383	567,529
Balance as of January 20, 2025	84,314	-	1,280,073	159,751	1,524,140

	Non-controlling interests	Total net assets
Balance as of January 21, 2024	122,938	12,499,651
Increase/Decrease during current period		
Distributions of dividend		(84,292)
Net income attributable to owners of the parent		(242,934)
Purchase of treasury shares		(1)
Increase/Decrease other than shareholders equity during current period (net)	16,346	583,876
Total Increase/Decrease during current period	16,346	256,647
Balance as of January 20, 2025	139,284	12,756,299

FY2026 (From Jan. 21, 2025, to Jan. 20, 2026)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance as of January 21, 2025	3,043,623	3,096,857	5,446,571	(494,177)	11,092,874
Increase/Decrease during current period					
Distributions of dividend			(84,292)		(84,292)
Net income attributable to owners of the parent			198,619		198,619
Purchase of treasury shares					-
Increase/Decrease other than shareholders equity during current period (net)					-
Total Increase/Decrease during current period	-	-	114,327	-	114,327
Balance as of January 20, 2026	3,043,623	3,096,857	5,560,899	(494,177)	11,207,202

(Thousands of yen)

	Accumulated other comprehensive income				
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income
Balance as of January 21, 2025	84,314	-	1,280,073	159,751	1,524,140
Increase/Decrease during current period					
Distributions of dividend					-
Net income attributable to owners of the parent					-
Purchase of treasury shares					-
Increase/Decrease other than shareholders equity during current period (net)	9,259	-	(188,791)	173,136	(6,395)
Total Increase/Decrease during current period	9,259	-	(188,791)	173,136	(6,395)
Balance as of January 20, 2026	93,574	-	1,091,282	332,887	1,517,744

	Non-controlling interests	Total net assets
Balance as of January 21, 2025	139,284	12,756,299
Increase/Decrease during current period		
Distributions of dividend		(84,292)
Net income attributable to owners of the parent		198,619
Purchase of treasury shares		-
Increase/Decrease other than shareholders equity during current period (net)	9,079	2,683
Total Increase/Decrease during current period	9,079	117,011
Balance as of January 20, 2026	148,364	12,873,310

(4) Annual Consolidated Statement of Cash Flows

(Thousands of yen)

	FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)	FY2026 (From Jan. 21, 2025, to Jan. 20, 2026)
Cash flows from operating activities		
Profit (loss) before income taxes	125,066	696,926
Depreciation	801,185	790,825
Goodwill amortization	11,272	8,272
Increase (decrease) in allowance for doubtful accounts	(27,974)	(5,028)
Increase (decrease) in provision for bonuses	(11,190)	(74)
Interest and dividend income	(22,327)	(17,338)
Interest expenses	96,414	104,342
Foreign exchange losses (gains)	(111,411)	(202,258)
Insurance claim income	(146,844)	-
Loss on retirements of non-current assets	7,039	9,195
Impairment losses	17,530	24,035
Loss (gain) on sale of property, plant and equipment	(2,063)	(9,203)
Loss (gain) on sale of investment securities	(4,859)	(3,360)
Loss on disaster	87,904	-
Decrease (increase) in accounts receivable	(324,952)	6,372
Decrease (increase) in inventory	228,649	330,583
Decrease (increase) in other current assets	(70,687)	(114,017)
Increase (decrease) in accounts payable	35,244	(759,134)
Increase (decrease) in other current liabilities	(352,403)	(22,134)
Increase (decrease) in unpaid consumption tax	(63,419)	30,910
Others	17,212	4,519
Subtotal	289,384	873,435
Income taxes paid	(420,324)	(274,613)
Interest and dividends received	22,327	17,338
Interest paid	(98,466)	(105,333)
Insurance claim income	6,500	146,735
Payments associated with disaster loss	(65,910)	(16,237)
Net cash provided by (used in) operating activities	(266,488)	641,325
Cash flows from investing activities		
Payment into time deposits	(216,700)	(111,800)
Proceeds from withdrawal of time deposits	-	223,600
Purchase of tangible assets	(506,815)	(442,790)
Proceeds from sale of tangible assets	2,186	10,710
Purchase of intangible assets	(79,035)	(77,529)
Proceeds from sale of investment securities	7,648	4,727
Purchase of investment securities	(312)	(698)
Short-term loan advances	(9,000)	-
Proceeds from collection of Short-term loans receivable	9,000	-
Proceeds from collection of Long-term loans receivable	21,211	20,944
Others	(112,362)	(19,768)
Net cash provided by (used in) investing activities	(884,179)	(392,603)

Cash flows from financing activities		
Net increase (decrease) from short-term borrowings	550,331	(436,234)
Proceeds from long-term borrowings	504,112	730,000
Repayment of long-term borrowings	(178,344)	(357,898)
Repayments of finance lease liabilities	(191,858)	(162,131)
Purchase of treasury shares	(1)	-
Dividends paid	(84,292)	(84,292)
Net cash provided by (used in) financing activities	599,947	(310,556)
Effect of exchange rate change on cash and cash equivalents	187,166	24,025
Net increase (decrease) in cash and cash equivalents	(363,554)	(37,808)
Cash and cash equivalents at beginning of period	3,796,236	3,432,682
Cash and cash equivalents at end of period	3,432,682	3,394,873

(4) Notes to Annual Consolidated Financial Statement

(Going Concern)

None

(Notes on Changes in Accounting Policies)

Adoption of Accounting Standard for Current Income Taxes, etc.

The Group has adopted the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022, hereinafter referred to as the Revised Accounting Standard of 2022) and relevant ASBJ regulations effective as of the beginning of the current fiscal year.

Revisions related to the accounting classification of income taxes (taxation on other comprehensive income) are in accordance with the transitional treatment set forth in the proviso to paragraph 20-3 of the Revised Accounting Standard of 2022 and the transitional treatment set forth in the proviso to 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 the Revised Implementation Guidance of 2022). The change in accounting policy has no effect on the consolidated financial statements.

The Group has also adopted the Revised Implementation Guidance of 2022 effective as of the beginning of the current fiscal year for revisions related to the change in the treatment in consolidated financial statements when deferring, for tax purposes, gains or losses on sales of shares of subsidiaries and other securities arising from sales between consolidated companies. The change in accounting policies has been applied retrospectively, and the consolidated financial statements for the previous fiscal year reflect this retrospective application. Note that this change had no impact on the consolidated financial statements for the previous fiscal year.

(Segment Information)

1. Determinant of Reporting Segment

The Group's reportable segments are components for which discrete financial information is available and which are subject to periodic review by the Board of Directors to determine the allocation of management resources and evaluate their performance. We are a leading global producer of gardening and exterior, and manufacture and provide relevant products and solutions worldwide.

Geographically, we oversee Japan area, and our local subsidiaries do overseas. Each local subsidiary is independent management unit, and as such, operates business in accordance with locally tailored product strategies comprehensive formulated by it.

Therefore, our geographical segment is determined based on manufacturing and distribution structure, and is composed of area-by-area segment; Japan, Europe, China, Korea and US.

2. Methods of calculating the amounts of revenue, profit or loss, assets, liabilities, and other items for each reportable segment

The accounting method of the reported business segments is in accordance with the accounting policies adopted to prepare the consolidated financial statements. Intersegment sales and transfers are based on prevailing market prices.

3. Information on the amounts of revenue, profit or loss, assets, liabilities, and other items for each reportable segment

FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)

(Thousands of yen)

	Reportable segment					Sub total
	Japan	Europe	China	Korea	US	
Sales						
Sales for external customers	17,285,079	666,780	943,324	198,128	537,803	19,631,117
Internal sales or transfers between segments	578,452	—	2,056,952	—	52,896	2,688,301
Total	17,863,532	666,780	3,000,276	198,128	590,700	22,319,419
Segment profit (loss)	549,008	(322,976)	(137,715)	(57,287)	(253,409)	(222,381)
Segment assets	19,892,045	1,120,926	5,516,899	187,539	1,338,448	28,055,858
Other						
Depreciation	432,219	39,626	213,492	1,379	90,716	777,435
Amortization of Goodwill	11,272	—	—	—	—	11,272
Increase in tangible and intangible assets	500,242	11,482	143,750	615	237	656,328

(Thousands of yen)

	Others (Note 1)	Sub total	Adjustment (Note 2)	Reported amount for consolidated financial statements (Note 3)
Sales				
Sales for external customers	258,901	19,890,018	—	19,890,018
Internal sales or transfers between segments	2,333	2,690,635	(2,690,635)	—
Total	261,234	22,580,653	(2,690,635)	19,890,018
Segment profit (loss)	(44,429)	(266,811)	116,133	(150,677)
Segment assets	407,953	28,463,812	(4,649,133)	23,814,678
Other				
Depreciation	23,749	801,185	—	801,185
Amortization of Goodwill	—	11,272	—	11,272
Increase in tangible and intangible assets	7,328	663,657	—	663,657

(Note)

1. "Other" indicates a business segment that is not included in any reportable segments and includes the business activities of local subsidiaries in Australia and India.

2. Adjusted amount is as follows.

(1) Adjustments to segment profit or loss include elimination of intersegment transactions of ¥19,449 thousand, adjustment of inventories of ¥96,987 thousand, and adjustment for allowance for doubtful accounts of ¥(302) thousand.

(2) Adjustments to segment assets include elimination of intersegment receivables and investments of ¥(6,382,063) thousand, adjustments to inventories of ¥(261,321) thousand, adjustments to goodwill of ¥(48,060) thousand, and adjustments to allowance for doubtful accounts of ¥2,042,312 thousand.

3. Segment profit or loss is adjusted with operating profit or losses in Consolidated Income Statements.

FY2026 (From Jan. 21, 2025, to Jan. 20, 2026)

(Thousands of yen)

	Reportable segment					
	Japan	Europe	China	Korea	US	Sub total
Sales						
Sales for external customers	17,661,131	595,025	1,028,976	162,059	477,332	19,924,525
Internal sales or transfers between segments	653,217	12,486	2,399,870	—	11,247	3,076,821
Total	18,314,348	607,512	3,428,846	162,059	488,580	23,001,347
Segment profit (loss)	900,353	(384,961)	51,189	(62,595)	(365,928)	138,056
Segment assets	20,379,473	935,314	5,247,397	182,059	1,064,938	27,809,183
Other						
Depreciation	443,700	83	233,797	1,087	87,060	765,728
Amortization of Goodwill	8,272	—	—	—	—	8,272
Increase in tangible and intangible assets	603,392	22,833	36,596	—	2,415	665,237

(Thousands of yen)

	Others (Note 1)	Sub total	Adjustment (Note 2)	Reported amount for consolidated financial statements (Note 3)
Sales				
Sales for external customers	321,874	20,246,400	—	20,246,400
Internal sales or transfers between segments	4,220	3,081,041	(3,081,041)	—
Total	326,094	23,327,442	(3,081,041)	20,246,400
Segment profit (loss)	(37,252)	100,804	117,929	218,734
Segment assets	378,486	28,187,669	(4,714,483)	23,473,186
Other				
Depreciation	25,096	790,825	—	790,825
Amortization of Goodwill	—	8,272	—	8,272
Increase in tangible and intangible assets	1,677	666,914	—	666,914

(Note)

1. "Other" indicates a business segment that is not included in any reportable segments and includes the business activities of local subsidiaries in Australia and India.

2. Adjusted amount is as follows.

(1) Adjustments to segment profit or loss include elimination of intersegment transactions of ¥104,221 thousand, adjustment of inventories of ¥13,778 thousand, and adjustment for allowance for doubtful accounts of ¥(70) thousand.

(2) Adjustments to segment assets include elimination of intersegment receivables and investments of ¥(6,245,956) thousand, adjustments to inventories of ¥(256,051) thousand, adjustments to goodwill of ¥(48,060) thousand, and adjustments to allowance for doubtful accounts of ¥1,835,585 thousand.

3. Segment profit or loss is adjusted with operating profit or losses in Consolidated Income Statements.

【Relevant Information】

FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)

1. Information by Product/Service

(Thousands of yen)

	Artificial bamboo fence products	Gardening products	Lightening machinery and tools	Others	Total
Sales for External Customers	7,768,106	5,350,620	4,446,426	2,324,865	19,890,018

2. Information by Region

(1) Net Sales

(Thousands of yen)

Japan	Europe	Others	Total
17,825,158	666,780	1,398,078	19,890,018

(Note) Sales is classified by countries and regions, based on the location of clients.

(2) Tangible Assets

(Thousands of yen)

Japan	China	Others	Total
3,808,103	2,250,849	393,514	6,452,467

3. Information by Major Customers

Amongst sales for external customers, major customers information is omitted since we don't have such customers who account for more than 10% of our sales.

FY2026 (From Jan. 21, 2025, to Jan. 20, 2026)

1. Information by Product/Service

(Thousands of yen)

	Artificial bamboo fence products	Gardening products	Lightening machinery and tools	Others	Total
Sales for External Customers	7,678,742	5,404,953	4,881,912	2,280,792	20,246,400

2. Information by Region

(1) Net Sales

(Thousands of yen)

Japan	Europe	Others	Total
18,208,816	595,025	1,442,558	20,246,400

(Note) Sales is classified by countries and regions, based on the location of clients.

(2) Tangible Assets

(Thousands of yen)

Japan	China	Others	Total
4,004,663	2,137,193	171,876	6,313,733

3. Information by Major Customers

Amongst sales for external customers, major customers information is omitted since we don't have such customers who account for more than 10% of our sales.

【Information on Impairment Losses by Reportable Segment】

FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)							(Thousands of yen)		
	Reportable segment						Others	Group Elimination	Total
	Japan	Europe	China	Korea	US	Sub total			
Impairment losses	—	10,382	—	—	—	10,382	7,147	—	17,530

(Note) Amount in “others” was derived from local subsidiaries in Australia.

FY2026 (From Jan. 21, 2025, to Jan. 20, 2026)							(Thousands of yen)		
	Reportable segment						Others	Group Elimination	Total
	Japan	Europe	China	Korea	US	Sub total			
Impairment losses	—	22,358	—	—	—	22,358	1,677	—	24,035

(Note) Amount in “others” was derived from local subsidiaries in Australia.

【Information on Goodwill Amortization and Residual Unamortized Amount by Reportable Segment】

FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)							(Thousands of yen)		
Others	Reportable segment						Others	Group Elimination	Total
	Japan	Europe	China	Korea	US	Sub total			
Balance at the end of current period	17,606	—	—	—	—	17,606	—	—	17,606

(Note) Description on goodwill amortization amount is omitted, in order to avoid redundancy to the same disclosure in segment information.

FY2026 (From Jan. 21, 2025, to Jan. 20, 2026)							(Thousands of yen)		
Others	Reportable segment						Others	Group Elimination	Total
	Japan	Europe	China	Korea	US	Sub total			
Balance at the end of current period	9,333	—	—	—	—	9,333	—	—	9,333

(Note) Description on goodwill amortization amount is omitted, in order to avoid redundancy to the same disclosure in segment information.

【Information on Gains Occurred from Negative Goodwill by Reportable Segment】

N/A

(Revenue Recognition related)

Breakdown of Revenue from Sales Contract-By Reportable Segment

FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)							(Thousands of yen)	
Reportable Segment	Japan	Europe	China	Korea	US	Others	Total	
Pro-use segment	13,838,110	—	—	—	—	—	13,838,110	
Home-use segment	3,272,438	—	775,192	—	—	—	4,047,631	
Overseas segment	113,566	666,780	168,131	198,128	537,803	258,901	1,943,312	
Others	60,964	—	—	—	—	—	60,964	
Revenue from Sales contracts	17,285,079	666,780	943,324	198,128	537,803	258,901	19,890,018	

Other revenue	—	—	—	—	—	—	—
Sales for External Customers	17,285,079	666,780	943,324	198,128	537,803	258,901	19,890,018

FY2026 (From Jan. 21, 2025, to Jan. 20, 2026)

(Thousands of yen)

Reportable Segment	Japan	Europe	China	Korea	US	Others	Total
Pro-use segment	14,297,083	—	—	—	—	—	14,297,083
Home-use segment	3,114,994	—	874,652	—	—	—	3,989,646
Overseas segment	186,778	595,025	154,324	162,059	477,332	321,874	1,897,395
Others	62,274	—	—	—	—	—	62,274
Revenue from Sales contracts	17,661,131	595,025	1,028,976	162,059	477,332	321,874	20,246,400
Other revenue	—	—	—	—	—	—	—
Sales for External Customers	17,661,131	595,025	1,028,976	162,059	477,332	321,874	20,246,400

(Per Share Information)

(JPY)	FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)	FY2026 (From Jan. 21, 2025, to Jan. 20, 2026)
Book-value per share	748.41	754.81
Net loss per share	(14.41)	11.78

(Note.1) Diluted net income per share is not shown since the Company posted a net loss per share and there are no latent shares.

(Note.2) Earnings per share were calculated based on the following:

(JPY in thousands)	FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)	FY2026 (From Jan. 21, 2025, to Jan. 20, 2026)
Net loss attributable to shareholders of the parent	(242,934)	198,619
Amount not belonging to common shareholders	—	—
Net loss attributable to shareholders of the parent of common stock	(242,934)	198,619
Average number of shares of common stock during the fiscal year (share)	16,858,454	16,858,453

(Significant Subsequent Events)

N/A