

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

(%: YoY changes)

	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	140,740	2.4	6,720	-4.2	6,670	-0.8	4,050	2.3	44.23

(Note) Revisions to the most recently announced earnings forecast: None

(Notes)

(1) Changes in significant subsidiaries during the period (changes in specific subsidiaries resulting in changes in the scope of consolidation): None

(2) Adoption of special accounting methods for preparation of consolidated statements: Yes

(Note) Please refer to "2. Consolidated Financial Statements and Supplementary Notes (4) Notes to Consolidated Financial Statements (Notes on Special Accounting Methods for Preparation of Consolidated Statements)" in P.9 of the Attached Material.

(3) Changes in accounting policies and changes or restatement of accounting estimates

- (i) Changes in accounting policies due to revision of accounting standards: None
- (ii) Changes in accounting policies other than the (i) above: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement of revisions: None

(4) Number of shares outstanding (common shares)

- (i) Number of shares outstanding at the end of the period, including treasury stock
- (ii) Number of treasury stock at the end of the period
- (iii) Average number of shares during the period (quarterly cumulative)

FY2025 Q3	94,741,793 shares	FY2024	94,741,793 shares
FY2025 Q3	3,741,240 shares	FY2024	2,482,666 shares
FY2025 Q3	91,920,746 shares	FY2024 Q3	92,233,678 shares

*Review of the accompanying consolidated financial statements by a certified public accountant or auditing firm: None

* Explanations and other special notes concerning the appropriate use of business performance forecasts

(1) The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and on certain assumptions deemed to be reasonable, and do not constitute guarantees by the Company of future performance. Actual results may differ materially from the forecast depending on a range of factors. Please refer to "1. Analysis of Operating Results and Financial Position (3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Statements" in P.4 of the Attached Materials for the assumptions on which the forecasts are based and notes for using the forecasts.

(2) The supplementary materials for the financial results and the presentation materials for the financial results briefing (live webcast) scheduled for Thursday, February 12, 2026, for institutional investors and analysts will be promptly posted on our website together with the financial results report for this period.

(Company website URL)

<https://www.solasto.co.jp/en/ir/>

Index of the Attachment

1. Analysis of Operating Results and Financial Position	2
(1) Analysis of Operating results	2
(2) Analysis of Financial Position	4
(3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Statements	4
2. Consolidated Financial Statements and Supplementary Notes	5
(1) Consolidated Balance Sheet	5
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	6
(3) Consolidated Statements of Cash Flows	8
(4) Notes to Consolidated Financial Statements	9
(Notes on Going Concern Assumptions)	9
(Notes in the Event of Significant Changes in the Amount of Shareholders' Equity)	9
(Notes on Special Accounting Methods for Preparation of Consolidated Statements)	9
(Segment information)	9

1. Analysis of Operating Results and Financial Position

(1) Analysis of Operating results

During the third quarter under review (April – December 2025), net sales of the Group increased 2.6% year on year, to 105,624 million yen. This primarily reflected the good start made by the Medical Business due to the effect of price revisions, which exceeded the forecast, as well as the solid performance of both the Elderly Care Business and the Children Business. Operating profit decreased 1.9% year on year, to 5,509 million yen. This reflected the strategic acceleration of improvements in employee treatment and new IT investments, including the introduction of a next-generation IT platform, partially offset by higher profits from the sales increase. Ordinary profit increased 2.2% year on year, to 5,472 million yen. Net income increased 8.4% year on year, to 3,569 million yen.

Results in the third quarter of FY2025

	FY2024 Q3	FY2025 Q3	YoY Change	YoY(%)	(Reference) FY2024
Net sales	102,939	105,624	+2,684	+2.6%	137,435
Operating profit Margin	5,618 5.5%	5,509 5.2%	-108	-1.9%	7,017 5.1%
Ordinary profit Margin	5,352 5.2%	5,472 5.2%	+120	+2.2%	6,726 4.9%
Net income Margin	3,293 3.2%	3,569 3.4%	+276	+8.4%	3,960 2.9%

Business Segment Information

In addition, the "Smart Hospital Business," which was previously included in the "Other" category, is included in the "Medical Business" segment of the reportable segment. The figures for net sales and operating income by business segment in the table below are year-on-year comparisons using reference figures that reflect the segment changes in FY2025 based on the results for FY2024.

Medical Business

Net sales increased 3.4% year on year, to 55,208 million yen, mainly because progress in negotiations for price revisions in existing contracted services exceeded expectations. Operating profit decreased 8.4% year on year, to 3,092 million yen. While progress in price revisions for existing contracted services exceeded expectations, the results reflected the strategic strengthening of investments in the development of human resources and an improvement in employee treatment with the aim of increasing employee satisfaction.

Elderly Care Business

Net sales increased 0.9% year on year, to 42,268 million yen, reflecting steady day service operations and a solid increase in the number of facility-based service users. Operating profit, which was affected by the soaring cost of living, including high utilities and food expenses, came to 2,286 million yen, a year-on-year increase of 11.6%, mainly due to the positive effects of an increase in sales, the reduction of various selling, general and administrative expenses and reduction of the cost of outside workers such as temporary staff.

Children Business

Net sales increased 6.2% year on year, to 8,114 million yen, mainly due to a rise in unit prices that resulted from the revision of official prices as well as the Tokyo Metropolitan Government's program for free daycare for first children. Operating profit decreased 32.1% year on year, to 126 million yen, mainly attributable to improvements in the treatment of child care workers, increased recruitment costs to strengthen staffing, and higher facility expenses such as utilities.

Net sales

(Million yen)

	FY2024 Q3	FY2025 Q3	YoY Change	YoY(%)	(Reference) FY2024
Medical Business	53,390	55,208	+1,818	+3.4%	71,214
Elderly Care Business	41,875	42,268	+393	+0.9%	55,337
Children Business	7,638	8,114	+475	+6.2%	10,836
Other	35	32	-2	-7.5%	46
Total	102,939	105,624	2,684	+2.6%	137,435

Operating profit

(Million yen)

	FY2024 Q3	FY2025 Q3	YoY Change	YoY(%)	(Reference) FY2024
Medical Business Margin	3,377 6.3%	3,092 5.6%	-284	-8.4%	4,388 6.2%
Elderly Care Business Margin	2,049 4.9%	2,286 5.4%	+237	+11.6%	2,218 4.0%
Children Business Margin	185 2.4%	126 1.6%	-59	-32.1%	401 3.7%
Other Margin	6 18.8%	4 12.9%	-2	-36.4%	9 19.2%
Total Margin	5,618 5.5%	5,509 5.2%	-108	-1.9%	7,017 5.1%

(Note) "Net sales" in "Business Segment Information" above is "Net sales to customers" in "2. Consolidated Financial Statements and Supplementary Notes (4) Notes to Consolidated Statements (Segment Information)."

Numbers of elderly care centers and childcare centers

	End of December 2024	End of March 2025	End of December 2025
Number of Elderly care centers	714	709	694
Number of Childcare centers	67	67	67

(Note) In addition to the above, there are 24 franchise locations.

(2) Analysis of Financial Position

Assets

Current assets as of the end of the third quarter were 31,566 million yen, an increase of 399 million yen compared to the end of the previous fiscal year. This was mainly due to an increase of 1,008 million yen in accounts receivable - trade. Fixed assets were 37,184 million yen, a decrease of 1,746 million yen compared to the end of the previous fiscal year. This was mainly due to a decrease in goodwill of 1,232 million yen.

As a result, total assets amounted to 68,750 million yen, a decrease of 1,346 million yen compared to the end of the previous fiscal year.

Liabilities

Current liabilities at the end of the third quarter were 23,942 million yen, an increase of 1,579 million yen compared to the end of the previous fiscal year. This was mainly due to an increase of 2,435 million yen in accounts payable – other and accrued expenses. This increase occurred because the end of the third quarter fell on a bank holiday, causing social insurance payments to be carried over to the fourth quarter. Meanwhile, provision for bonuses decreased by 1,070 million yen. Long-term liabilities were 21,166 million yen, a decrease of 3,884 million yen compared to the end of the previous fiscal year. This was mainly due to a decrease of 3,711 million yen in long-term debt.

As a result, total liabilities amounted to 45,108 million yen, a decrease of 2,304 million yen compared to the end of the previous fiscal year.

Net assets

Net assets at the end of the third quarter were 23,642 million yen, an increase of 958 million yen compared to the end of the previous fiscal year. This was mainly due to net income attributable to owners of parent of 3,569 million yen. This was partially offset by dividends paid of 1,932 million yen and purchase of treasury stock of 689 million yen.

(3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Statements

The Company has revised the earnings forecast announced on May 12, 2025, according to recent earnings trends. Please refer to the “Notice Concerning Revision of Forecast” announced on November 12, 2025 for more information.

2. Consolidated Financial Statements and Supplementary Notes
(1) Consolidated Balance Sheet

(Million yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	14,004	12,400
Accounts receivable	14,983	15,992
Inventory	142	179
Others	2,064	3,012
Allowance for doubtful accounts	-28	-18
Total current assets	31,166	31,566
Fixed assets		
Property, plant, and equipment		
Buildings and structures, net	8,881	8,502
Land	5,672	5,672
Others, net	2,459	2,381
Total property asset, plant and equipment	17,013	16,556
Intangible assets		
Goodwill	13,625	12,393
Others	1,190	1,202
Total intangible assets	14,816	13,596
Investment and other assets		
Investment and other assets	7,120	7,050
Allowance for doubtful accounts	-19	-18
Total investments and other assets	7,100	7,032
Total fixed assets	38,930	37,184
Total assets	70,097	68,750
Liabilities		
Current liabilities		
Short-term borrowings	—	500
Current portion of long-term borrowings	4,782	4,782
Accounts payable-other	9,942	11,263
Income taxes payable	1,662	1,281
Provision for bonuses	2,348	1,277
Provision for directors' bonuses	16	11
Others	3,609	4,825
Total current liabilities	22,362	23,942
Long-term liabilities		
Long-term borrowings	15,160	11,448
Provision for loss on compensation for damages	377	377
Obligations for retirement pay	2,150	2,277
Other provisions	—	18
Asset retirement obligations	1,648	1,666
Others	5,713	5,376
Total long-term liabilities	25,050	21,166
Total liabilities	47,412	45,108

	As of March 31, 2025	As of December 31, 2025
Shareholders' equity		
Capital	686	686
Capital surplus	5,575	5,563
Retained earnings	17,745	19,382
Treasury Stock	-1,444	-2,091
Total shareholders' equity	22,563	23,541
Other accumulated comprehensive income		
Remeasurements of defined benefit plans	115	101
Total other accumulated comprehensive income	115	101
Stock acquisition rights	5	—
Total net assets	22,684	23,642
Total liabilities and net assets	70,097	68,750

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

(Million yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net sales	102,939	105,624
Cost of sales	85,814	88,290
Gross profit	17,125	17,334
Selling, general and administrative expenses	11,506	11,824
Operating profit	5,618	5,509
Non-operating profit		
Subsidy income	69	129
Others	60	154
Total non-operating profit	129	283
Non-operating expenses		
Interest expenses	219	195
Others	177	126
Total non-operating expenses	396	321
Ordinary profit	5,352	5,472
Extraordinary gains		
Gain on redemption of investment securities	—	309
Total extraordinary profit	—	309
Income before income taxes	5,352	5,782
Income taxes	2,059	2,213
Net income	3,293	3,569
Net income attributable to owners of parent	3,293	3,569

(Consolidated Statements of Comprehensive Income)

(Million yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net income	3,293	3,569
Other comprehensive income		
Remeasurements of defined benefit plans	-18	-14
Total other comprehensive income	-18	-14
Comprehensive income	3,275	3,555
(Breakdown)		
Comprehensive income attributable to owners of the parent	3,275	3,555
Comprehensive income attributable to non-controlling interests	-	-

(3) Consolidated Statements of Cash Flows

(Million yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net cash provided by (used in) operating activities		
Income before income taxes	5,352	5,782
Depreciation and amortization	1,077	1,086
Amortization of goodwill	1,242	1,232
Loss (gain) on redemption of investment securities	—	-309
Increase (decrease) in provision for bonuses	-939	-1,070
Increase (decrease) in provision for directors' bonuses	-7	-5
Increase (decrease) in liability for defined benefit plans	111	127
Interest expenses	219	195
Decrease (Increase) in trade receivables	-487	-1,008
Decrease (Increase) in inventory	16	-36
Decrease (Increase) in prepaid expenses	139	308
Increase (decrease) in accounts payable - other	258	1,362
Increase (decrease) in accrued consumption taxes	36	582
Increase (decrease) in deposits received	287	1,067
Others	-807	-1,300
Subtotal	6,502	8,013
Interest expenses paid	-222	-197
Income taxes paid	-2,106	-2,455
Compensation paid for damage	-6	—
Payment of levy for employment of persons with disabilities	-179	—
Payments for restructuring charges	-163	—
Others	27	45
Net cash provided by (used in) operating activities	3,852	5,406
Net cash provided by (used in) investing activities		
Net decrease (increase) in short-term loans receivable	-38	-411
Purchase of property, plant and equipment	-305	-219
Proceeds from sales of property, plant and equipment	0	0
Purchase of intangible assets	-372	-392
Proceeds from cancellation of monetary held in trust	1,107	—
Payments of lease and guarantee deposits	-50	-21
Proceeds from refund of leasehold and guarantee deposits	184	27
Proceeds from redemption of investment securities	—	310
Others	5	-17
Net cash provided by (used in) investing activities	531	-724
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term borrowings	-500	500
Repayment of long-term borrowings	-3,711	-3,711
Purchase of treasury stock	-0	-693
Decrease increase in deposit paid for repurchase of treasury stock	—	-284
Dividends paid	-1,841	-1,932
Repayments of finance lease liabilities	-152	-162
Others	-0	-0
Net cash provided by (used in) financing activities	-6,206	-6,285
Net increase (decrease) in cash and cash equivalents	-1,822	-1,603
Cash and cash equivalents, beginning of year	15,115	14,004
Cash and cash equivalents, end of year	13,293	12,400

(4) Notes to Consolidated Financial Statements

(Notes on Special Accounting Methods for Preparation of Consolidated Statements)

(Calculation of tax expense)

Tax expenses are calculated by reasonably estimating the effective tax rate after applying tax effect accounting to income before income taxes and minority interests for the consolidated fiscal year, including the current interim period, and multiplying income before income taxes and minority interests by such estimated effective tax rate.

(Segment information)

I Nine months ended December 31, 2024 (April 1, 2024 to December 31, 2024)

1. Information on net sales, income or loss, assets, and other items by reportable segment and breakdown of revenue

(Million yen)

	Reportable segments				Other (Note) 1	Consolidated (Note) 2
	Medical Business	Elderly Care Business	Children Business	Total		
Net sales						
Medical: Contracted service	47,147	—	—	47,147	—	47,147
Medical: Worker dispatching	5,080	—	—	5,080	—	5,080
Elderly Care	—	41,762	—	41,762	—	41,762
Children	—	—	7,638	7,638	—	7,638
Others	1,162	106	—	1,269	1	1,271
Income from contracts with customers	53,390	41,869	7,638	102,898	1	102,900
Other income	—	6	—	6	33	39
Net sales to customers	53,390	41,875	7,638	102,904	35	102,939
Intersegment sales	—	—	—	—	—	—
Total	53,390	41,875	7,638	102,904	35	102,939
Segment profit	3,377	2,049	185	5,612	6	5,618

(Note) 1. The "Others" category includes real estate leasing and non-life insurance agency operations that are not included in the reportable segments.

2. Segment profit is reconciled to operating profit in the Consolidated Statements of income.

2. Information on impairment losses on fixed assets or goodwill, etc. by reportable segment
Not applicable.

II Nine months ended December 31, 2025 (April 1, 2025 to December 31, 2025)

1. Information on net sales, income or loss, assets, and other items by reportable segment and breakdown of revenue

(Million yen)

	Reportable segments				Other (Note) 1	Consolidated (Note) 2
	Medical Business	Elderly Care Business	Children Business	Total		
Net sales						
Medical: Contracted service	49,086	—	—	49,086	—	49,086
Medical: Worker dispatching	4,766	—	—	4,766	—	4,766
Elderly Care	—	42,178	—	42,178	—	42,178
Children	—	—	8,114	8,114	—	8,114
Other	1,356	82	—	1,438	1	1,440
Income from contracts with customers	55,208	42,260	8,114	105,584	1	105,585
Other income	—	7	—	7	31	38
Net sales to customers	55,208	42,268	8,114	105,591	32	105,624
Intersegment sales	—	—	—	—	—	—
Total	55,208	42,268	8,114	105,591	32	105,624
Segment profit	3,092	2,286	126	5,505	4	5,509

(Note) 1. The "Others" category includes real estate leasing and non-life insurance agency operations that are not included in the reportable segments.

2. Segment profit (loss) is reconciled to operating profit in the Consolidated Statements of income.

2. Matters related to changes in the reportable segments, etc.

Following the organizational restructuring effective April 1, 2025, the "Smart Hospital Business," which was previously included in the "Other" category, is included in the "Medical Business" segment of the reportable segment.

The segment information for the nine months ended December 31, 2024 is disclosed based on the measurement method after the change.

3. Information on Impairment Loss on Fixed Assets and Goodwill by the reportable segment
Not applicable.

(Notes in the Event of Significant Changes in the Amount of Shareholders' Equity)

Not applicable.

(Notes on Going Concern Assumptions)

Not applicable.