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May 15, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

Company name: FRANCE BED HOLDINGS CO., LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 7840
 URL: <https://francebed-hd.co.jp>
 Representative: Shigeru Ikeda, Representative Director, Chairman and President
 Inquiries: Akihiko Osada, Director (in charge of Accounting/General Affairs Group)
 Telephone: +81-3-6741-5501
 Scheduled date of annual general meeting of shareholders: June 24, 2026
 Scheduled date to commence dividend payments: June 25, 2026
 Scheduled date to file annual securities report: June 22, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

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

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	61,769	1.9	4,335	(7.7)	4,335	(7.4)	2,746	(6.8)
March 31, 2025	60,561	2.3	4,696	2.3	4,686	0.6	2,946	(5.9)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥2,411 million [(35.0)%]
 For the fiscal year ended March 31, 2025: ¥3,713 million [9.1%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2026	82.04	73.49	6.7	6.2	7.0
March 31, 2025	85.28	76.89	7.4	6.7	7.7

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2026: ¥- million
 For the fiscal year ended March 31, 2025: ¥22 million

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	67,747	40,162	59.2	1,203.46
March 31, 2025	70,888	40,607	57.2	1,175.06

Reference: Equity
 As of March 31, 2026: ¥40,162 million
 As of March 31, 2025: ¥40,607 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	6,333	(4,323)	(2,876)	12,355
March 31, 2025	7,448	(4,929)	(2,498)	13,223

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	–	17.00	–	23.00	40.00	1,382	46.9	3.5
Fiscal year ended March 31, 2026	–	17.00	–	24.00	41.00	1,368	49.9	3.4
Fiscal year ending March 31, 2027 (Forecast)	–	17.00	–	25.00	42.00		45.6	

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	63,400	2.6	4,600	6.1	4,700	8.3	3,070	11.7	92.00

* **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: None
- (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 March 31, 2026	34,747,500 shares
As of March 31, 2025	34,747,500 shares

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

As of March 31, 2026	1,374,956 shares
As of March 31, 2025	189,920 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	33,471,884 shares
Fiscal year ended March 31, 2025	34,552,595 shares

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

* Explanation regarding appropriate use of earnings forecasts, and other special matters

Caution regarding forward-looking statements

This document contains forward-looking statements including performance forecasts based on information available to the Company at the time of disclosure 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 a wide range of factors.

How to obtain supplementary material on financial results

The Company is scheduled to make a presentation of financial results for institutional investors and securities analysts on Thursday, June 4, 2026. The presentation's handout materials will be posted on the Company's website by the day before the presentation.

Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	7,223	6,355
Notes receivable - trade	365	193
Accounts receivable - trade	9,275	9,603
Electronically recorded monetary claims - operating	1,161	1,471
Securities	10,000	8,500
Merchandise and finished goods	6,517	5,476
Work in process	454	454
Raw materials and supplies	2,315	2,124
Other	1,173	1,160
Allowance for doubtful accounts	(2)	(9)
Total current assets	38,483	35,330
Non-current assets		
Property, plant and equipment		
Assets for lease	5,475	5,652
Accumulated depreciation	(3,799)	(4,072)
Assets for lease, net	1,676	1,580
Buildings and structures	18,753	19,209
Accumulated depreciation	(12,485)	(12,911)
Buildings and structures, net	6,268	6,298
Machinery, equipment and vehicles	5,829	6,132
Accumulated depreciation	(4,579)	(4,759)
Machinery, equipment and vehicles, net	1,249	1,372
Tools, furniture and fixtures	3,550	3,661
Accumulated depreciation	(3,160)	(3,183)
Tools, furniture and fixtures, net	390	478
Land	6,914	6,917
Leased assets	14,531	13,972
Accumulated depreciation	(10,813)	(9,851)
Leased assets, net	3,717	4,120
Construction in progress	405	39
Total property, plant and equipment	20,621	20,808
Intangible assets		
Goodwill	457	222
Leased assets	204	55
Software	520	398
Other	119	285
Total intangible assets	1,301	962
Investments and other assets		
Investment securities	326	747
Long-term loans receivable	52	40
Deferred tax assets	1,718	1,609
Retirement benefit asset	7,203	7,129
Other	1,228	1,189
Allowance for doubtful accounts	(89)	(98)
Total investments and other assets	10,440	10,617
Total non-current assets	32,363	32,388
Deferred assets		
Bond issuance costs	41	28
Total deferred assets	41	28
Total assets	70,888	67,747

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,666	2,320
Electronically recorded obligations - operating	2,018	986
Short-term borrowings	1,540	1,540
Current portion of long-term borrowings	290	890
Lease liabilities	2,322	2,430
Income taxes payable	1,677	339
Accrued consumption taxes	323	384
Contract liabilities	221	318
Provision for bonuses	1,642	1,705
Provision for bonuses for directors (and other officers)	15	17
Provision for business restructuring	–	28
Asset retirement obligations	14	41
Other	2,813	2,566
Total current liabilities	15,546	13,568
Non-current liabilities		
Bonds payable	1,500	1,500
Convertible-bond-type bonds with share acquisition rights	5,039	5,029
Long-term borrowings	4,520	3,630
Lease liabilities	1,997	2,177
Deferred tax liabilities	20	19
Provision for retirement benefits for directors (and other officers)	90	96
Provision for contingent loss	8	9
Retirement benefit liability	405	427
Asset retirement obligations	361	352
Other	790	775
Total non-current liabilities	14,734	14,016
Total liabilities	30,281	27,584
Net assets		
Shareholders' equity		
Share capital	3,000	3,000
Capital surplus	–	0
Retained earnings	35,418	36,802
Treasury shares	(205)	(1,699)
Total shareholders' equity	38,213	38,103
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(33)	(18)
Deferred gains or losses on hedges	(10)	15
Remeasurements of defined benefit plans	2,437	2,062
Total accumulated other comprehensive income	2,393	2,059
Total net assets	40,607	40,162
Total liabilities and net assets	70,888	67,747

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

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	60,561	61,769
Cost of sales	27,505	27,955
Gross profit	33,056	33,813
Selling, general and administrative expenses	28,359	29,478
Operating profit	4,696	4,335
Non-operating income		
Interest income	34	69
Dividend income	7	8
	10	32
Share of profit of entities accounted for using equity method	22	-
Other	129	101
Total non-operating income	205	211
Non-operating expenses		
Interest expenses	76	72
Compensation expenses	87	92
Other	52	45
Total non-operating expenses	215	210
Ordinary profit	4,686	4,335
Extraordinary income		
Gain on sale of non-current assets	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on sale of non-current assets	45	-
Loss on retirement of non-current assets	7	5
Loss on valuation of investment securities	16	-
Loss on sale of investment securities	4	-
Business restructuring expenses	-	78
Impairment losses	14	-
Total extraordinary losses	88	83
Profit before income taxes	4,599	4,253
Income taxes - current	2,105	1,253
Income taxes - deferred	(453)	254
Total income taxes	1,652	1,507
Profit	2,946	2,746
Profit attributable to owners of parent	2,946	2,746

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	2,946	2,746
Other comprehensive income		
Valuation difference on available-for-sale securities	(12)	14
Deferred gains or losses on hedges	(47)	25
Remeasurements of defined benefit plans, net of tax	827	(374)
Total other comprehensive income	767	(334)
Comprehensive income	3,713	2,411
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,713	2,411
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statement of Changes in Equity

FY2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,000	–	37,755	(4,170)	36,584
Changes during period					
Dividends of surplus			(1,347)		(1,347)
Profit attributable to owners of parent			2,946		2,946
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		4		25	29
Cancellation of treasury shares		(3,940)		3,940	–
Transfer from retained earnings to capital surplus		3,936	(3,936)		–
Net changes in items other than shareholders' equity					
Total changes during period	–	–	(2,336)	3,965	1,628
Balance at end of period	3,000	–	35,418	(205)	38,213

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	(20)	37	1,609	1,626	38,211
Changes during period					
Dividends of surplus					(1,347)
Profit attributable to owners of parent					2,946
Purchase of treasury shares					(0)
Disposal of treasury shares					29
Cancellation of treasury shares					–
Transfer from retained earnings to capital surplus					–
Net changes in items other than shareholders' equity	(12)	(47)	827	767	767
Total changes during period	(12)	(47)	827	767	2,395
Balance at end of period	(33)	(10)	2,437	2,393	40,607

FY2026 (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,000	–	35,418	(205)	38,213
Changes during period					
Dividends of surplus			(1,362)		(1,362)
Profit attributable to owners of parent			2,746		2,746
Purchase of treasury shares				(1,500)	(1,500)
Disposal of treasury shares		0		5	6
Net changes in items other than shareholders' equity					
Total changes during period	–	0	1,383	(1,494)	(110)
Balance at end of period	3,000	0	36,802	(1,699)	38,103

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	(33)	(10)	2,437	2,393	40,607
Changes during period					
Dividends of surplus					(1,362)
Profit attributable to owners of parent					2,746
Purchase of treasury shares					(1,500)
Disposal of treasury shares					6
Net changes in items other than shareholders' equity	14	25	(374)	(334)	(334)
Total changes during period	14	25	(374)	(334)	(444)
Balance at end of period	(18)	15	2,062	2,059	40,162

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	4,599	4,253
Depreciation	5,094	5,033
Impairment losses	14	–
Amortization of goodwill	234	234
Loss (gain) on sale of non-current assets	44	(0)
Loss on retirement of non-current assets	7	5
Increase (decrease) in allowance for doubtful accounts	(30)	15
Increase (decrease) in provision for bonuses	75	62
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(59)	5
Increase (decrease) in retirement benefit liability	(40)	22
Increase (decrease) in provision for business restructuring	–	28
Decrease (increase) in retirement benefit asset	(539)	(464)
Increase (decrease) in provision for bonuses for directors (and other officers)	(1)	1
Loss (gain) on sale of investment securities	4	–
Loss (gain) on valuation of investment securities	16	–
Interest and dividend income	(42)	(77)
Interest expenses	76	72
Share of loss (profit) of entities accounted for using equity method	(22)	–
Decrease (increase) in trade receivables	205	(465)
Decrease (increase) in inventories	(851)	1,231
Increase (decrease) in trade payables	(161)	(1,377)
Increase (decrease) in accrued expenses	(131)	59
Other, net	(87)	254
Subtotal	8,403	8,893
Interest and dividends received	34	76
Interest paid	(89)	(80)
Income taxes paid	(900)	(2,555)
Net cash provided by (used in) operating activities	7,448	6,333

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,736)	(5,132)
Proceeds from sale of property, plant and equipment	319	0
Purchase of securities	(7,500)	(4,500)
Proceeds from redemption of securities	7,000	6,000
Purchase of investment securities	–	(299)
Proceeds from sale of investment securities	0	–
Purchase of shares of subsidiaries and associates	(54)	(100)
Proceeds from sale of shares of subsidiaries and associates	247	–
Proceeds from collection of loans receivable	9	11
Purchase of intangible assets	(214)	(289)
Payments for asset retirement obligations	–	(14)
Other, net	0	(0)
Net cash provided by (used in) investing activities	(4,929)	(4,323)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(530)	–
Repayments of long-term borrowings	(290)	(290)
Purchase of treasury shares	(0)	(1,503)
Proceeds from sale and leaseback transactions	2,661	3,175
Repayments of lease liabilities	(2,995)	(2,899)
Dividends paid	(1,344)	(1,359)
Net cash provided by (used in) financing activities	(2,498)	(2,876)
Effect of exchange rate change on cash and cash equivalents	–	–
Net increase (decrease) in cash and cash equivalents	20	(867)
Cash and cash equivalents at beginning of period	13,202	13,223
Cash and cash equivalents at end of period	13,223	12,355