

Translation

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MEMBERSHIP
May 12, 2026

CONSOLIDATED FINANCIAL RESULTS for the Fiscal Year Ended March 31, 2026 <under Japanese GAAP>

Company name: TOMY COMPANY, LTD.
 Listing: Prime Market of the Tokyo Stock Exchange
 Securities identification code: 7867
 URL: www.takaratomy.co.jp
 Representative: Akio Tomiyama, Representative Director, President & CEO
 Inquiries: Katsufumi Hirooka, Senior Executive Officer, Head of Corporate Headquarters
 TEL: +81-3-5654-1548 (from overseas)

Scheduled date of ordinary general meeting of shareholders: June 25, 2026
 Scheduled date to commence dividend payments: June 26, 2026
 Scheduled date to file securities report: June 24, 2026
 Supplementary material on financial results: Yes
 Financial results presentation meeting: Yes (for institutional investors and analysts)

(in millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated performance 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	270,455	8.1	24,246	(2.5)	24,551	2.2	11,679	(28.6)
March 31, 2025	250,235	20.1	24,870	32.2	24,033	35.0	16,350	66.7

Note: Comprehensive income
 Fiscal year ended March 31, 2026 ¥16,684 million [15.3%]
 Fiscal year ended March 31, 2025 ¥14,472 million [(18.0)%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit /total assets	Operating profit /net sales
	yen	yen	%	%	%
March 31, 2026	131.38	131.34	10.7	14.9	9.0
March 31, 2025	182.20	182.14	15.8	14.5	9.9

Reference: Equity in earnings of affiliates
 Fiscal year ended March 31, 2026: ¥7 million
 Fiscal year ended March 31, 2025: ¥5 million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	yen
March 31, 2026	163,360	111,167	68.0	1,266.19
March 31, 2025	165,770	106,398	64.2	1,186.44

Reference: Equity

As of March 31, 2026 ¥111,134 million

As of March 31, 2025 ¥106,364 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	20,053	(8,054)	(18,251)	50,990
March 31, 2025	16,999	(8,099)	(16,771)	56,067

2. Cash dividends

	Annual dividends					Cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total			
Fiscal year ended	yen	yen	yen	yen	yen	Millions of yen	%	%
March 31, 2025	–	28.00	–	36.00	64.00	5,758	35.1	5.6
March 31, 2026	–	32.00	–	32.00	64.00	5,675	48.7	5.2
Fiscal year ending March 31, 2027 (Forecast)	–	35.00	–	35.00	70.00		33.8	

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
Six months ending September 30, 2026 (cumulative)	130,000	1.7	11,500	(2.0)	11,500	(2.8)	8,000	(1.5)	92.11
Fiscal year ending March 31, 2027	285,000	5.4	26,000	7.2	26,000	5.9	18,000	54.1	207.26

Note: The Company resolved, at a meeting of the Board of Directors held on February 10, 2026, to acquire treasury shares. The impact of this acquisition is reflected in the calculation of basic earnings per share in the consolidated earnings forecasts for the fiscal year ending March 31, 2027. For details regarding the acquisition of treasury shares, please refer to the “Notice Concerning Determination of Matters Related to Acquisition of Treasury Shares,” which was announced on the same day (February 10, 2026).

* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- Changes in accounting policies due to revisions to accounting standards: None
 - Changes in accounting policies due to other reasons: None
 - Changes in accounting estimates: None
 - Restatement: None

(3) Number of issued shares (common shares)

- a. Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2026	93,616,650 shares
As of March 31, 2025	93,616,650 shares

- b. Number of treasury shares at the end of the period

As of March 31, 2026	5,846,094 shares
As of March 31, 2025	3,965,831 shares

- c. Average number of shares during the period

Fiscal year ended March 31, 2026	88,894,007 shares
Fiscal year ended March 31, 2025	89,736,931 shares

Note: The Company has introduced “Performance-linked stock-based compensation system for Directors (excluding outside directors and part-time directors)” and “Performance-linked stock-based compensation system for Executive Officers.” Treasury shares remaining in the “Performance-linked stock-based compensation system for Directors (excluding outside directors and part-time directors)” and the “Performance-linked stock-based compensation system for Executive Officers” that are recorded as treasury shares in shareholders’ equity are included in treasury shares to be deducted in the calculation of the total number of issued shares at the end of the period for the calculation of net assets per share. They are also included in treasury shares to be deducted in the calculation of the average number of shares during the period for the calculation of basic earnings per share.

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

* Proper use of earnings forecasts, and other special matters

(Caution regarding forward-looking statements and others)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual business and other results may differ substantially due to various factors. Please refer to the section of “(4) Outlook for the Fiscal Year Ending March 31, 2027” of “1. Qualitative Information Regarding Consolidated Operating Results” on page 10 of the attached material for the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof.

A financial results presentation meeting for institutional investors and analysts will be held on May 13, 2026. Materials for the financial results presentation meeting will be available on our website promptly after the financial results are announced.

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1. Qualitative Information Regarding Consolidated Operating Results

(1) Overview of Operating Results

(Highlights of the Fiscal Year Ended March 31, 2026)

Looking at the business environment surrounding the TOMY Group, the situation in Japan saw personal consumption hold to a modest recovery trend against the backdrop of an improving employment and income environment. Meanwhile, globally, the situation remained unpredictable, mainly due to concerns of an economic slowdown caused by the impact of U.S. trade policy, fluctuations in interest rates and exchange rates, and the impact of geopolitical risks.

Under these circumstances, we aim to achieve net sales of ¥300 billion and an operating profit margin of 10% by establishing its business strategies with regional axis and age groups as growth drivers, taking action in response to changes in the external environment, and ensuring coordination of the corporate strategies that support these efforts.

In the fiscal year ended March 31, 2026, initiatives aimed at expanding our customer base by region axis and age groups progressed smoothly, with the expansion of our customer base by age groups contributing significantly to our earnings.

In terms of expansion of age groups, Kiddy Land achieved growth in business performance due to support from an extensive range of demographics, driven by factors such as its lineup of popular character goods and miscellaneous items, in addition to the opening of new stores in Shinjuku and other locations. Moreover, performance in trading card games significantly exceeded that of the previous fiscal year due to the successful release of a collaboration product with VTuber group “NIJISANJI” for “DUEL MASTERS,” as well as the release of the “Disney LORCANA Trading Card Game” and “HAIKYU!! VOBACA!! BREAK” series. For “TOMICA,” which celebrated its 55th anniversary in 2025, products aimed at the Kidults demographic, including the “TOMICA Premium” and “TOMICA LIMITED VINTAGE,” gained in popularity.

We made steady progress also in expanding the regional axis, with effects on business performance becoming apparent first in Asia. In Asia, we strengthened the presence of the “TOMICA” brand through initiatives such as the expansion of “TOMICA BRAND STORE” locations. Additionally, there was growth in sales of “BEYBLADE X” due to reinforcement of measures such as trial sessions and store events. Sales of Pokémon amusement machines also increased due to the introduction of models that have gained strong support in Japan. With respect to the hobby label “T-SPARK” with its high age target, we launched a new series of products and the “TRANSFORMERS” collection series has gained a strong reputation in Europe, America and Australia. In the North American release of “GACHA capsule toys,” while continuing verification at pilot stores, we also forged ahead with sales on the platform owned by GENDA Inc., including at major grocery stores and cinema chains. Our U.S. subsidiary Fat Brain Holdings, LLC achieved growth in sales of high-priced original toys.

As a result of the above, net sales reached a record high of ¥270,455 million (up 8.1% year on year), driven by growth from measures to expand the age groups of our customers. Operating profit was ¥24,246 million (down 2.5% year on year), and ordinary profit was ¥24,551 million (up 2.2% year on year). Despite growth in gross profit associated with the increase in net sales, operating profit decreased due to increased investment in video and human capital aligned with our strategy, future-oriented spending in areas such as organizational management and structural development across the Group, and the impact of tariffs. Profit attributable to owners of parent was ¥11,679 million (down 28.6% year on year), mainly due to the impairment loss on goodwill of ¥4,862 million at consolidated subsidiary TOMY International, Inc. being recorded as extraordinary losses in the third quarter.

(Overview of Reportable Segments)
 <Overview of operating results by segment>

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Change	Rate of change (%)
Net sales	250,235	270,455	20,219	8.1
Japan	211,022	226,228	15,205	7.2
Americas	31,108	30,446	(662)	(2.1)
Europe	7,154	7,797	643	9.0
Oceania	2,755	2,862	106	3.9
Asia (excl. Japan)	68,277	67,519	(757)	(1.1)
Eliminations and corporate	(70,083)	(64,399)	5,683	–
Operating profit/(loss)	24,870	24,246	(624)	(2.5)
Japan	27,682	28,308	625	2.3
Americas	(155)	576	731	–
Europe	(333)	(319)	13	–
Oceania	132	182	50	38.0
Asia (excl. Japan)	2,668	2,133	(535)	(20.1)
Eliminations and corporate	(5,123)	(6,634)	(1,511)	–

Japan

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Change
Net sales	211,022	226,228	15,205
Operating profit	27,682	28,308	625

Net sales were ¥226,228 million (up 7.2% year on year), and operating profit was ¥28,308 million (up 2.3% year on year).

TOMY Company had significantly higher sales in trading card games year on year due to success in the release of a collaboration product with VTuber group “NIJISANJI” for “DUEL MASTERS,” as well as the release of the “Disney LORCANA Trading Card Game” and “HAIKYU!! VOBACA!! BREAK” series, which target a wide range of customers. Celebrating the 55th anniversary of “TOMICA” in 2025, we promoted measures to further expand the age groups of our customers by launching products for the Kidults demographic, including “TOMICA Premium” and the “tomica+ (tomica Plus)” playset series, while also holding the “TOMICA OWNERS MEETING,” a first of its kind festival for “TOMICA” fans in December. In addition, we promoted the expansion of the regional axis by launching products from the “TOMICA 55th anniversary collaboration project with automakers” in Japan and Asia. Released in February, “Petit Licca” has gained popularity across a broad demographic due to its distinctive sense of excitement in mystery boxes and a greater range of play possibilities made possible by its smaller size. With respect to the hobby label “T-SPARK” with its high age target, we launched the new “TOYRISE” and “REALIZE MODEL” series, and growth in overseas-bound exports has been achieved with the mainstay “TRANSFORMERS” collection series of products. The modernized version of Japanese “bei-goma” battling tops “BEYBLADE X” attracted attention, due to factors such as a team competition tournament held to determine the No. 1 in Japan and ongoing launches of online promotions. On the other hand, there was a decline in overseas-bound exports of “Punirunes,” which recorded growth year on year.

At T-ARTS Company, “plush toys” and “GACHA capsule toys” are gaining support from a wide range of age groups centered on character products, expanding their popularity both in Japan and overseas. For the North American release of “GACHA capsule toys,” we proceeded with verification at pilot stores while also forging ahead with sales on the platform owned by GENDA Inc., including at major grocery stores and cinema chains. In addition, amusement machines achieved high performance due to the strong

performance of “Pokémon FRIENDA” and strong performance from the outset of “Pokémon Mezastar,” which began operations in Asia in April. Furthermore, “Himitsu no AIPRI” is growing in popularity and achieved better results year on year.

Kiddy Land has gained support from a diverse customer base, including foreign tourists visiting Japan, as a trendsetting base offering a wide range of popular character goods and miscellaneous items. In addition, the opening of the new Shinjuku, Nagoya PARCO, and Hiroshima PARCO stores in April contributed to our earnings.

Americas

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Change
Net sales	31,108	30,446	(662)
Operating profit/(loss)	(155)	576	731

Net sales were ¥30,446 million (down 2.1% year on year), and we recorded an operating profit of ¥576 million (operating loss of ¥155 million in the previous fiscal year). Fat Brain Holdings, LLC had favorable performance including growth in sales of “Air Toobz,” high-priced original STEM educational toys. At TOMY International, Inc., shipments of the “TOMY+ (TOMY Plus)” high-quality collectible series for the Kidults demographic increased, while sales of precision collection products in agricultural machinery toys also increased. On the other hand, due to the price consciousness of consumers under the imposition of reciprocal tariffs and inflation, sales of mainstay baby products including “The First Years” and “Boon” declined, particularly among the target range. Although operating profit was affected by tariffs, it saw a positive impact from a change in the product mix and higher licensing revenue at T-Licensing Inc.

Europe

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Change
Net sales	7,154	7,797	643
Operating loss	(333)	(319)	13

Net sales were ¥7,797 million (up 9.0% year on year), and we recorded an operating loss of ¥319 million (operating loss of ¥333 million in the previous fiscal year). This was partly because “Twinchees,” which sells to random specifications with GACHA figures sold in bags without knowing the content, performed well, while game-related products such as “Pop-Up Pirate” were steady, and sales of agricultural machinery toys were favorable.

Oceania

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Change
Net sales	2,755	2,862	106
Operating profit	132	182	50

Net sales were ¥2,862 million (up 3.9% year on year), and operating profit was ¥182 million (up 38.0% year on year) due to steady sales of toy and hobby products, agricultural machinery toys, and baby products.

Asia (excl. Japan)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Change
Net sales	68,277	67,519	(757)
Operating profit	2,668	2,133	(535)

Net sales were ¥67,519 million (down 1.1% year on year), and operating profit was ¥2,133 million (down 20.1% year on year). “TOMICA” promoted product offerings for the Kidults demographic, including the “TOMICA Premium” and “TOMICA LIMITED VINTAGE,” and also sought to achieve further brand penetration not only in Japan but also in Asia in part by launching the “TOMICA BRAND STORE.” In addition, the popularity of “BEYBLADE X” grew due to the success of measures such as information dissemination on social media, trial sessions and store events, and also due to initiatives in Southeast Asia such as the holding of “SEA CUP 2025” in Jakarta with participants representing Indonesia, Malaysia, Singapore, the Philippines and Thailand in December. In trading card games, furthermore, the “DETECTIVE CONAN Card Game” based on the enormously popular comic was launched in China, where it was well received. In the hobby label “T-SPARK” with its high age target, moreover, initiatives with the new “TOYRISE” and “REALIZE MODEL” series contributed to overall sales results amid our efforts to implement active promotional activities that included holding “T-SPARK POP UP in TAIWAN,” the first standalone overseas event, in November.

On the other hand, manufacturing subsidiary TOMY (Hong Kong) Ltd. recorded a decline in shipments to North America.

(2) Overview of Financial Position

Assets, Liabilities and Net Assets

<Assets>

At the end of the fiscal year ended March 31, 2026, current assets stood at ¥115,544 million, up ¥1,141 million from the end of the previous fiscal year ended March 31, 2025. This was mainly attributable to an increase in merchandise and finished goods and work in process, despite a decrease in cash and deposits.

Non-current assets were ¥47,816 million, down ¥3,551 million from the end of the previous fiscal year. This was mainly attributable to a decrease in goodwill, despite increases in buildings and structures and leased assets.

<Liabilities>

At the end of the fiscal year ended March 31, 2026, current liabilities stood at ¥44,848 million, down ¥6,085 million from the end of the previous fiscal year. This was mainly attributable to decreases in notes and accounts payable - trade, current portion of long-term borrowings and accounts payable - other, despite an increase in lease liabilities.

Non-current liabilities stood at ¥7,345 million, down ¥1,093 million from the end of the previous fiscal year. This was mainly attributable to decreases in long-term borrowings, retirement benefit liability and lease liabilities, despite an increase in deferred tax liabilities.

<Net assets>

At the end of the fiscal year ended March 31, 2026, total net assets were ¥111,167 million, up ¥4,769 million from the end of the previous fiscal year. This was mainly attributable to increases in retained earnings, foreign currency translation adjustment and deferred gains or losses on hedges, despite the purchase of treasury shares.

(3) Cash Flows

Cash and cash equivalents at the end of the fiscal year ended March 31, 2026 was ¥50,990 million, a decrease of ¥5,076 million compared with the end of the previous fiscal year ended March 31, 2025.

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

Net cash provided by operating activities was ¥20,053 million, compared with ¥16,999 million provided in the previous fiscal year. The main factors are profit before income taxes of ¥19,104 million, income taxes paid of ¥8,171 million, and depreciation of ¥7,758 million.

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

Net cash used in investing activities was ¥8,054 million, compared with ¥8,099 million used in the previous fiscal year. The main factors are purchase of property, plant and equipment of ¥5,572 million and purchase of intangible assets of ¥2,072 million.

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

Net cash used in financing activities was ¥18,251 million, compared with ¥16,771 million used in the previous fiscal year. The main factors are purchase of treasury shares of ¥7,517 million, dividends paid of ¥6,077 million, repayments of long-term borrowings of ¥3,270 million, and repayments of finance lease liabilities of ¥3,249 million.

(Reference) Trends in Cash Flow Indicators

	FY2026	FY2025	FY2024
Equity ratio (%)	68.0	64.2	60.1
Market value equity ratio (%)	149.1	195.7	158.4
Cash flow to interest-bearing liabilities ratio (years)	0.0	0.2	0.4
Interest coverage ratio (times)	50.4	44.9	40.8

- Equity ratio: equity / total assets
- Market value equity ratio: market capitalization / total assets
- Cash flow to interest-bearing liabilities ratio: interest-bearing liabilities / operating cash flow
- Interest coverage ratio: operating cash flow / interest expenses paid

*1. All of the figures in the table were calculated based on consolidated financial data.

*2. Market capitalization was calculated by multiplying the closing stock price at the end of the period by the total number of issued and outstanding shares at the end of the period.

*3. Cash flow means cash flows from operating activities.

*4. The scope of interest-bearing liabilities is short-term borrowings and long-term borrowings of the liabilities recorded on the consolidated balance sheet.

(4) Outlook for the Fiscal Year Ending March 31, 2027

Looking at the business environment surrounding the TOMY Group, in Japan, personal consumption is expected to remain resilient, supported by improvements in the employment and income environment, despite the impact of rising prices. Meanwhile, globally, the situation is expected to remain unpredictable, mainly due to concerns of an economic slowdown caused by the impact of U.S. trade policy, fluctuations in interest rates and exchange rates, and the impact of geopolitical risks.

Even under these circumstances, we will promote its business strategies, with regional axis and age groups as its growth drivers, adapting to changes in the external environment. We will also coordinate the corporate strategies that support these efforts, thereby aiming to achieve our goals of net sales of ¥300 billion and an operating profit margin of 10%.

Business Strategy

Demand from Kidults and the popularity of Japanese IPs are growing on a global scale, particularly in Europe, America, and Asia. Furthermore, even in Japan, where the birthrate is declining, the TOMY Group's target market continues to grow, driven by inbound demand. In light of these external conditions, the Group will work to strengthen our development capabilities with a view to global expansion, building on our planning capabilities, which leverage our strength in Japanese IP. By implementing various initiatives, such as expanding the Group's brand-original retail stores and focusing on marketing efforts, including digital channels, we aim to establish our brands globally and expand our business by leveraging regional axis and age groups as growth drivers.

Key Strategies

- Expansion of regional axis

To achieve sustainable growth, we must continue to build a solid business platform by expanding into overseas markets that offer significant growth potential.

In Japan, we are working to build a stable business platform by expanding our product lineup, centered on major brands cultivated in the Japanese market. Meanwhile, overseas, capitalizing on the popularity of Japanese IPs, we must position Asia, Europe, and America as key markets and continue to promote brand development tailored to the characteristics of each region.

In Asia, we are growing our business opportunities by adapting brands that enjoy strong popularity in the Japanese market, such as "TOMICA," to suit regional characteristics, while also leveraging our planning and development capabilities to launch products in categories such as amusement machines, trading card games, and hobbies.

In Europe and America, we will work to expand business opportunities and build a platform for medium- to long-term growth by launching products that combine Japanese IPs with formats such as "GACHA capsule toys" and "plush toys."

- Expansion of age groups

The Kidults demographic is growing worldwide, and capturing this broad range of demand presents a growth opportunity in the medium to long term.

In Japan, efforts to broaden the age range of customers, led by major brands, are helping to expand the customer base. Domestic Group companies, including Kiddy Land and T-ARTS Company, are also expanding their product lines to target a wide range of age groups, which is contributing to greater earnings. Going forward, we will continue actions for the expansion of age groups in the Japanese market in order to build a more stable business platform.

Overseas, we will aim to capture Kidults' demand by launching brand initiatives tailored to specific age groups and leveraging the TOMY Group's planning, development, and product commercialization capabilities to introduce products that reflect the unique characteristics of each brand.

- Hits and market share expansion in our major countries
The TOMY Group's strengths are its brands that are beloved around the world and its planning, development, and commercialization capabilities for hit products in major countries. For example, TOMY Company is engaged in initiatives to create experiential value through "BEYBLADE X," the fourth generation of the modernized version of Japanese "beigoma" battling tops; T-ARTS Company through "GACHA capsule toys" that are growing thanks to its ability to leverage intellectual property; and Kiddy Land through characters. In this way, we will achieve hits and market share expansion in our major countries through differentiated marketing and branding strategies from the customer's perspective.
- Improve brand value
We are working to improve our brand value in order to accelerate business expansion, with regional axis and age groups as growth drivers. By expanding brands cultivated in the Japanese market into overseas markets, we will strategically work to enhance brand awareness and value. Furthermore, amid growing popularity of Japanese IPs, we will strive to enhance our global brand value through various initiatives that take regional characteristics and customer needs into account.
In addition to our own brands, we will work to further enhance brand value by leveraging the TOMY Group's planning, development, and commercialization capabilities for our partner brands as well.
- Expansion of non-toy income
In addition to operating the licensing business for "TOMICA," "PLARAIL," "Licca," "BEYBLADE" and other brands, we are actively expanding non-toy income through initiatives such as the card game app "DUEL MASTERS PLAY'S" and the amusement machine "Pokémon FRIENDA," as well as through the event business, including the "TOMICA EXPO" and "PLARAIL EXPO."
- Use of digital technology
We will promote the utilization of digital technology in the execution of our key strategies. We will leverage various types of infrastructure, such as smartphone applications, game devices, direct-to-consumer (D2C) sales channels and social media. In addition, we will maximize the use of digital resources such as media, analytics, and marketing automation. Furthermore, we will continue to expand "Asobi" around the world more efficiently by promoting the advancement and streamlining of business processes through the use of AI, and by leveraging digital tools such as language translation to expand our global reach.

Corporate Strategy

The corporate strategy is interconnected with the business strategy, and serves as the foundation for the Company's medium- to long-term management strategy.

We will endeavor to enhance corporate value by strategically utilizing and increasing each type of capital, such as financial, manufacturing, intellectual, human, social, and natural capital. We will promote growth investments that are conscious of the cost of capital and capital profitability as well as a review of our business portfolio among other measures to further strengthen our financial position.

- Cash allocation
To further accelerate our expansion of the regional axis and age groups, we will allocate our cash reserves primarily across the following areas, making growth investments totaling between 40 and 50 billion yen.
 - ◇ Investment in opening new Kiddy Land stores in Japan (especially large stores in urban areas)

- ◇ **Investment in businesses targeting the Kidults drawing on the Group's strengths** (including new content and digital investments)
- ◇ **Investment in expanding brand shops to strengthen our ability to roll out in different regions, and in strengthening marketing resources**
- ◇ Investment in AI, DX, and IT infrastructure

Furthermore, to further enhance our corporate value, we will continue to pursue strategic investment opportunities, such as M&A and IP acquisitions, with the aim of driving business growth and strengthening our value chain.

- Shareholder returns (dividends and purchase of treasury shares)

The Company recognizes the sustainable improvement in shareholder value and the stable return of profits to shareholders as an important priority for management. We will strive to strengthen the management base and improve the profit margin while implementing measures to return profits to shareholders through dividends and purchase of treasury shares.

With a view to the fiscal year ending March 31, 2030, we will strive for more sound management aimed at further growth by setting the following specific indicators and taking appropriate measures to return profits to our shareholders.

- ◇ Operating profit margin target of 10%
- ◇ Earnings per share (EPS) growth rate of a sustained 10% or more
- ◇ Return on equity (ROE) of a sustained 11% or more
- ◇ Equity ratio of approximately 50% as a minimum requirement
- ◇ Total payout ratio of 50%, in principle
- ◇ Price-to-book ratio (PBR) target of 3 times

- Human capital strategy

In our medium- to long-term management strategy, our human capital strategy is closely aligned with our business strategy for enhancing corporate value and is one of the key corporate strategies at the foundation of the Group's sustainable growth.

The Group's fundamental human capital strategy is to transform our organization, environment, and human resources so that people can be absorbed in creating "Asobi." With this, we will strive to strengthen our competitiveness by securing, developing, and empowering the human capital necessary to execute our business strategy.

The Group is working to establish the following organizational culture, so that our diverse human capital, both in Japan and overseas, can proactively and continuously engage in value creation and generate greater results on a global scale.

- ◇ An organization where a diverse workforce proactively and continuously creates greater value on a global scale
- ◇ An organization that breaks down silos and fosters collaboration by harnessing the collective strength of the entire Group across company and departmental boundaries
- ◇ An organization with a culture that welcomes and supports the global challenge of creating Asobi around the world

Furthermore, to achieve the organizational culture described above, we are advancing our human capital strategy based on the following five pillars.

- ◇ Promoting dynamic talent acquisition, assignment, and allocation of human capital, as well as succession planning, in alignment with our business strategy
- ◇ Developing global talent and facilitating the cross-border exchange of personnel
- ◇ Promoting DE&I across borders, ages, and genders
- ◇ Stimulating engagement to become absorbed in creating Asobi

◇ Building a common human capital management platform toward “ONE TAKARATOMY”

• Intellectual capital strategy

Intellectual property (IP) is important operating capital for the TOMY Group. We define the intellectual properties generated in connection with many of our core brands, including “TOMICA,” “PLARAIL,” “Licca,” and “BEYBLADE” as “Asobi IP” and actively protect these assets.

We have established the three policies of “protecting Asobi IP,” “preparing for Asobi IP infringement,” and “developing Asobi IP” as our intellectual capital strategy, and will establish a comprehensive system to make the best use of our IP.

Based on the above, for the fiscal year ending March 31, 2027, we forecast consolidated net sales of ¥285,000 million (up 5.4% year on year), operating profit of ¥26,000 million (up 7.2% year on year), ordinary profit of ¥26,000 million (up 5.9% year on year), and profit attributable to owners of parent of ¥18,000 million (up 54.1% year on year).

(5) Policy on Distribution of Profits and Dividends for the Fiscal Year Ended March 31, 2026 and the Fiscal Year Ending March 31, 2027

The Company recognizes the sustainable improvement in our shareholder value and the stable return of profits to shareholders as an important priority for management. We will strive to strengthen the management base and improve the profit margin. Our shareholder return policy sets a total payout ratio of 50% in principle, taking into consideration dividends and purchase of treasury shares together.

Although we recorded an impairment loss on goodwill at our U.S. consolidated subsidiary during the fiscal year ended March 31, 2026, our business activities aimed at achieving the goals of our medium- to long-term management strategy are progressing smoothly. Therefore, we plan to pay a year-end dividend of ¥32 per share for the fiscal year ended March 31, 2026, based on comprehensive consideration of this situation. As a result, combined with the dividend of ¥32 per share paid at the end of the second quarter (interim dividend), we plan to pay an annual dividend of ¥64 per share.

For the next fiscal year, we intend to pay an annual dividend of ¥70 per share (including a dividend at the end of the second quarter (interim dividend) of ¥35), based on comprehensive consideration of our shareholder return policy, earnings forecasts, and other factors.

2. Basic Approach Regarding the Selection of Accounting Standards

The TOMY Group, to ensure comparability among companies and with past years, creates the Company’s consolidated financial statements based on the “Ordinance on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements (excluding Part V and Part VI)” (Ordinance of the Ministry of Finance No. 28 of 1976).

Furthermore, regarding the application of IFRS (International Financial Reporting Standards), the policy is to respond appropriately while considering various conditions in Japan and overseas.

3. 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	56,163	51,086
Notes receivable - trade	807	860
Accounts receivable - trade	28,690	28,493
Merchandise and finished goods	19,979	23,052
Work in process	696	891
Raw materials and supplies	1,326	1,260
Other	6,935	10,129
Allowance for doubtful accounts	(196)	(230)
Total current assets	114,402	115,544
Non-current assets		
Property, plant and equipment		
Buildings and structures	14,989	16,371
Accumulated depreciation	(9,465)	(9,879)
Accumulated impairment loss	(847)	(813)
Buildings and structures, net	4,676	5,677
Machinery, equipment and vehicles	3,013	3,350
Accumulated depreciation	(2,473)	(2,647)
Accumulated impairment loss	(35)	(37)
Machinery, equipment and vehicles, net	505	664
Tools, furniture and fixtures	29,371	31,717
Accumulated depreciation	(25,495)	(27,453)
Accumulated impairment loss	(1,082)	(1,156)
Tools, furniture and fixtures, net	2,793	3,107
Land	3,956	3,979
Leased assets	7,370	8,930
Accumulated depreciation	(3,015)	(3,733)
Accumulated impairment loss	(466)	(514)
Leased assets, net	3,889	4,683
Right-of-use assets	2,302	1,819
Construction in progress	975	649
Total property, plant and equipment	19,099	20,581
Intangible assets		
Goodwill	11,140	4,972
Right of using trademark	4,079	4,187
Other	8,707	9,691
Total intangible assets	23,927	18,851
Investments and other assets		
Investment securities	3,890	3,736
Deferred tax assets	2,125	1,848
Other	2,417	2,943
Allowance for doubtful accounts	(92)	(145)
Total investments and other assets	8,340	8,383
Total non-current assets	51,367	47,816
Total assets	165,770	163,360

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,805	11,867
Current portion of long-term borrowings	3,472	700
Lease liabilities	3,506	3,959
Accounts payable - other	10,253	9,419
Accrued expenses	11,442	11,801
Income taxes payable	4,423	3,837
Provision for product warranties	157	134
Provision for bonuses for directors (and other officers)	296	245
Provision for share awards for directors (and other officers)	103	112
Provision for share awards	128	151
Other	2,343	2,618
Total current liabilities	50,933	44,848
Non-current liabilities		
Long-term borrowings	700	–
Lease liabilities	3,124	2,851
Deferred tax liabilities	13	429
Deferred tax liabilities for land revaluation	485	485
Retirement benefit liability	2,236	1,647
Provision for retirement benefits for directors (and other officers)	178	153
Allowance for recall-NCL	147	176
Other	1,552	1,599
Total non-current liabilities	8,438	7,345
Total liabilities	59,372	52,193
Net assets		
Shareholders' equity		
Share capital	3,459	3,459
Capital surplus	6,819	7,192
Retained earnings	77,781	83,373
Treasury shares	(6,578)	(12,779)
Total shareholders' equity	81,481	81,245
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,979	1,771
Deferred gains or losses on hedges	809	1,937
Revaluation reserve for land	624	624
Foreign currency translation adjustment	21,638	25,416
Remeasurements of defined benefit plans	(167)	138
Total accumulated other comprehensive income	24,883	29,888
Share acquisition rights	33	33
Total net assets	106,398	111,167
Total liabilities and net assets	165,770	163,360

(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	250,235	270,455
Cost of sales	148,886	161,543
Gross profit	101,349	108,912
Selling, general and administrative expenses	76,478	84,666
Operating profit	24,870	24,246
Non-operating income		
Interest and dividend income	322	312
Rental income	194	187
Foreign exchange gains	–	201
Other	205	257
Total non-operating income	722	958
Non-operating expenses		
Interest expenses	367	387
Foreign exchange losses	761	–
Expenses related to assets for rent	27	32
Foreign withholding tax	222	88
Other	180	144
Total non-operating expenses	1,559	652
Ordinary profit	24,033	24,551
Extraordinary income		
Gain on sale of non-current assets	23	5
Total extraordinary income	23	5
Extraordinary losses		
Loss on retirement of non-current assets	29	40
Impairment losses	29	4,902
Business restructuring expenses	51	–
Redevelopment-related expenses	138	48
Loss on product recalls	–	448
Other	3	11
Total extraordinary losses	252	5,451
Profit before income taxes	23,805	19,104
Income taxes - current	7,605	7,303
Income taxes - deferred	(151)	121
Total income taxes	7,454	7,425
Profit	16,350	11,679
Profit attributable to owners of parent	16,350	11,679

(Consolidated statement of comprehensive income)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	16,350	11,679
Other comprehensive income		
Valuation difference on available-for-sale securities	296	(207)
Deferred gains or losses on hedges	(1,539)	1,128
Revaluation reserve for land	(13)	–
Foreign currency translation adjustment	(536)	3,777
Remeasurements of defined benefit plans, net of tax	(85)	306
Total other comprehensive income	(1,878)	5,004
Comprehensive income	14,472	16,684
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	14,472	16,684
Comprehensive income attributable to non-controlling interests	–	–

(3) Consolidated Statement of Changes in Equity
Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,459	6,818	66,920	(3,980)	73,218
Changes during period					
Dividends of surplus			(5,476)		(5,476)
Profit attributable to owners of parent			16,350		16,350
Purchase of treasury shares				(2,714)	(2,714)
Disposal of treasury shares		0		116	116
Reversal of revaluation reserve for land			(13)		(13)
Net changes in items other than shareholders' equity					
Total changes during period	–	0	10,860	(2,598)	8,262
Balance as of March 31, 2025	3,459	6,819	77,781	(6,578)	81,481

	Accumulated other comprehensive income						Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,682	2,348	624	22,174	(82)	26,747	33	99,999
Changes during period								
Dividends of surplus								(5,476)
Profit attributable to owners of parent								16,350
Purchase of treasury shares								(2,714)
Disposal of treasury shares								116
Reversal of revaluation reserve for land								(13)
Net changes in items other than shareholders' equity	296	(1,539)	0	(536)	(85)	(1,864)	–	(1,864)
Total changes during period	296	(1,539)	0	(536)	(85)	(1,864)	–	6,398
Balance as of March 31, 2025	1,979	809	624	21,638	(167)	24,883	33	106,398

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,459	6,819	77,781	(6,578)	81,481
Changes during period					
Dividends of surplus			(6,087)		(6,087)
Profit attributable to owners of parent			11,679		11,679
Purchase of treasury shares				(7,517)	(7,517)
Disposal of treasury shares		373		1,316	1,689
Reversal of revaluation reserve for land					–
Net changes in items other than shareholders' equity					
Total changes during period	–	373	5,592	(6,200)	(235)
Balance as of March 31, 2026	3,459	7,192	83,373	(12,779)	81,245

	Accumulated other comprehensive income						Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,979	809	624	21,638	(167)	24,883	33	106,398
Changes during period								
Dividends of surplus								(6,087)
Profit attributable to owners of parent								11,679
Purchase of treasury shares								(7,517)
Disposal of treasury shares								1,689
Reversal of revaluation reserve for land								–
Net changes in items other than shareholders' equity	(207)	1,128	–	3,777	306	5,004	–	5,004
Total changes during period	(207)	1,128	–	3,777	306	5,004	–	4,769
Balance as of March 31, 2026	1,771	1,937	624	25,416	138	29,888	33	111,167

(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	23,805	19,104
Depreciation	6,450	7,758
Impairment losses	29	4,902
Amortization of goodwill	1,868	1,615
Business restructuring expenses	51	–
Redevelopment-related expenses	138	48
Loss on product recalls	–	448
Increase (decrease) in allowance for doubtful accounts	52	65
Increase (decrease) in provisions	164	53
Increase (decrease) in retirement benefit liability	(66)	(135)
Interest and dividend income	(322)	(312)
Interest expenses	367	387
Foreign exchange losses (gains)	(191)	205
Decrease (increase) in trade receivables	(4,340)	742
Decrease (increase) in inventories	(2,690)	(2,107)
Decrease (increase) in prepaid expenses	(236)	(554)
Decrease (increase) in advance payments to suppliers	(18)	20
Increase (decrease) in trade payables	242	(3,230)
Increase (decrease) in accounts payable - other	389	(682)
Increase (decrease) in accrued expenses	578	90
Other, net	(1,451)	489
Subtotal	24,820	28,911
Interest and dividends received	315	297
Interest paid	(378)	(397)
Payments of business restructuring expenses	(51)	–
Payments for redevelopment-related expenses	–	(168)
Payments for loss on product recalls	–	(417)
Income taxes paid	(7,706)	(8,171)
Net cash provided by (used in) operating activities	16,999	20,053
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,828)	(5,572)
Proceeds from sale of property, plant and equipment	40	6
Purchase of intangible assets	(2,102)	(2,072)
Proceeds from sale of investment securities	1	–
Other, net	(209)	(416)
Net cash provided by (used in) investing activities	(8,099)	(8,054)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from financing activities		
Repayments of long-term borrowings	(5,901)	(3,270)
Dividends paid	(5,464)	(6,077)
Repayments of finance lease liabilities	(2,986)	(3,249)
Purchase of treasury shares	(2,714)	(7,517)
Proceeds from disposal of treasury shares	0	1,463
Proceeds from sale and leaseback transactions	468	554
Other, net	(173)	(154)
Net cash provided by (used in) financing activities	(16,771)	(18,251)
Effect of exchange rate change on cash and cash equivalents	(244)	1,175
Net increase (decrease) in cash and cash equivalents	(8,115)	(5,076)
Cash and cash equivalents at beginning of period	64,182	56,067
Cash and cash equivalents at end of period	56,067	50,990

(5) Notes Regarding Consolidated Financial Statements

(Notes regarding assumption of going concern)

Nothing to note.

(Notes regarding additional information)

(Performance-linked stock-based compensation system for Directors and Performance-linked stock-based compensation system for Executive Officers)

The Company and some of its subsidiaries have introduced the “Performance-linked stock-based compensation system for Directors” and the “Performance-linked stock-based compensation system for Executive Officers.” The former covers the Company’s directors (excluding non-executive directors; the same applies hereinafter) and directors (excluding part-time directors; the same applies hereinafter) of some consolidated subsidiaries, while the latter covers executive officers and senior staff of the Company and those of some consolidated subsidiaries (hereinafter collectively referred to as “executive officers, etc.”). With regard to the stock delivery trusts, the gross price method has been applied pursuant to “Practical Solution on Transactions of Delivering the Company’s Own Stock to Employees, etc. through Trusts” (PITF No. 30, March 26, 2015).

1. Overview of transactions

This system is a stock award plan in which a trust set up through money contribution by the Company (hereinafter “the Trust”) will acquire shares of the Company and such shares of the Company will be delivered through the Trust to each of the directors and executive officers, etc. in proportion to the respective points given each of them by the Company.

2. Treasury shares remaining in the trust

Treasury shares remaining in the trust are recorded as treasury shares in shareholders’ equity at the book value at the trust. The book value and number of said treasury shares are ¥352 million and 326 thousand shares, respectively, as of March 31, 2025, and ¥1,437 million and 602 thousand shares, respectively, as of March 31, 2026.

(Notes regarding the consolidated statement of income)

1. Impairment losses

For the fiscal year ended March 31, 2025, this information is omitted due to its immateriality.

In the fiscal year ended March 31, 2026, the TOMY Group recorded impairment losses on the following asset groups.

Use	Type	Location	Impairment losses (Millions of yen)
–	Goodwill	Dyersville, Iowa, the U.S.	4,862
Business assets	Intangible assets (other)	Katsushika, Tokyo	21
Business assets	Leased assets	Archamps, France	12
Business assets	Tools, furniture and fixtures	Exeter, Devon, the United Kingdom	7

The TOMY Group classifies its business assets into groups by management account, which is based on associations according to location and type of business. For rental assets and idle assets, individual properties are grouped in the smallest units possible.

Regarding goodwill in Iowa, the U.S., above, we have continuously recorded operating losses at TOMY International, Inc. and revised our business plan based on trends for the current fiscal year. As a result, since we can no longer expect the revenue that was initially anticipated, we reduced the book value to the recoverable value and recorded the amount of the reduction (¥4,862 million) as impairment losses in extraordinary losses. Furthermore, the utility value was used to measure the recoverable value, and a discount rate of 11.8% was applied for the calculation of the utility value. Regarding the above business assets in Tokyo, we have continuously recorded operating losses, and because the estimated amount of total future cash flow falls below the book value, we reduced the book value to the recoverable value and recorded the amount of the reduction (¥21 million) as impairment losses in extraordinary losses. Furthermore, the utility value was used to measure the recoverable value, and because no future cash flow is expected, the utility value is valued at zero. Regarding the above business assets in France, we have continuously recorded operating losses, and because the estimated amount of total future cash flow falls below the book value, we reduced the book value to the recoverable value and recorded the amount of the reduction (¥12 million) as impairment losses in extraordinary losses. Furthermore, the utility value was used to measure the recoverable value, and because no future cash flow is expected, the utility value is valued at zero. Regarding the above business assets in the United Kingdom, we have continuously recorded operating losses, and because the estimated amount of total future cash flow falls below the book value, we reduced the book value to the recoverable value and recorded the amount of the reduction (¥7 million) as impairment losses in extraordinary losses. Furthermore, the net sale value or utility value was used to measure the recoverable value. The net sale value was assessed at zero, because we plan to dispose of the assets. Because no future cash flow is expected, the utility value is valued at zero.

2. Business restructuring expenses

In the fiscal year ended March 31, 2025, loss arising from the decision to reorganize businesses, etc. at overseas consolidated subsidiaries of ¥51 million was recorded as business restructuring expenses.

3. Redevelopment-related expenses

In the fiscal year ended March 31, 2025, in connection with the redevelopment of Company-owned land in Mibu, Tochigi, we recorded ¥75 million in forced relocation compensation for tenant companies and ¥63 million in demolition expenses, a total of ¥138 million as redevelopment-related expenses.

In the fiscal year ended March 31, 2026, in connection with the redevelopment of Company-owned land in Mibu, Tochigi, we recorded ¥48 million in forced relocation compensation for tenant companies as redevelopment-related expenses.

4. Loss on product recalls

In the fiscal year ended March 31, 2026, a recall of the product by TOMY Company “Grand Mall TOMICA Building (TOMICA 55th Anniversary Limited Edition)” was decided, and loss on product recalls of ¥448 million was recorded.

(Segment information and other notes)

Segment information

1. Overview of reportable segments

The reportable segments of the TOMY Group are constituent units of the Company whose separate financial information is obtainable. These segments are periodically examined by the Board of Directors for the purpose of deciding the allocation of business resources and evaluating the operating results.

The TOMY Group operates toy (including nursery business) and toy peripheral businesses (including mini-capsule toys, amusement machines, and toys with candy) in Japan and overseas.

The TOMY Group aims to push ahead with further overseas development and transform itself into a truly global group of toy companies. For this reason, the Group's operations are classified into five reportable segments: "Japan," "Americas," "Europe," "Oceania," and "Asia (excl. Japan)."

2. Method of calculating net sales, profit or loss, assets, and other items by reportable segment

The method of accounting for reportable segments is roughly the same as the method in accordance with the accounting policies adopted for the preparation of consolidated financial statements.

Profit of reportable segments is operating profit-based values. Inter-segment sales and transfers are based on actual market values.

3. Information regarding net sales, profit or loss, assets, and other items by reportable segment

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Japan	Americas	Europe	Oceania	Asia (excl. Japan)	Total
Net sales						
External customers	193,317	31,061	7,150	2,755	15,951	250,235
Inter-segment sales and transfers	17,705	47	4	–	52,325	70,083
Total	211,022	31,108	7,154	2,755	68,277	320,318
Segment profit (loss)	27,682	(155)	(333)	132	2,668	29,994
Segment assets	70,941	33,074	6,959	3,235	39,703	153,915
Other items						
Depreciation	5,238	648	193	2	217	6,300
Amortization of goodwill	–	935	–	–	933	1,868
Increase in property, plant and equipment and intangible assets	9,842	1,019	132	4	161	11,160

(Note) Amounts of segment liabilities are not periodically provided or used by the supreme decision-making organization of the Company.

Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Japan	Americas	Europe	Oceania	Asia (excl. Japan)	Total
Net sales						
External customers	210,434	30,405	7,776	2,862	18,975	270,455
Inter-segment sales and transfers	15,793	40	21	–	48,543	64,399
Total	226,228	30,446	7,797	2,862	67,519	334,854
Segment profit (loss)	28,308	576	(319)	182	2,133	30,880
Segment assets	78,018	28,547	7,128	3,822	42,602	160,120
Other items						
Depreciation	6,373	683	236	3	296	7,594
Amortization of goodwill	–	693	–	–	922	1,615
Increase in property, plant and equipment and intangible assets	9,169	918	193	11	349	10,642

(Note) Amounts of segment liabilities are not periodically provided or used by the supreme decision-making organization of the Company.

4. Differences between the total amounts in reportable segments and the amount recorded on the consolidated financial statements and details
(Reconciliation)

(Millions of yen)

Net sales	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Reportable segments total	320,318	334,854
Inter-segment eliminations	(70,083)	(64,399)
Net sales on the consolidated financial statements	250,235	270,455

(Millions of yen)

Profit	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Reportable segments total	29,994	30,880
Inter-segment eliminations	127	(221)
Corporate expenses (Note)	(5,250)	(6,412)
Operating profit on the consolidated financial statements	24,870	24,246

(Note) Corporate expenses primarily comprise general and administrative expenses not allocable to reportable segments.

(Millions of yen)

Assets	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Reportable segments total	153,915	160,120
Inter-segment eliminations	(31,153)	(31,603)
Corporate assets (Note)	43,008	34,843
Total assets on the consolidated financial statements	165,770	163,360

Note: Corporate assets primarily comprise cash and deposits not allocable to reportable segments.

(Millions of yen)

Other items	Reportable segments total		Adjustments		Amount on the consolidated financial statements	
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Depreciation	6,300	7,594	150	163	6,450	7,758
Amortization of goodwill	1,868	1,615	–	–	1,868	1,615
Increase in property, plant and equipment and intangible assets	11,160	10,642	91	422	11,251	11,064

Related information

I. Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

1. Information by product and service

This information has been omitted as net sales to external customers in a single product or service category account for more than 90% of net sales recorded in the consolidated statement of income.

2. Regional information

(1) Net sales

(Millions of yen)

Japan	North America		Other	Total
		U.S.		
163,011	45,261	43,335	41,962	250,235

(2) Property, plant and equipment

(Millions of yen)

Japan	North America	Asia (excl. Japan)	Other	Total
11,039	2,591	4,796	672	19,099

3. Information by major customer

Because there is no major external customer who accounts for 10% or more of the net sales on the consolidated statements of income, this information is omitted.

II. Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

1. Information by product and service

This information has been omitted as net sales to external customers in a single product or service category account for more than 90% of net sales recorded in the consolidated statement of income.

2. Regional information

(1) Net sales

(Millions of yen)

Japan	North America		Other	Total
		U.S.		
179,854	45,400	43,551	45,200	270,455

(2) Property, plant and equipment

(Millions of yen)

Japan	North America	Asia (excl. Japan)	Other	Total
11,689	2,211	5,759	921	20,581

3. Information by major customer

Because there is no major external customer who accounts for 10% or more of the net sales on the consolidated statements of income, this information is omitted.

Information regarding impairment loss of non-current assets by reportable segment

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Japan	Americas	Europe	Oceania	Asia (excl. Japan)	Corporate	Total
Impairment losses	13	–	15	–	–	–	29

Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Japan	Americas	Europe	Oceania	Asia (excl. Japan)	Corporate	Total
Impairment losses	21	4,862	19	–	–	–	4,902

Information regarding amortization of goodwill and unamortized balance by reportable segment

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Japan	Americas	Europe	Oceania	Asia (excl. Japan)	Corporate	Total
Amortization expense during the fiscal year ended March 31, 2025	–	935	–	–	933	–	1,868
Balance as of March 31, 2025	–	5,574	–	–	5,565	–	11,140

Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Japan	Americas	Europe	Oceania	Asia (excl. Japan)	Corporate	Total
Amortization expense during the fiscal year ended March 31, 2026	–	693	–	–	922	–	1,615
Balance as of March 31, 2026	–	–	–	–	4,972	–	4,972

(Per share information)

(Yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net assets per share	1,186.44	1,266.19
Basic earnings per share	182.20	131.38
Diluted earnings per share	182.14	131.34

- Notes: 1. Both the number of common shares as of March 31, 2026 used for calculating net assets per share and the average number of common shares during the period used for calculating basic earnings per share and diluted earnings per share exclude the portion of shares owned by the Company itself as well as the portion of the Company's shares owned by the "Performance-linked stock-based compensation system for Directors (excluding outside directors and part-time directors)" and the "Performance-linked stock-based compensation system for Executive Officers" (326 thousand shares as of March 31, 2025 and 369 thousand shares on average during the period; 602 thousand shares as of March 31, 2026 and 247 thousand shares on average during the period) for the respective calculations.
2. The basis for calculation of 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 (Millions of yen)	16,350	11,679
Amount not attributable to common shareholders (Millions of yen)	–	–
Profit attributable to owners of parent related to common shares (Millions of yen)	16,350	11,679
Average number of shares during the period (Thousands of shares)	89,736	88,894
Diluted earnings per share		
Adjustments to profit attributable to owners of parent (Millions of yen)	–	–
Increase in the number of common shares (Thousands of shares)	30	30
[Of the above, share acquisition rights (Thousands of shares)]	(30)	(30)
Overview of potential shares not included in the calculation of diluted earnings per share because of having no dilutive effect	–	–

(Notes on significant subsequent events)

Nothing to note.