

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (FY2024) (Japanese Standards)

May 15, 2025

Company name: Duskin Co., Ltd. Shares listed: Tokyo
Code number: 4665 URL: <https://www.duskin.co.jp>
Representative: Hiroyuki Okubo, Representative Director, President and CEO
Contact: Takeharu Ide, Operating Officer; Manager, Corporate Planning Tel: +81-6-6821-5071
Scheduled date for ordinary general meeting of shareholders: June 20, 2025
Scheduled date of dividend payment commencement: June 23, 2025
Scheduled date for release of annual securities report: June 23, 2025
Preparation of additional financial results materials: Yes
Holding of financial results meeting: Yes (for institutional investors and analysts)

Amounts in the following tables are rounded down to the nearest million yen.

1. Consolidated Financial Results for FY2024 (April 1, 2024 - March 31, 2025)

(1) Results of operation

Percentages indicate the change against the previous fiscal year.

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended Mar. 31, 2025	188,791	5.6	7,268	43.0	10,697	35.8	8,808	91.9
Year ended Mar. 31, 2024	178,782	4.9	5,084	-41.1	7,878	-30.7	4,589	-36.2

Note: Comprehensive income - Year ended March 31, 2025: 7,241 million yen (-11.2%); year ended March 31, 2024: 8,156 million yen (-1.9%)

	Profit per share	Profit per share (Fully diluted)	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to sales
	Yen	Yen	%	%	%
Year ended Mar. 31, 2025	185.72	185.68	5.8	5.3	3.9
Year ended Mar. 31, 2024	95.32	95.28	3.0	3.9	2.8

Reference: Share of profit (loss) of entities accounted for using equity method - Year ended March 31, 2025: 1,775 million yen; year ended March 31, 2024: 1,215 million yen
Note: In the consolidated financial statements for the fiscal year ended March 31, 2025, the Company finalized the provisional accounting treatment for the equity method affiliates, and the figures for the fiscal year ended March 31, 2024 reflect the details of the finalization of the provisional accounting treatment.

(2) Financial positions

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Mar. 31, 2025	203,318	151,542	74.4	3,220.79
As of Mar. 31, 2024	202,094	154,468	76.3	3,202.85

Reference: Shareholders' equity - March 31, 2025: 151,197 million yen; March 31, 2024: 154,122 million yen

(3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended Mar. 31, 2025	16,683	-5,074	-10,753	20,985
Year ended Mar. 31, 2024	11,093	-16,604	-5,743	20,024

2. Dividends

	Dividends per share					Total dividends (Annual)	Dividend ratio (Consolidated)	Ratio of dividends to shareholders' equity (Consolidated)
	End of 1st Q	End of 2nd Q	End of 3rd Q	Year-end	Total (Annual)			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended Mar. 31, 2024	—	35.00	—	65.00	100.00	4,842	104.9	3.2
Year ended Mar. 31, 2025	—	50.00	—	62.00	112.00	5,297	60.3	3.5
Year ending Mar. 31, 2026 (Forecast)	—	50.00	—	65.00	115.00		60.0	

Note: Breakdown of year-end dividends for the fiscal year ended March 31, 2024: ordinary dividend 45.00 yen, commemorative dividend 20.00 yen

3. Forecast of Consolidated Financial Results for FY2025 (April 1, 2025 - March 31, 2026)

Percentages indicate the change against the same period of the previous fiscal year.

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of the parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half (Cumulative total)	95,100	3.7	4,400	12.1	6,300	14.5	3,900	11.7	83.08
Year ending Mar. 31, 2026	195,000	3.3	7,900	8.7	11,600	8.4	9,000	2.2	191.72

Notes:

1. Significant changes in the scope of consolidation during the period: Yes
Newly included: None Excluded: 1 company (EDIST Co., Ltd.)
2. Changes in accounting principles and estimates, and retrospective restatements
(1) Changes due to revision of accounting standards: Yes
(2) Changes other than (1) above: None
(3) Changes in accounting estimates: None
(4) Retrospective restatements: None
Note: For details, refer to “Notes to changes in accounting policies” in “(5) Notes to Consolidated Financial Statements” in “4. Consolidated Financial Statements” on page 19 of the attached document.
3. Number of shares issued (Common stock)

Number of shares issued (including treasury shares)	As of Mar. 31, 2025:	48,000,000	As of Mar. 31, 2024:	50,000,000
Number of treasury shares	As of Mar. 31, 2025:	1,055,752	As of Mar. 31, 2024:	1,879,558
Average number of shares outstanding during the period	Year ended Mar. 31, 2025:	47,425,837	Year ended Mar. 31, 2024:	48,142,694

Reference: Summary of the non-consolidated financial results

1. Non-consolidated financial results for FY2024 (April 1, 2024 - March 31, 2025)

(1) Results of operation

Percentages indicate the change against the previous fiscal year.

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended Mar. 31, 2025	151,739	3.6	4,713	73.4	9,222	26.8	8,341	67.7
Year ended Mar. 31, 2024	146,518	5.7	2,718	-52.7	7,270	-28.2	4,973	-28.4

	Profit per share	Profit per share (Fully diluted)
	Yen	Yen
Year ended Mar. 31, 2025	175.88	175.84
Year ended Mar. 31, 2024	103.30	103.26

(2) Financial positions

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Mar. 31, 2025	180,013	121,328	67.4	2,584.01
As of Mar. 31, 2024	179,211	125,541	70.0	2,607.85

Reference: Shareholders' equity - March 31, 2025: 121,305 million yen; March 31, 2024: 125,492 million yen

2. Forecast of non-consolidated financial results for FY2025 (April 1, 2025 - March 31, 2026)

Percentages indicate the change against the same period of the previous fiscal year.

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of the parent	Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	Yen
First half (Cumulative total)	76,200	3.0	3,300	19.1	6,700	9.9	4,700	100.12
Year ending Mar. 31, 2026	156,700	3.3	5,300	12.4	9,900	7.3	8,100	172.55

This summary of financial statements is exempt from the audit by certified public accountants or audit corporations.

Explanation regarding the appropriate use of business forecasts

Note for the financial forecast:

The financial forecast contained in this report is based on information available at the time of preparation of the report and certain assumptions considered reasonable, and thus Duskin makes no warranty as to the achievability of the forecast. Readers are advised that actual results may differ significantly from the forecast.

Contents of attachment

1. Business Results and Financial Position	2
(1) Business Results	2
(2) Financial Position	5
(3) Cash Flows	5
(4) Cash Flow-Related Indicators	6
(5) Outlook	6
(6) Basic Policies for Profit Distributions and Dividends for Fiscal 2024 and the Following Fiscal Years	7
2. Business Policies	8
(1) Basic Business Policies	8
(2) Medium- to Long-Term Business Strategies and Financial Targets	8
(3) Issues to Be Addressed	9
3. Basic Policies for Selecting Accounting Standards	10
4. Consolidated Financial Statements	11
(1) Consolidated Balance Sheets	11
(2) Consolidated Statements of Income and Statements of Comprehensive Income	13
Consolidated statements of income	13
Consolidated statements of comprehensive income	14
(3) Consolidated Statements of Changes in Net Assets	15
(4) Consolidated Statements of Cash Flows	17
(5) Notes to Consolidated Financial Statements	19
Notes relating to going concern assumption	19
Notes to changes in accounting policies	19
Segment information and other information	20
Per share information	24
Important post-balance sheet events	24
5. Other	25
Changes in Board Members	25

1. Business Results and Financial Position

(1) Business Results

During fiscal 2024 (April 1, 2024 to March 31, 2025), socioeconomic activities in Japan have further normalized against the backdrop of improved employment and income conditions. With personal consumption also picking up, the Japanese economy continued its gradual recovery. On the other hand, the war between Russia and Ukraine dragged on and the conflict in the Middle East further worsened, while energy and raw material prices remained at a high level. The fourth quarter saw the U.S. inaugurate a new president, which increased uncertainty about overseas economies and further heightened the sense of uncertainty about the future.

In this environment, we have completed implementing our 10-year, long-term strategy ONE DUSKIN. In fact, fiscal 2024 was the final year of our Medium-Term Management Policy 2022 (implemented from fiscal 2022 through fiscal 2024), which was the third and final phase of the ONE DUSKIN strategy. During that fiscal year, the Direct Selling Group, following the near completion of installing RFID tags on mats and mops, started actual tallying operations using RFID readers. We have regarded the RFID installation project as our most important strategic investment for building a sustainable laundry and distribution system. Meanwhile, the Clean Service business (rental and sales of dust control and other products) has also focused on creating new customers. Specifically, we have encouraged more franchisees to bring in sales teams dedicated to sales visits to households while strengthening our online sales channels. Furthermore, in response to the recent increase in natural disasters, Rent-All (rental of special event and daily use items) collaborated with Health Rent (rental and sales of assisted-living products), Clean Service and Care Service (professional cleaning and technical services) to expand its disaster response support service to help local governments secure necessary supplies and equipment and ensure proper hygiene in evacuation centers and other areas in the event of a disaster. In addition, we moved forward on preparing to expand Rescue Service, an emergency locksmith service.

In the Food Group, Mister Donut focused on developing and introducing new products and opening more shops. The group also directed its efforts toward gaining a presence in new markets. One such example is the acquisition in the previous fiscal year of Kenko Saien Co., Ltd., the holding company of Boston House Co., Ltd., which operates several food-service brands, including the Italian restaurant Napoli No Shokutaku, mainly in the northern Kanto area. (As of April 1, 2025, Kenko Saien was absorbed by Boston House, along with its subsidiary Bishoku Kobo Co., Ltd. Therefore, Kenko Saien Co., Ltd. is hereafter referred to as Boston House Co., Ltd.) This acquisition was part of the development of a new business model that caters to different locations, customer segments and consumer motivations from those of existing brands.

At the same time, we focused on initiatives to enhance our shareholder value, including share repurchases and reducing strategically held shares, as well as on specific initiatives that will help us achieve a sustainable future. Included in the latter was the signing of a virtual power purchase agreement with NTT Anode Energy Corporation, which enabled us to virtually convert the power used by the mat and mop manufacturing plants to renewable energy.

Consolidated net sales for fiscal 2024 increased 10,008 million yen (5.6%) from the previous year to 188,791 million yen due to increased sales in all business segments. Consolidated operating profit increased 2,184 million yen (43.0%) from the previous year to 7,268 million yen. This was mainly due to an increase in gross profit resulting from higher sales, and to an improvement in the cost-to-sales ratio, mainly because RFID installation was largely completed during the previous year. Consolidated ordinary profit increased 2,819 million yen (35.8%) from the previous year to 10,697 million yen due to an increase in profit of entities accounted for using the equity method, which was mainly the result of making JP-Holdings, Inc. an equity method affiliate in the previous year. Profit attributable to owners of the parent increased 4,219 million yen (91.9%) from the previous year to 8,808 million yen. This result was mainly due to gains on sales of investment securities resulting from the sale of strategically held shares.

Millions of yen

	Year ended Mar. 31, 2024	Year ended Mar. 31, 2025	Increase/decrease	
				%
Consolidated net sales	178,782	188,791	10,008	5.6
Consolidated gross profit	76,554	83,549	6,995	9.1
Consolidated operating profit	5,084	7,268	2,184	43.0
Consolidated ordinary profit	7,878	10,697	2,819	35.8
Profit attributable to owners of parent	4,589	8,808	4,219	91.9

Results by business segment

Sales

Millions of yen

		Year ended Mar. 31, 2024	Year ended Mar. 31, 2025	Increase/decrease	
					%
	Direct Selling Group	107,464	108,438	974	0.9
	Food Group	58,437	66,747	8,310	14.2
	Other Businesses	15,646	16,486	840	5.4
	Total	181,548	191,673	10,124	5.6
	Intersegment eliminations	-2,766	-2,882	-116	—
Consolidated net sales		178,782	188,791	10,008	5.6

Note: Sales by business segment above include intersegment sales.

Operating profit (loss)

Millions of yen

		Year ended Mar. 31, 2024	Year ended Mar. 31, 2025	Increase/decrease	
					%
	Direct Selling Group	4,142	5,721	1,579	38.1
	Food Group	6,916	8,556	1,639	23.7
	Other Businesses	440	511	70	16.0
	Total	11,499	14,789	3,289	28.6
	Intersegment eliminations and corporate expenses	-6,415	-7,520	-1,105	—
Consolidated operating profit		5,084	7,268	2,184	43.0

Note: Operating profit or loss above includes intersegment transactions.

a. Direct Selling Group

Sales of the Direct Selling Group increased 974 million yen (0.9%) from the previous year to 108,438 million yen. This result was due to higher sales in most business divisions, including Care Service, although the mainstay Clean Service business experienced lower sales. Operating profit increased 1,579 million yen (38.1%) from the previous year to 5,721 million yen. This was attributable to lower cost of sales in fiscal 2024, as installing RFID tags was largely completed during fiscal 2023, although the result was also partially affected by higher raw material and other costs.

Sales in the mainstay Clean Service business declined in both residential and commercial sectors.

Although sales of mop products — the core products for residential customers — declined overall, we saw steady sales of the new cleaning mop set for pets (consisting of a floor mop and mop cleaner), which was launched in March 2024. In addition, the efforts of the dedicated household sales teams and the year-on-

year increase in the number of orders received through digital channels achieved positive results in acquiring new customers. As a result, the decline in sales was smaller compared to the previous year. Among other household products, sales of range hood filters as well as kitchen sponges designed in the shape of Mickey and Minnie Mouse and our bedding products — which were both launched in the previous fiscal year — decreased compared to the significant sales during their first year.

In products for businesses, sales of the newly launched Antibacterial Electron handy mop contributed to the growth of mop product sales. However, for mat products — the core article for business customers — sales were down across the board, with the exception of high-function mats, which continued to perform well. As a result, sales to business customers decreased overall. In addition, sales of air purification products for large facilities were down due to the transition in May 2023 of COVID-19 to a Category V infectious disease.

Customer-level sales of Care Service businesses increased, partly due to price revisions for some of the services in ServiceMaster (professional cleaning services) and Merry Maids (home cleaning and helper services), among others. Looking at sales by category, Home Repair (fixing scratches and dents) saw a decline, while ServiceMaster, which enjoyed strong sales for its air conditioner cleaning services, Merry Maids, Terminix (pest control and comprehensive hygiene management) and Total Green (plant and flower upkeep) all posted higher sales.

All other Direct Selling Group businesses — including Rent-All, Health Rent, as well as the cosmetic-related business, the uniform-related business, Life Care (support services for seniors) and Rescue Service — reported higher sales. The growth in Rent-All sales was mainly due to an increase in the number of various events.

b. Food Group

Food Group sales increased 8,310 million yen (14.2%) from the previous year to 66,747 million yen. The group saw an increase in total customer-level sales of all shops of Mister Donut, the core business of the group, and increases in raw material sales and royalty sales. The inclusion of sales from Boston House Co., Ltd., which became a subsidiary in January 2024, also contributed to the result. Operating profit increased 1,639 million yen (23.7%) from the previous year to 8,556 million yen, mainly due to an increase in gross profit from higher sales.

With a focus on making its products even tastier, in July 2024, Mister Donut renewed recipes for some of its popular regular products and revised their prices accordingly. Thanks to higher customer traffic and sales per customer than the previous year, Mister Donut enjoyed higher customer-level sales per shop than the previous year. In addition, the number of shops in operation increased due to new store openings, resulting in higher total customer-level sales for all shops than the previous year. Looking at specific product marketing, Mister Donut introduced MISDO Meets Gion Tsujiri and the Fromage de donuts in the first quarter, Minion Mayhem Donut, White Pon De Ring Strawberry Milk, Satsumaimo Do Sweet Potato, Kuri Do Chestnut and MISDO HALLOWEEN × BLACK THUNDER in the second quarter, and a series of products under the banner of “Mister Donut Taiwanese Cuisine Fair” as well as a campaign in collaboration with The Pokémon Company in the third quarter. In the fourth quarter, it launched MISDO Meets PIERRE MARCOLINI, in collaboration with the Belgian chocolate brand Pierre Marcolini, along with Sakuramochi Soft Donuts. All of these products and campaigns were well received by customers and contributed to increased sales. However, our annual Year-End MISDO Lucky Bag, whose contents we significantly changed in fiscal 2024, saw a decline in sales volume.

The Katsu & Katsu pork cutlet restaurants, one of the Food Group’s other businesses, posted higher sales than the previous year. This was mostly a result of December 2024 price revisions for some menu items. Sales at Napoli No Shokutaku, Boston House’s mainstay business, also grew from the previous year, mainly due to price revisions for set menus.

c. Other Businesses

With higher year-on-year sales from both domestic consolidated subsidiaries and overseas businesses, overall sales of the Other Businesses segment increased 840 million yen (5.4%) from the previous year to 16,486 million yen, and operating profit increased 70 million yen (16.0%) from the previous year to 511 million yen.

Among domestic consolidated subsidiaries, Duskin Kyoeki Co., Ltd. (leasing business and insurance services) posted higher sales and profits, while Duskin Healthcare Co., Ltd. (hospital hygiene management services) reported higher sales but lower profits due to higher personnel expenses.

Overseas, both Duskin Shanghai Co., Ltd., which rents and sells dust control products in China, and Big Apple Worldwide Holdings Sdn. Bhd., which operates a donut business mainly in Malaysia, posted higher sales than the previous year due to the weaker yen. Sales of donut ingredients to overseas customers increased significantly as both Mister Donut Singapore, which began operations in 2023, and Mister Donut Hong Kong, which began operations in 2024, performed well.

(2) Financial Position

a. Current assets

Current assets at the end of fiscal 2024 (March 31, 2025) amounted to 60,594 million yen, up 1,289 million yen from the end of the previous fiscal year. Specifically, cash and deposits increased 3,661 million yen, accounts receivable-other increased 855 million yen, and other current assets increased 493 million yen, while securities decreased 4,212 million yen.

b. Non-current assets

Non-current assets at the end of fiscal 2024 totaled 142,724 million yen, a decrease of 65 million yen from the end of the previous fiscal year. Specifically, investment securities decreased 4,367 million yen and property, plant and equipment decreased 328 million yen, while retirement benefit assets increased 2,122 million yen, intangible assets increased 1,599 million yen, and “other” under investments and other assets increased 895 million yen.

c. Current liabilities

Current liabilities at the end of fiscal 2024 were 42,097 million yen, up 5,318 million yen from the end of the previous fiscal year. Specifically, income taxes payable increased 2,640 million yen, other current liabilities increased 1,113 million yen, and provision for bonuses increased 728 million yen.

d. Non-current liabilities

Non-current liabilities at the end of fiscal 2024 totaled 9,678 million yen, a decrease of 1,168 million yen from the end of the previous fiscal year. Specifically, retirement benefit liability decreased 614 million yen and long-term borrowings decreased 550 million yen.

e. Net assets

Net assets at the end of fiscal 2024 were 151,542 million yen, a decrease of 2,926 million yen from the end of the previous fiscal year. Specifically, retained earnings decreased 3,386 million yen and valuation difference on available-for-sale securities decreased 2,439 million yen, while treasury shares decreased 2,074 million yen (net assets increased) mainly due to the retirement of treasury shares.

(3) Cash Flows

Cash and cash equivalents at the end of fiscal 2024 (March 31, 2025) increased 960 million yen from 20,024 million yen at the end of the previous fiscal year to 20,985 million yen. The status of each cash flow and their factors are as follows.

a. Cash flow from operating activities

Net cash provided by operating activities in fiscal 2024 amounted to 16,683 million yen, compared to

11,093 million yen provided in the previous fiscal year. Major inflows included profit before income taxes of 13,013 million yen and depreciation of 7,677 million yen, while major outflows included gain on sales and redemption of investment securities of 2,877 million yen and share of profit of entities accounted for using the equity method of 1,775 million yen.

b. Cash flow from investing activities

Net cash used in investing activities during fiscal 2024 amounted to 5,074 million yen, compared to 16,604 million yen used in the previous fiscal year. Major outflows included 11,667 million yen for purchase of securities and investment securities, 5,857 million yen for purchase of property, plant and equipment, and 4,036 million yen for purchase of intangible assets, while major inflows included 17,688 million yen for proceeds from sale and redemption of securities and investment securities.

c. Cash flow from financing activities

Net cash used in financing activities in fiscal 2024 amounted to 10,753 million yen, compared to 5,743 million yen used in the previous fiscal year. This is attributable to such cash outflow factors as dividends paid of 5,521 million yen and acquisition of treasury shares of 5,001 million yen.

(4) Cash Flow-Related Indicators

A summary of cash flow related indicators is presented below.

	FY2021	FY2022	FY2023	FY2024
Equity ratio (%)	76.1	76.6	76.3	74.4
Equity ratio at market price (%)	67.1	78.3	78.6	84.0
Interest-bearing debt to cash flow ratio (years)	0.1	0.1	0.1	0.0
Interest coverage ratio (times)	43,519.1	65,517.1	1,812,974.6	16,140.8

Notes:

- These indicators are calculated using the following formulas based on consolidated figures.
 Equity ratio: (Net assets – share acquisition rights – non-controlling interests) / Total assets
 Equity ratio at market price: Current aggregate value of shares / Total assets
 Interest-bearing debt to cash flow ratio: Interest-bearing debt / Cash flows from operating activities
 Interest coverage ratio: Cash flows from operating activities / Interest expenses
- The current aggregate value of shares is calculated based on the number of shares outstanding at fiscal year-end, excluding treasury shares.
- Cash flows from operating activities in the consolidated statements of cash flows are used for the cash flows from operating activities.
- Interest-bearing debt covers all debt bearing interest recorded in the consolidated statement of financial position.
- Interest expenses in the consolidated statements of cash flows are used for the interest expenses.

(5) Outlook

Our consolidated earnings forecasts for fiscal 2025 (the year ending March 31, 2026) are as follows.

We expect all three business segments — the Direct Selling Group, Food Group and Other Businesses — to post higher sales than fiscal 2024. In the Direct Selling Group, the mainstay Clean Service business is beginning to see some good results from the dedicated household sales teams. In the Food Group, Mister Donut continues to perform well, and in the Other Businesses segment, we expect higher sales due to the opening of new Mister Donut shops overseas. As for profits, we expect them to increase at every stage of the income statement. Although we assume that there will still be such negative factors as higher raw material costs and soaring labor costs and expenses in fiscal 2025, we expect higher sales to lead to higher gross profits. We also expect the full-scale operation of RFID tags, which we began in fiscal 2024, to contribute to higher profits.

Millions of yen

			FY2024 results	FY2025 forecast	
					YoY (%)
Consolidated	Direct Selling Group	Sales	108,438	112,000	3.3
		Operating profit	5,721	6,700	17.1
	Food Group	Sales	66,747	68,700	2.9
		Operating profit	8,556	8,600	0.5
	Other Businesses	Sales	16,486	16,900	2.5
		Operating profit	511	550	7.6
	Intersegment eliminations, and corporate expense	Sales	-2,882	-2,600	—
		Operating profit	-7,520	-7,950	—
		Sales	188,791	195,000	3.3
		Operating profit	7,268	7,900	8.7
	Operating margin (%)	3.9	4.1	—	
Consolidated ordinary profit			10,697	11,600	8.4
Profit attributable to owners of the parent			8,808	9,000	2.2

Note:

This forecast is based on projections and assumptions made using information available at the time of the announcement. These projections and assumptions are subject to the uncertainties inherent in future business operations. Actual results may differ materially, depending on various factors.

(6) Basic Policies for Profit Distributions and Dividends for Fiscal 2024 and the Following Fiscal Years

Our policy on shareholder returns, including our dividend policy, is presented in “Notice Concerning Financial Goals and Shareholder Returns Policy under Medium-Term Management Policy 2022,” released on May 13, 2022.

For the three years of Medium-Term Management Policy 2022, Duskin considered the return of profits to shareholders to be one of our highest priorities, even as we focus on investing in growth. Our policy is to distribute a portion of profits based on our performance while maintaining a proper balance with investments to ensure sustainable growth and higher corporate value while also maintaining financial soundness in order to be prepared for potential risks. We have determined ordinary dividends for each fiscal year based on the higher of either a consolidated payout ratio of 60% or dividend on equity (DOE) of 2.5%. Based on this policy, the annual dividend for fiscal 2024 will be 112 yen per share. Since we have already paid an interim dividend of 50 yen per share, the year-end dividend will be 62 yen per share.

The dividend for fiscal 2025 will be in line with the dividend policy disclosed in our “Notice Concerning the Medium-Term Business Plan 2028, Our Shareholder Return Policy and a Change in Dividend Policy” dated May 15, 2025, i.e., a dividend payout ratio of 60% or a dividend on equity (DOE) ratio of 3.0%, whichever is higher.

Duskin’s basic policy is to pay dividends from retained earnings twice a year: at the end of the fiscal year and at the end of the first half. The decision-making body for year-end dividends is the general shareholders’ meeting. The Articles of Incorporation stipulate that Duskin may pay interim dividends with a record date of September 30 every year by resolution of the Board of Directors.

We will continue to implement dividend policy to fulfill the expectations of all our shareholders over the long term.

2. Business Policies

(1) Basic Business Policies

Since its foundation, Duskin Group — guided by our corporate philosophy of Prayerful Management — has been “sowing the seeds of joy” and bringing joy to the people of the world. Our basic policy is to continue to strive to be “the most attentive service provider in the world” and to share joy with people in the community. We will also continue to enhance our corporate value through business activities that can help people live a rich life, materially and spiritually.

Duskin celebrated its 60th anniversary in fiscal 2023 (the year ended March 31, 2024). And in the following fiscal 2024, we completed implementing our long-term strategy ONE DUSKIN. To coincide with this milestone, we have clarified our Purpose and Vision. Looking ahead to the future, the Purpose and Vision expresses our commitment to delivering unchanging value in the midst of changing times.

a. Purpose

“Building a happy and fulfilling future while staying attuned to people and society” — This expresses Duskin’s commitment to the future to deliver unchanging value even in changing times.

b. Vision

“Spreading smiles that connect people to people, people to society, and people to the future” — This represents the roles Duskin aims to fulfill to realize our Purpose.

c. Value

“Let your heart drive you forward!” — This represents the value we must uphold in order to realize our Vision.

(2) Medium- to Long-Term Business Strategies and Financial Targets

Along with the clarification of our Purpose and Vision, we have also developed Do-Connect, a new Long-Term Business Policy comprised of strategies for achieving them.

a. Long-Term Business Policy Do-Connect

We will practice our philosophy of “sowing the seeds of joy” by connecting people to people, people to society, and people to the future. In doing so and to achieve our Purpose and Vision, we will challenge ourselves to achieve our three EXcellence goals (EXPLORE new businesses, EXPAND to related businesses, EXCEL in our existing businesses) and focus on developing human resources who are willing to take on challenges and on creating a corporate culture that encourages such employees to take on new challenges.

b. Medium-Term Business Plan 2028 (for the three years starting from fiscal 2025)

We have set three EXcellence goals in our Long-Term Business Policy Do-Connect. In addition to these goals, we have the additional goal of solidifying our business base, which we regard as the driving force for creating economic and social value. Under these four business themes, we will take on the challenge of fulfilling our Purpose of “Building a happy and fulfilling future while staying attuned to people and society.” In doing so, we ultimately aim to achieve our core business philosophy of “unifying business and morals”; that is, to enhance our corporate value in both social and economic terms. To this end, we will continue to value our face-to-face interaction with our customers as well as improving digital technology to support such interaction.

To this end, we have formulated our Medium-Term Business Plan 2028 as we announced on May 15, 2025. This medium-term business plan beginning in the fiscal year ending March 31, 2026 (fiscal 2025) represents the first phase of Do-Connect.

Targets to be Achieved in Fiscal 2027

Consolidated net sales:	207,800 million yen
Profit attributable to owners of the parent:	10,600 million yen
ROE:	7% or more

- Notice Concerning the Medium-Term Business Plan 2028, Our Shareholder Return Policy and a Change in Dividend Policy

https://www.duskin.co.jp/english/ir/news/2025/pdf/20250515_03.pdf

(3) Issues to Be Addressed

a. Changes in the business environment and recognition of business challenges

While the Japanese economy is on a gradual recovery path, the future outlook remains unclear and highly uncertain due to such factors as political instability overseas, unstable foreign exchange rates and concerns about increasingly severe natural disasters.

The depreciation of the yen and rising prices have affected the cost structure of companies, which in turn has affected consumers' willingness to purchase. In addition, while consumption by inbound tourists is expected to recover, domestic consumption in Japan is expected to remain sluggish, making it an urgent task for companies to develop countermeasures. In addition, Japan's working population is on a downward trend due to the declining birthrate and aging population, making labor shortages a serious issue. At the same time, digital technologies are advancing. As digital transformation (DX) progresses in various businesses, companies are required to transform their business models using such technologies as generative AI, automated operation and autonomous delivery.

Furthermore, in light of the higher frequency of major earthquakes and torrential rain disasters in recent years and the growing possibility of a Nankai Trough earthquake, we recognize the urgent need to have a business continuity plan (BCP) in place.

b. Our approach to business challenges

In developing strategies to increase our corporate value (e.g., realizing business management that pays close attention to capital cost and stock price), we have set the following basic policies: explore new businesses — new business development, M&A, venture capital investment, overseas business expansion, new business model development; expand to related businesses — business model transformation, development of peripheral business areas, expansion into new geographic areas; excel in our existing businesses — investment in growth businesses, strengthening of product and service development, enhancement of customer touchpoints, productivity improvement; and solidify our business base — transformation of corporate culture, strengthening of human and technological capital, enhancement of brand value.

As for financial strategy, our basic policy is to raise funds to support proactive growth investments through the reduction of strategic shareholdings and the use of financial assets, and to promote shareholder returns with an eye to optimizing shareholders' equity. Meanwhile, our sustainability policy is to strive to create social value by pursuing both the sustainability of Duskin as a company and the sustainability of society as a whole. Specific measures for the former include strengthening our corporate governance structure, ensuring our business continuity capabilities, enhancing corporate information disclosure, and promoting dialogue with investors and other market participants. Measures for the latter include initiatives to help protect the global environment, and to participate in and contribute to local communities.

3. Basic Policies for Selecting Accounting Standards

To facilitate comparisons of its consolidated financial statements across different fiscal years and with other companies, the Duskin Group intends to prepare its consolidated financial statements based on Japanese generally accepted accounting principles (JGAAP). With regard to the adoption of International Financial Reporting Standards (IFRS), Duskin intends to monitor developments in Japan and overseas, and to respond appropriately to these developments.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

Millions of yen

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	14,434	18,096
Notes and accounts receivable - trade, and contract assets	11,158	11,370
Lease receivables and investments in leases	1,012	1,040
Securities	12,200	7,988
Merchandise and finished goods	8,254	8,388
Work in process	215	295
Raw materials and supplies	3,137	3,179
Accounts receivable - other	6,954	7,809
Other	1,947	2,441
Allowance for doubtful accounts	-11	-16
Total current assets	59,305	60,594
Non-current assets		
Property, plant and equipment		
Buildings and structures	47,036	47,723
Accumulated depreciation	-32,549	-33,438
Buildings and structures, net	14,487	14,284
Machinery, equipment and vehicles	27,984	29,029
Accumulated depreciation	-19,827	-20,643
Machinery, equipment and vehicles, net	8,157	8,385
Land	22,466	22,441
Construction in progress	756	804
Other	17,065	17,754
Accumulated depreciation	-12,443	-13,510
Other, net	4,621	4,243
Total property, plant and equipment	50,489	50,160
Intangible assets		
Goodwill	326	279
Software	5,601	5,659
Other	1,486	3,075
Total intangible assets	7,414	9,014
Investments and other assets		
Investment securities	73,877	69,509
Long-term loans receivable	0	0
Retirement benefit asset	4,501	6,624
Deferred tax assets	877	946
Guarantee deposits	5,088	5,035
Other	574	1,470
Allowance for doubtful accounts	-34	-37
Total investments and other assets	84,885	83,549
Total non-current assets	142,789	142,724
Total assets	202,094	203,318

Millions of yen

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,800	8,273
Short-term borrowings	60	—
Current portion of long-term borrowings	108	22
Income taxes payable	393	3,033
Provision for bonuses	3,576	4,305
Provision for loss on disaster	275	473
Asset retirement obligations	1	0
Accounts payable - other	10,013	10,386
Guarantee deposit received for rental products	8,626	8,565
Other	5,923	7,036
Total current liabilities	36,778	42,097
Non-current liabilities		
Long-term borrowings	747	197
Retirement benefit liability	5,885	5,271
Asset retirement obligations	817	864
Long-term guarantee deposits	1,072	1,141
Long-term accounts payable - other	8	—
Deferred tax liabilities	2,305	2,197
Lease liabilities	9	6
Total non-current liabilities	10,847	9,678
Total liabilities	47,626	51,776
Net assets		
Shareholders' equity		
Share capital	11,352	11,352
Capital surplus	11,110	11,110
Retained earnings	122,533	119,146
Treasury shares	-5,464	-3,389
Total shareholders' equity	139,531	138,220
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,342	8,902
Deferred gains or losses on hedges	0	0
Foreign currency translation adjustment	390	482
Remeasurements of defined benefit plans	2,857	3,591
Total accumulated other comprehensive income	14,590	12,977
Share acquisition rights	49	23
Non-controlling interests	296	321
Total net assets	154,468	151,542
Total liabilities and net assets	202,094	203,318

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

Consolidated statements of income

Millions of yen

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	178,782	188,791
Cost of sales	102,228	105,241
Gross profit	76,554	83,549
Selling, general and administrative expenses	71,470	76,280
Operating profit	5,084	7,268
Non-operating income		
Interest income	221	286
Dividend income	430	529
Rental income from facilities	161	129
Commission income	201	263
Share of profit of entities accounted for using equity method	1,215	1,775
Gain on adjustment of accounts payable	340	370
Other	623	474
Total non-operating income	3,194	3,829
Non-operating expenses		
Interest expenses	0	1
Rental expenses on facilities	95	65
Loss on abandonment of inventories	3	129
Compensation for damage	—	46
Other	301	158
Total non-operating expenses	400	400
Ordinary profit	7,878	10,697
Extraordinary income		
Gain on sale of non-current assets	4	2
Gain on sale of investment securities	—	2,882
Gain from refund due to capital reduction at subsidiaries and associates	—	170
Total extraordinary income	4	3,055
Extraordinary losses		
Loss on sale of non-current assets	0	0
Loss on abandonment of non-current assets	104	118
Impairment losses	252	138
Loss on disaster	358	476
Loss on sale of investment securities	—	5
Loss on valuation of investment securities	235	0
Total extraordinary losses	949	739
Profit before income taxes	6,932	13,013
Income taxes - current	1,801	3,752
Income taxes - deferred	492	405
Total income taxes	2,293	4,158
Profit	4,639	8,854
Profit attributable to non-controlling interests	50	46
Profit attributable to owners of the parent	4,589	8,808

Consolidated statements of comprehensive income

	Millions of yen	
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	4,639	8,854
Other comprehensive income		
Valuation difference on available-for-sale securities	2,834	-2,446
Foreign currency translation adjustment	69	46
Remeasurements of defined benefit plans, net of tax	562	712
Share of other comprehensive income of entities accounted for using equity method	49	73
Total other comprehensive income	3,516	-1,613
Comprehensive income	8,156	7,241
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	8,100	7,194
Comprehensive income attributable to non-controlling interests	55	46

(3) Consolidated Statements of Changes in Net Assets

FY2023 (April 1, 2023 - March 31, 2024)

Millions of yen

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,352	11,088	124,943	-7,102	140,282
Changes during period					
Dividends of surplus			-4,044		-4,044
Profit attributable to owners of the parent			4,589		4,589
Acquisition of treasury shares				-1,699	-1,699
Cancellation of treasury shares		-3	-2,952	2,955	—
Disposal of treasury shares		3		36	39
Disposal of treasury shares by stock granting trust				346	346
Change in ownership interest of parent due to transactions with non-controlling interests		21			21
Changes arising from changes in retained earnings of associated companies accounted for by the equity method			-1		-1
Net changes in items other than shareholders' equity					
Total changes during period	—	21	-2,410	1,638	-750
Balance at end of period	11,352	11,110	122,533	-5,464	139,531

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	8,532	-0	245	2,300	11,078	49	364	151,774
Changes during period								
Dividends of surplus								-4,044
Profit attributable to owners of the parent								4,589
Acquisition of treasury shares								-1,699
Cancellation of treasury shares								—
Disposal of treasury shares								39
Disposal of treasury shares by stock granting trust								346
Change in ownership interest of parent due to transactions with non-controlling interests								21
Changes arising from changes in retained earnings of associated companies accounted for by the equity method								-1
Net changes in items other than shareholders' equity	2,809	0	144	556	3,511	—	-67	3,444
Total changes during period	2,809	0	144	556	3,511	—	-67	2,694
Balance at end of period	11,342	0	390	2,857	14,590	49	296	154,468

FY2024 (April 1, 2024 - March 31, 2025)

Millions of yen

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,352	11,110	122,533	-5,464	139,531
Changes during period					
Dividends of surplus			-5,523		-5,523
Profit attributable to owners of the parent			8,808		8,808
Acquisition of treasury shares				-5,001	-5,001
Cancellation of treasury shares		-2	-6,670	6,673	-
Disposal of treasury shares		2		65	68
Disposal of treasury shares by stock granting trust				337	337
Net changes in items other than shareholders' equity					
Total changes during period	-	-	-3,386	2,074	-1,311
Balance at end of period	11,352	11,110	119,146	-3,389	138,220

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	11,342	0	390	2,857	14,590	49	296	154,468
Changes during period								
Dividends of surplus								-5,523
Profit attributable to owners of the parent								8,808
Acquisition of treasury shares								-5,001
Cancellation of treasury shares								-
Disposal of treasury shares								68
Disposal of treasury shares by stock granting trust								337
Net changes in items other than shareholders' equity	-2,439	0	91	734	-1,613	-26	25	-1,614
Total changes during period	-2,439	0	91	734	-1,613	-26	25	-2,926
Balance at end of period	8,902	0	482	3,591	12,977	23	321	151,542

(4) Consolidated Statements of Cash Flows

Millions of yen

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit (loss) before income taxes	6,932	13,013
Depreciation	7,841	7,677
Amortization of goodwill	136	136
Increase (decrease) in allowance for doubtful accounts	13	8
Interest and dividend income	-651	-815
Interest expenses	0	1
Foreign exchange losses (gains)	40	-2
Share of loss (profit) of entities accounted for using equity method	-1,215	-1,775
Loss (gain) on sale of property, plant and equipment	-4	-2
Loss on retirement of property, plant and equipment	110	133
Loss (gain) on sales and redemption of investment securities	—	-2,877
Loss (gain) on valuation of investment securities	235	0
Gain from refund due to capital reduction at subsidiaries and associates	—	-170
Impairment losses	252	138
Loss on disaster	75	278
Compensation for damage	—	46
Decrease (increase) in trade receivables	470	-202
Decrease (increase) in accounts receivable - other	-1,285	-848
Decrease (increase) in inventories	-425	-244
Increase (decrease) in trade payables	159	402
Increase (decrease) in accounts payable - other	101	194
Increase (decrease) in provision for bonuses	-465	728
Increase (decrease) in provision for loss on disaster	275	198
Increase (decrease) in retirement benefit asset or liability	-667	-1,640
Increase (decrease) in accrued consumption taxes	126	1,137
Decrease (increase) in investments in leases	-13	-36
Other, net	121	603
Subtotal	12,162	16,083
Interest and dividends received	1,540	1,979
Interest paid	-0	-1
Payments associated with disaster loss	-58	-118
Compensation paid for damage	—	-46
Income taxes paid	-2,602	-1,304
Income taxes refund	52	90
Net cash provided by (used in) operating activities	11,093	16,683

Millions of yen

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from investing activities		
Decrease (increase) in time deposits	450	—
Purchase of securities	-12,600	-6,500
Proceeds from sale and redemption of securities	12,900	8,000
Purchase of property, plant and equipment	-6,363	-5,857
Proceeds from sale of property, plant and equipment	135	255
Purchase of intangible assets	-2,620	-4,036
Purchase of investment securities	-5,045	-5,167
Proceeds from sale and redemption of investment securities	6,000	9,688
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-420	—
Purchase of shares of associates	-9,200	—
Payments of leasehold and guarantee deposits	-97	-233
Proceeds from refund of leasehold and guarantee deposit	298	225
Payments for acquisition of businesses	-144	-216
Other, net	104	-1,231
Net cash provided by (used in) investing activities	-16,604	-5,074
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	—	-60
Repayments of long-term borrowings	-435	-635
Acquisition of treasury shares	-1,699	-5,001
Proceeds from sale of treasury shares	435	488
Dividends paid	-4,097	-5,521
Dividends paid to non-controlling interests	-28	-21
Other, net	81	-0
Net cash provided by (used in) financing activities	-5,743	-10,753
Effect of exchange rate change on cash and cash equivalents	3	105
Net increase (decrease) in cash and cash equivalents	-11,250	960
Cash and cash equivalents at beginning of period	31,275	20,024
Cash and cash equivalents at end of period	20,024	20,985

(5) Notes to Consolidated Financial Statements

Notes relating to going concern assumption

None.

Notes to changes in accounting policies

— Adoption of the Accounting Standard for Current Income Taxes and other relevant standards

The Company adopted the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, issued on October 28, 2022, hereinafter referred to as the “2022 Revised Accounting Standard”) as well as other relevant standards from the beginning of FY2024.

Revisions regarding the account classification of income taxes (taxation on other comprehensive income) are in accordance with the transitional treatment prescribed in the proviso of paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment prescribed in the proviso of Paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, issued on October 28, 2022, hereinafter referred to as the “2022 Revised Guidance on Accounting Standard”). This change in accounting policy has no impact on the consolidated financial statements.

With respect to revisions related to the revised accounting rules for consolidated financial statements when gains or losses on the sale of shares of subsidiaries and other securities between consolidated companies are deferred for tax purposes, the Company has adopted the 2022 Revised Guidance on Accounting Standard from the beginning of FY2024. The change in accounting policy has been applied retrospectively, and the consolidated financial statements for FY2023 have been adjusted to reflect this retrospective application. This change in accounting policies has no impact on the consolidated financial statements for FY2023.

Segment information and other information

[Segment information]

1) Overview of reportable business segments

Duskin's reportable business segments are components of the Company for which separate financial information is available, and whose operating results are reviewed regularly by the Board of Directors to determine the allocation of resources and evaluate performance.

Duskin has business operating units classified by product and service type. Each business unit establishes comprehensive product and service strategies for Japan, and conducts its own business activities.

Duskin is organized into two reportable business segments, the Direct Selling Group and the Food Group, comprised of business operating units such as business groups and divisions based on product and service types.

The Direct Selling Group, with a focus on direct selling, includes rental of environmental hygiene products and cleaning tools; manufacturing and sales of cosmetics; rental of cabinet towels; sales of environmental hygiene products and restroom products; rental of industrial wiper cloths; rental of water purifiers and air purifiers; house cleaning services; home cleaning and helper services; pest control and comprehensive hygiene management; tree and lawn care services; fixing scratches and dents; plant and facility management services; living support services for seniors; event planning and operation; rental and sales of travel goods, baby goods, leisure goods, health and nursing care equipment; planning, sales and leasing of uniforms; and sales of coffee to offices. The Food Group is comprised of food service businesses that include manufacturing and sales of donuts and sales of food and beverages, operation of pork cutlet restaurants and sales of other food and beverages.

2) Method of calculating sales, income or loss, assets and others by reportable business segment

The segment income or losses are based on operating profit or loss. Intersegment intercompany income and transfers are based on current market prices.

Matters related to changes in reportable segments

During the fiscal year under review, the Company reviewed its consolidated business segmentation and made changes to the content of the Clean Service business segment in the revenue breakdown information. The revenue breakdown information for FY2023 is also presented in the amounts that reflect the change.

3) Sales, income or losses, assets and others by reportable business segment, and breakdown of revenue

FY2023 (April 1, 2023 - March 31, 2024; consolidated)

Millions of yen

	Direct Selling Group	Food Group	Other Businesses ¹	Total	Adjustment ³	Consolidated total ⁴
Sales						
Clean Service businesses	78,434	—	—	78,434	—	78,434
Care Service businesses	13,533	—	—	13,533	—	13,533
Mister Donut business	—	56,575	—	56,575	—	56,575
Other	14,853	1,851	11,275	27,979	—	27,979
Revenue from contracts with customers	106,821	58,426	11,275	176,523	—	176,523
Other revenue ²	—	—	2,259	2,259	—	2,259
To outside customers	106,821	58,426	13,534	178,782	—	178,782
Intersegment sales and transfers	643	10	2,112	2,766	-2,766	—
Total	107,464	58,437	15,646	181,548	-2,766	178,782
Segment income (loss)	4,142	6,916	440	11,499	-6,415	5,084
Segment assets	94,770	25,589	26,033	146,392	55,702	202,094
Other						
Depreciation	3,109	1,080	2,716	6,906	876	7,782
Investments in entities accounted for using equity method	6,657	—	10,998	17,656	—	17,656
Property, plant and equipment and intangible assets increase	4,973	1,910	1,221	8,105	1,077	9,183

FY2024 (April 1, 2024 - March 31, 2025; consolidated)

Millions of yen

	Direct Selling Group	Food Group	Other Businesses ¹	Total	Adjustment ³	Consolidated total ⁴
Sales						
Clean Service businesses	77,945	—	—	77,945	—	77,945
Care Service businesses	14,341	—	—	14,341	—	14,341
Mister Donut business	—	61,446	—	61,446	—	61,446
Other	15,499	5,296	11,972	32,767	—	32,767
Revenue from contracts with customers	107,786	66,742	11,972	186,500	—	186,500
Other revenue ²	—	—	2,290	2,290	—	2,290
To outside customers	107,786	66,742	14,262	188,791	—	188,791
Intersegment sales and transfers	652	5	2,224	2,882	-2,882	—
Total	108,438	66,747	16,486	191,673	-2,882	188,791
Segment income (loss)	5,721	8,556	511	14,789	-7,520	7,268
Segment assets	97,957	27,317	26,535	151,809	51,508	203,318
Other						
Depreciation	3,123	959	2,662	6,745	863	7,608
Investments in entities accounted for using equity method	6,567	—	11,745	18,313	—	18,313
Property, plant and equipment and intangible assets increase	5,100	1,540	993	7,634	1,876	9,510

Notes:

1. Other Businesses are comprised of the businesses that are not categorized in reportable business segments, including office equipment and vehicle leasing, insurance agent services, hospital management services and overseas businesses.
2. "Other revenue" represents revenue from leasing of office equipment and vehicles.
3. The breakdown of the adjustment area is as follows:

Sales		Millions of yen	
	FY2023	FY2024	
Intersegment eliminations	-2,766	-2,882	
Total	-2,766	-2,882	

Segment income (loss)		Millions of yen	
	FY2023	FY2024	
Intersegment eliminations	54	43	
Corporate expenses*	-6,469	-7,564	
Total	-6,415	-7,520	

* Corporate expenses include corporate administrative expenses.

Segment assets		Millions of yen	
	FY2023	FY2024	
Intersegment eliminations	-19,316	-19,796	
Corporate assets*	75,019	71,305	
Total	55,702	51,508	

* Corporate assets include the management fund of surplus funds (cash and securities), long-term investment funds (investment securities) and assets relating to the administrative departments.

Depreciation		Millions of yen	
	FY2023	FY2024	
Intersegment eliminations	-0	-0	
Corporate assets	876	863	
Total	876	863	

Increase of property, plant and equipment and intangible assets		Millions of yen	
	FY2023	FY2024	
Corporate assets	1,077	1,876	
Total	1,077	1,876	

4. Segment income has been adjusted for consistency with operating profit that is shown in the consolidated statements of income.

[Other related information]

FY2023 (April 1, 2023 - March 31, 2024; consolidated)

1) Product and/or service segment information

Millions of yen				
	Direct Selling Group	Food Group	Other Businesses	Total
Sales to outside customers	106,821	58,426	13,534	178,782

2) Geographic segment information

(i) Net sales

Since sales to outside customers in Japan exceed 90% of net sales on the consolidated statements of income, this information is omitted.

(ii) Property, plant and equipment

Since the amount of property, plant and equipment in Japan exceeds 90% of the amount on the consolidated balance sheet, this information is omitted.

FY2024 (April 1, 2024 - March 31, 2025; consolidated)**1) Product and/or service segment information**

Millions of yen

	Direct Selling Group	Food Group	Other Businesses	Total
Sales to outside customers	107,786	66,742	14,262	188,791

2) Geographic segment information**(i) Net sales**

Since sales to outside customers in Japan exceed 90% of net sales on the consolidated statements of income, this information is omitted.

(ii) Property, plant and equipment

Since the amount of property, plant and equipment in Japan exceeds 90% of the amount on the consolidated balance sheet, this information is omitted.

[Impairment losses on non-current assets by reportable business segment]**FY2023 (April 1, 2023 - March 31, 2024; consolidated)**

Millions of yen

	Direct Selling Group	Food Group	Other Businesses	Elimination or corporate	Total
Impairment loss	—	246	6	—	252

FY2024 (April 1, 2024 - March 31, 2025; consolidated)

Millions of yen

	Direct Selling Group	Food Group	Other Businesses	Elimination or corporate	Total
Impairment loss	138	—	—	—	138

[Amortization of goodwill and unamortized amount of goodwill by reportable business segment]**FY2023 (April 1, 2023 - March 31, 2024; consolidated)**

Millions of yen

	Direct Selling Group	Food Group	Other Businesses	Elimination or corporate	Total
Amortization	117	7	11	—	136
Balance*	220	70	34	—	326

* Goodwill at the end of the fiscal year includes 220 million yen of goodwill in the Direct Selling Group resulting from the purchase by Duskin and its subsidiaries of the business operations of several franchisees, 62 million yen of goodwill in the Food Group for Kenko Saien Co., Ltd., which was acquired in January 2024, and 34 million yen of goodwill in Other Businesses for Big Apple Worldwide Holdings Sdn. Bhd., which was acquired in February 2017.

FY2024 (April 1, 2024 - March 31, 2025; consolidated)

Millions of yen

	Direct Selling Group	Food Group	Other Businesses	Elimination or corporate	Total
Amortization	111	12	13	—	136
Balance*	191	60	26	—	279

* Goodwill at the end of the fiscal year includes 191 million yen of goodwill in the Direct Selling Group resulting from the purchase by Duskin and its subsidiaries of the business operations of several franchisees, 56 million yen of goodwill in the Food Group for Kenko Saien Co., Ltd., which was acquired in January 2024, and 26 million yen of goodwill in Other Businesses for Big Apple Worldwide Holdings Sdn. Bhd., which was acquired in February 2017.

[Information on gain on bargain purchase by reportable business segment]

FY2023 (April 1, 2023 - March 31, 2024; consolidated)

None.

FY2024 (April 1, 2024 - March 31, 2025; consolidated)

None.

Per share information

FY2023 (April 1, 2023 - March 31, 2024; consolidated)		FY2024 (April 1, 2024 - March 31, 2025; consolidated)	
Net assets per share	3,202.85	Net assets per share	3,220.79
Profit per share	95.32	Profit per share	185.72
Profit per share (Fully diluted)	95.28	Profit per share (Fully diluted)	185.68

Yen

Note: Profit per share and profit per share (fully diluted) are based on the following information.

	FY2023 (April 1, 2023 - March 31, 2024; consolidated)	FY2024 (April 1, 2024 - March 31, 2025; consolidated)
Profit per share		
Profit attributable to owners of the parent (Millions of yen)	4,589	8,808
Amounts not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to common stock owners of the parent (Millions of yen)	4,589	8,808
Average number of shares of common stock outstanding during the period (Thousands shares)	48,142	47,425
Profit per share (Fully diluted)		
Adjustments to profit attributable to owners of the parent (Millions of yen)	—	—
Increase in number of shares of common stock (Thousands shares)	19	11
Of which, share acquisition rights (Thousands shares)	(19)	(11)
Outline of common stock equivalents not included in the calculation of profit per share (fully diluted) because they are not dilutive	—	—

Note: Shares of the Company held by the Employee Stock Ownership Plan (ESOP) have been included in the number of treasury shares deducted from the number of shares issued at the end of the period, used in the calculation of net assets per share (307,000 shares for FY2023 and 176,000 shares for FY2024). In addition, shares of the Company held by the ESOP have been included in the number of treasury shares deducted to calculate the average number of shares outstanding during the period, used in the calculation of profit per share and profit per share (fully diluted) (383,000 shares for FY2023 and 251,000 shares for FY2024).

Important post-balance sheet events

None.

5. Other

Changes in Board Members

The following information has already been disclosed on April 24, 2025 and on May 15, 2025.

(1) Changes in Board Directors

Kenji Iida

Seishi Nemoto

Note: The new Board Directors will be formally elected at the Ordinary General Meeting of Shareholders scheduled for June 20, 2025.

(2) Candidate for reappointment as Board Director

Nobuko Sekiguchi

Note: The Company reappoints Ms. Nobuko Sekiguchi, who, at the conclusion of the 62nd Ordinary General Meeting of Shareholders of the Company held on June 26, 2024, retired from the position of Outside Director of the Company due to expiration of her term of office.

(3) Board Directors planning to retire

Kazushi Sumimoto

Naoto Miyata

Yukiko Tsujimoto

Note: The terms of office of these Board Directors will expire upon resolution of the Ordinary General Meeting of Shareholders scheduled for June 20, 2025, at which time they are slated to retire.