



Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Japanese accounting standards)

Released: May 7, 2026

Name of listed firm: Nojima Corporation

Listed on the Tokyo Stock Exchange

Code No.: 7419

URL: <https://www.nojima.co.jp>

Representative: Hiroshi Nojima, President & Representative Executive Officer

Contact: Hiroaki Hatano, Executive Officer/General Manager, Finance and Accounting Division

Tel.: +81-50-3116-6500

Scheduled date of regular general meeting of shareholders: June 19, 2026 Scheduled start date of dividend payments: June 5, 2026

Scheduled date of securities report filing: June 12, 2026

Supplemental materials on financial results: Yes

Briefing session on financial results for analysts: Yes

(Amounts are rounded down to the nearest million yen.)

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

(1) Consolidated results of operations

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		EBITDA		Net income attributable to shareholders of the parent company	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY ended March 2026	982,804	15.2	58,071	20.1	62,295	21.7	86,591	16.6	38,931	20.6
FY ended March 2025	853,427	12.1	48,371	58.3	51,197	55.4	74,252	29.0	32,292	61.6

Note: Comprehensive income: FY ended March 31, 2026: 47,489million yen (30.7%)

FY ended March 31, 2025: 36,321million yen (71.5%)

* For detailed information, including definitions and methods used to calculate indicators, see p. 2, 1. "Overview of operating results and other indicators: (1) Overview of operating results."

	Net income per share	Diluted net income per share	ROE	ROA	Operating income margin
	Yen	Yen	%	%	%
FY ended March 2026	134.61	125.16	17.5	10.2	5.9
FY ended March 2025	111.66	106.50	17.2	8.7	5.7

Reference: Equity in net income (losses) of affiliates:

FY ended March 2026: 122million yen

FY ended March 2025: 82million yen

Note: The Company conducted a stock split at a ratio of 3 shares for every 1 common share with an effective date of October 11, 2025. Net income per share and diluted earnings per share are calculated on the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2026	594,478	249,043	40.8	837.92
As of March 31, 2025	623,810	208,307	32.4	703.46

Reference: Equity: FY ended March 2026: 242,491million yen

FY ended March 2025: 202,143million yen

Note: The Company carried out a stock split of common stock at a ratio of three shares for every one share, effective October 11, 2025. Net assets per share are calculated assuming that the stock split was conducted at the beginning of the previous consolidated fiscal year.

(3) Consolidated cash flow

	Cash flow from operating activities	Cash flow from investment activities	Cash flow from financing activities	Cash and cash equivalents at end of year
	Million yen	Million yen	Million yen	Million yen
FY ended March 2026	57,577	-3,655	-24,011	96,300
FY ended March 2025	44,078	-37,172	23,858	65,664

2. Dividends

	Dividends per share					Total dividends for the year	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End of Q1	End of Q2	End of Q3	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY ended March 2025	—	20.00	—	25.00	45.00	4,368	13.4	2.3
FY ended March 2026	—	23.00	—	10.00	—	5,171	13.1	2.3
FY ending March 2027 (planned)	—	10.00	—	10.00	20.00		12.1	

Note: Breakdown of the dividend for the FY ended March 2025: Regular dividend: 23.00 yen, 30th anniversary commemorative dividend for stock listing: 2.00 yen
The Company carried out a stock split of common stock at a ratio of three shares for every one share, effective October 11, 2025. For the fiscal year ended March 31, 2025 and the end of the second quarter of the fiscal year ending March 31, 2026, the actual amounts of dividends before the said stock split are stated. The year-end dividend for the fiscal year ending March 31, 2026 is stated taking into account the said stock split, and the total annual dividend is stated as "—". Without taking the stock split into account, the year-end dividend per share for the FY ending March 31, 2026 would be 30.00 yen, and the annual dividend per share would be 53.00 yen.

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

(Percentages indicate changes from the previous year for full-year forecasts and changes from the same quarter of the previous fiscal year for quarterly forecasts)

	Net sales		Operating income		Ordinary income		EBITDA		Net income attributable to shareholders of the parent company		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	
Q2 (Cumulative)	470,000	1.6	28,000	1.2	44,000	43.7	51,000	19.8	27,000	39.0	93.30
Full-year	1,000,000	1.7	59,000	1.6	76,000	22.0	97,000	12.0	48,000	23.3	165.86

* Notes

(1) Significant changes in subsidiaries during this period:

Yes

Added: 8 company(ies) (name: Street Holdings Corporation and 6 other companies, 3PLATZ Co., Ltd.)

Removed: 7 company(ies) (name(s): MONEY SQUARE HOLDINGS, INC. MONEY SQUARE, INC. Street Holdings Corporation and 4 other companies)

Note: BCJ-59, Street Holdings Corporation, and its three subsidiaries were dissolved via an absorption-type merger with NJM2 Corporation as the surviving company on December 1, 2025. On the same date, NJM2 Corporation changed its trade name to Street Corporation.

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

- i. Changes in accounting policies due to revisions in accounting standards and other regulations: No
- ii. Changes in accounting policies for reasons other than i.: No
- iii. Changes in accounting estimates: No
- iv. Restatement of prior period financial statements: No

(3) Number of shares issued and outstanding (common stock)

i. Number of shares issued and outstanding at the end of the period (including treasury stock)	FY ended March 2026	307,737,696shares	FY ended March 2025	307,737,696shares
ii. Number of shares of treasury stock at the end of the period	FY ended March 2026	18,339,725shares	FY ended March 2025	20,383,305shares
iii. Average number of shares during the period	FY ended March 2026	289,215,846shares	FY ended March 2025	289,209,878shares

Note: The Company carried out a stock split of common stock at a ratio of three shares for every one share, effective October 11, 2025. "Total number of issued shares at the end of the period," "number of treasury stock at the end of the period," and "average number of shares during the period" are calculated assuming that the stock split was conducted at the beginning of the previous consolidated fiscal year.

The number of treasury stock at the end of the period includes the Company's shares held by the Employee Stock Ownership Plan (ESOP) trust (2,438,200 shares for the fiscal year ending March 31, 2026 and 4,010,700 shares for the fiscal year ended March 31, 2025). In addition, the Company's shares held by the ESOP trust are included in the treasury stock to be deducted in the calculation of the average number of shares during the period (3,223,678 shares for the fiscal year ending March 31, 2026 and 2,398,513 shares for the fiscal year ended March 31, 2025).

Reference: Summary of non-consolidated financial results

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

(1) Non-consolidated results of operations

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY ended March 2026	347,564	10.6	16,906	-5.8	32,194	23.6	24,933	27.5
FY ended March 2025	314,342	12.7	17,939	25.1	26,037	16.4	19,557	16.0

	Net income per share		Diluted net income per share	
	Yen		Yen	
FY ended March 2026	86.21		80.16	
FY ended March 2025	67.63		64.50	

Note: The Company carried out a stock split of common stock at a ratio of three shares for every one share, effective October 11, 2025. Net income per share and diluted net income per share are calculated, assuming that the stock split was conducted at the beginning of the previous consolidated fiscal year.

(2) Non-consolidated financial position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Million yen		Million yen		%		Yen	
As of March 31, 2026	333,558		186,262		55.0		633.54	
As of March 31, 2025	278,092		162,065		57.3		554.16	

(Reference) Equity: As of March 2026: 183,344 million yen As of March 2025: 159,240 million yen

Note: The Company carried out a stock split of its common stock at a ratio of three shares for every one share held, effective October 11, 2025. Net assets per share are calculated assuming that the stock split was conducted at the beginning of the previous consolidated fiscal year.

* This report is not subject to audits by certified public accountants or auditing firms

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

Note on forward-looking statements:

Forecasts of business performance and other forward-looking statements in this release are based on information currently available and certain assumptions the Company deems reasonable at the time of preparation. They do not constitute a guarantee of future results. Actual results may differ materially from those of any forward-looking statements for various reasons.

○ Contents of attached documents

1. Overview of operating results and other indicators.....	2
(1) Overview of operating results.....	2
(2) Overview of financial position	4
(3) Overview of cash flow.....	5
(4) Future outlook	6
2. Basic approach to selecting accounting standard.....	6
3. Consolidated financial statements and main notes.....	7
(1) Consolidated balance sheet.....	7
(2) Consolidated income statement and consolidated statement of comprehensive income.....	11
Consolidated income statement.....	11
Consolidated statement of comprehensive income.....	13
(3) Consolidated statement of changes in net assets.....	14
(4) Consolidated cash flow statement	16
(5) Notes to the consolidated financial statements	18
(Notes on going concern assumption).....	18
(Important principles for preparing consolidated financial statements)	18
(Notes to the consolidated balance sheet)	22
(Segment information, etc.)	23
(Per-share information)	26
(Important subsequent events)	27

1. Overview of operating results and other indicators

(1) Overview of operating results

During the current consolidated fiscal year, the Japanese economy recovered moderately. While improvements in the employment and income environment and the effects of various policies are expected to support a moderate recovery, continued attention must be paid to the risk of an economic downturn due to the impact of U.S. trade policies, fluctuations in financial and capital markets, and the situation in the Middle East.

Under these circumstances, Nojima Team (*1) has aimed to be a strong team where each business combines its strengths to create synergy, with the ambition of contributing to society through digital products and services, and has conducted "consulting-based sales" tailored to the customer's perspective.

In March 2026, Nojima Team relocated its headquarters to Shinagawa. By gathering dispersed teams into a single location, we will promote operational efficiency for each company while evolving store operations to be even more closely aligned with our customers' needs.

As a result, the Team's business performance progressed favorably. For the current consolidated fiscal year, net sales were 982,804 million yen (115.2% year-on-year), operating income was 58,071 million yen (120.1% year-on-year), ordinary income was 62,295 million yen (121.7% year-on-year), and net income attributable to shareholders of the parent company was 38,931 million yen (120.6% year-on-year). Net sales and operating income both reached record highs. Ordinary income and net income attributable to shareholders of the parent company also reached record highs, excluding investment gains from the equity method applied to Suruga Bank Ltd. and others in the fiscal year ended March 2021. EBITDA (*2), which our Group regards as a key management indicator, was 86,591 million yen (116.6% year-on-year), also marking a record high.

(*1) Nojima companies are referred to as "Nojima Team" based on the idea that they are a team that shares the common goal of "contributing to society and delighting customers" and demonstrating each other's strengths to achieve this.

(*2) EBITDA = Ordinary income + Interest expenses + Interest on bonds + Depreciation + Amortization of goodwill - Gain or loss on equity method investment.

The situation for each segment is as follows.

From the current consolidated fiscal year, the "Media business" has been added to the reporting segments, following the inclusion of Street Holdings Corporation and its subsidiaries in the scope of consolidation and the reclassification of the "Paid satellite broadcasting business," previously included in "Other". In accordance with this change, segment information for the previous consolidated fiscal year has been reclassified to the new reporting segment categories. Additionally, to reflect the characteristics of Nojima Team's performance evaluation, the reporting segments are presented in descending order of segment income from the current consolidated fiscal year.

(Operation of mobile carrier stores)

In the carrier shop industry, amidst the shift toward comprehensive life support proposals—driven by telecommunications carriers' efforts to retain young customers and the expansion of the "economic zone" including finance and payment services—we focused on store operations tailored to diverse customer needs. By providing security-related services that lead to safety and peace of mind, and assigning high-performing management personnel within Nojima Team to facilitate the sharing of advanced customer service techniques and human resource development, we have enhanced our organizational foundation. Through these initiatives, we strove to enhance customer service quality and customer satisfaction, expanding the business and securing stable earnings for the current fiscal year.

As a result, net sales were 397,031 million yen (108.0% year-on-year), and ordinary income was 26,912 million yen (140.0% year-on-year). Net sales and ordinary income both reached record highs.

(Operation of digital home electronics retail stores)

In the home electronics retail industry, as "energy saving," "time performance," and "consumption polarization" against the backdrop of high prices became key to customer needs, sales of AI-equipped PCs and high-value-added beauty appliances remained strong. Under these circumstances, we continued "consulting-based sales" tailored to the needs of each customer. To delight more customers, we conducted sales such as the "Fiscal Year-End Clearance Sale." Furthermore, in February 2026, we challenged ourselves with advanced initiatives, such as opening a "Robot Showroom" aimed at providing new experiential value.

We prioritize employee job satisfaction and happiness, believing this leads to better customer service. In addition to deciding to implement base salary increases twice a year on a continuing basis, we raised the starting salary for new graduates in fiscal year 2026 to a maximum of 400,000 yen to recruit excellent talent. Furthermore, we will actively promote investment in digital transformation (DX) to simultaneously improve the shopping experience for our customers and the efficiency of store operations.

Regarding store development, we are pursuing a dominant strategy centered on Tokyo and Kanagawa prefectures, while opening small-format stores and optimizing the floor space of existing locations, thereby proceeding with store openings in a manner that welcomes customers in the regions where they reside.

As a result, net sales were 339,863 million yen (112.5% year-on-year), and ordinary income was 20,513 million yen (102.1% year-on-year). Net sales reached a record high.

(Internet business)

As ultra-high-speed broadband services continue to expand their role as essential infrastructure for daily life, we are promoting various initiatives with the aim of becoming the "ISP that is closest to and most inspiring for our customers." Key initiatives this period included the development of a "home line diagnosis app" to improve customer satisfaction with connection quality, and the implementation of BIMi and FCrDNS for "@nifty mail" to enhance email security.

Meanwhile, Cecile is promoting "product creation that stays close to customers." By sharing examples of improvements based on customer feedback, we demonstrate our corporate stance of facing customers sincerely, and we will continue to value customer voices as we aim to be a more accessible and trusted brand.

As a result, net sales were 72,883 million yen (103.6% year-on-year), and ordinary income was 5,510 million yen (89.1% year-on-year). Net sales reached a record high.

(Product business)

In the fourth quarter, unit shipments exceeded the same period of the previous year, reaching a record high. Despite a slowdown in demand related to the end of support for Windows 10 (October 2025), a steady level of demand was maintained from both individual and corporate customers. Even amidst rising market prices for components such as memory and some supply shortages, we maintained an adequate supply system and met fiscal year-end demand from corporate customers. For individual customers, sales expanded through promotional measures capturing "new life" demand, and sales at Docomo stores, which began in January, contributed to the increase in revenue. In February, we introduced Japan's first battery warranty service for all models, enhancing the reliability of the VAIO brand by extending free warranty coverage to include wear and tear over time.

As a result, net sales were 66,988 million yen (378.5% year-on-year), and ordinary income was 4,944 million yen (578.8% year-on-year).

(Media business)

At AXN Inc., within the paid satellite broadcasting business, we integrated the programming departments for overseas dramas and movies, promoting qualitative improvement and efficiency in content procurement. Animax Broadcast Japan Inc. expanded its event business with new offerings such as 2.5D musicals and staged readings, enhancing its ability to meet the diverse needs of anime fans. In fiscal year 2026, we will transition AXN Inc. to a holding company structure, establishing a system that enables rapid decision-making and flexible business operations by increasing the independence of both operating companies.

Street Corporation provides comprehensive direct marketing support through the integration of television and digital media. By striving to break away from the status quo as a "first-year venture," the profitability of the television business has shown a significant improvement trend. We are also working on insourcing operations to enhance "Speed, Uniqueness, and Quality" through the use of generative AI and the consideration of M&A. Furthermore, we completed the sale of Nippon Hyakkaten (Japan Department Store) to optimize management resources and worked toward business expansion and the enhancement of corporate value.

As a result, net sales were 24,969 million yen (206.6% year-on-year), and ordinary profit was 1,595 million yen (85.1% year-on-year).

(Overseas business)

In the overseas business, we decided to terminate our business in Cambodia to restructure our global strategy and optimize management resources. In Singapore, we focused on deepening the customer experience through renovation investments in existing stores, while also enhancing our contribution to the local community by establishing a post-sales support system through ancillary services. In Malaysia, we captured changes in lifestyles due to social conditions and strove to ensure a stable supply of IT products necessary for remote work, etc. At the same time, we will continue to proactively reorganize and renovate suburban stores. Moving forward, we will continue to promote the review of our store network in response to changes in the market environment and pursue improved convenience and service quality for each customer in each region.

As a result, net sales were 86,672 million yen (106.5% year-on-year), and ordinary profit was 1,092 million yen (114.6% year-on-year). Net sales reached a record high.

(Financial business)

As of August 13, 2025, all outstanding shares of Money Square Holdings, Inc. and Money Square, Inc. were transferred, and they have been excluded from the scope of consolidation. Accordingly, the disclosure of the financial segment is expected to be discontinued from the next period.

Prior to the exclusion from consolidation, net sales were 1,851 million yen (35.0% year-on-year), and ordinary profit was 437 million yen (37.9% year-on-year).

(Stores in operation)

In the operation of digital home electronics retail stores, as a result of scrap-and-build initiatives, we opened 12 new digital home electronics retail stores and closed three stores, bringing the total to 240 stores. For communications specialized stores, we closed or transferred 16 stores, leaving one store. As a result, the total number of stores in this segment reached 241.

In the operation of mobile carrier stores, through scrap-and-build efforts including both directly operated stores and franchised stores, we opened or acquired 30 stores and closed or transferred 28 stores, bringing the total to 937 stores.

In the overseas business, through scrap-and-build initiatives, we opened eight new stores and closed seven stores, bringing the total to 115 stores.

As a result of the above, the number of stores at the end of the current consolidated fiscal year is as follows:

Classification	Directly operated stores	Franchises	Total
Operation of digital home electronics retail stores	241	—	241
Digital home electronics retail stores	240	—	240
Dedicated communications device stores	1	—	1
Operation of mobile carrier stores	653	284	937
Carrier stores	615	281	896
Others	38	3	41
Overseas business	115	—	115
Total	1,009	284	1,293

(2) Overview of financial position

(Assets)

As of the end of the current consolidated fiscal year, total assets decreased by 29,331 million yen compared to the end of the previous fiscal year to 594,478 million yen. The main breakdown includes a decrease of 28,155 million yen in current assets to 368,520 million yen, and a decrease of 1,176 million yen in fixed assets to 225,957 million yen.

The primary factors behind the decrease in current assets were decreases of 72,041 million yen in deposits, 23,504 million yen in trading goods, and 4,553 million yen in accounts receivable-other, despite increases of 40,121 million yen in accounts receivable, 29,686 million yen in cash and deposits, and 6,875 million yen in merchandise and finished goods.

The primary factors behind the decrease in fixed assets were decreases of 5,453 million yen in goodwill, 5,360 million yen in contractual intangible assets, and 3,133 million yen in technology-related intangible assets, despite increases of 6,892 million yen in investment securities, 4,104 million yen in customer-related intangible assets, and 1,759 million yen in leasehold deposits and guarantee deposits.

(Liabilities)

As of the end of the current consolidated fiscal year, total liabilities decreased by 70,067 million yen compared to the end of the previous fiscal year to 345,434 million yen. The main breakdown includes a decrease of 66,543 million yen in current liabilities to 238,658 million yen, and a decrease of 3,523 million yen in fixed liabilities to 106,775 million yen.

The primary factors behind the decrease in current liabilities were a decrease of 92,398 million yen in guarantee deposits received, despite increases of 24,790 million yen in notes and accounts payable-trade, 2,912 million yen in the current portion of long-term loans payable, and 2,710 million yen in contract liabilities.

The primary factors behind the decrease in fixed liabilities were decreases of 3,822 million yen in long-term loans payable, 2,598 million yen in deferred tax liabilities, and 1,346 million yen in lease obligations, despite an increase of 4,119 million yen in contract liabilities.

(Net Assets)

As of the end of the current consolidated fiscal year, total net assets increased by 40,736 million yen compared to the end of the previous fiscal year to 249,043 million yen, primarily due to an increase of 33,672 million yen in retained earnings.

As a result, the equity ratio improved by 8.4 points from the end of the previous fiscal year to 40.8%

(3) Overview of cash flow

Cash and cash equivalents ("funds") at the end of the current consolidated fiscal year amounted to 96,300 million yen (compared to 65,664 million yen at the end of the previous consolidated fiscal year), an increase of 30,636 million yen.

The status of cash flow for each category in the current consolidated fiscal year and its main factors are as follows:

(Cash Flow from Operating Activities)

Operating activities resulted in a cash inflow of 57,577 million yen (130.6% compared to the previous fiscal year).

This was mainly due to income before income taxes and other adjustments of 60,189 million yen, along with increasing factors such as an increase in notes and accounts payable-trade of 21,136 million yen and depreciation of 18,980 million yen, despite decreasing factors such as an increase in notes and accounts receivable-trade of 32,998 million yen and payments for income taxes of 24,114 million yen..

(Cash Flow from Investing Activities)

Investing activities resulted in a cash outflow of 3,655 million yen (9.8% compared to the previous fiscal year).

This was mainly due to proceeds of 14,576 million yen from the sale of shares in subsidiaries resulting in a change in the scope of consolidation, despite expenditures including 7,734 million yen for the purchase of tangible fixed assets, 7,024 million yen for the purchase of intangible fixed assets, and 3,025 million yen for the acquisition of shares in subsidiaries resulting in a change in the scope of consolidation.

(Cash Flow from Financing Activities)

Financing activities resulted in a cash outflow of 24,011 million yen (compared to a cash inflow of 23,858 million yen in the previous consolidated fiscal year).

This was mainly due to expenditures including 32,642 million yen for the repayment of long-term loans, a net decrease in short-term loans payable of 6,294 million yen, 4,958 million yen for the repayment of lease obligations, and 4,677 million yen for dividends paid, despite proceeds from long-term loans of 26,015 million yen.

Reference: Trends in cash flow indicators

	60th period FY ended March 31, 2022	61st period FY ended March 31, 2023	62nd period FY ended March 31, 2024	63rd period FY ended March 31, 2025	64rd period FY ended March 31, 2026
Equity ratio (%)	41.6	28.1	31.8	32.4	40.8
Market equity ratio (%)	34.9	24.8	30.5	38.8	52.8
Interest-bearing debt to cash flow (years)	0.6	1.8	0.4	1.6	1.1
Interest coverage ratio (times)	66.4	57.6	76.2	38.8	39.5

Equity ratio: equity/total assets

Market equity ratio: total market capitalization/total assets

Interest-bearing debt to cash flow: interest-bearing debt/cash flow

Interest coverage ratio: cash flow/interest expenses

Notes:

1. Each of the above indicators is calculated based on financial figures prepared on a consolidated basis.
2. Total market capitalization is calculated based on the number of shares issued and outstanding, not including treasury stock. Treasury stock doesn't include shares of Company stock held in employee stock ownership plan (ESOP) trust accounts.
3. Cash flow generated by operating activities is used for cash flow.
4. Interest-bearing debt refers to all liabilities on the consolidated balance sheet on which interest is paid (Excluding lease liabilities).
5. During the consolidated accounting period for the second quarter of 62nd period, preliminary accounting for business combinations was finalized, and the figures for the 61st period consolidated fiscal year, reflect the details of preliminary accounting.

(4) Future outlook

As for the future outlook, while improvements in the employment and income environment and the effects of various policies are expected to support a moderate recovery, continued attention must be paid to the risk of an economic downturn due to geopolitical tensions and concerns over a global economic slowdown, as well as the impact of fluctuations in foreign exchange rates and interest rates.

In the home electronics retail industry, we anticipate that replacement demand centered on air conditioners will emerge ahead of the revision of energy-saving standards starting from fiscal year 2027. Additionally, we expect that continued firm sales of products related to personal computers and smartphones will support our business performance. We will continue to invest in human resources, stores, and digital transformation (DX). As "the only home electronics specialty store that does not rely on sales staff dispatched from manufacturers or mobile carriers," we will strive to enrich the lives of our customers by providing guidance tailored to their needs and venturing into new fields and services.

In the mobile phone sales industry, in addition to expanding the customer base centered on finance and payment services, the expansion of services aimed at retaining long-term users is accelerating. Along with this, we expect continued focus on key indicators aimed at promoting switching from other companies and locking customers into our own economic zone. We will maximize the strengths of our physical stores and provide high-value-added proposals tailored to each customer to improve customer satisfaction and promote sustainable shop operations.

In the Internet industry, the target area for 10-Gbps fiber-optic lines is expanding, and the provision of even higher-speed services is progressing. Demand for high-quality, ultra-high-speed broadband services is expected to increase further. Under these circumstances, we will pursue what customers truly want, develop and improve our services, and strive to ensure that customers use our services for a long time by satisfying and delighting them.

In the overseas business, while economic growth continues against the backdrop of rising minimum wages, the home electronics market in Singapore is reaching a mature and plateaued phase, and the business environment is becoming increasingly severe. In particular, the increasing trend of customers purchasing on e-commerce platforms and intensifying competition with low-priced products are affecting the number of visitors and the closing rate at physical stores. We believe it is important to respond to growth categories such as AI and smart devices, and to create sales floors where customers can experience products firsthand. In Malaysia, we will promote store expansion through scrap-and-build initiatives and strengthen collaboration with major business partners in procurement and sales promotion. Furthermore, as the damage from digital fraud reaches record-high levels in the Southeast Asian countries where we operate, we will provide high-quality consulting that offers peace of mind by enhancing support services in line with increasing security awareness.

In the domestic PC market, as the replacement demand associated with the end of support for Windows 10 has run its course, and due to the impact of price revisions caused by rising component prices and manufacturing costs, we expect the market as a whole to be flat or in a moderate adjustment phase. On the other hand, against the backdrop of expanding use of generative AI and increasing interest in productivity improvement, we expect demand for AI PCs to gradually spread among both corporate and individual users. In this environment, we aim for stable growth by providing high-quality, high-value-added domestic PCs as well as products and services that support work styles in the AI era.

In the paid satellite broadcasting industry, while the number of viewable households continues to decline, competition to acquire viewers is intensifying further due to the spread of streaming services. Under these circumstances, as of April 1, 2026, we executed a company split of the satellite broadcasting business from AXN Inc. to its subsidiary, AXN Entertainment Inc. We will work to further improve the quality as specialized channels by increasing the independence of the overseas drama/movie genre business and the anime-centered business, respectively. In addition, we plan to provide new value that cannot be obtained through streaming by strengthening the holding of related events and the development of merchandise.

The Internet advertising market has remained firm against the backdrop of corporate DX investment, and domestic Internet advertising expenditures in 2025 exceeded 4 trillion yen for the first time due to the expansion of vertical video ads and CTV ads. From 2026 onward, the expansionary trend is expected to continue due to the use of AI and increased video consumption. Meanwhile, although the environment for the four major traditional mass media channels remains difficult, demand is rising for hybrid-type promotions that combine the reliability of television with the immediacy and measurability of Internet advertising. We will pursue our action guidelines of "Speed, Uniqueness, Quality, and Cost" and aim to provide vertically integrated services via M&As with high business relevance, creating a "new world" from the customer's perspective.

Nojima Team will continue to invest in human resources and DX and work to further strengthen our consulting capabilities. For the full-year consolidated earnings forecast for the next fiscal year, we expect net sales of 1,000,000 million yen (101.7% year-on-year), operating income of 59,000 million yen (101.6% year-on-year), ordinary income of 76,000 million yen (122.0% year-on-year), and net income attributable to shareholders of the parent company of 48,000 million yen (123.3% year-on-year).

We also expect EBITDA to be 97,000 million yen (112.0% year-on-year).

(Note) The above forecasts are based on information available as of the date of publication of this document. Forecasts involve uncertain factors, and actual results may differ from the full-year consolidated earnings forecast due to various factors in the future.

2. Basic approach to selecting accounting standards

The Nojima Group prepares consolidated financial statements based on Japanese standards, considering period comparability and comparability between companies. Regarding the application of International Financial Reporting Standards (IFRS), we will consider the possibility and timing of adoption based on domestic and international circumstances.

3. Consolidated financial statements and main notes

(1) Consolidated balance sheet

(Million yen)

	Previous fiscal year (as of March 31, 2025)	Current fiscal year (as of March 31, 2026)
Assets		
Current assets		
Cash and deposits	66,614	96,300
Accounts receivable	101,373	141,494
Merchandise and products	72,277	79,153
Raw materials and supplies	6,063	8,447
Programing rights	2,688	2,297
Accounts receivable-other	38,988	34,435
Segregated deposits	72,041	—
Trading products	23,504	—
Other	14,230	7,728
Allowance for doubtful accounts	-1,106	-1,338
Total current assets	396,676	368,520
Non-current assets		
Tangible non-current assets		
Buildings and structures	52,399	54,837
Accumulated depreciation	-31,402	-34,007
Buildings and structures (net)	20,997	20,830
Machinery, equipment and vehicles	2,141	2,338
Accumulated depreciation	-1,357	-1,537
Machinery, equipment and vehicles (net)	783	801
Tools, fixtures, and facilities	22,293	24,331
Accumulated depreciation	-17,520	-19,147
Tools, fixtures, and facilities (net)	4,772	5,184
Lease assets	37,941	44,836
Accumulated depreciation	-23,173	-32,117
Lease assets(net)	14,768	12,719
Land	16,724	16,639
Other (net)	901	2,961
Total tangible non-current assets	58,948	59,135

(Million yen)

	Previous fiscal year (as of March 31, 2025)	Current fiscal year (as of March 31, 2026)
Intangible assets		
Goodwill	42,621	37,167
Software	3,526	4,345
Trademark	6,019	5,807
Contractual intangible assets	43,000	37,640
Customer-related intangible assets	9,264	13,368
Technology-related intangible assets	3,133	—
Other	36	88
Total intangible assets	107,602	98,417
Investments and other assets		
Investment securities	31,412	38,304
Deferred tax assets	7,570	7,234
Lease and guarantee deposits	18,621	20,380
Retirement benefit assets	259	281
Other	3,098	2,921
Allowance for doubtful accounts	-379	-718
Total investments and other assets	60,583	68,405
Total non-current assets	227,134	225,957
Total assets	623,810	594,478

(Million yen)

	Previous fiscal year (as of March 31, 2025)	Current fiscal year (as of March 31, 2026)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	87,761	112,552
Electronically recorded obligations-operating	6,543	732
Short-term loans payable	11,652	5,916
Current portion of long-term loans payable	11,843	14,756
Accounts payable-other	25,983	25,209
Accrued income taxes	14,142	16,632
Accrued consumption tax	3,717	5,075
Accrued expenses	5,911	8,089
Advance received	9,209	11,050
Contract liabilities	14,869	17,579
Provision for product warranties	1,989	1,697
Reserve for points	1,424	1,707
Reserve for bonuses	4,288	4,796
Lease obligations	4,631	4,673
Guarantee deposits received	92,398	—
Trading products	1,415	—
Other	7,418	8,187
Total current liabilities	305,202	238,658
Non-current liabilities		
Long-term loans payable	46,688	42,866
Contract liabilities	18,675	22,794
Reserve for directors' retirement benefits	359	233
Retirement benefit liabilities	11,929	12,315
Deferred tax liabilities	13,118	10,519
Lease obligations	12,801	11,454
Other	6,725	6,591
Total non-current liabilities	110,299	106,775
Reserves under special laws		
Reserve for financial instruments transaction liabilities	0	—
Total Reserves under special laws	0	—
Total liabilities	415,502	345,434

(Million yen)

	Previous fiscal year (as of March 31, 2025)	Current fiscal year (as of March 31, 2026)
Net assets		
Shareholders' equity		
Capital stock	6,330	6,330
Capital surplus	7,734	7,814
Retained earnings	191,505	225,178
Treasury stock	-10,580	-11,672
Total shareholders' equity	194,989	227,651
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,757	9,290
Deferred gains or losses on hedges	-2	13
Currency conversion adjustments	3,399	5,536
Total accumulated other comprehensive income	7,153	14,840
Stock acquisition rights	2,853	2,956
Non-controlling interests	3,311	3,595
Total net assets	208,307	249,043
Total liabilities and net assets	623,810	594,478

(2) Consolidated income statement and consolidated statement of comprehensive income

Consolidated income statement

(Million yen)

	Previous fiscal year (April 1, 2024 - March 31, 2025)	Current fiscal year (April 1, 2025 - March 31, 2026)
Net sales	853,427	982,804
Cost of sales	607,447	703,527
Gross profit on sales	245,980	279,276
Sales, general and administrative expenses		
Advertising expenses	26,231	29,226
Salaries, allowances and bonuses	70,137	78,585
Provision of reserve for bonuses	3,673	4,288
Retirement benefit expenses	867	1,757
Rents	24,667	26,455
Depreciation	16,233	18,196
Amortization of goodwill	5,958	6,172
Other	49,840	56,523
Total sales, general and administrative expenses	197,608	221,205
Operating income	48,371	58,071
Non-operating income		
Interest income	223	217
Dividend	509	1,125
Purchase discounts	2,627	2,737
Gain on sale of investment securities	159	1,021
Gain on equity method investment	82	122
Foreign exchange gain	—	296
Other	1,321	1,624
Total non-operating income	4,924	7,145
Non-operating expenses		
Interest expenses	1,139	1,454
Foreign exchange losses	358	—
Provision of allowance for doubtful accounts	31	352
Donations	139	609
Other	428	504
Total non-operating expenses	2,098	2,921
Ordinary income	51,197	62,295

(Million yen)

	Previous fiscal year (April 1, 2024 - March 31, 2025)	Current fiscal year (April 1, 2025 - March 31, 2026)
Extraordinary income		
Gain on sale of non-current assets	68	257
Gain on reversal of share acquisition rights	291	448
Gain on sale of businesses	23	—
Total extraordinary income	382	705
Extraordinary losses		
Loss on store closings	178	184
Impairment losses	1,107	1,119
Loss on sale of investment securities	—	97
Loss on valuation of investment securities	151	159
Loss on sales of shares of subsidiaries and associates	—	708
Head office relocation expenses	—	542
Total extraordinary losses	1,437	2,811
Net income before taxes and other adjustments	50,143	60,189
Income taxes-current	18,924	25,709
Income taxes-deferred	-1,413	-5,326
Total income taxes	17,510	20,382
Net income	32,632	39,806
Net income attributable to shareholders of the non-controlling interests	340	874
Net income attributable to shareholders of the parent company	32,292	38,931

Consolidated statement of comprehensive income

(Million yen)

	Previous fiscal year (April 1, 2024 - March 31, 2025)	Current fiscal year (April 1, 2025 - March 31, 2026)
Net income	32,632	39,806
Other comprehensive income		
Valuation difference on available-for-sale securities	3,032	5,533
Deferred gains or losses on hedges	-3	15
Currency conversion adjustments	659	2,133
Total other comprehensive income	3,689	7,682
Comprehensive income	36,321	47,489
(Breakdown)		
Comprehensive income attributable to shareholders of the parent company	35,981	46,614
Comprehensive income attributable to non-controlling interests	340	874

(3) Consolidated statement of changes in net assets
Previous fiscal year (April 1, 2024 - March 31, 2025)

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at start of fiscal year	6,330	7,735	162,953	-6,293	170,725
Changes during the fiscal year					
Distribution of surplus	—	—	-3,702	—	-3,702
Net income attributable to shareholders of the parent company	—	—	32,292	—	32,292
Acquisition of treasury stock	—	—	—	-6,292	-6,292
Disposal of treasury stock	—	-22	—	2,005	1,982
Transfer from retained earnings to capital surplus	—	38	-38	—	—
Changes in the parent company's equity in transactions with non-controlling interests	—	-16	—	—	-16
Changes during the fiscal year in items other than shareholders' equity (net)	—	—	—	—	—
Total changes during the fiscal year	—	-0	28,551	-4,287	24,263
Balance at end of fiscal year	6,330	7,734	191,505	-10,580	194,989

	Accumulated other comprehensive income					Stock acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Currency conversion adjustments	Accumulated adjustment to retirement benefits	Total accumulated other comprehensive income			
Balance at start of fiscal year	724	0	2,740	—	3,464	2,628	2,101	178,920
Changes during the fiscal year								
Distribution of surplus	—	—	—	—	—	—	—	-3,702
Net income attributable to shareholders of the parent company	—	—	—	—	—	—	—	32,292
Acquisition of treasury stock	—	—	—	—	—	—	—	-6,292
Disposal of treasury stock	—	—	—	—	—	—	—	1,982
Transfer from retained earnings to capital surplus	—	—	—	—	—	—	—	—
Changes in the parent company's equity in transactions with non-controlling interests	—	—	—	—	—	—	—	-16
Changes during the fiscal year in items other than shareholders' equity (net)	3,032	-3	659	—	3,689	225	1,209	5,123
Total changes during the fiscal year	3,032	-3	659	—	3,689	225	1,209	29,387
Balance at end of fiscal year	3,757	-2	3,399	—	7,153	2,853	3,311	208,307

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

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at start of fiscal year	6,330	7,734	191,505	-10,580	194,989
Changes during the fiscal year					
Distribution of surplus	—	—	-4,681	—	-4,681
Net income attributable to shareholders of the parent company	—	—	38,931	—	38,931
Acquisition of treasury stock	—	—	—	-4,631	-4,631
Disposal of treasury stock	—	194	—	3,539	3,733
Transfer from retained earnings to capital surplus	—	430	-430	—	—
Changes in the parent company's equity in transactions with non-controlling interests	—	-543	—	—	-543
Decrease in retained earnings of subsidiaries due to changes in the scope of consolidation	—	—	-147	—	-147
Changes during the fiscal year in items other than shareholders' equity (net)	—	—	—	—	—
Total changes during the fiscal year	—	80	33,672	-1,091	32,661
Balance at end of fiscal year	6,330	7,814	225,178	-11,672	227,651

	Accumulated other comprehensive income					Stock acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Currency conversion adjustments	Accumulated adjustment to retirement benefits	Total accumulated other comprehensive income			
Balance at start of fiscal year	3,757	-2	3,399	—	7,153	2,853	3,311	208,307
Changes during the fiscal year								
Distribution of surplus	—	—	—	—	—	—	—	-4,681
Net income attributable to shareholders of the parent company	—	—	—	—	—	—	—	38,931
Acquisition of treasury stock	—	—	—	—	—	—	—	-4,631
Disposal of treasury stock	—	—	—	—	—	—	—	3,733
Transfer from retained earnings to capital surplus	—	—	—	—	—	—	—	—
Changes in the parent company's equity in transactions with non-controlling interests	—	—	—	—	—	—	—	-543
Decrease in retained earnings of subsidiaries due to changes in the scope of consolidation	—	—	—	—	—	—	—	-147
Changes during the fiscal year in items other than shareholders' equity (net)	5,533	15	2,137	—	7,686	102	284	8,074
Total changes during the fiscal year	5,533	15	2,137	—	7,686	102	284	40,736
Balance at end of fiscal year	9,290	13	5,536	—	14,840	2,956	3,595	249,043

(4) Consolidated cash flow statement

(Million yen)

	Previous fiscal year (April 1, 2024 - March 31, 2025)	Current fiscal year (April 1, 2025 - March 31, 2026)
Cash flow from operating activities		
Net income before taxes and other adjustments	50,143	60,189
Depreciation	17,647	18,980
Impairment loss	1,107	1,119
Amortization of goodwill	5,958	6,172
Loss (profit) on equity method investment	-82	-122
Increase (decrease) in reserve for retirement benefits	-748	288
Increase (decrease) in allowance for doubtful accounts	22	445
Increase (decrease) in reserve for points	176	282
Increase (decrease) in contract liabilities	9,260	6,211
Interest income and dividend income	-733	-1,343
Interest expenses	1,139	1,454
Gain/loss on sale of property, plant and equipment	-68	-257
Loss on sale of investment securities	—	97
Gain (loss) on sales of shares of subsidiaries and associates	—	708
Decrease (increase) in accounts receivable-trade	-7,320	-32,998
Decrease (increase) in inventories	-1,495	-7,682
Decrease (increase) in accounts receivable-other	1,518	1,578
Increase (decrease) in notes and accounts payable-trade	-5,547	21,136
Increase (decrease) in accrued expenses	-1,564	1,863
Increase (decrease) in accrued consumption taxes	-202	1,459
Increase (decrease) in accounts payable-other	-170	-2,001
Increase (decrease) in deposits received	-822	714
Increase (decrease) in advances received	1,066	1,529
Increase (decrease) in unearned revenue	-5,121	186
Decrease (increase) in segregated deposits	14,328	1,389
Decrease (increase) in trading products (asset)	10,245	2,778
Increase (decrease) in guarantee deposits received	-27,165	-3,280
Increase (decrease) in trading products (liability)	47	-1,290
Other	-3,176	2,178
Subtotal	58,444	81,791
Interest and dividend income received	749	1,359
Interest expenses paid	-1,138	-1,458
Income tax (paid) or refund	-13,977	-24,114
Cash flow from operating activities	44,078	57,577

(Million yen)

	Previous fiscal year (April 1, 2024 - March 31, 2025)	Current fiscal year (April 1, 2025 - March 31, 2026)
Cash flow from investment activities		
Purchase of tangible non-current assets	-7,534	-7,734
Purchase of intangible assets	-2,785	-7,024
Purchase of investment securities	-22,423	-1,642
Proceeds from sales of investment securities	248	3,451
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-4,629	-3,025
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	—	14,576
Payments for lease and guarantee deposits	-980	-2,717
Proceeds from collection of lease and guarantee deposits	623	856
Other	308	-395
Cash flow from investment activities	-37,172	-3,655
Cash flow from financing activities		
Increase (decrease) in short-term loans payable	-3,324	-6,294
Proceeds from long-term loans payable	58,460	26,015
Repayment of long-term loans payable	-17,629	-32,642
Purchase of treasury stock	-6,297	-4,631
Proceeds from sales of treasury stock	451	999
Proceed from exercising stock options	1,220	2,240
Cash dividends paid	-3,719	-4,677
Repayment of lease obligations	-5,371	-4,958
Other	68	-62
Cash flow from financing activities	23,858	-24,011
Effect of exchange rate changes on cash and cash equivalents	-60	647
Increase (decrease) in cash and cash equivalents	30,704	30,557
Starting balance of cash and cash equivalents	34,960	65,664
Net increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	78
Ending balance of cash and cash equivalents	65,664	96,300

- (5) Notes to the consolidated financial statements
(Notes on going concern assumption)
Not applicable

(Important principles for preparing consolidated financial statements)

1. Scope of consolidation

- (1) Number of consolidated subsidiaries: 29 companies

Names of significant consolidated subsidiaries:

ITX Corporation
ITX Communications inc.
Up Beat Corporation
CONEXIO Corporation
NIFTY Corporation
Cecile Co., Ltd.
NIFTY Lifestyle Co., Ltd.
Nojima APAC Limited
MONEY SQUARE HOLDINGS, INC.
VAIO Corporation
AXN Co., Ltd.
Street Corporation
NOJIMA STELLA SPORTS CLUB Co., Ltd.
Huaid Co., Ltd.

Notes

On April 1, 2025, the au shop operation business operated by our consolidated subsidiary CONEXIO Corporation was succeeded by our consolidated subsidiary ITX Communications inc. through an absorption-type split.

On April 1, 2025, the corporate business operated by our consolidated subsidiary ITX Communications inc. was succeeded by our consolidated subsidiary CONEXIO Corporation through an absorption-type split.

VAIO Corporation and VJ Holdings 3 Corporation were dissolved on April 1, 2025, through an absorption-type merger with NJM1 Corporation as the surviving company. On the same date, the surviving company, NJM1 Corporation, changed its trade name to VAIO Corporation.

On April 2, 2025, NJM2 Corporation acquired all shares of BCJ-59 Corporation, and included BCJ-59 Corporation, STREET Holdings Corporation (STREET HD), and five other subsidiaries in the scope of consolidation. On December 1, 2025, BCJ-59 Corporation, STREET Holdings Corporation, and its three subsidiaries were dissolved via an absorption-type merger with NJM2 Corporation as the surviving company. On the same date, the surviving company, NJM2 Corporation, changed its trade name to Street Corporation, and Tri-Stage Media changed its trade name to Street Media.

MONEY SQUARE HOLDINGS, INC. and MONEY SQUARE, INC., which were consolidated subsidiaries of the Company, have been excluded from the scope of consolidation following the transfer of shares.

On July 1, 2025, Human Ability Development Co., Ltd. changed its trade name to Huaid Co., Ltd.

On October 1, 2025, the SoftBank shop and Y!mobile shop operation business operated by the Company was succeeded by our consolidated subsidiary Up Beat Corporation through an absorption-type split.

On October 1, 2025, the au shop and UQ shop operation business operated by the Company was succeeded by our consolidated subsidiary ITX Communications inc. through an absorption-type split.

Kids Station Inc. was dissolved on October 1, 2025, through an absorption-type merger with our consolidated subsidiary Animax Broadcast Japan Inc. as the surviving company.

IT Tele-sys Inc. was dissolved on October 1, 2025, through an absorption-type merger with our consolidated subsidiary ITX Corporation as the surviving company.

NTX Co., Ltd., Lifemedia Co., Ltd., ALSHAMS IFINANCING SDN. BHD., and VISTA LAVENDER SDN. BHD. have been excluded from the scope of consolidation from the current consolidated fiscal year due to the completion of liquidation.

3PLATZ Co., Ltd., which was a non-consolidated subsidiary at the end of the previous consolidated fiscal year, has been included in the scope of consolidation from the current consolidated fiscal year due to its increased materiality.

- (2) Names of non-consolidated subsidiaries and other information

Number of non-consolidated subsidiaries: 4

Name of the non-consolidated subsidiaries:

TKY logistics Co., Ltd, and 3 other companies

(Reason for exclusion from scope of consolidation)

Non-consolidated subsidiaries are small, and their total assets, sales, net income (loss), and retained earnings (proportion of equity) do not have a material impact on the consolidated financial statements.

2. Application of equity method

(1) Number of equity-method affiliates: 1

Name of the equity-method affiliate:

Hascom Mobile Corporation

(2) Number of non-consolidated subsidiaries not accounted for by the equity method: 4

Name of non-consolidated subsidiaries not accounted for by the equity method:

TKY logistics Co., Ltd, and 3 other companies

(Reason for exclusion from scope of consolidation)

Non-consolidated subsidiaries not accounted for by the equity method are excluded from the scope of the equity method because their impact on consolidated financial statements, in terms of net income (proportional amount) and retained earnings (proportional amount), is minimal and not significant as a whole.

3. Fiscal years of consolidated subsidiaries and other matters

The closing dates of the fiscal years of the following consolidated subsidiaries differ from the closing date of the Company's consolidated fiscal year:

Company	Year ends
NOJIMA STELLA SPORTS CLUB Co., Ltd.	June 30

In preparing the consolidated financial statements, we have used financial statements based on provisional settlement of accounts conducted as of the consolidated closing date. The closing dates of other consolidated subsidiaries coincide with the consolidated closing date.

4. Accounting standards

(1) Standards and methods applied in the valuation of important assets

A. Securities

Available-for-sale securities:

a. Those having fair market value:

Mark-to-market based on market values and other information as of the date of the settlement of accounts (Full revaluation gains/losses are booked directly to net assets. Costs of securities sold are calculated using the moving average method.)

b. Those without fair market value:

Moving average cost method

c. Investment in investment business limited partnerships and similar partnerships

(Items deemed to be securities under Article 2, Paragraph 2 of the Financial Instruments and Exchange Act)

Based on the most recent financial statements available according to the settlement date stipulated in the partnership agreement, the amount equivalent to the equity interest is incorporated in the net amount.

B. Inventory

Merchandise and Products

a. Merchandise

The Company and its domestic consolidated subsidiaries use the moving average cost method (with balance sheet figures stated after write-down to reflect decreased profitability).

Some domestic consolidated subsidiaries use the first-in, first-out cost method.

Overseas consolidated subsidiaries mainly use the lower of cost or market method based on the weighted average method.

b. Products

Our consolidated subsidiary, VAIO Corporation, uses the weighted average cost method (with balance sheet figures stated after write-down to reflect decreased profitability).

Raw Materials and Supplies

a. Raw Materials

Our consolidated subsidiary, VAIO Corporation, uses the weighted average cost method (with balance sheet figures stated after write-down to reflect decreased profitability).

b. Supplies

The Company and its domestic consolidated subsidiaries use the moving average cost method (with balance sheet figures stated after write-down to reflect decreased profitability).

Our consolidated subsidiary, VAIO Corporation, uses the last purchase price method.

Programing rights:

AXN Co., Ltd., a consolidated subsidiary of the Company, uses a cost method based on the individual method (balance sheet value is a method of reducing book value due to a decline in profitability).

C. Evaluation standards and evaluation methods for derivative transactions

Our consolidated subsidiaries, Cecile Co., Ltd., MONEY SQUARE HOLDINGS, INC., and VAIO Corporation, adopt the fair value method.

(2) Depreciation methods for important depreciable assets

A. Tangible non-current assets (not including leased assets)

The Company and its domestic consolidated subsidiaries, NIFTY Corporation, Cecile Co., Ltd., MONEY SQUARE HOLDINGS, INC., MONEY SQUARE, INC. and Street Corporation primarily apply the declining balance method. However, they apply the straight-line method for buildings (not including equipment attached to buildings) acquired on or after April 1, 1998, and equipment attached to buildings and structures acquired on or after April 1, 2016.

Domestic consolidated subsidiaries, Up Beat Corporation and ITX Corporation, ITX Communications inc., CONEXIO Corporation and VAIO Corporation apply the straight-line method.

Overseas consolidated subsidiaries, Courts (Singapore) Pte. Ltd., Courts (Malaysia) Sdn. Bhd., PT Courts Retail Indonesia, and Thunder Match Technology Sdn. Bhd., mainly apply the straight-line method.

The main useful lives for depreciation purposes are shown below.

Buildings and structures: 5-47 years

Machinery, equipment, and vehicles: 2-17 years

Tools, fixtures, and facilities: 2-20 years

B. Intangible non-current assets (not including leased assets)

The straight-line method is applied.

Main useful lives for depreciation purposes are shown below.

Software: 5 years

Trademark: 5-20 years

Contractual intangible assets: 15-20 years

Customer-related intangible assets: 12-16 years

Technology-related intangible assets: 7 years

C. Leased assets

The straight-line method is applied using the term of the lease as the useful life of the asset and zero as the residual value.

(3) Accounting standards for important reserves

A. Allowance for doubtful accounts

When providing for losses from unrecoverable claims, the anticipated number of unrecoverable claims is booked as follows: The actual loan loss ratio is applied for ordinary claims (general accounts receivable). For extraordinary claims (doubtful accounts receivable) such as those involving the possibility of default and those in bankruptcy reorganization, the possibility of recovery is considered for each claim.

B. Provision for product warranties

To cover after-sales service costs following product sales, we record an estimated amount for future repair expenses.

C. Reserve for point card certificates

When providing for costs resulting from the future use of loyalty points by customers based on a system that awards points to customers based on past purchases and other factors, the anticipated number of points used in the future is booked based on past performance.

D. Reserve for bonuses

When providing for bonuses paid to employees, some consolidated subsidiaries book the required amount of reserve for bonuses based on the anticipated amount payable.

E. Reserve for directors' retirement benefits

When providing for retirement benefits paid to directors, the amount payable as of the end of the current consolidated fiscal year is booked based on internal rules.

F. Reserve for financial instruments transaction liabilities

In accordance with Article 46-5 of the Financial Instruments and Exchange Act, we have recorded the amount calculated as specified in Article 175 of the Cabinet Office Ordinance on Financial Instruments Business, etc., to cover losses arising from accidents related to the trading of securities or other transactions, including derivative transactions.

- (4) Accounting treatment of retirement benefits
- A. Period of attribution of estimated retirement benefits
 Straight-line attribution is used to attribute estimated amounts of retirement benefits to periods through the end of the current consolidated fiscal year in calculations of retirement benefit obligations. However, some consolidated subsidiaries apply the payment calculation method.
- B. Treatment of actuarial gains and losses and past service costs
 Actuarial gains or losses are booked as expenses in the fiscal years in which they arise.
 Past service costs are booked as expenses using the straight-line method, setting a fixed number of years (six years) within the average remaining number of years of service for personnel employed at the time such obligations arise.
- C. Application of simplified method for small businesses, etc.
 Some consolidated subsidiaries apply the simplified method to calculations of obligations related to retirement benefits and costs of retirement benefits, treating the amount payable to employees retiring voluntarily as of the end of the fiscal year as the amount of retirement benefit obligations.
- (5) Basis for recording revenues and expenses
 The Group recognizes revenue in accordance with the following five-step approach, in exchange for the transfer of goods or services to customers, and we recognize revenue in an amount that reflects the consideration that we expect to obtain for that right.
 Step 1: Identify the contract with the customer.
 Step 2: Identify the performance obligations in the contract.
 Step 3: Calculate the transaction price.
 Step 4: Allocate the transaction price to the separate performance obligations in the contract.
 Step 5: Recognize revenue when (or as) the entity satisfies the performance obligation.
 In the sale of consumer electronics and mobile phones, the Group sells products such as consumer electronics and mobile phones mainly to general consumers. The Group considers that the customer obtains control and the performance obligation is satisfied at the time the products are delivered, and therefore recognizes revenue at the time of delivery.
 In the network services of the internet business, we primarily provide internet connection services to general consumers. Revenue is recognized as services are provided to subscribers.
 For the Product business, the alternative treatment stipulated in paragraph 98 of the 'Guidance on Accounting Standard for Revenue Recognition' is applied. In domestic transactions of products, etc., when the period from shipment to the time when control of the products, etc., is transferred to the customer is within the normal period, revenue is recognized at the time of shipment.
 In the operation of digital home electronics retail stores and the overseas business, the Group provides warranty services, such as repairs, for products sold on separate contracts. The Company and its subsidiaries identify warranty services as performance obligations and recognize revenue over a certain period of time since the performance obligations are satisfied over the warranty period.
 In addition, the operation of digital home electronics retail stores operates its own point system. The Company has determined that the point system is an important right for customers, and therefore identifies a separate performance obligation at the time the points are awarded and generally recognizes revenue at the time the points are used by customers.
- (6) Standards for converting major assets or liabilities in foreign currencies into Japanese yen
 Monetary claims and obligations in foreign currencies are converted into yen at the spot exchange rate as of the date of the consolidated settlement of accounts. Any difference from this conversion is recorded as a profit or loss. Assets and liabilities of overseas consolidated subsidiaries are converted into yen at the spot exchange rate as of the date of the consolidated settlement of accounts. Income and expenses of overseas subsidiaries are converted into yen at the average exchange rate over the fiscal year. Differences due to conversion are included under Net assets as "Currency conversion adjustments."
- (7) Important method of hedge accounting
- A. Method of hedge accounting
 Deferred hedge accounting is adopted.
- B. Hedging instruments and hedged items
 Hedging instruments ... Forward exchange contract
 Hedged items... Monetary liabilities and forecasted transactions denominated in foreign currencies
- C. Hedging policy
 The consolidated subsidiary enters into forward exchange contracts for hedging purposes to avoid risks arising from future exchange rate fluctuations to the extent necessary for transactions denominated in foreign currencies.
- D. Method for evaluating hedge effectiveness
 Effectiveness is assessed by comparing a market change in a hedged instrument or cumulative change in its cash flows with a market change in a hedging instrument or cumulative change in its cash flow to observe the ratio of those changes.
- (8) Method and period of amortization of goodwill
 Goodwill: 3-20 years
- (9) Scope of funds on the consolidated cash flow statement
 Funds included on the consolidated cash flow statement are cash on hand, deposits that may be withdrawn at any time, and short-term investments that are readily convertible into cash and have maturities of three months or less from the date of purchase and have only a minor risk of a fluctuation in value.

(10) Other important matters that form the basis for the preparation of consolidated financial statements

A. Accounting for foreign exchange margin trading with customers as the counterparty.

Settlement gains and losses and valuation gains and losses arising from foreign exchange margin trading executed based on customer orders are recorded in net sales.

In addition, unrealized gains and losses are calculated on a transaction-by-transaction basis for all unsettled foreign exchange margin transactions with customers. The amount equivalent to unrealized gains is recorded as trading products (assets) on the consolidated balance sheet, and the amount equivalent to valuation losses is recorded as trading products (liabilities).

Money deposited by customers as margin for foreign exchange margin transactions is managed separately from the Company's own assets through a money trust, as prescribed in Article 43-3, Paragraph 1 of the Financial Instruments and Exchange Act and Article 143, Paragraph 1, Item 1 of the Cabinet Office Order on Financial Instruments Business, etc. The principal amount of such money trust is recorded as segregated deposits on the consolidated balance sheet.

B. Accounting for foreign exchange margin trading with the counterparty

Settlement gains and losses and valuation gains and losses arising from foreign exchange margin trading executed as cover transactions are recorded in net sales.

In addition, valuation gains and losses are calculated on a transaction-by-transaction basis for all open foreign exchange margin transactions with counterparties, and are offset and net-settled for each counterparty. The resulting amounts are recorded as trading products (assets) or trading products (liabilities) on the consolidated balance sheet.

(Notes to the consolidated balance sheet)

*1 "Leased assets (net)" refers to right-of-use assets (14,740 million yen in the previous fiscal year and 12,697 million yen in the current fiscal year) recorded by subsidiaries applying International Financial Reporting Standards.

*2 To enable the flexible and stable procurement of working capital, the Nojima Group has concluded agreements with its main financial institutions on overdrafts and loan commitments. Shown below are available balances under these agreements as of the end of the consolidated fiscal year.

	Previous fiscal year (March 31, 2025)	Current fiscal year (March 31, 2026)
Credit line	121,484 million yen	131,601 million yen
Outstanding balance	37,639 million yen	5,916 million yen
Difference: Available balance	83,845 million yen	125,684 million yen

(Segment information, etc.)

[Segment information]

1. Overview of reporting segments

In accordance with the characteristics of the Group's performance evaluation, starting from the current consolidated fiscal year, the reporting segments are presented in descending order of segment income. Following this change, the presentation order of reporting segments for the previous consolidated fiscal year has also been reclassified into descending order of segment income.

(1) Method for determining reporting segments

The Nojima Group periodically reviews its reporting segments to assess business performance and to allow informed decision-making by top management decision-making bodies on the use of management resources. The reporting segments are based on financial information for units of the Group's organization that can be separated from the rest of the organization.

(2) Types of products and services within each reporting segment

The segment of "Operation of digital home electronics retail stores" sells digital audio video products, IT devices, and home electronics, and provides related solutions, setup, repairs, and other services.

The segment of "Operation of mobile carrier stores" sells communication devices (primarily mobile phones) and provides related services.

The segment of "Internet business" provides broadband connectivity services and services including communication, security, and various information services which use the Internet.

The segment of "Overseas business" sells digital audio video products, IT devices, home electronics, and home furniture, and provides solutions, setup, and other services.

The segment of "Financial business" provides financial instrument trading services, such as over-the-counter foreign exchange trading and exchange stock index margin trading.

The segment of "Product business" provides plans, designs, develops, manufactures, and sells personal computers, as well as provides related services.

"Media business" operates a paid satellite broadcasting business, a digital marketing business centered on direct marketing, and a digital transformation business that supports DX.

(3) Changes in Reporting Segments

Effective from the current consolidated fiscal year, the "Media business" has been added to the reporting segments, following the inclusion of the "Paid satellite broadcasting business" (previously included in "Others") and Street HD Co., Ltd. and its subsidiaries (merged with NJM2 Corporation as the surviving company on December 1, 2025, involving BCJ-59 Co., Ltd., Street HD Co., Ltd., and three of its subsidiaries, and subsequently renamed Street Co., Ltd.) in the scope of consolidation.

Following this change, segment information for the previous consolidated fiscal year has been prepared and presented based on the revised segmentation.

2. Calculating net sales, income or loss, assets, liabilities, and other accounts by reporting segment

The account processing methods for each reporting business segment are identical to those described under "Important principles for preparing consolidated financial statements."

Income figures for reporting segments are based on ordinary income.

Internal transactions and transfers between segments are recorded based on market prices.

3. Amounts of net sales, income or loss, assets, liabilities and other accounts by reporting segment

Previous consolidated fiscal year (April 1, 2024 - March 31, 2025)

(Million yen)

	Reporting segment								Other (*1)	Total	Adjustments (*2)	Amount on consolidated financial statements (*3)
	Operation of digital home electronics retail stores	Operation of mobile carrier stores	Internet business	Media business	Financial business	Overseas business	Product business	Subtotal				
Net sales												
Net sales to external customers	299,174	364,639	69,852	12,048	5,285	81,359	17,514	849,873	3,553	853,427	—	853,427
Internal sales or transfers between segments	2,797	3,125	481	38	—	—	184	6,627	802	7,429	-7,429	—
Subtotal	301,972	367,764	70,334	12,087	5,285	81,359	17,699	856,501	4,356	860,857	-7,429	853,427
Segment income (loss)	20,092	19,218	6,187	1,873	1,153	953	854	50,333	925	51,259	-61	51,197
Segment assets	117,099	180,296	31,919	7,670	111,737	52,757	58,046	559,526	14,040	573,567	50,242	623,810
Segment liabilities	87,736	119,268	15,681	4,359	95,845	41,099	56,761	420,753	266	421,019	-5,517	415,502
Other accounts												
Depreciation	2,018	7,134	710	84	815	5,685	364	16,814	833	17,647	—	17,647
Amortization of goodwill	—	3,105	1,414	378	439	597	23	5,958	—	5,958	—	5,958
Interest income	—	1	0	0	0	201	1	205	0	206	17	223
Interest expenses	0	413	3	17	3	603	20	1,060	—	1,060	79	1,139
Equity in earnings of affiliates	—	82	—	—	—	—	—	82	—	82	—	82
Impairment loss	301	121	28	54	—	600	—	1,107	—	1,107	—	1,107
Investment in equity-method affiliates	—	1,132	—	—	—	—	—	1,132	—	1,132	—	1,132
Unamortized balance of goodwill	—	29,681	3,613	1,398	5,268	815	1,843	42,621	—	42,621	—	42,621
Increase in tangible and intangible non-current assets	6,677	1,199	2,797	1,578	81	542	17,678	30,555	346	30,902	—	30,902

Notes:

- *1. The "Other" business segment consists of businesses not included in the reporting segments above. These include the shopping mall business, the sports business, the training business, and the mega-solar business.
- *2. Adjustments to segment income (loss) consist of companywide costs not distributed among reporting segments. Adjustments to segment assets and liabilities consist of companywide assets and liabilities not distributed among reporting segments and offsetting between segments.
- *3. Segment income (loss) is adjusted with ordinary income on the consolidated income statement.
- *4. The increase in tangible and intangible non-current assets does not include lease assets of IFRS 16 "Leases."

	Reporting segment								Other (*1)	Total	Adjustments (*2)	Amount on consolidated financial statements (*3)
	Operation of mobile carrier stores	Operation of digital home electronics retail stores	Internet Business	Product business	Media business	Overseas business	Financial business	Subtotal				
Net sales												
Net sales to external customers	391,736	336,563	72,419	64,984	24,835	86,672	1,851	979,062	3,741	982,804	—	982,804
Internal sales or transfers between segments	5,295	3,299	464	2,003	133	—	—	11,196	1,974	13,170	-13,170	—
Subtotal	397,031	339,863	72,883	66,988	24,969	86,672	1,851	990,259	5,715	995,974	-13,170	982,804
Segment income (loss)	26,912	20,513	5,510	4,944	1,595	1,092	437	61,006	1,391	62,398	-103	62,295
Segment assets	171,678	162,416	31,221	48,457	21,303	50,313	—	485,391	40,824	526,216	68,261	594,478
Segment liabilities	110,874	106,135	16,745	39,572	17,200	41,012	—	331,541	26,381	357,923	-12,488	345,434
Other accounts												
Depreciation	6,944	2,387	938	1,317	717	5,504	315	18,124	855	18,980	—	18,980
Amortization of goodwill	2,993	—	1,430	93	865	643	146	6,172	—	6,172	—	6,172
Interest income	6	—	3	10	8	105	0	134	1	135	81	217
Interest expenses	537	—	4	154	37	536	0	1,270	—	1,270	184	1,454
Equity in earnings of affiliates	122	—	—	—	—	—	—	122	—	122	—	122
Impairment loss	75	534	32	—	—	477	—	1,119	—	1,119	—	1,119
Investment in equity-method affiliates	1,238	—	—	—	—	—	—	1,238	—	1,238	—	1,238
Unamortized balance of goodwill	26,687	—	2,183	1,749	6,371	175	—	37,167	—	37,167	—	37,167
Increase in tangible and intangible non-current assets	1,328	6,227	1,380	1,225	11,736	778	19	22,696	288	22,985	—	22,985

Notes:

- *1. The "Other" business segment consists of businesses not included in the reporting segments above. These include the shopping mall business, the sports business, the training business, and the mega-solar business.
- *2. Adjustments to segment income (loss) consist of companywide costs not distributed among reporting segments. Adjustments to segment assets and liabilities consist of companywide assets and liabilities not distributed among reporting segments and offsetting between segments.
- *3. Segment income is adjusted with ordinary income on the consolidated income statement.
- *4. The increase in tangible and intangible non-current assets does not include lease assets of IFRS 16 "Leases."

(Per-share information)

	Previous fiscal year (April 1, 2024 - March 31, 2025)	Current fiscal year (April 1, 2025 - March 31, 2026)
Net assets per share	703.46yen	837.92yen
Net earnings per share	111.66yen	134.61yen
Diluted earnings per share	106.50yen	125.16yen

Notes:

- Calculations of net earnings per share and diluted earnings per share are based on the following information:

	Previous fiscal year (April 1, 2024 - March 31, 2025)	Current fiscal year (April 1, 2025 - March 31, 2026)
Net earnings per share		
Net income attributable to shareholders of the parent company (million yen)	32,292	38,931
Amount not reverting to common shareholders (million yen)	—	—
Net income attributable to shareholders of the parent company related to common stock (million yen)	32,292	38,931
Average number of shares during the fiscal year (thousand shares)	289,209	289,215
Diluted net earnings per share		
Adjustments of net income attributable to shareholders of the parent company (million yen)	—	—
Increase in common stock (thousand shares)	14,013	21,850
(Amount of the above corresponding to stock acquisition rights [thousand shares])	(14,013)	(21,850)
Summary of potential shares not included in the calculation of diluted earnings per share due to lack of dilutive effect	Not applicable	23rd Stock Acquisition Rights (2025 Stock Options) (Number of stock acquisition rights: 29,780)

- Shares of Company stock remaining in trust recorded as treasury stock under shareholders' equity are included under treasury stock excluded from calculations of the average number of shares during the fiscal year for the purposes of calculating net earnings per share and are included under treasury stock excluded from total shares issued and outstanding at the end of the fiscal year for the purpose of calculating net assets per share. The average number of shares of such treasury stock excluded from calculations of net income per share during the fiscal year was 2,398 thousand shares in the previous fiscal year and 3,223 thousand shares in the current fiscal year. The number of such treasury shares deducted for the calculation of net assets per share was 4,010 thousand shares in the previous consolidated fiscal year and 2,438 thousand shares in the current consolidated fiscal year.
- The Company carried out a stock split of its common stock at a ratio of three shares for every one share held, effective October 11, 2025. Net assets per share, net earnings per share, and diluted net earnings per share are calculated assuming that the stock split was conducted at the beginning of the previous consolidated fiscal year.

(Important subsequent events)

(Business Combination through Acquisition)

At a Board of Directors meeting held on April 21, 2026, the Company resolved to conclude a share transfer agreement between Hitachi Global Life Solutions, Inc. (“Hitachi GLS”) and a special purpose company which is a wholly-owned subsidiary established by the Company for the purpose of fund procurement for this transaction (the “SPC”).

The agreement pertains to the home appliance business operated by Hitachi GLS (the “Target Business”), whereby Hitachi GLS will transfer the Target Business to a company that Hitachi GLS plans to establish prior to an absorption-type split (the “New Company”) through the method of an absorption-type split (the “Absorption-type Split”). Subsequently, the SPC will acquire 80.1% of the issued shares of the New Company (the “Acquisition”).

1. Overview of Business Combination

(1) Names and Business Description of Acquired Company

A. Names of Acquired Company

To be determined

B. Business Description

Home appliances

(2) Reason for the Business Combination

The Nojima Group has primarily operated digital home electronics retail stores, while also engaging in mobile carrier stores, internet, overseas, and product businesses. By leveraging group synergies, we have maintained our corporate stance since our founding of providing “consulting-based sales” from the customer’s perspective to suggest the most suitable products for our customers. For example, since VAIO Corporation became a consolidated subsidiary in January 2025, we have combined Nojima’s strength in customer contact points with VAIO’s high-quality manufacturing based on “Azumino FINISH”. This has resulted in improved customer satisfaction and steady business performance. The Target Business within the Hitachi, Ltd. Group (the “Hitachi Group”) has supported the progress of daily life through energy-saving and labor-saving products such as refrigerators, washing machines, cleaners, and cooking appliances, leveraging trusted technical capabilities cultivated over many years since launching its first electric fan in 1916. Through this Acquisition, we will fuse Nojima’s customer contact points and ability to extract and reflect market needs with the advanced Japanese manufacturing technology cultivated by the Hitachi Group. This will enable us to further deepen a business model that circulates customer feedback from the field through product development to after-sales services, delivering Hitachi-brand high-value-added home electronics to society. Consequently, the Company will build a unique business model based on “true customer orientation” originating from user information. Furthermore, by acquiring the equity interest in AHHA, which is responsible for overseas markets, we will unify domestic and international operations. By restructuring into a business with integrated global management, we will accelerate our agile growth strategy.

(3) Business Combination Date

During the fiscal year ending March 31, 2027 (planned)

(4) Legal Form of Business Combination

Acquisition of shares with cash consideration

(5) Name of Combined Company Post-Acquisition

To be determined

(6) Voting Rights Acquired

80.1%

(7) Main Reasons for Determining Acquirer

A wholly-owned special purpose company established by the Company for the purpose of fundraising for this transaction acquired the shares with cash consideration.

2. Acquisition Cost of the Acquired Company and Breakdown by Type of Consideration

Consideration for acquisition (cash)	110,000 million Yen(estimated)
Acquisition cost	110,000 million Yen(estimated)

3. Major Acquisition-Related Costs and Amounts

Advisory fees, etc. 100 million Yen(estimated)

4. Amount, Cause, Amortization Method, and Amortization Period of Goodwill

To be determined

5. Amount and main breakdown of assets acquired and liabilities assumed on the date of business combination

To be determined