



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

May 13, 2026

Company name: SHOFU INC.
 Listing: Tokyo Stock Exchange (Prime Market)
 Securities code: 7979
 URL: <https://www.shofu.co.jp/>
 Representative: Tetsuo Takami, Representative Director, President & Chief Operating Officer
 Inquiries: Kazutoshi Asada, General Manager of Finance Department

Scheduled date of ordinary shareholders' meeting: June 24, 2026
 Scheduled date for filing of annual securities report: June 23, 2026
 Scheduled commencement date of dividend payment: June 4, 2026
 Supplementary documents for financial results: Yes
 Financial results briefing: Yes (for analysts and institutional investors)

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

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

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 2026	39,994	3.3	5,226	(3.1)	5,859	6.1	4,887	13.2
March 2025	38,698	10.3	5,392	14.5	5,523	7.9	4,317	18.1

(Note) Comprehensive income: Year ended March 31, 2026 ¥7,744 million (213.3%)

Year ended March 31, 2025 ¥2,471 million (-65.5%)

	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	%	%	%
Year ended March 2026	137.38	136.97	10.7	10.9	13.1
March 2025	121.52	121.09	10.3	11.0	13.9

(Reference) Equity in earnings (losses) of affiliates: Year ended March 31, 2026 (¥3 million)

Year ended March 31, 2025 (¥7 million)

Note: The Company conducted a two-for-one stock split with a record date of 1 October 2024. Basic and diluted earnings per share have been calculated under the assumption that the stock split had been conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	57,706	48,689	84.1	1,363.94
As of March 31, 2025	49,994	42,736	85.2	1,198.37

(Reference) Shareholders' equity: Year ended March 31, 2026 ¥48,541 million

Year ended March 31, 2025 ¥42,596 million

Note: The Company conducted a two-for-one stock split with a record date of 1 October 2024. Net assets per share has been calculated under the assumption that the stock split had been conducted at the beginning of the previous fiscal year.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and equivalents, end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2026	3,371	(2,070)	(1,968)	9,774
Year ended March 31, 2025	3,447	(914)	(1,783)	10,061

2. Dividends

	Dividends per share					Total dividends (annual)	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	%	%
Year ended March 31, 2025	-	36.00	-	31.00	-	1,741	40.3	4.1
Year ended March 31, 2026	-	21.00	-	39.00	60.00	2,135	43.7	4.7
Year ending March 31, 2027 (Forecast)	-	33.00	-	28.00	61.00		45.6	

Notes: 1. The year-end dividend for the fiscal year ended March 31, 2026 includes a special dividend of ¥5.00 per share.

2. The interim dividend for the fiscal year ending March 31, 2027 includes a special dividend of ¥6.00 per share.

3. The Company conducted a two-for-one stock split with a record date of 1 October 2024. For the second quarter of the fiscal year ending March 31, 2025, "Second quarter-end" shows the amount before the split and "Fiscal year-end" the amount after the split. An annual dividend per share is not shown as a simple summation is not possible due to the stock split. Without taking the stock split into account, the annual dividend per share for the fiscal year ending March 31, 2025 would be ¥98.00 yen.

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

(Percentages indicate changes from previous fiscal year)

	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
Six months ending September 30, 2026	20,669	8.2	2,949	4.8	2,861	(3.4)	2,552	(1.7)	71.73
Year ending March 31, 2027	42,958	7.4	6,003	14.9	5,890	0.5	4,756	(2.7)	133.66

* Notes

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

Newly included: - companies

Excluded: - companies

(2) Changes in accounting policies based on revisions of accounting standard

1) Changes in accounting policies due to revisions to accounting standards and other regulations : No

2) Changes other than 1) above : No

3) Changes in accounting estimates : No

4) Restatement : No

(3) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares)	As of March 31, 2026:	35,788,178 shares	As of March 31, 2025:	35,788,178 shares
2) Number of treasury shares at the end of the period	As of March 31, 2026:	198,857 shares	As of March 31, 2025:	242,920 shares
3) Average number of shares	Year ended March 31, 2026	35,576,859 shares	Year ended March 31, 2025	35,529,519 shares

Note: The Company conducted a two-for-one stock split with a record date of 1 October 2024. The calculation of total number of issued shares at the end of the period, number of treasury shares at the end of the period and average number of shares during the period assume that the stock split had been conducted at the beginning of the previous fiscal year.

Reference: Summary of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate changes from previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2026	25,025	8.9	2,658	31.4	5,796	33.9	5,360	34.2
Year ended March 31, 2025	22,973	8.0	2,023	20.3	4,328	2.4	3,993	13.9

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Year ended March 31, 2026	150.68	150.23
Year ended March 31, 2025	112.40	112.00

Note: The Company conducted a two-for-one stock split with a record date of 1 October 2024. Basic and diluted earnings per share have been calculated under the assumption that the stock split had been conducted at the beginning of the previous fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio (%)	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Year ended March 31, 2026	46,227	39,163	84.6	1,098.89
Year ended March 31, 2025	39,750	34,165	85.8	959.44

(Reference) Shareholders' equity: Year ended March 31, 2026 ¥39,108 million

Year ended March 31, 2025 ¥34,103 million

Note: The Company conducted a two-for-one stock split with a record date of 1 October 2024. Net assets per share has been calculated under the assumption that the stock split had been conducted at the beginning of the previous fiscal year.

* This financial results report is not subject to review by a certified public accountant or an audit firm.

* Explanation concerning the appropriate use of business forecasts, and other special items

The forecasts and other statements regarding the future included in this report are based on currently available information and certain assumptions. Actual results may differ from forecasts for a variety of reasons. With respect to the preconditions for the forecasts, please refer to the 'Future outlook' section on page 4.

Accompanying materials - Contents

1. Overview of operating results	2
(1) Overview of operating results for the fiscal year under review	2
(2) Overview of financial position for the fiscal year under review	3
(3) Overview of cash flows for the fiscal year under review	3
(4) Future outlook	4
(5) Basic policy on profit distribution and dividends for the fiscal year under review and upcoming fiscal year	4
2. Basic approach to the selection of accounting standards	4
3. Consolidated financial statements and notes	5
(1) Consolidated balance sheet	5
(2) Consolidated statements of income and comprehensive income	7
(3) Consolidated statement of changes in equity	9
(4) Consolidated statement of cash flows	11
(5) Notes to consolidated financial statements	12
(Notes to assumptions for the going concern)	12
(Note to segment information, etc)	12
(Per share information)	15
(Significant subsequent events)	15

1. Overview of operating results

(1) Overview of operating results for the fiscal year under review

(General situation)

During the current fiscal year, the global economy generally maintained a gradual recovery trend, but uncertainty surrounding U.S. tariff policy affected trade and capital investment, and geopolitical risks increased in the second half of the fiscal year due to the deteriorating situation in the Middle East, intensifying uncertainty about the future through fluctuations in financial markets and energy prices.

The domestic economy was on a recovery track, supported by domestic demand against a backdrop of improved employment and income conditions, but there were continued concerns about the effects of rising prices and global economic trends.

As the global digitalization of dental care centered on CAD/CAM progressed and treatment processes and product development became more sophisticated, competition among companies intensified, driven by accelerating technological innovation. As a result, the business environment remained challenging.

Under these circumstances, the Group has steadily advanced its growth strategy in the second year of its fifth medium-term management plan. Specifically, the Group has been expanding its product lineup in anticipation of the ongoing digitization of dental care, and in overseas markets, the Group has enhanced its sales system and business development based on regional characteristics. Furthermore, in order to strengthen its supply capacity to meet growing global demand, the Company completed the first phase of construction of its new headquarters plant and began construction of a new plant at a domestic manufacturing subsidiary, thereby building a foundation to support medium- to long-term growth.

As a result, net sales for the current fiscal year totaled ¥39,994 million, up ¥1,296 million (3.3%) year-on-year.

Operating profit decreased by ¥165 million (3.1%) year-on-year to ¥5,226 million due to an increase in selling, general, and administrative expenses.

Ordinary profit increased by ¥336 million (6.1%) year-on-year to ¥5,859 million due to an increase in non-operating income including foreign exchange gains and gain on sale of supplies.

As a result of a gain on sales of investment securities of ¥836 million as extraordinary gains and impairment losses on fixed assets of ¥105 million as extraordinary losses, profit attributable to owners of parent increased by ¥570 million (13.2%) year-on-year to ¥4,887 million, resulting in record high net sales, ordinary profit, and profit.

(Dental Business)

In Japan, CAD/CAM-related products such as the resin materials for dental cutting/machining "SHOFU Block PEEK" and "SHOFU Block HC Super Hard", and the ceramics for dental cutting/machining "SHOFU Disc ZR Lucent Supra", contributed to the year-on-year increase in net sales.

Overseas, net sales increased year-on-year due to solid sales of dental filling and restorative materials in North & Latin America and China, and CAD/CAM-related products in Europe, in addition to the positive impact of exchange rate fluctuations, despite the impact on Europe from the deteriorating situation in the Middle East.

As a result, net sales in the Dental Business increased by ¥1,313 million (3.6%) year-on-year to ¥37,669 million. On the other hand, operating profit decreased by ¥104 million (1.9%) year-on-year to ¥5,334 million due to an increase in selling, general, and administrative expenses.

(Nail Care Business)

In Japan, sales of mainstay nail products decreased due to increasing commoditization and intensified competition. In addition, although sales of ARTiS di Voce, a key nail and hand care product, expanded, it was insufficient to offset the decrease in sales of existing brands, resulting in a year-on-year decrease in net sales.

Overseas, despite efforts to expand sales channels, net sales declined year-on-year due to the rise of low-priced finished goods in the U.S. market and the impact of stricter regulations in Europe concerning key raw materials.

As a result, net sales in the Nail Care Business decreased by ¥18 million (0.8%) year-on-year to ¥2,225 million. In terms of profits, although selling, general and administrative expenses decreased, operating losses increased by ¥46 million year-on-year to ¥113 million.

(Other Businesses)

In Other Businesses, the industrial abrasives market showed signs of recovery in capital investment in some industries, but this recovery was limited and the market as a whole remained sluggish. In the automotive-related industry, a key market, demand for dies and molds was also sluggish, impacted by reviews of production systems and longer development periods amid the ongoing shift toward electrification and intelligent vehicles.

Under these circumstances, as a result of efforts to prevent delivery delays and strengthen ability to respond to orders, net sales were ¥99 million, an increase of ¥1 million (1.7%) year-on-year, but operating profit was ¥0 million, a decrease of ¥14 million (99.6%) due to a surge in the prices of raw materials.

Note: Net sales in each segment do not include intersegment sales

(2) Overview of financial position for the fiscal year under review

Assets at the end of the current fiscal year increased by ¥7,712 million from the end of the previous fiscal year to ¥57,706 million. This was mainly due to an increase in inventories and property, plant & equipment.

Liabilities increased by ¥1,759 million from the end of the previous fiscal year to ¥9,016 million. This was mainly due to an increase in non-current liabilities such as deferred tax liabilities.

Net assets increased by ¥5,952 million from the end of the previous fiscal year to ¥48,689 million. This was mainly due to an increase in earnings retained and valuation difference on available-for-sale securities.

As a result, the equity ratio (%) was 84.1% (85.2% at the end of the previous fiscal year).

(3) Overview of cash flows for the fiscal year under review

Cash and cash equivalents at the end of the current period decreased by ¥286 million from the end of the previous period to ¥9,774 million. Cash flows and factors affecting them in the current period are as follows.

(Millions of yen)

	Previous period	Current period	Variance
Cash flows from operating activities	3,447	3,371	(75)
Cash flows from investing activities	(914)	(2,070)	(1,156)
Cash flows from financing activities	(1,783)	(1,968)	(185)
Effect of exchange rate change on cash and cash equivalents	287	381	93
Net increase (decrease) in cash and cash equivalents	1,037	(286)	(1,324)
Cash and cash equivalents at beginning of period	9,024	10,061	1,037
Cash and cash equivalents at end of period	10,061	9,774	(286)

(Cash flows from operating activities)

Cash flows from operating activities were ¥3,371 million (a decrease of ¥75 million from the previous period). This was primarily attributable to profit before income taxes of ¥6,590 million.

(Cash flows from investing activities)

Cash flows from investing activities were negative ¥2,070 million (a decrease of ¥1,156 million from the previous period). This was primarily attributable to expenditure of ¥3,433 million for the acquisition of property, plant and equipment.

(Cash flows from financing activities)

Cash flows from financing activities were negative ¥1,968 million (a decrease of ¥185 million from the previous period). This was primarily attributable to dividends paid of ¥1,849 million.

(4) Future outlook

Looking ahead, although the global economy is forecast to grow moderately, uncertainty is expected to remain high amid developments in U.S. trade policy, concerns over a slowdown in the Chinese economy, and geopolitical risks such as heightened tensions in the Middle East.

In the dental industry, the link between oral health and systemic disease is widely recognized, and the social role of dental care in preventive medicine and extending healthy life expectancy is growing in importance. The global dental market is at a major turning point amid technological innovation and demographic shifts.

Under these circumstances, the Group has formulated its next long-term vision "Vision 10" for the year 2040, based on its corporate philosophy of "contribution to dentistry through innovative business activities". Under this vision, the Company aims to become one of the top 10 global companies in the dental industry and to be 'a leading company in digital dentistry and oral care, pioneering the future of dental solutions around the world'. As its numerical targets for 2040, the Group has set long-term goals of Group net sales of ¥250 billion and operating profit of ¥50 billion (an operating profit margin of 20%).

In FY2026, the third year of the fifth medium-term management plan, the Company will work to steadily implement its major tasks in order to further accelerate its growth.

In Japan, the Company will work to expand its market share of filling and restorative materials, CAD/CAM materials, and preventive and care products to strengthen the foundation of its domestic business, while overseas, the Company will aggressively market its mainstay chemical products and cement products to develop demand and expand sales in each region. In addition, the Company will work to improve capital efficiency through the effective utilization of management resources and streamlining of business operations, while steadily making capital investments to rebuild and expand production systems, thereby enhancing its corporate value over the medium to long term.

The outlook for the next fiscal year is as follows.

(Millions of yen, percentage)

	Result for the financial year ended March 31, 2026	Outlook for the financial year ending March 31, 2027	Variance	% change
Net sales	39,994	42,958	2,964	7.4
Operating profit	5,226	6,003	776	14.9
Ordinary profit	5,859	5,890	31	0.5
Profit attributable to owners of parent	4,887	4,756	(130)	(2.7)

Main forex assumptions: ¥150.00/\$, ¥170.00/€, ¥185.00/£ and ¥20.00/RMB

(5) Basic policy on profit distribution and dividends for the fiscal year under review and upcoming fiscal year

The Company's basic policy is to maintain and continue stable dividends while aiming to increase corporate value over the long term and return profits to shareholders, while at the same time considering to increase retained earnings to brace for active business development in the future, including expansion of overseas business and investing in R&D to develop new products, while strengthening the management base and improving the balance sheet.

In terms of profit returns, the Company targets a consolidated payout ratio of 40% or higher and a dividend on equity (DOE) of 3.0% or higher resulting in stable shareholder returns via dividends twice a year, at first half-end and fiscal year-end.

For the current fiscal year, the year-end dividend will be ¥39 per share, consisting of an ordinary dividend of ¥34 per share and a special dividend of ¥5 per share to return funds obtained through the sale of investment securities to shareholders. Combined with the interim dividend of ¥21 per share already paid, the annual dividend will be ¥60 per share.

For the next fiscal year, the Company expects to pay an interim dividend of ¥33 per share, including a special dividend of ¥6 per share arising from the sale of investment securities, and a year-end dividend of ¥28 per share, for an annual dividend of ¥61 per share.

2. Basic approach to the selection of accounting standards

The Group's policy is to prepare its consolidated financial statements in accordance with Japanese GAAP for the time being, considering the comparability of the consolidated financial statements between periods and between companies.

It is the Company's policy to respond appropriately to the application of IFRS (International Financial Reporting Standards), considering various domestic and international circumstances.

3. Consolidated financial statements and notes

(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	10,653	10,121
Notes receivable - trade	166	6
Accounts receivable - trade	3,993	4,592
Securities	239	143
Merchandise and finished goods	8,195	10,127
Work in process	1,980	2,028
Raw materials and supplies	1,408	1,610
Other	949	1,271
Allowance for doubtful accounts	(64)	(45)
Total current assets	27,521	29,855
Non-current assets		
Property, plant and equipment		
Buildings and structures	12,234	14,595
Accumulated depreciation	(6,974)	(7,354)
Buildings and structures, net	5,260	7,241
Machinery & vehicles	5,580	6,403
Accumulated depreciation	(4,219)	(4,494)
Machinery, equipment and vehicles, net	1,361	1,908
Land	2,388	2,447
Construction in progress	422	1,071
Other	5,473	5,693
Accumulated depreciation	(4,302)	(4,570)
Other, net	1,171	1,123
Total property, plant and equipment	10,603	13,792
Intangible assets	556	619
Investments and other assets		
Investment securities	8,709	10,112
Deferred tax assets	159	320
Retirement benefit asset	1,910	2,464
Other	631	610
Allowance for doubtful accounts	(97)	(68)
Total investments and other assets	11,313	13,439
Total non-current assets	22,472	27,851
Total assets	49,994	57,706

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	1,231	1,297
Income taxes payable	906	1,128
Contract liabilities	63	130
Provision for bonuses for directors	66	48
Other	2,950	3,699
Total current liabilities	5,218	6,305
Non-current liabilities		
Deferred tax liabilities	1,163	1,759
Retirement benefit liability	216	211
Other	659	739
Total non-current liabilities	2,038	2,710
Total liabilities	7,257	9,016
Net assets		
Shareholders' equity		
Share capital	5,968	5,968
Capital surplus	6,151	6,176
Retained earnings	23,896	26,935
Treasury shares	(239)	(196)
Total shareholders' equity	35,777	38,884
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,040	4,466
Foreign currency translation adjustment	2,893	3,995
Remeasurements of defined benefit plans	884	1,195
Total accumulated other comprehensive income	6,818	9,657
Share acquisition rights	61	54
Non-controlling interests	78	93
Total net assets	42,736	48,689
Total liabilities and net assets	49,994	57,706

(2) Consolidated statements of income and comprehensive income

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	38,698	39,994
Cost of sales	15,706	16,253
Gross profit	22,991	23,740
Selling, general and administrative expenses	17,599	18,513
Operating profit	5,392	5,226
Non-operating income		
Interest income	96	84
Dividend income	187	166
Foreign exchange gains	-	140
Membership fee income	145	145
Gain on sale of supplies	-	198
Other	247	300
Total non-operating income	677	1,036
Non-operating expenses		
Interest expenses	17	16
Membership fee	295	258
Foreign exchange losses	110	-
Share of loss of entities accounted for using equity method	7	3
Other	116	124
Total non-operating expenses	546	403
Ordinary profit	5,523	5,859
Extraordinary gains		
Gain on sale of investment securities	681	836
Total extraordinary income	681	836
Extraordinary losses		
Impairment losses	-	105
Loss on retirement of non-current assets	50	-
Total extraordinary losses	50	105
Profit before income taxes	6,154	6,590
Income taxes - current	1,764	2,075
Income taxes - deferred	54	(381)
Income taxes	1,819	1,694
Profit	4,335	4,896
Profit attributable to non-controlling interests	17	9
Profit attributable to owners of parent	4,317	4,887

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	4,335	4,896
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,053)	1,425
Foreign currency translation adjustment	269	1,111
Remeasurements of defined benefit plans, net of tax	(78)	311
Total other comprehensive income	(1,863)	2,847
Comprehensive income	2,471	7,744
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,457	7,726
Comprehensive income attributable to noncontrolling interests	13	17

(3) Consolidated statement of changes in equity

Previous fiscal year (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	5,968	6,134	20,964	(297)	32,770
Changes during period					
Dividends of surplus			(1,385)		(1,385)
Profit attributable to owners of parent			4,317		4,317
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		17		59	76
Net changes in items other than shareholders' equity					
Total changes during period	-	17	2,932	57	3,007
Balance at end of period	5,968	6,151	23,896	(239)	35,777

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	5,094	2,620	963	8,678	79	82	41,609
Changes during period							
Dividends of surplus							(1,385)
Profit attributable to owners of parent							4,317
Purchase of treasury shares							(1)
Disposal of treasury shares							76
Net changes in items other than shareholders' equity	(2,053)	272	(78)	(1,859)	(17)	(3)	(1,880)
Total changes during period	(2,053)	272	(78)	(1,859)	(17)	(3)	1,126
Balance at end of period	3,040	2,893	884	6,818	61	78	42,736

Current fiscal year (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	5,968	6,151	23,896	(239)	35,777
Changes during period					
Dividends of surplus			(1,849)		(1,849)
Profit attributable to owners of parent			4,887		4,887
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		24		43	68
Net changes in items other than shareholders' equity					
Total changes during period	-	24	3,038	43	3,106
Balance at end of period	5,968	6,176	26,935	(196)	38,884

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	3,040	2,893	884	6,818	61	78	42,736
Changes during period							
Dividends of surplus							(1,849)
Profit attributable to owners of parent							4,887
Purchase of treasury shares							(0)
Disposal of treasury shares							68
Net changes in items other than shareholders' equity	1,425	1,102	311	2,838	(7)	14	2,846
Total changes during period	1,425	1,102	311	2,838	(7)	14	5,952
Balance at end of period	4,466	3,995	1,195	9,657	54	93	48,689

(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	6,154	6,590
Depreciation	1,059	1,210
Impairment losses	-	105
Increase (decrease) in allowance for doubtful accounts	140	(51)
Increase (decrease) in retirement benefit liability	(168)	(129)
Interest and dividend income	(284)	(251)
Interest expenses	17	16
Foreign exchange losses (gains)	(118)	(189)
Loss (gain) on sale of investment securities	(681)	(836)
Share of loss (profit) of entities accounted for using equity method	7	3
Decrease (increase) in trade receivables	369	(250)
Decrease (increase) in inventories	(1,203)	(1,545)
Increase (decrease) in trade payables	(147)	(172)
Other	(352)	80
Subtotal	4,792	4,580
Interest and dividends received	368	636
Interest paid	(16)	(16)
Income taxes paid	(1,739)	(1,850)
Settlement received	42	21
Cash flows from operating activities	3,447	3,371
Cash flows from investing activities		
Payments into time deposits	(791)	(1,007)
Proceeds from withdrawal of time deposits	891	1,257
Purchase of securities	(243)	(332)
Proceeds from sale of securities	-	437
Purchase of property, plant and equipment	(1,229)	(3,433)
Proceeds from sale of property, plant and equipment	20	17
Purchase of intangible assets	(88)	(169)
Purchase of investment securities	(320)	-
Proceeds from sale of investment securities	869	1,124
Loan advances	(1)	(7)
Proceeds from collection of loans receivable	7	6
Other	(30)	34
Cash flows from investing activities	(914)	(2,070)
Cash flows from financing activities		
Repayments of lease liabilities	(98)	(115)
Repayments of long-term borrowings	(281)	-
Decrease (increase) in treasury shares	(0)	(0)
Dividends paid	(1,385)	(1,849)
Dividends paid to non-controlling interests	(17)	(3)
Proceeds from exercise of employee share options	0	0
Cash flows from financing activities	(1,783)	(1,968)
Effect of exchange rate change on cash and cash equivalents	287	381
Net increase (decrease) in cash and cash equivalents	1,037	(286)
Cash and cash equivalents at beginning of period	9,024	10,061
Cash and cash equivalents at end of period	10,061	9,774

(5) Notes to consolidated financial statements

(Notes to assumptions for the going concern)

Not applicable

(Note to segment information, etc)

1. Overview of reportable segments

The Company's reportable segments are components of the Company for which separate financial statements are available and which are regularly reviewed by the Board of Directors to determine the allocation of management resources and assess their performance.

The Group's operations comprise dental, nail care and other businesses (manufacturing and sales of industrial materials and equipment), with each business unit formulating comprehensive domestic and international strategies and developing business activities.

Accordingly, the Company has three reportable segments: "Dental Business", "Nail Care Business" and "Other Businesses". The "Dental Business" is engaged in the manufacture, sale and repair services of materials and equipment related to dentistry, the "Nail Care Business" is engaged in the manufacture, sale and service of beauty and health equipment and cosmetics related to nails, and the "Other Businesses" is engaged in the manufacture and sale of industrial materials and equipment.

2. Calculation method of net sales, profits or losses, assets and other items by reportable segments

The accounting methods of the reported business segments are generally the same as those described in "Important considerations in the preparation of consolidated financial statements".

3. Information regarding sales, gains (losses) by reportable segment and revenue decomposition information
Previous fiscal year (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments				Adjustments Note: 1	Amount recorded on consolidated financial statements Note: 2
	Dental Business	Nail Care Business	Other Businesses	Total		
Net sales						
Sales to external customers	36,356	2,243	97	38,698	-	38,698
Inter-segment sales or transfers	-	-	4	4	(4)	-
Total	36,356	2,243	102	38,702	(4)	38,698
Segment profit (loss)	5,438	(66)	14	5,386	5	5,392
Segment assets	41,765	1,699	121	43,587	6,407	49,994
Other items						
Depreciation	1,012	41	5	1,059	-	1,059
Equity in earnings (losses) of affiliates	(7)	-	-	(7)	-	(7)
Impairment losses	-	-	-	-	-	-
Investments in entities accounted for using equity method	2,541	-	-	2,541	-	2,541
Increase in property, plant and equipment and intangible assets	1,415	30	-	1,445	-	1,445

Notes: 1. (1) The ¥4 million adjustment to segment profit represents the elimination of intersegment transactions.

(2) The ¥6,407 million adjustment to segment assets includes unallocated corporate assets, which mainly consist of the Company's surplus funds (cash and deposits) and long-term investment assets (investment securities, etc.).

2. Segment profit is adjusted for operating profit in the consolidated statement of income.

(Millions of yen)

	Reportable segments			Total
	Dental Business	Nail Care Business	Other Businesses	
Japan	15,366	1,316	97	16,780
North America & Latin America	4,699	188	-	4,888
Europe	8,310	-	-	8,310
Asia	7,980	738	-	8,718
Revenue from contracts with customers	36,356	2,243	97	38,698
Other revenue	-	-	-	-
Net sales to external customers	36,356	2,243	97	38,698

Note: Sales to external customers are divided into countries and regions according to the location of the Company and its consolidated subsidiaries.

Current fiscal year (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segments				Adjustments Note: 1	Amount recorded on consolidated financial statements Note: 2
	Dental Business	Nail Care Business	Other Businesses	Total		
Net sales						
Sales to external customers	37,669	2,225	99	39,994	-	39,994
Inter-segment sales or transfers	-	-	4	4	(4)	-
Total	37,669	2,225	103	39,998	(4)	39,994
Segment profit (loss)	5,334	(113)	0	5,221	5	5,226
Segment assets	49,036	451	123	49,612	8,094	57,706
Other items						
Depreciation	1,164	38	8	1,210	-	1,210
Equity in earnings (losses) of affiliates	(3)	-	-	(3)	-	(3)
Impairment losses Note 3	-	105	-	105	-	105
Investments in entities accounted for using equity method	2,153	-	-	2,153	-	2,153
Increase in property, plant and equipment and intangible assets	4,380	25	7	4,413	-	4,413

Notes 1. (1) The ¥5 million adjustment to segment profit represents the elimination of intersegment transactions.

(2) The adjustment of ¥8,094 million to segment assets includes unallocated corporate assets, which consist mainly of the Company's surplus operating funds and long-term investment assets (investment securities, etc.).

2. Segment profit is adjusted for operating profit in the consolidated statement of income.

3. As the Company's group company, Nail Labo Corp., has continuously incurred operating losses, the book value of the asset group was reduced to the recoverable amount, and the decrease of ¥105 million was recorded as impairment losses under extraordinary losses.

(Millions of yen)

	Reportable segments			Total
	Dental Business	Nail Care Business	Other Businesses	
Japan	15,702	1,308	99	17,110
North America & Latin America	4,957	146	-	5,103
Europe	8,658	-	-	8,658
Asia	8,351	770	-	9,121
Revenue from contracts with customers	37,669	2,225	99	39,994
Other revenue	-	-	-	-
Net sales to external customers	37,669	2,225	99	39,994

Note: Sales to external customers are divided into countries and regions according to the location of the Company and its consolidated subsidiaries.

(Per share information)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net assets per share	1,198.37 Yen	1,363.94 Yen
Basic earnings per share	121.52 Yen	137.38 Yen
Diluted earnings per share	121.09 Yen	136.97 Yen

Note: 1. the basis for calculating basic earnings per share and diluted earnings per share is as follows.

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Basic earnings per share		
Profit attributable to owners of parent (million yen)	4,317	4,887
Amount not attributable to common shareholders (million yen)	-	-
Profit attributable to owners of parent applicable to common stock (million yen)	4,317	4,887
Average number of shares of common stock (thousand shares)	35,529	35,576
Diluted earnings per share		
Adjustments to profit attributable to owners of parent (million yen)	-	-
Increase in common stock (thousand shares)	127	108
Outline of the diluted shares being not included in the calculation of diluted earnings per share due to no dilutive effect	-	-

2. The Company conducted a two-for-one stock split with a record date of 1 October 2024. Basic and diluted earnings per share have been calculated under the assumption that the stock split had been conducted at the beginning of the previous fiscal year.

3. The basis for calculation of net assets per share is as follows:

	As of March 31, 2025	As of March 31, 2026
Net assets (million yen)	42,736	48,689
Amounts deducted from total net assets (million yen)	140	147
Net assets attributable to common stock at year end	42,596	48,541
Number of shares of common stock at year end used for calculating net assets per share (thousand shares)	35,545	35,589

4. The Company conducted a two-for-one stock split with a record date of 1 October 2024. Net assets per share has been calculated under the assumption that the stock split had been conducted at the beginning of the previous fiscal year.

(Significant subsequent events)

Not applicable