

May 14, 2026

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

Company name: Grandy House Corporation
 Listing: Tokyo Stock Exchange
 Securities code: 8999
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 Scheduled date of annual general meeting of shareholders: June 26, 2026
 Scheduled date to commence dividend payments: June 29, 2026
 Scheduled date to file annual securities report: June 24, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for analysts)

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

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

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	52,980	(1.8)	1,892	56.1	1,485	61.7	916	88.6
March 31, 2025	53,960	4.7	1,212	3.2	918	4.7	486	16.6

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥1,077 million [92.6%]
 For the fiscal year ended March 31, 2025: ¥559 million [12.6%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2026	31.74	-	3.7	2.2	3.6
March 31, 2025	17.01	17.01	1.9	1.3	2.2

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	68,943	25,174	36.5	868.21
March 31, 2025	68,770	24,866	36.2	866.26

Reference: Equity
 As of March 31, 2026: ¥25,174 million
 As of March 31, 2025: ¥24,866 million

(3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	1,812	(2,041)	(691)	9,922
March 31, 2025	8,637	(316)	(7,657)	10,843

2. Cash dividends

Fiscal year ended	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
March 31, 2025	-	0.00	-	32.00	32.00	934	188.1	3.7
March 31, 2026	-	0.00	-	32.00	32.00	936	100.8	3.7
March 31, 2027 (Forecast)		0.00		32.00	32.00		84.5	

Note: The total amount of dividends includes dividends on the Company's shares held by the Grandy House Employee Stock Ownership Association Trust Account (8 million yen for the fiscal year ending March 31, 2026 and 15 million yen for the fiscal year ended March 31, 2025).

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	58,000	9.5	2,000	5.7	1,650	11.1	1,100	20.0	37.88

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None
- (3) Number of issued shares (common shares)

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

As of March 31, 2026	30,823,200 shares
As of March 31, 2025	30,823,200 shares

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

As of March 31, 2026	1,827,335 shares
As of March 31, 2025	2,117,740 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	28,882,484 shares
Fiscal year ended March 31, 2025	28,580,389 shares

Note: The number of treasury shares at the end of the fiscal year includes the Company's shares (255,400 shares in the fiscal year ended March 31, 2026 and 490,200 shares in the fiscal year ended March 31, 2025) held by the Grandy House Employee Stock Ownership Association Trust Account. The Company's shares held by the Grandy House Employee Stock Ownership Association Trust Account are included in the treasury stock, which is deducted in the calculation of the average number of shares during the period (351,263 shares in the fiscal year ended March 31, 2026 and 589,846 shares in the fiscal year ended March 31, 2025).

[Reference] Overview of non-consolidated financial results

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

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	25,101	2.7	1,127	210.5	1,923	44.0	1,589	35.6
March 31, 2025	24,447	7.6	363	-	1,335	43.7	1,172	33.3

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2026	55.05	-
March 31, 2025	41.04	41.03

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	47,982	23,696	49.4	817.53
March 31, 2025	46,811	22,715	48.5	791.33

Reference: Equity

As of March 31, 2026: ¥23,696 million

As of March 31, 2025: ¥22,715 million

2. Non-consolidated earnings forecast for the fiscal year ending March 31, 2027 (April 1, 2026 ~ March 31, 2027)

(Percentages indicate year-on-year changes.)

Fiscal year ending	Net sales		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
March 31, 2027	25,000	(0.4)	1,100	(42.8)	800	(49.7)	27.55

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

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. Please refer to "(4) Future outlook" of "1. Overview of Operating Results and Others" on page 4 of Japanese materials for the conditions that form the assumptions for the forecasts of financial results and cautions concerning the use thereof.

1. OVERVIEW OF OPERATING RESULTS

(1) Overview of Operating Results for Fiscal 2026

In the fiscal year under review, the Japanese economy maintained a moderate recovery trend due to improvements in the employment and income environments. On the other hand, downside risks to the economy were observed due to U.S. trade policy and rising domestic price levels, and in March, the potential impact of instability in the Middle East on the domestic economy required closer monitoring.

In the housing sector, demand continued to cool against the backdrop of persistently high housing prices. Although the number of construction starts of detached houses began to increase year on year from October onward, the recovery remained modest. Consequently, the result for the full fiscal year under review was sluggish, with a 5.9% decrease from the previous fiscal year.

Under this business environment, the Grandy House Group (Grandy House Corporation and its subsidiaries, hereinafter “the Group”) has been promoting various measures to redirect itself to a growth stage based on the basic policies of “Expand and strengthen the housing business toward sustainable growth,” “Strengthen the earnings foundation for growth and implement growth investment” and “Solidify the management foundation and enhance corporate value” set forth in its three-year medium-term management plan announced in May 2024.

In the real estate sales segment, we sought to strengthen product appeal and warranty offerings through measures including the standard adoption of seismic vibration control systems in our mainstay new housing and the introduction of the “60-year Guarantee, 60-year Support System.” We also continued to strengthen the Tokyo metropolitan area business, including the opening of the Mitaka Branch in February this year and the airing of TV commercials on major stations in the Kanto area during the first half of the fiscal year under review. Furthermore, as a result of ongoing initiatives of inventory and expense management, segment profit significantly increased, although revenue declined due to sluggish growth in the number of new houses sold.

As for other segments, in the real estate leasing segment, both sales and profit increased year on year due to the steady operation of owned properties. On the other hand, in the construction material sales segment, the order environment for our mainstay pre-cut timber remained challenging due to sluggish housing demand. Additionally, the increase in depreciation associated with the introduction of new facilities put pressure on profits, resulting in a significant decrease in segment profit.

As a result, the Group’s consolidated operating results for the fiscal year ended March 2026 were as follows: Net sales totaled ¥52,980 million, a decrease of 1.8% year-on-year; operating income was ¥1,892 million, an increase of 56.1% year-on-year; ordinary income was ¥1,485 million, an increase of 61.7% year-on-year; and net income attributable to owners of the parent totaled ¥916 million, an increase of 88.6% year-on-year.

Operating results by business segment are presented as follows.

a. Real Estate Sales

In new housing sales, we opened the Mitaka Branch (Musashino City, Tokyo) in February 2026 to strengthen the acquisition and sales of housing lots and enhance our organizational structure in the Tokyo metropolitan area, while taking steps to improve the efficiency of our sales structure in the northern Kanto area. Moreover, in November 2025, we introduced the “60-year Guarantee, 60-year Support System” to increase customer satisfaction and stabilize our customer base over the long term. At the same time, by revamping the “Smile Club” membership organization for owners, we sought to strengthen new housing sales and expand synergies between the new housing sales business and the recurring revenue business. We also continued to make effort to improve profitability through thorough inventory and expense management.

On the product side, in all sales areas we adopted seismic vibration control systems as a standard feature in the structural framework for buildings whose construction began from May 2025, and we started providing products with a higher degree of safety and durability in addition to the highest grades of earthquake and wind resistance performance. In Gunma Prefecture, the Company has begun sales of “Central Grand City Takasaki-Shimonjo (a total of 50 lots in the city of Takasaki),” a large-scale subdivision project in which all homes have been certified as long-life quality housing and are equipped with high-grade equipment specifications. Moreover, as we were highly thought of due to factors such as our products and services provided through our integrated system from land procurement, the supply of homes to after-sale

maintenance and the creation of sustainable housing, we have ranked No. 1 for seven consecutive years in the housing development builders category of the northern Kanto region in the 2026 Oricon Customer Satisfaction Survey.

While these efforts led to a significant improvement in profitability compared to the previous fiscal year, demand remained sluggish due to rising housing prices. In particular, sales stalled in the northern Kanto area excluding Tochigi Prefecture, resulting in 1,219 new homes sold for the fiscal year under review, a decrease of 54 units year-on-year. In the used housing market, although demand increased due to soaring new housing prices, the competition with low-cost newly built houses led to a continued challenging market environment, resulting in the sale of 104 units, a decrease of 18 units year-on-year. On the other hand, improvements in profitability were achieved through thorough inventory management.

As a result, sales in the real estate sales segment during the fiscal year under review decreased 2.1% year-on-year to ¥49,735 million, while segment profit increased 111.3% year-on-year to ¥1,231 million.

b. Construction Material Sales

In the construction material sales, the number of new wooden housing construction starts saw a significant increase in March of the previous year due to a rush in demand ahead of the Building Standards Act revision in April 2025. In reaction to this surge, starts trended downward from April onward, resulting in a 9.6% decrease year-on-year for the fiscal year under review.

In this environment, in addition to strengthening relationships with existing customers, the Company worked to win orders for buildings other than detached houses, such as residential complexes, and to expand sales of construction materials other than pre-cut materials. As a result, segment sales increased.

However, in terms of profitability, in addition to intensifying competition due to sluggish housing demand, the increase in depreciation associated with the replacement of manufacturing facilities put pressure on profits, resulting in a significant deterioration in segment results.

As a result, net sales of the construction material sales segment during the fiscal year under review increased by 2.6% year-on-year to ¥2,783 million, with a segment loss of ¥4 million, compared to segment profit of ¥62 million in the previous fiscal year.

c. Real Estate Leasing

In the real estate leasing segment, although some office and residential buildings were sold during the previous fiscal year, occupancy rates for these buildings remained steady from the beginning of the fiscal year under review, resulting in both higher sales and profit compared with the previous fiscal year.

In the parking business, while the sale of some assets weighed on revenue, the contribution from newly acquired parking lots and improved occupancy rates at existing properties resulted in a modest increase in revenue compared with the previous fiscal year.

As a result, sales in the real estate leasing segment for the fiscal year under review were ¥461 million, an increase of 3.2% year-on-year, with a segment profit of ¥248 million, an increase of 4.4% year-on-year.

(2) Overview of Financial Position for Fiscal 2026

As of the end of the fiscal year under review, total assets increased to ¥68,943 million, an increase of ¥172 million compared to the end of the previous fiscal year. This was mainly due to an increase in investment securities from the acquisition of government bonds to meet the deposit requirements under the Act on Assurance of Performance of Specified Housing Defect Warranty, despite a decrease in inventories in the real estate sales business as a result of strengthened inventory management.

Liabilities stood at ¥43,768 million, a decrease of ¥135 million compared to the end of the previous fiscal year. This was mainly due to a decrease in other current liabilities resulting from payments for facilities acquired in the previous fiscal year for the construction material sales segment, despite an increase in interest-bearing liabilities.

Total net assets stood at ¥25,174 million as of March 31, 2026. This represents an increase of ¥308 million from the balance recorded as of March 31, 2025. This was mainly due to increases caused by the disposal of treasury stock and the recognition of net income attributable to owners of the parent, despite a decrease resulting from the payment of dividends.

(3) Overview of Cash Flows for Fiscal 2026

Cash and cash equivalents (hereinafter, “cash”) as of the end of the fiscal year under review decreased by ¥920 million from the end of the previous fiscal year to reach ¥9,922 million. The decrease was driven by outflows from investing and financing activities, partially offset by cash inflows from operating activities.

The Company’s cash flows and their factors for change during the fiscal year under review are presented as follows.

(Cash Flows from Operating Activities)

Net cash provided by operating activities amounted to ¥1,812 million (net cash provided by operating activities for the previous fiscal year was ¥8,637 million). This was mainly due to recording of profit before income taxes and a decrease in inventories resulting from progress in inventory sales.

(Cash Flows from Investing Activities)

Net cash used in investing activities amounted to ¥2,041 million (net cash used in investing activities for the previous fiscal year was ¥316 million). This was mainly due to purchase of property, plant and equipment, including payments of accounts payable for facilities in the construction material sales segment and the acquisition of buildings for new sales bases for the renovation business in the real estate sales segment, as well as purchase of investment securities to meet the deposit requirements under the Act on Assurance of Performance of Specified Housing Defect Warranty.

(Cash Flows from Financing Activities)

Net cash used in financing activities amounted to ¥691 million (net cash used in financing activities for the previous fiscal year was ¥7,657 million). This was mainly due to dividends paid to shareholders. During the fiscal year under review, although funding needs arose from the purchase of facilities and investment securities, these needs were covered by cash flows from operating activities, thereby limiting the increase in interest-bearing liabilities to a modest level.

The Group’s cash flow-related indices are presented as follows.

	Fiscal 2024	Fiscal 2025	Fiscal 2026
Shareholders’ equity ratio (%)	33.6	36.2	36.5
Equity ratio on market value basis (%)	23.7	22.4	23.3
Interest-bearing liabilities to cash flow ratio (years)	–	4.2	20.3
Interest coverage ratio (times)	–	21.9	4.3

Shareholders’ equity ratio: Shareholders’ equity/total assets

Equity ratio on a market value basis: Market capitalization/total assets

Interest-bearing liabilities to cash flow ratio: Interest-bearing liabilities/cash flows

Interest coverage ratio: Cash flows/interest payments

Notes: 1. Each index is calculated based on consolidated financial data.

2. Market capitalization is calculated based on the number of issued shares as of the period-end (after deducting treasury shares).

3. Cash flows from operating activities are used as “cash flows” in the above calculation. The interest-bearing liabilities to cash flow ratio and interest coverage ratio data have been omitted for fiscal 2024, as operating cash flows were negative.

4. Interest-bearing liabilities include all liabilities that bear interest under the liabilities section recorded on consolidated balance sheets.

(4) Outlook for Fiscal 2027

The Japanese economy is expected to continue its moderate recovery due to improvements in the employment and income environment. However, uncertainty about the future is growing because developments in the Middle East could lead to rising energy prices and concerns over the stable supply of petroleum-based

products. In the housing market, housing prices are expected to continue rising amid inflation, and housing demand is projected to remain sluggish for the time being. In addition, there is also a possibility that the stable procurement of housing equipment could be disrupted, increasing uncertainty on the supply side as well.

In this business environment, the Group will manage its business with the aim of returning to a growth path even amid the challenging market environment based on the basic policy set forth in the medium-term management plan. As for the consolidated sales and earnings for the fiscal year ending March 31, 2027, we forecast net sales to be ¥58,000 million, a 9.5% increase from the fiscal year ended March 31, 2026, ordinary profit to be ¥1,650 million, an 11.1% increase from the same period, and net income attributable to owners of the parent to be ¥1,100 million, a 20.0% increase from the same period. This outlook is based on the assumption that there will be no significant constraints on the procurement of materials. Should any events occur in the future that could have a material impact on our business performance, we will promptly disclose such information.

In the new housing sales business, we will aim to expand and accelerate the Tokyo metropolitan area business, using the Mitaka Branch, our first location in Tokyo, as a foothold. We will also work to expand the scale of our recurring revenue business, which comprises the used housing market business and the renovation business, through strengthening our organizational structure. In addition to these business expansions, we will continue to work on inventory and expense management to stabilize and strengthen our management structure, while also continuing to address key priorities including strengthening human capital, responding to other ESG-related challenges, and promoting management conscious of cost of capital.

(5) Basic Policy concerning the Allocation of Profits and Dividends for Fiscal 2026 and Fiscal 2027

The Group focuses on improving corporate value and returning more profits to shareholders in a positive and stable manner as one of its priority management issues. With respect to shareholder returns, our basic policy is to provide stable dividends while ensuring a stable business foundation and maintaining an appropriate debt ratio.

Specifically, we will strive to maintain stable dividends by paying dividends based on a dividend on equity (DOE) ratio of approximately 3.5% within the range of consolidated net income for each fiscal year, while ensuring an annual dividend per share of no less than ¥32. However, if our financial condition deteriorates significantly, such as in the event of two or more consecutive fiscal years of consolidated net losses, we will consider revising the dividend amount.

Based on the above dividend policy, we plan to pay a dividend of ¥32 per share for fiscal 2026 (fiscal year ended March 31, 2026), as announced on May 14, 2025. For the next fiscal year (fiscal year ending March 31, 2027), we also plan to pay a dividend of ¥32 per share in accordance with the above policy.

2. OVERVIEW OF THE CORPORATE GROUP

The Grandy House Group (Grandy House Corporation and its affiliates) consists of Grandy House Corporation and eight subsidiaries. The Group is mainly engaged in real estate sales, construction material sales, and real estate leasing.

The business operations of the Group and the positions of the Grandy House Corporation and its main subsidiaries (seven companies) in those operations are as follows.

(1) Real Estate Sales

The Group purchases housing lots, obtains permits and approvals for development, manages residential construction works, designs and builds houses, and handles sales and after-sales maintenance.

Sales, design, and construction of detached houses, which are our main business, are in general supervised by Grandy House Corporation and its subsidiaries by sales areas, from the perspective of promoting region-based sales. General sales areas of each company are as follows:

Grandy House Corporation:	Tochigi Prefecture, western part of Ibaraki Prefecture, Saitama Prefecture, and Tokyo Metropolis
Ibaraki Grandy House Co., Ltd.:	Ibaraki Prefecture (excluding the western part)
Gunma Grandy House Co., Ltd.:	Gunma Prefecture
Chiba Grandy House Co., Ltd.:	Chiba Prefecture
Kanagawa Grandy House Co., Ltd.:	Kanagawa Prefecture

Chuko Jutaku Joho Kan Co., Ltd. is engaged in sales of existing homes and Grandy Reform Co., Ltd. is engaged in the after-sales maintenance and renovation business.

(2) Construction Material Sales

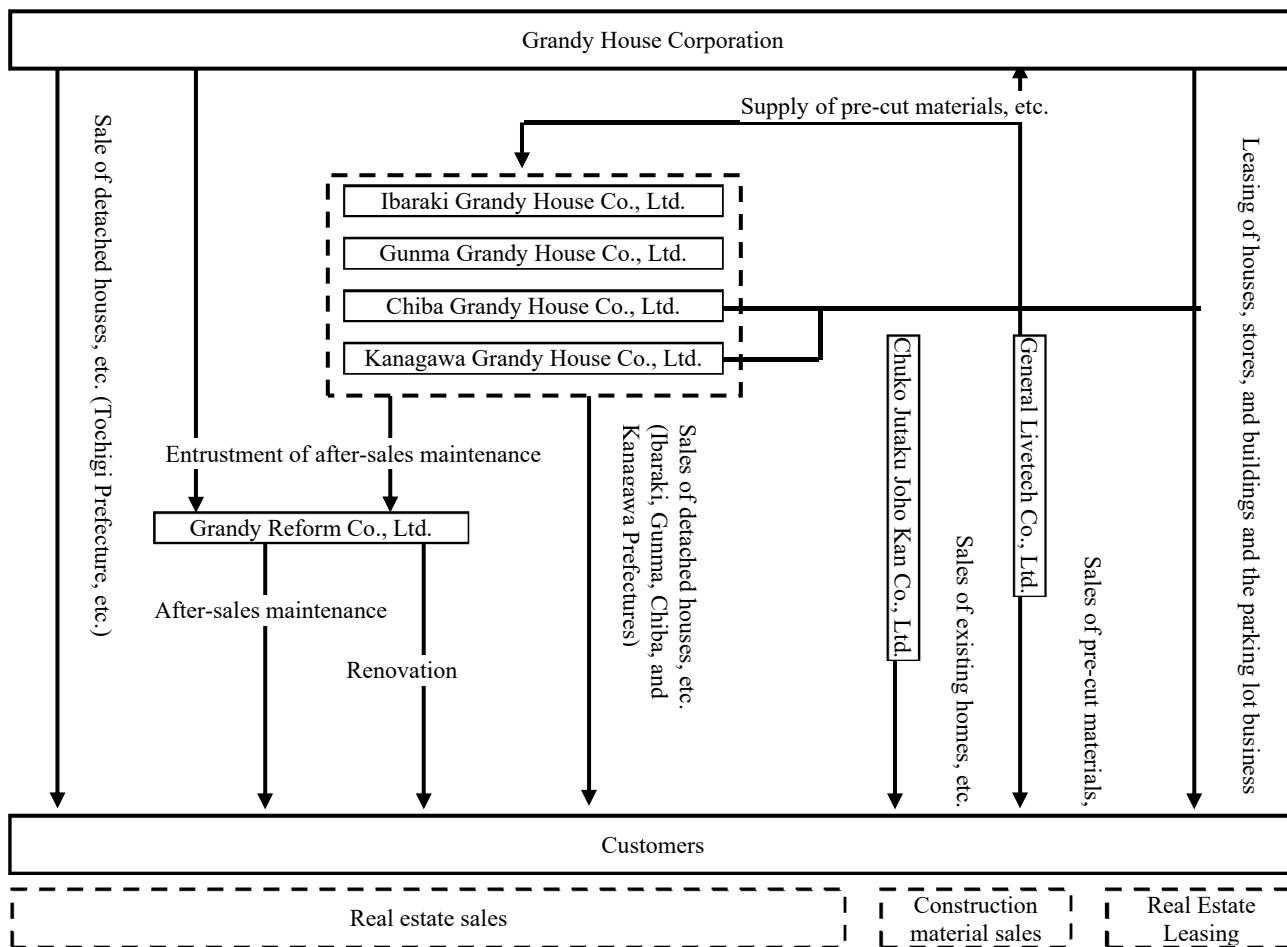
General Livetech Co., Ltd. is engaged in sales of construction materials and components, mainly pre-cut materials.

(3) Real Estate Leasing

Grandy House Corporation and some of its subsidiaries are engaged in the leasing business of tenant buildings, apartments and other properties owned by these companies, and the parking lot business.

[Business Group Organization Chart] (As of March 31, 2026)

The matters described above are shown in the following Business Group Organization Chart.



3. BASIC APPROACH TO THE SELECTION OF ACCOUNTING STANDARDS

At present, the Grandy House Group operates its business only in Japan and most of its stakeholders are shareholders, lenders, and business partners in Japan. The Group has no plan to raise funds from overseas markets. Against this background, the Group will prepare its consolidated financial statements based on Japanese GAAP for the time being.

For the application of International Financial Reporting Standards (IFRS Accounting Standards), we will take adequate actions while paying attention to various situations inside and outside Japan.

Consolidated balance sheet

(Thousands of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	10,857,676	9,937,169
Notes and accounts receivable - trade, and contract assets	460,533	464,469
Real estate for sale	11,871,088	9,989,886
Costs on construction contracts in progress	18,938	21,841
Real estate for sale in process	29,699,244	31,287,627
Merchandise and finished goods	289,079	318,452
Raw materials and supplies	128,448	125,434
Other	694,020	907,773
Allowance for doubtful accounts	(10,183)	(3,511)
Total current assets	54,008,846	53,049,143
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,668,980	6,857,812
Accumulated depreciation	(3,107,707)	(3,298,261)
Buildings and structures, net	3,561,273	3,559,550
Machinery, equipment and vehicles	713,795	718,795
Accumulated depreciation	(84,871)	(174,684)
Machinery, equipment and vehicles, net	628,924	544,110
Tools, furniture and fixtures	435,539	456,822
Accumulated depreciation	(388,193)	(410,213)
Tools, furniture and fixtures, net	47,346	46,609
Land	7,521,949	7,689,716
Leased assets	130,412	160,361
Accumulated depreciation	(68,124)	(77,163)
Leased assets, net	62,288	83,197
Construction in progress	18,979	15,991
Total property, plant and equipment	11,840,760	11,939,176
Intangible assets		
Goodwill	617,067	479,941
Other	47,154	35,790
Total intangible assets	664,222	515,731
Investments and other assets		
Investment securities	377,850	1,636,548
Long-term loans receivable	10,017	9,376
Deferred tax assets	547,446	478,351
Other	1,210,268	1,197,101
Allowance for doubtful accounts	(5,000)	-
Total investments and other assets	2,140,582	3,321,377
Total non-current assets	14,645,564	15,776,286
Deferred assets		
Bond issuance costs	116,338	117,714
Total deferred assets	116,338	117,714
Total assets	68,770,749	68,943,144

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Accounts payable for construction contracts	3,215,002	3,158,176
Short-term borrowings	13,174,100	12,188,500
Current portion of bonds payable	800,000	2,000,000
Current portion of long-term borrowings	6,889,396	4,610,280
Lease liabilities	24,636	28,778
Income taxes payable	197,405	479,096
Provision for warranties for completed construction	163,208	162,916
Other	2,078,249	1,534,824
Total current liabilities	26,541,999	24,162,573
Non-current liabilities		
Bonds payable	8,000,000	7,500,000
Long-term borrowings	7,689,444	10,391,270
Lease liabilities	43,966	62,599
Retirement benefit liability	1,274,398	1,289,120
Other	354,587	363,074
Total non-current liabilities	17,362,395	19,606,064
Total liabilities	43,904,395	43,768,637
Net assets		
Shareholders' equity		
Share capital	2,077,500	2,077,500
Capital surplus	2,680,739	2,683,130
Retained earnings	20,983,775	20,966,377
Treasury shares	(1,080,576)	(917,795)
Total shareholders' equity	24,661,438	24,809,213
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	204,916	365,293
Total accumulated other comprehensive income	204,916	365,293
Total net assets	24,866,354	25,174,506
Total liabilities and net assets	68,770,749	68,943,144

Consolidated statement of income

(Thousands of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	53,960,131	52,980,933
Cost of sales	46,618,203	45,134,986
Gross profit	7,341,927	7,845,947
Selling, general and administrative expenses	6,129,488	5,953,038
Operating profit	1,212,438	1,892,909
Non-operating income		
Interest income	4,800	17,856
Dividend income	6,611	10,610
Administrative service fee income	25,645	25,618
Reversal of provision for warranties for completed construction	12,008	-
late charges income	37,000	-
Other	56,705	31,312
Total non-operating income	142,771	85,397
Non-operating expenses		
Interest expenses	380,075	423,963
Amortization of bond issuance costs	44,538	45,667
Other	11,948	23,212
Total non-operating expenses	436,563	492,843
Ordinary profit	918,646	1,485,463
Extraordinary income		
Gain on sale of non-current assets	3,577	709
Total extraordinary income	3,577	709
Extraordinary losses		
Loss on retirement of non-current assets	28,245	13,421
Loss on cancellation of leases	1,216	-
Retirement benefits for directors (and other officers)	100,000	-
Impairment losses	27,552	3,210
Total extraordinary losses	157,014	16,632
Profit before income taxes	765,209	1,469,540
Income taxes - current	312,984	556,854
Income taxes - deferred	(34,025)	(4,177)
Total income taxes	278,959	552,676
Profit	486,250	916,863
Profit attributable to owners of parent	486,250	916,863

Consolidated statement of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	486,250	916,863
Other comprehensive income		
Valuation difference on available-for-sale securities	73,066	160,377
Total other comprehensive income	73,066	160,377
Comprehensive income	559,317	1,077,241
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	559,317	1,077,241
Comprehensive income attributable to non-controlling interests	-	-

Consolidated statement of changes in equity

Fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity					Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	2,077,500	2,677,285	21,428,435	(1,267,754)	24,915,465	131,849	131,849	6,380	25,053,694
Changes during period									
Dividends of surplus			(930,910)		(930,910)				(930,910)
Profit attributable to owners of parent			486,250		486,250				486,250
Purchase of treasury shares									
Disposal of treasury shares				155,852	155,852				155,852
Exercise of share acquisition rights		3,454		31,325	34,780			(6,380)	28,400
Net changes in items other than shareholders' equity						73,066	73,066		73,066
Total changes during period	-	3,454	(444,660)	187,178	(254,027)	73,066	73,066	(6,380)	(187,340)
Balance at end of period	2,077,500	2,680,739	20,983,775	(1,080,576)	24,661,438	204,916	204,916	-	24,866,354

Consolidated statement of changes in equity

Fiscal year ended March 31, 2026

(Thousands of yen)

	Shareholders' equity					Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	2,077,500	2,680,739	20,983,775	(1,080,576)	24,661,438	204,916	204,916	-	24,866,354
Changes during period									
Dividends of surplus			(934,261)		(934,261)				(934,261)
Profit attributable to owners of parent			916,863		916,863				916,863
Purchase of treasury shares				(2)	(2)				(2)
Disposal of treasury shares		2,391		162,784	165,175				165,175
Exercise of share acquisition rights									
Net changes in items other than shareholders' equity						160,377	160,377		160,377
Total changes during period	-	2,391	(17,397)	162,781	147,774	160,377	160,377		308,152
Balance at end of period	2,077,500	2,683,130	20,966,377	(917,795)	24,809,213	365,293	365,293	-	25,174,506

Consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	765,209	1,469,540
Depreciation	307,549	392,191
Share-based payment expenses	18,898	28,446
Amortization of goodwill	137,126	137,126
Impairment losses	27,552	3,210
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(267,837)	-
Increase (decrease) in provision for warranties for completed construction	(12,088)	(292)
Increase (decrease) in allowance for doubtful accounts	8,880	(11,672)
Increase (decrease) in retirement benefit liability	105,870	14,722
Interest and dividend income	(11,412)	(28,467)
Interest expenses	380,075	423,963
Loss (gain) on sale of non-current assets	(3,577)	(709)
Loss on retirement of non-current assets	28,245	13,421
Decrease (increase) in trade receivables	27,006	1,063
Decrease (increase) in inventories	6,464,326	263,557
Increase (decrease) in trade payables	48,264	(56,826)
Other, net	1,030,362	(159,960)
Subtotal	9,054,453	2,489,315
Interest and dividends received	11,412	26,978
Interest paid	(394,798)	(425,912)
Income taxes paid	(34,009)	(278,014)
Net cash provided by (used in) operating activities	8,637,057	1,812,368

(Thousands of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from investing activities		
Purchase of property, plant and equipment	(299,128)	(1,008,848)
Proceeds from sale of property, plant and equipment	3,962	-
Payments for asset retirement obligations	-	(3,056)
Purchase of intangible assets	(6,963)	(2,187)
Purchase of investment securities	-	(1,025,100)
Proceeds from collection of loans receivable	624	641
Payments of leasehold and guarantee deposits	(2,471)	(5,702)
Proceeds from refund of leasehold and guarantee deposits	3,994	1,754
Payments of guarantee deposits	(4,000)	-
Other, net	(12,089)	621
Net cash provided by (used in) investing activities	(316,071)	(2,041,877)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(3,865,500)	(985,600)
Proceeds from long-term borrowings	5,907,000	9,779,000
Repayments of long-term borrowings	(9,597,356)	(9,356,290)
Proceeds from issuance of bonds	1,000,000	1,500,000
Redemption of bonds	(300,000)	(800,000)
Proceeds from disposal of treasury shares resulting from exercise of subscription rights to shares	23,287	-
Purchase of treasury shares	-	(2)
Proceeds from sale of treasury shares	135,768	135,479
Dividends paid	(930,212)	(933,578)
Repayments of lease liabilities	(30,000)	(30,028)
Net cash provided by (used in) financing activities	(7,657,013)	(691,020)
Net increase (decrease) in cash and cash equivalents	663,973	(920,530)
Cash and cash equivalents at beginning of period	10,179,192	10,843,165
Cash and cash equivalents at end of period	10,843,165	9,922,635

(5) Notes to Consolidated Financial Statements

(Notes on Going Concern Assumptions)

Not applicable.

(Additional Information)

(Transactions for Distributing the Company's Own Stock to Employees, etc. through Trusts)

The Company has adopted the "trust-type employee stock holding incentive plan (E-Ship®)" (hereinafter referred to as "the Plan") for the purpose of providing its employees with incentives to enhance the corporate value of the Company on a medium-to long-term basis in the fiscal year ended March 31, 2022.

(1) Overview of transactions

The Plan is an incentive plan for all employees who are members of "the Grandy House Employee Stock Holding Partnership" (hereinafter referred to as "the Stock Partnership"). The Company has established the "Grandy House Employee Stock Holding Partnership Exclusive Trust" (hereinafter referred to as "the Trust") in a trust bank. The Trust will acquire in advance after its establishment the number of Grandy House shares to be expected to be acquired by the Stock Partnership over a six-year period. At a later date, the Trust will sell its holdings of Grandy House shares to the Stock Partnership on a continual basis. If an amount equivalent to the gains from sale of shares is accumulated at the end of the term of the Trust, the relevant amount equivalent to the gains from the sale of shares will be distributed as residue assets to those who satisfy the criteria of beneficiaries. The Company warrants the repayment of loans payable for the Trust to acquire shares of the Company. Therefore, if an amount equivalent to the loss from sale of shares accumulates due to a decline in the price of shares of the Company, causing a debt equivalent to a loss from sale of the relevant shares remains in the Trust at the end of the term of the Trust, the Company will assume the repayment of the relevant remaining borrowing.

(2) Grandy House's own company stock remaining in the Trust

The Company's stock remaining in the Trust is recorded as treasury shares in net assets in accordance with the book value (excluding the amount of incidental expenses) in the Trust. The book value and the number of the relevant treasury shares are ¥282,845 thousand and 490,200 shares for the previous fiscal year, and ¥147,365 thousand and 255,400 shares for the fiscal year under review.

(3) The book value of loans payable recorded by the application of the gross method

The previous fiscal year: ¥212,560 thousand

The fiscal year under review: ¥68,600 thousand

(Notes on segment information, etc.)

1. Overview of Reporting Segments

The Group's reporting segments are those of the constituent units of the Group for which separate financial information is available and are subject to periodic review by the Board of Directors in order to determine the allocation of management resources and evaluate business performance.

The Group is engaged in the following types of businesses: sales of new homes, sales of pre-owned homes, home renovations, sales of building materials, and real estate leasing (all in Japan). Of these, some or all of the new home sales, pre-owned home sales, and home renovation businesses are carried out by subsidiaries, but from the viewpoint of similarity, relevance, and commonality of management resources, we formulate a comprehensive strategy and develop business activities as a "real estate sales business."

Accordingly, the Group has three reporting segments: real estate sales, building materials sales, and real estate leasing.

The Real Estate Sales segment is engaged in the sale of new houses (including construction contracts, land sales, etc.), second-hand home sales, and home renovations. The Building Materials Sales segment manufactures and sells pre-cut materials for housing, as well as building materials and housing equipment. The "Real Estate Leasing Business" is engaged in the leasing of offices, residences, etc., as well as parking lots.

2. Method of calculating the amount of sales, profits or losses, assets, liabilities and other items for each reporting segment

The method of accounting for the reported business segments is in accordance with the accounting policy adopted to prepare consolidated financial statements. Profit in the reporting segment is a figure based on ordinary income. Internal revenues and transfers between segments are calculated with reference to market prices.

3. Information on the amount of sales, profits or losses, assets, liabilities, and other items for each reporting segment.

The previous fiscal year (April 1, 2024 to March 31, 2025)

(Thousands of yen)

	Reportable segments				Adjustment amount (Note) 1	Amount recorded in consolidated financial statements (Note)2
	Real estate sales	Construction material sales	Real estate leasing	Total		
Sales						
Revenues from external customers	50,799,946	2,712,794	447,389	53,960,131	-	53,960,131
Transactions with other segments	60,090	3,234,511	89,629	3,384,230	(3,384,230)	-
Total	50,860,036	5,947,306	537,019	57,344,362	(3,384,230)	53,960,131
Segment Profit	583,021	62,308	237,867	883,197	35,449	918,646
Segment Assets	51,788,802	3,047,504	5,237,547	60,073,854	8,696,895	68,770,749
Segment Debt	41,464,772	2,559,478	344,243	44,368,494	(464,099)	43,904,395
Other items						
Depreciation	181,674	33,235	92,640	307,549	-	307,549
Amount of amortization of goodwill	137,126	-	-	137,126	-	137,126
Interest income	4,675	125	-	4,800	-	4,800
Interest expenses	372,933	6,133	1,009	380,075	-	380,075
Increase in property, plant and equipment and intangible assets	246,524	649,467	43,603	939,595	-	939,595

The current fiscal year (April 1, 2025 to March 31, 2026)

(Thousands of yen)

	Reportable segments				Adjustment amount (Note) 1	Amount recorded in consolidated financial statements (Note)2
	Real estate sales	Construction material sales	Real estate leasing	Total		
Sales						
Revenues from external customers	49,735,397	2,783,828	461,707	52,980,933	-	52,980,933
Transactions with other segments	69,240	3,178,521	85,720	3,333,482	(3,333,482)	-
Total	49,804,637	5,962,349	547,428	56,314,416	(3,333,482)	52,980,933
Segment profit (loss)	1,231,762	(4,730)	248,436	1,475,468	9,994	1,485,463
Segment Assets	51,904,050	2,946,581	5,453,630	60,304,262	8,638,881	68,943,144
Segment Debt	41,294,143	2,521,680	350,835	44,166,660	(398,022)	43,768,637
Other items						
Depreciation	191,518	107,834	92,838	392,191	-	392,191
Amount of amortization of goodwill	137,126	-	-	137,126	-	137,126
Interest income	17,396	460	-	17,856	-	17,856
Interest expenses	401,544	20,626	1,792	423,963	-	423,963
Increase in property, plant and equipment and intangible assets	247,490	6,201	208,538	462,230	-	462,230

Note: 1. The details of the adjustment amount are as follows.

Segment profit or loss (Unit: 1 thousand yen)

	The previous fiscal year	The current fiscal year
Inter-segment transaction elimination	35,449	9,994
Total	35,449	9,994

Segment Assets (Unit: 1 thousand yen)

	The previous fiscal year	The current fiscal year
Offset elimination of receivables between segments	(464,099)	(398,022)
Elimination of unrealized profits between segments	(46,203)	(46,838)

Company-wide assets*	9,207,198	9,083,743
Total	8,696,895	8,638,881

* Company-wide assets are primarily cash, deposits and investment securities not attributable to the reporting segment.
Segment liabilities (in thousand yen)

	The previous fiscal year	The current fiscal year
Offset elimination of debt between segments	(464,099)	(398,022)
Total	(464,099)	(398,022)

2. Segment profits and losses are adjusted to ordinary income in the consolidated financial statements.

(Notes on Per-share Information)

(Yen)

	Fiscal 2025 (From April 1, 2024 to March 31, 2025)	Fiscal 2026 (From April 1, 2025 to March 31, 2026)
Net assets per share	866.26	868.21
Net income per share	17.01	31.74
Net income per share (diluted)	17.01	–

Notes: 1. Information on net income per share (diluted) for the fiscal year under review is omitted due to an absence of potential shares.

2. The basis for calculation of net income per share is as follows:

Item	Fiscal 2025 (From April 1, 2024 to March 31, 2025)	Fiscal 2026 (From April 1, 2025 to March 31, 2026)
Net income per share		
Net income attributable to owners of the parent (thousands of yen)	486,250	916,863
Amount not attributable to common shareholders (thousands of yen)	–	–
Net income attributable to owners of the parent related to common shares (thousands of yen)	486,250	916,863
Average number of shares during the period (shares)	28,580,389	28,882,484
Net income per share (diluted)		
Adjustment to net income attributable to owners of the parent (thousands of yen)	–	–
Increase in common shares (shares)	3,046	–
(of which share acquisition rights (shares))	(3,046)	–
Overview of potential shares not included in the calculation of net income per share (diluted) due to absence of dilutive effects	–	–

3. In the calculation of net assets per share, as for the period-end number of common shares, shares of the Company held by the Grandy House Employee Stock Holding Partnership Exclusive Trust Account are included in treasury shares to be deducted. Of the treasury shares to be deducted, the period-end number of shares of the Company held by the trust account was 490,200 shares in the previous fiscal year and 255,400 shares in the fiscal year under review.

Furthermore, in the calculation of net income per share and net income per share (diluted), as for the average number of common shares during the period, shares of the Company held by the Grandy House Employee Stock Holding Partnership Exclusive Trust Account are included in treasury shares to be deducted. Of the treasury shares to be deducted, the average number of shares of the Company held by the trust account during the period was 589,846 shares in the previous fiscal year and 351,263 shares in the fiscal year under review.

(Notes on Significant Subsequent Events)

Not applicable.