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To whom it may concern:

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**Notice Regarding Consolidated Earnings Forecast and Dividend Forecast
for the Fiscal Year Ending March 31, 2027**

As announced in the “Notice Regarding Revision of Full-Year Earnings Forecast and Partial Withdrawal of the Medium-Term Management Plan” dated February 6, 2026, in light of changes in the business environment, FRANCE BED HOLDINGS CO., LTD. (the “Company”) has withdrawn the performance targets set forth in its medium-term management plan, whose final year is the fiscal year ending March 31, 2027.

As previously disclosed, now that the single-year business plan for the fiscal year ending March 31, 2027 has been finalized, the Company has formulated a consolidated earnings forecast that it deems reasonable at this time, as set forth below.

Notice

1. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

	Forecast
Net sales	¥63,400 million
Operating profit	¥4,600 million
Ordinary profit	¥4,700 million
Profit attributable to owners of parent	¥3,070 million
Earnings per share	¥92.00
Dividend per Share	¥42.00 (Interim: ¥17.00, Year-end: ¥25.00)

Note:

The statements regarding earnings forecasts and other forward-looking information herein are based on information currently available to the Company and certain assumptions that the Company believes to be reasonable. The Company makes no assurances as to their outcomes. Actual performance may differ substantially from these forecasts owing to various factors.

2. Concept and Assumptions for Earnings Forecasts for the Next Fiscal Year (Recognition of the Business Environment)

The business environment surrounding the Group is expected to remain uncertain due to factors such as the impact of rising prices on consumer sentiment, sustained high raw material and logistics costs, and foreign exchange fluctuations.

In particular, the situation experienced in the current fiscal year, in which sales growth fell short of expectations while cost of sales and SG&A expenses increased and profitability deteriorated, is not expected to be resolved in the short term. Accordingly, the earnings forecast for the next fiscal year has been formulated on the assumption that a certain level of earnings pressure will continue.

With regard to performance for the current fiscal year (fiscal year ending March 31, 2026), the Company expects results to exceed the revised earnings forecast announced on February 6, 2026 (net sales of ¥61,500 million, ordinary profit of ¥4,200 million, and profit attributable to owners of parent of ¥2,650 million). This is mainly attributable to order trends at the end of the fiscal year for projects for hospitals and care facilities exceeding initial expectations. On the other hand, the earnings forecast for the next fiscal year does not incorporate the impact of such temporary fluctuation factors and has been formulated based on continued cautious assumptions.

3. Basic Policy for Improving Profitability

The earnings forecast for the next fiscal year has been formulated with a focus on improving the earnings structure rather than expanding the scale of sales. The Company will concentrate management resources on businesses and areas with high profit-generating potential, while continuing to review its cost structure, including indirect divisions, and establish an operating structure that controls fixed costs.

4. Main Initiatives (Initiatives for Improving Profitability)

The planned increase in profits for the next fiscal year is primarily attributable to the following initiatives:

(1) Medical Services Business: Expansion of Rental Business and Improvement of Cost Efficiency

The Company will strengthen its organizational structure to expand rental business mainly in urban areas and enhance the functions of service centers. In addition, it will seek to improve cost efficiency through the review and streamlining of business processes, thereby increasing rental sales and improving profitability.

(2) Home Furnishing and Health Business: Contribution of Structural Reform Measures

The structural reform measures decided in the current fiscal year, including factory consolidation, are expected to contribute in the next fiscal year. The Company will work to reduce manufacturing and logistics costs and improve operational efficiency, while also enhancing profitability through measures such as curbing inventory losses and reviewing the cost structure.

(3) Review of Indirect Cost Structure, Including Head Office Division

With regard to indirect costs, including head office expenses, the Company will continue to reduce fixed costs through the review of business processes and the consolidation of functions.

5. Building the Foundation for Medium- to Long-Term Growth

While placing the highest priority on improving profitability in the next fiscal year, the Company also plans to begin building a foundation for medium- to long-term growth. Initiatives such as the digitalization of business processes and the advancement of data utilization aimed at strengthening the competitiveness of existing businesses will be proceeded.

These efforts will be advanced in stages while carefully assessing profitability and feasibility. Details will be disclosed at an appropriate time once they are finalized.

6. Relationship with the Medium-Term Management Plan

Although the numerical performance targets under the medium-term management plan have been withdrawn due to uncertainty in the business environment, there has been no change in the Company's management policy and the direction of its key initiatives centered on improving profitability.

In the next fiscal year, while promoting these key initiatives and improving profitability, the Company will gradually advance efforts toward medium- to long-term growth based on the progress in improving its earnings structure.

End