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Summary of Consolidated Financial Results for the Fiscal Year ended March 31, 2025 (Japanese GAAP)

May 15, 2025

Listed company name: Fast Fitness Japan, Inc. Listed exchange: Tokyo Stock Exchange
Code number: 7092 URL: https://fastfitnessjapan.jp/en/
Representative: Kiyoaki Yamabe, CEO, Representative Director
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TEL: 03-6279-0861
Scheduled date of ordinary general meeting of shareholders: June 24, 2025
Scheduled date of payment of dividend: June 25, 2025
Scheduled date to file Annual Securities Report: June 23, 2025
Supplementary materials for financial results: Yes
Financial results briefing: Yes (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year ended March 31, 2025 (April 1, 2024–March 31, 2025)

(1) Consolidated operating results

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		EBITDA		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2025	18,009	13.8	3,339	(4.7)	4,425	1.1	3,326	(8.5)	2,026	(4.5)
March 31, 2024	15,825	7.0	3,504	4.2	4,375	(0.3)	3,635	6.9	2,123	10.9

(Note) Comprehensive income Fiscal year ended March 31, 2025: 2,012 million yen [(5.3%)]
Fiscal year ended March 31, 2024: 2,123 million yen [10.9%]

	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
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	108.19	106.78	15.1	15.2	18.5
March 31, 2024	113.45	111.97	17.6	16.9	22.1

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2025	21,918	13,906	63.4	742.11
March 31, 2024	21,798	12,900	59.2	689.03

(Reference) Equity (Shareholders' equity + Accumulated other comprehensive income): As of March 31, 2025: 13,906 million yen
As of March 31, 2024: 12,900 million yen

(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	Million yen	Million yen	Million yen	Million yen
March 31, 2025	2,772	(2,446)	(2,430)	8,085
March 31, 2024	3,343	(790)	(2,038)	10,199

2. Dividends

	Dividend per share					Total dividend payments (total)	Dividend payout ratio (consolidated)	Dividend on equity (consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2024	–	10.00	–	35.00	45.00	467	39.7	7.0
March 31, 2025	–	20.00	–	25.00	45.00	843	41.6	6.3
Fiscal year ending March 31, 2026 (forecast)	–	20.00	–	25.00	45.00		–	

(Note) While dividend payout ratio is not presented in the divided forecast for the fiscal year ending Mach 31, 2026, the payout ratio is expected to be in the range from 41.7% to 42,9%, with the target payout ratio of 40%.

3. Forecast for Consolidated Financial Results for the Fiscal Year Ending March 31, 2026 (April 1, 2025–March 31, 2026)

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		EBITDA		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	19,708–21,320	9.4–18.4	3,705–3,960	10.5–18.6	4,979–5,550	12.5–25.4	3,690–3,945	10.9–18.6	1,963–2,020	(3.1)–(0.3)	104.78–107.82

(Note) EBITDA = Operating profit + Depreciation + Amortization of goodwill + Amortization of leasehold and guarantee deposits + Amortization of franchise fees

* Notes

(1) Significant changes in the scope of consolidation during the year: Yes
New: 5 companies (Company name: Saya Pte. Ltd., Fast Fitness Brands B.V. (Note), and 3 other companies)
Note: The company name was changed from Eighty 8 Health & Fitness B.V. in December 2024.

(2) Any changes in accounting policies and changes or restatement of accounting estimates
1) Changes in accounting policies due to the revision of accounting standards: Yes
2) Changes in accounting policies other than the above: None
3) Changes in accounting estimates: Yes
4) Restatement: None

(3) Number of shares issued (common shares)
1) Total number of shares issued at the end of the period (including treasury shares):
As of March 31, 2025: 18,755,980 shares As of March 31, 2024: 18,739,180 shares
2) Total number of treasury shares at the end of the period:
As of March 31, 2025: 16,568 shares As of March 31, 2024: 16,456 shares
3) Average number of shares outstanding during the period:
Fiscal year ended March 31, 2025: 18,734,236 shares Fiscal year ended March 31, 2024: 18,718,424 shares

(Reference) Overview of Non-consolidated Financial Results

Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024–March 31, 2025)

(1) Non-consolidated operating results

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		EBITDA		Ordinary profit		Profit	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2025	8,283	13.1	1,711	(4.7)	1,816	2.7	1,219	(36.2)	847	(38.6)
March 31, 2024	7,325	3.5	1,795	(18.5)	1,768	(21.0)	1,912	(14.4)	1,379	(10.1)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	45.23	44.63
March 31, 2024	73.69	111.97

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2025	16,772	11,382	67.9	607.40
March 31, 2024	18,104	11,541	63.8	616.45

(Reference) Equity (Shareholders' equity + Accumulated other comprehensive income): As of March 31, 2025: 11,382 million yen
As of March 31, 2024: 11,541 million yen

* The summary of consolidated financial results is not subject to audits by certified public accountants or audit corporations.

* Statement regarding the proper use of financial forecasts and other special remarks
The forward-looking statements, including results forecasts, in this document are based on information available to the Company at the time of publication of this document. Actual results may differ from the forecasts due to a range of factors.
For more about the assumptions for the results forecasts and other related information, please see "1. Overview of Operating Results etc. (4) Business outlook" on page 6 of the Summary of Consolidated Financial Results (Contents of the Attachments).

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1. Overview of Operating Results etc.

(1) Overview of operating results for the period under review

During the fiscal year under review, the Japanese economy showed a gradual recovery trend due to the effects of various policies supported by improvements in employment and income environment. On the other hand, it is necessary to keep a close watch on the impact of factors including the unstable global situation and high prices of resources and raw materials on consumer spending leading to a downturn in consumer confidence, developments in US trade policy including tariff policies under the new administration, and the effects of monetary policy in various countries on the economy.

Regarding the market environment surrounding the Company, needs for exercise opportunities continue to grow across the wide range of age groups due to the spread of health promotion efforts, such as the recent heightened health consciousness and corporate promotion of health management. The fitness club participation rate in Japan increased by 0.8 percentage point from 3.68% in 2022 to 4.48%* in 2023. Additionally, in the 24-hour fitness gym category, which offers highly convenient training environments, the number of clubs continues to expand, exceeding 5,000 (as of March 31, 2025, according to the survey by the Company).
*Source: Trends in Japan's Fitness Club Industry 2023

In this environment, under our Corporate Philosophy that serves as our Purpose of "Get to a healthier place," Mission of "To make fitness a part of people's everyday lives and help create a vibrant and emotionally fulfilling society," and Vision of "To be an essential partner in society, supporting the lifestyle of every individual," in our core Anytime Fitness business in Japan, we differentiate ourselves from competitors that focus on price policies by not only creating an environment where members can fully concentrate on training but also pursuing a value-driven club model that positions Anytime Fitness as a "place to support self-realization." Through this approach, we have established a position of competitive advantage in the fitness market, differentiating ourselves from competitors.

We position this period as a phase for further reinforcing our core domestic Anytime Fitness business, while simultaneously pursuing our medium-term growth strategies and making strategic investments with an eye to expanding our market and business areas in the long term. We are steadily implementing investments aimed at achieving sustainable growth through the expansion and diversification of our business portfolio, such as the expansion of the domestic business earnings base (creation of new added value) by leveraging the Anytime Fitness clubs and member base, and the development of new growth areas and establishment of an earnings base.

In our core domestic Anytime Fitness business, we leveraged our nationwide presence across all 47 prefectures to enhance our scale advantage while increasing brand recognition and attracting new members. To reinforce a positive growth cycle that leads to new club openings, we conducted strategic nationwide promotions from June to July 2024 and December 2024 to January 2025. As a result of these strategic marketing investments, as of the end of March 2025, the number of Anytime Fitness members in Japan reached 974,000 (up 133,000 year on year), including 138,000 for directly operated clubs and 836,000 for franchised clubs. Along with the increase in membership, the number of clubs also saw significant growth, reaching 1,194 (up 60 year on year), including 184 directly operated clubs and 1,010 franchised clubs.

Moreover, with a view to expanding the earnings base of our domestic business by leveraging the Anytime Fitness clubs and member base, we released an Anytime Fitness application in August to improve member satisfaction, prevent cancellations, and promote the use of paid services at clubs such as personal training. In December 2024, we opened our official online shop A PROP to strengthen our e-commerce and merchandise sales for existing Anytime Fitness members in Japan, although there was a slight delay from the original plan. The online store is based on the concept of "a place you can find high-quality items to support your lifestyle." In order to make it accessible not only to Anytime Fitness members but also to a broader audience, the product categories mainly consist of "apparel (ranging from training wear to everyday wear)," "miscellaneous goods (ranging from training products to household goods)," "protein supplements (planned)," and "Women's." We also plan to offer a large number of original Anytime Fitness products. In addition to measures to raise awareness of and attract customers to the official online store, we are also strengthening our investment and development of the online store, including building up a product lineup that includes subscription products and regularly introducing new products.

As part of our growth strategy to explore new growth areas, we started expanding overseas in April 2024. First, we succeeded to the master franchise rights for Anytime Fitness in Germany and acquired the shares of a company operating two Anytime Fitness clubs in Singapore, making it a consolidated subsidiary. These initiatives mark the beginning of our global expansion, leveraging the club operation and development expertise we have cultivated in Japan.

In Germany, although we had only one directly operated club at the time of inheriting the master franchise rights, after a preparatory period to establish systems for local club development and franchise development in anticipation of expansion, and despite significant delays from the initial plan at the beginning of the fiscal year, we opened our second directly operated club in

April 2025. We are steadily progressing toward club expansion and franchise development, including the planned opening of the directly operated third club in August 2025 and fourth club in October 2025, as well as the conclusion of the first franchise agreement.

In Singapore, we plan to open our third franchise club in June, partly to accumulate know-how on opening new stores overseas from our system of operating two Anytime Fitness franchise stores.

Additionally, in April 2024, we concluded a master franchise agreement for the new brand “the bar method” targeting women, and in November 2024, we opened the first directly operated store under this brand, in Jiyugaoka. In order to accumulate know-how on operating multiple the bar method and exercise studio clubs with a view to early franchise development, we will open our second directly managed club in Futakotamagawa in June 2025 to strengthen investment in and development of this brand.

As a result, the Company posted net sales of 18,009 million yen (up 13.8% year on year) for the fiscal year under review. On the other hand, in terms of profitability, expenses were incurred ahead of sales growth due to investments and strengthened development efforts aimed at diversifying and expanding our business portfolio for sustainable growth. Consequently, the Company posted operating profit of 3,339 million yen (down 4.7% year on year), EBITDA of 4,425 million yen (up 1.1% year on year), and ordinary profit of 3,326 million yen (down 8.5% year on year).

In addition, due to factors including the recognition of impairment losses of 248 million yen on 16 clubs where an improvement in performance is expected to take a prolonged period, the Company posted extraordinary losses of 396 million, resulting in profit attributable to owners of parent of 2,026 million yen (down 4.5% year on year).

Although profits decreased year on year as planned at the beginning of the fiscal year, the strong performance of the core Anytime Fitness business in Japan performed well and profit levels ended within the range of the plan at the beginning of the fiscal year.

(Note) EBITDA = Operating profit + Depreciation + Amortization of goodwill + Amortization of leasehold and guarantee deposits + Amortization of franchise fees

(2) Overview of financial condition for the period under review

(Assets)

Total assets at the end of the fiscal year under review amounted to 21,918 million yen, up 119 million yen from the end of the previous fiscal year. This was primarily attributable to a decrease of 1,642 million yen in current assets mainly due to a decrease in cash and deposits and an increase of 1,762 million yen in non-current assets mainly due to an increase in property, plant and equipment.

(Liabilities)

Total liabilities decreased 886 million yen from the end of the previous fiscal year to 8,011 million yen. This chiefly reflected a decrease of 1,371 million yen in the current portion of long-term borrowings and long-term borrowings due to repayment of borrowings.

(Net assets)

Total net assets at the end of the fiscal year under review increased 1,006 million yen from the end of the previous fiscal year, to 13,906 million yen. This was primarily due to the posting of 2,026 million yen in profit attributable to owners of parent and 1,030 million yen in dividends of surplus. As a result, the equity ratio was 63.4%.

(3) Overview of cash flows for the period under review

Consolidated cash and cash equivalents (“cash”) at the end of the fiscal year under review were 8,085 million yen, a decrease of 2,113 million yen from the end of the previous fiscal year.

The status of each cash flow segment and contributing factors for the fiscal year under review are as follows.

(Cash flows from operating activities)

Net cash provided for by operating activities was 2,772 million yen. This chiefly reflected profit before income taxes of 3,021 million yen, depreciation and amortization of 1,008 million yen, income taxes paid of 1,201 million yen, and an increase in trade receivables of 82 million yen.

(Cash flows from investing activities)

Net cash used in investing activities was 2,446 million yen. This was primarily due to the purchase of property, plant and equipment of 2,216 million yen associated with the opening of directly operated clubs, and the purchase of shares of subsidiaries resulting in change in scope of consolidation of 197 million yen.

(Cash flows from financing activities)
Net cash used in financing activities was 2,430 million yen. This was caused primarily by repayments of long-term borrowings of 1,381 million yen and dividends paid of 1,029 million yen

(4) Business outlook

The business environment in which the Group operate in the fiscal year ending March 31, 2026 is expected to remain uncertain due to concerns such as persistently high energy and raw material prices, continued labor shortages, and the impact of US trade policy developments, and we recognize that we will be required to respond more flexibly to changes in the external environment than ever before.

In the domestic fitness industry, where the Group operates, the Group expects there will be a continued increase in demand for workout opportunities due to rising health awareness. Twenty-four fitness gyms specializing in machine workouts are expected to be divided into two business models. One model focuses on values. The Anytime Fitness gyms operated by the Company are classified into this model. The other model focuses on prices. Low-priced gyms are classified into this model.

The Group regards the period of the Medium-Term Management Plan (April 1, 2024 to March 31, 2027), which was announced on May 14, 2024 and revised later, as a time to establish a foundation for further growth, and the qualitative goal is to transition to a new stage of growth. Under this plan, the Company aims to maximize its advantage in its core Anytime Fitness business in Japan and actively invest in new growth areas to expand its business and increase profitability as its basic policy.

In the fiscal year ending March 31, 2026, the second year of the plan, we will keep unchanged the basic policies and growth strategies set forth in the Medium-Term Management Plan and continue to work on further expansion of the scale of the Anytime Fitness business in Japan, expansion of the domestic business earnings base (creation of new added value) by leveraging the Anytime Fitness clubs and member base, development of new growth areas and establishment of an earnings base, promoting ESG management, and utilizing M&A and alliances.

Meanwhile, in the fiscal year ending March 31, 2026, we will sift our focus of business management on development to achieve business growth, while continuing making investments in our newly designated growth area businesses of the overseas Anytime Fitness, new brands, and EC/merchandise sales. Therefore, we have disclosed the forecast figures in ranges to take into consideration the potential downward risk of our business performance, such as the impact of external factors and progress of each business, from the perspective of providing more useful and reasonable information to investors.

In light of the above, we project net sales of 19,708 to 21,320 million yen, operating profit of 3,705 to 3,960 million yen, EBITDA of 4,979 to 5,550 million yen, ordinary profit of 3,690 to 3,945 million yen, and profit attributable to owners of parent of 1,963 to 2,020 million yen for the fiscal year ending March 31, 2026.

* The above forecasts are based on information available as of the date of publication of this document.

(5) Basic policy for profit sharing and dividends for the current and next fiscal years

The Company positions the return of profits to shareholders as an important management issue. It determines its shareholder return policy in consideration of medium- to long-term profits, cash flows and other factors, while simultaneously seeking to increase corporate value through the sustainable expansion of its core Anytime Fitness business in Japan, the implementation of growth investment for the development of new growth areas and the reinforcement of the foundations of its business.

Regarding dividends, the Company will comprehensively consider ROE and equity ratio conditions, which are important indicators, while facilitating investments for the expansion of business and the improvement of efficiency and enhancing its internal reserves, and it will seek to further clarify its stance of dividend policy for stable and continuous dividend payments, while limiting the impact of the fluctuation of short-term financial results attributable to active growth investments during the period of the Medium-term Management Plan. From these perspectives, during this period, the Company has decided to set a consolidated dividend payout ratio of 40% as a dividend guideline and a DOE of 4.5% as the lower limit to offer higher and more stable dividends.

Based on this basic policy, the Company plans to pay a year-end dividend of 25 yen per share for the current fiscal year, as per the dividend forecast announced on November 14, 2024. As a result, the annual dividend will be 45 yen per share, and the consolidated dividend payout ratio will be 41.6%.

As for dividends for the next fiscal year, as with the current year, we forecast an annual dividend of 45 yen per share (interim dividend of 20 yen and year-end dividend of 25 yen), based on our basic policy of using a consolidated dividend payout ratio of 40% as a dividend guideline and a DOE of 4.5% as the lower limit.

2. Basic Concept for the Selection of Accounting Standards

The Group believes that consolidated financial statements prepared under the Japanese GAAP appropriately show the Group's operating results, financial position and cash flows and it will prepare consolidated financial statements under Japanese GAAP for some time to come.

The Group will examine the application of IFRS Accounting Standards, taking into consideration other Japanese companies' application of the IFRS Accounting Standards.

3. Consolidated Financial Statements and Key Notes

(1) Consolidated balance sheets

(Million yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	10,199	8,085
Accounts receivable – trade	1,098	1,186
Merchandise	132	161
Prepaid expenses	376	458
Other	587	859
Allowance for doubtful accounts	(4)	(5)
Total current assets	12,389	10,747
Non-current assets		
Property, plant and equipment		
Buildings and structures	7,783	8,850
Tools, furniture and fixtures	3,997	4,457
Accumulated depreciation	(5,657)	(6,123)
Land	0	0
Construction in progress	34	8
Total property, plant and equipment	6,159	7,193
Intangible assets		
Goodwill	116	466
Software	13	20
Other	2	0
Total intangible assets	131	487
Investments and other assets		
Investment securities	3	2
Long-term loans receivable	247	243
Leasehold and guarantee deposits	1,531	1,571
Long-term prepaid expenses	546	703
Deferred tax assets	783	954
Long-term accounts receivable	81	81
Other	4	15
Allowance for doubtful accounts	(81)	(81)
Total investments and other assets	3,117	3,489
Total non-current assets	9,408	11,170
Total assets	21,798	21,918

(Million yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable – trade	77	69
Current portion of long-term borrowings	1,376	1,169
Accounts payable – other	1,246	1,060
Income taxes payable	689	653
Contract liabilities	1,846	1,817
Provision for bonuses	237	247
Provision for bonuses for directors (and other officers)	15	14
Other	273	311
Total current liabilities	5,762	5,344
Non-current liabilities		
Bonds payable	–	275
Long-term borrowings	1,863	698
Asset retirement obligations	1,147	1,534
Other	124	158
Total non-current liabilities	3,134	2,667
Total liabilities	8,897	8,011
Net assets		
Shareholders' equity		
Share capital	2,195	2,207
Capital surplus	2,135	2,147
Retained earnings	8,616	9,613
Treasury shares	(48)	(48)
Total shareholders' equity	12,899	13,920
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1	0
Foreign currency translation adjustment	–	(14)
Total accumulated other comprehensive income	1	(13)
Total net assets	12,900	13,906
Total liabilities and net assets	21,798	21,918

(2) Consolidated statement of income and comprehensive income

Consolidated statement of income

(Million yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	15,825	18,009
Cost of sales	8,565	9,985
Gross profit	7,259	8,023
Selling, general and administrative expenses	3,754	4,684
Operating profit	3,504	3,339
Non-operating income		
Commission income	40	46
Insurance claim income	92	11
Foreign exchange gains	7	–
Penalty income	20	16
Other	6	31
Total non-operating income	165	107
Non-operating expenses		
Interest expenses	24	38
Foreign exchange losses	–	26
Commission expenses	4	5
Miscellaneous losses	–	49
Other	6	0
Total non-operating expenses	34	120
Ordinary profit	3,635	3,326
Extraordinary income		
Gain on bargain purchase	–	16
Gain on sale of businesses	11	75
Total extraordinary income	11	91
Extraordinary losses		
Cancellation penalties	9	11
Loss on retirement of non-current assets	77	136
Impairment losses	346	248
Other	2	–
Total extraordinary losses	436	396
Profit before income taxes	3,211	3,021
Income taxes - current	1,148	1,165
Income taxes-deferred	(60)	(171)
Total income taxes	1,087	994
Profit	2,123	2,026
Profit attributable to owners of parent	2,123	2,026

Consolidated statement of comprehensive income

(Million yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	2,123	2,026
Other comprehensive income		
Valuation difference on available-for-sale securities	0	(0)
Foreign currency translation adjustment	–	(14)
Total other comprehensive income	0	(14)
Comprehensive income	2,123	2,012
Comprehensive income attributable to:		
Owners of parent	2,123	2,012

(3) Consolidated statement of changes in equity

Fiscal year ended March 31, 2024

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,183	2,123	6,960	(46)	11,220
Changes during period					
Issuance of new shares (issuance of restricted stock shares)	12	12			24
Dividends of surplus			(467)		(467)
Profit attributable to owners of parent			2,123		2,123
Purchase of treasury shares				(1)	(1)
Net changes of items other than shareholders' equity					
Total changes during period	12	12	1,655	(1)	1,678
Balance at end of period	2,195	2,135	8,616	(48)	12,899

	Accumulated other comprehensive income		Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of period	0	0	11,221
Changes during period			
Issuance of new shares (issuance of restricted stock shares)			24
Dividends of surplus			(467)
Profit attributable to owners of parent			2,123
Purchase of treasury shares			(1)
Net changes of items other than shareholders' equity	0	0	0
Total changes during period	0	0	1,679
Balance at end of period	1	1	12,900

Fiscal year ended March 31, 2025

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,195	2,135	8,616	(48)	12,899
Changes during period					
Issuance of new shares (issuance of restricted stock)	12	12			24
Dividends of surplus			(1,030)		(1,030)
Profit attributable to owners of parent			2,026		2,026
Purchase of treasury shares				(0)	(0)
Net changes of items other than shareholders' equity					
Total changes during period	12	12	996	(0)	1,021
Balance at end of period	2,207	2,147	9,613	(48)	13,920

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	1	–	1	12,900
Changes during period				
Issuance of new shares (issuance of restricted stock)				24
Dividends of surplus				(1,030)
Profit attributable to owners of parent				2,026
Purchase of treasury shares				(0)
Net changes of items other than shareholders' equity	(0)	(14)	(14)	(14)
Total changes during period	(0)	(14)	(14)	1,006
Balance at end of period	0	(14)	(13)	13,906

(4) Consolidated statement of cash flows

(Million yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	3,211	3,021
Depreciation	839	1,008
Impairment losses	346	248
Amortization of goodwill	26	50
Share-based payment expenses	23	24
Increase (decrease) in allowance for doubtful accounts	64	0
Increase (decrease) in provision for bonuses	28	10
Increase (decrease) in provision for bonuses for directors (and other officers)	(1)	(0)
Interest and dividend income	(1)	(7)
Insurance claim income	(81)	–
Interest expenses	24	38
Miscellaneous losses	–	49
Loss (gain) on retirement of non-current assets	77	136
Gain on bargain purchase	–	(16)
Gain on sale of businesses	(11)	(75)
Foreign exchange losses (gains)	–	10
Cancellation penalties	3	11
Decrease (increase) in trade receivables	(61)	(82)
Decrease (increase) in inventories	150	(29)
Increase (decrease) in trade payables	24	(10)
Decrease (increase) in prepaid expenses	(20)	(74)
Decrease (increase) in long-term prepaid expenses	14	(32)
Increase (decrease) in contract liabilities	(49)	(29)
Increase (decrease) in accounts payable - other	38	80
Increase (decrease) in long-term accounts payable - other	(84)	(8)
Decrease (increase) in other current assets	(110)	(244)
Increase (decrease) in other current liabilities	9	(92)
Decrease (increase) in other non-current assets	0	5
Other, net	2	(2)
Subtotal	4,464	3,990
Interest and dividends received	0	5
Interest paid	(24)	(22)
Income taxes paid	(1,095)	(1,201)
Net cash provided by (used in) operating activities	3,343	2,772

(Million yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from investing activities		
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(197)
Purchase of property, plant and equipment	(635)	(2,216)
Purchase of intangible assets	(6)	(13)
Proceeds from (payments for) sale and retirement of non-current assets	(19)	(41)
Payments for asset retirement obligations	(14)	(33)
Purchase of investment securities	(0)	(0)
Payments of leasehold and guarantee deposits	(207)	(129)
Proceeds from refund of leasehold and guarantee deposits	10	61
Proceeds from cancellation of insurance funds	178	–
Proceeds from sale of businesses	15	173
Payments for acquisition of businesses	(118)	–
Other	7	(49)
Net cash provided by (used in) investing activities	(790)	(2,446)
Cash flows from financing activities		
Repayments of long-term borrowings	(1,569)	(1,381)
Repayments of short-term borrowings	–	(19)
Dividends paid	(467)	(1,029)
Purchase of treasury shares	(1)	(0)
Net cash provided by (used in) financing activities	(2,038)	(2,430)
Effect of exchange rate change on cash and cash equivalents	–	(8)
Net increase (decrease) in cash and cash equivalents	515	(2,113)
Cash and cash equivalents at beginning of period	9,683	10,199
Cash and cash equivalents at end of period	10,199	8,085

(5) Notes to consolidated financial statements

(Going-concern assumption)

Not applicable.

(Changes in accounting policy)

Application of Accounting Standard for Current Income Taxes etc.

The Company has been applying the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022) since the beginning of the fiscal year under review.

This change in accounting policies has no impact on the consolidated financial statements for the fiscal year ended March 31, 2025.

(Significant changes in shareholders' equity)

The Company issued new shares for a restricted stock compensation system (the payment date was July 24, 2024) following a resolution passed at a meeting of the Board of Directors held on June 26, 2024. As a result, share capital and legal capital surplus increased 12 million yen and 12 million yen, respectively, in the fiscal year under review and share capital and legal capital surplus rose to 2,207 million yen and 2,147 million yen, respectively, at the end of the fiscal year under review.

(Changes in accounting estimates)

Change in the estimate of asset retirement obligations

With regard to asset retirement obligations recorded as obligation to restore clubs and other properties to their original condition under the real estate lease agreements, the Company made a change to the estimate of restoration costs required when vacating clubs after obtaining new information on club closing etc. The increase of 273 million yen due to this change in the accounting estimate was added to the previous balance of asset retirement obligations. The impact of this change on profit and loss is insignificant.

(Segment information etc.)

[Segment information]

The Group operates fitness gyms in Japan under the single name, Anytime Fitness. Segment information is not shown because the Group's operations are limited to the single segment of the Fitness Club Operation Business.

[Related information]

Fiscal year ended March 31, 2024

1. Information by product/service

(Million yen)

Sales at clubs operated by the Group			Sales at franchisees				Other operating revenue	Total
Membership fee revenue	Other	Subtotal	Royalty revenue	Franchise fees etc.	Sales of goods	Subtotal		
9,096	298	9,395	4,200	375	1,212	5,788	641	15,825

2. Information by region

This information is omitted because there were no sales to external customers outside Japan or property, plant and equipment owned by the Company outside Japan.

3. Information by major customer

This information is omitted because there were no external customers that accounted for 10% or more of net sales reported in the consolidated statement of income.

Fiscal year ended March 31, 2025

1. Information by product/service

(Million yen)

Sales at clubs operated by the Group			Sales at franchisees				Other operating revenue	Total
Membership fee revenue	Other	Subtotal	Royalty revenue	Franchise fees etc.	Sales of goods	Subtotal		
10,450	335	10,786	5,012	375	1,080	6,468	753	18,009

2. Information by region

This information is omitted because there were no sales to external customers outside Japan or property, plant and equipment owned by the Company outside Japan.

3. Information by major customer

This information is omitted because there were no external customers that accounted for 10% or more of net sales reported in the consolidated statement of income.

[Information on impairment losses on non-current assets by reportable segment]

This information is omitted because the Group's operations are limited to the single segment of the Fitness Club Operation Business.

[Information on amortization of goodwill and unamortized balance by reportable segment]

This information is omitted because the Group's operations are limited to the single segment of the Fitness Club Operation Business.

[Information on gain on bargain purchase by reportable segment]

Not applicable.

(Per share information)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net assets per share	689.03 yen	742.11 yen
Basic earnings per share	113.45 yen	108.19 yen
Diluted earnings per share	111.97 yen	106.78 yen

(Note) Basic earnings per share and diluted earnings are calculated based on the following factors.

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Basic earnings per share		
Profit attributable to owners of parent (million yen)	2,123	2,026
Amount not attributable to common shareholders (million yen)	–	–
Profit attributable to owners of parent with respect to common share (million yen)	2,123	2,026
Average number of common shares during the period (shares)	18,717,500	18,734,236
Diluted earnings per share		
Adjustment of profit attributable to owners of parent (million yen)	–	–
Increase in the number of common shares (shares)	248,212	248,519
(Of which, stock acquisition rights)	(248,212)	(248,519)
Summary of potential shares not included in the calculation of diluted earnings per share due to the absence of dilutive effects	–	–

(Business combinations etc.)

(Acquisition and business combination: Saya Pte. Ltd.)

At a meeting of the Board of Directors held on March 14, 2024, the Company resolved to acquire all shares of Saya Pte. Ltd. to make it a subsidiary. On April 1, 2024, the Company concluded a share transfer agreement and acquired all shares of Saya Pte. Ltd.

1. Outline of the business combination

(1) Name and business of acquired company

Name of acquired company: Saya Pte. Ltd.

Business: Operation of Anytime Fitness clubs

(2) Main reasons for the business combination

The Company aimed to establish a regional headquarters and a business site that would provide training for club operators and acquire an Anytime Fitness master franchise overseas to expand globally.

(3) Date of the business combination

April 1, 2024

(4) Legal form of the business combination

Cash acquisition of shares

(5) Name of the combined entity

No change.

(6) Percentage share of voting rights acquired

100%

(7) Main reason for the decision to acquire the company

The Company entered into a share transfer agreement under which the Company acquired shares for cash consideration.

2. Period of the operating results of the acquired company included in the consolidated financial statements

From April 1, 2024 to March 31, 2025

3. Costs of the acquisition of acquired company and breakdown by type of consideration

Consideration: Cash	1 million Singapore dollars
Acquisition cost:	1 million Singapore dollars

4. Breakdown and amounts of major related costs

Advisory fees etc.: 15 million yen

5. Amount and cause of gain on bargain purchase

(1) Amount of gain on bargain purchase

16 million yen

(2) Reason for the goodwill

Since the net asset value at the time of the business combination exceeded the acquisition cost, the difference was recorded as a gain on bargain purchase.

6. Amounts of assets accepted and liabilities assumed on the date of business combination and their breakdown

Current assets	83 million yen
Non-current assets	68 million yen
Total assets	152 million yen
Current liabilities	10 million yen
Non-current liabilities	15 million yen
Total liabilities	26 million yen

7. Details of the conditional acquisition consideration stipulated in the business combination agreement and future accounting policy

(1) Details of conditional acquisition consideration

The conditional acquisition consideration will be refunded based on the level of achievement of the acquired company's future performance over a certain period of time.

(2) Future accounting policy

If any portion of the conditional consideration is refunded, the refunded amount will be subtracted from the acquisition cost and the additional negative goodwill will be recognized.

(Acquisition and business combination: Eighty 8 Health & Fitness B.V.)

At a meeting of the Board of Directors held on March 27, 2024, the Company resolved to acquire shares of Eighty 8 Health & Fitness B.V. to make it a subsidiary. On April 30, 2024, the Company concluded a share transfer agreement and acquired shares of Eighty 8 Health & Fitness B.V.

1. Outline of the business combination

(1) Name and business of acquired company

Name of the acquired company: Eighty 8 Health & Fitness B.V.

Business: Fitness business, including the operation of gyms

(2) Main reasons for the business combination

The German market is a big one in terms of size and fitness club participation rate. The Company judged that if it acquires the Anytime Fitness master franchise in Germany, the German market will contribute to the Company's earnings as much as, or even more than, the Japanese market. The Company has thus decided to make Eighty 8 Health & Fitness B.V. its consolidated subsidiary.

(3) Date of the business combination

April 30, 2024 (share acquisition date)

June 30, 2024 (deemed acquisition date)

(4) Legal form of the business combination

Cash acquisition of shares

(5) Name of the combined entity

Fast Fitness Brands B.V. (The name of the company was changed from Eighty 8 Health & Fitness B.V. in December, 2024.)

(6) Percentage share of voting rights acquired

100%

(7) Main reason for the decision to acquire the company

The Company entered into a share transfer agreement under which the Company acquired shares for cash consideration.

2. Period of the operating results of the acquired company included in the consolidated financial statements

From July 1, 2024 to March 31, 2025

3. Costs of the acquisition of acquired company and breakdown by type of consideration

Consideration:	Cash	2 million euros
Acquisition cost:		2 million euros

4. Breakdown and amounts of major related costs

Advisory fees etc.: 69 million yen

5. Goodwill arising from the business combination, reason for the goodwill, and method and period of amortization

(1) Amount of goodwill

322 million yen

The identification of identifiable assets acquired and liabilities assumed and calculation of their fair values at the date of business combination were incomplete as of March 31, 2025, and so was the allocation of cost. Therefore, the amount of goodwill has been accounted for provisionally based on reasonable information available at that time.

(2) Reason for the goodwill

It arose from the future excess earnings power expected from future business expansion.

(3) Method and period of amortization

Amortization over a 10-year period on a straight-line basis

6. Amounts of assets accepted and liabilities assumed on the date of business combination and their breakdown

Current assets	797 million yen
Non-current assets	307 million yen
Total assets	1,105 million yen
Current liabilities	1,012 million yen
Non-current liabilities	323 million yen
Total liabilities	1,336 million yen

(Significant subsequent events)

Not applicable.