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Consolidated Financial Results for the Year Ended March 31, 2026 (Based on Japanese GAAP)

May 15, 2026

Company name: HOKUTO CORPORATION

Stock exchange listing: Tokyo

Stock code: 1379

URL: <https://www.hokto-kinoko.co.jp/lang/en/>

Representative: President Masayoshi Mizuno

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General Manager of Accounting Department

Scheduled date of ordinary general meeting of shareholders:

Scheduled date to commence dividend payments:

June 26, 2026

June 29, 2026

Scheduled date to file Annual Securities Report: June 25, 2026

Preparation of supplementary material on financial results: Yes

Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

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

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2026	85,915	3.4	7,031	6.1	8,186	17.7	7,006	57.8
Year ended March 31, 2025	83,104	4.6	6,628	108.4	6,953	47.5	4,441	26.0

Note: Comprehensive income: Year ended March 31, 2026: ¥9,548 million [116.9%]

Year ended March 31, 2025: ¥4,401 million [−12.3%]

	Earnings per share	Diluted earnings per share	Return on equity (ROE)	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2026	223.84	191.83	11.5	7.4	8.2
Year ended March 31, 2025	140.63	121.97	8.0	6.6	8.0

Reference: Share of profit (loss) of entities accounted for using equity method: Year ended March 31, 2026: ¥– million

Year ended March 31, 2025: ¥– million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	113,726	64,924	57.1	2,071.19
As of March 31, 2025	107,620	56,808	52.8	1,817.38

Reference: Equity: As of March 31, 2026: ¥64,924 million

As of March 31, 2025: ¥56,808 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2026	10,824	(2,917)	(4,420)	18,861
Year ended March 31, 2025	12,222	(9,012)	(1,721)	15,069

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2025	—	10.00	—	40.00	50.00	1,567	35.6	2.8
Year ended March 31, 2026	—	10.00	—	45.00	55.00	1,723	24.6	2.8
Year ending March 31, 2027 (Forecast)	—	10.00	—	52.00	62.00		37.1	

Note: Total cash dividends do not include dividends paid on the Company's shares held by the Board Incentive Plan Trust (BIP Trust) (¥4 million for the year ended March 31, 2025, ¥5 million for the year ended March 31, 2026) and dividends paid on the Company's shares held by the employee stock ownership plan (ESOP) (¥18 million for the year ended March 31, 2025, ¥20 million for the year ended March 31, 2026).

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

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2026	38,900	2.2	110	89.3	330	7.2	(94)	—	(3.00)
Full year	88,100	2.5	7,260	3.3	7,650	−6.6	5,250	−25.1	167.22

4. Notes

(1) Significant changes in the scope of consolidation during the year ended March 31, 2026: No

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

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of March 31, 2026	33,359,040 shares	As of March 31, 2025	33,359,040 shares
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Number of treasury shares at the end of the period

As of March 31, 2026	2,012,666 shares	As of March 31, 2025	2,100,597 shares
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Average number of shares during the period

Year ended March 31, 2026	31,301,961 shares	Year ended March 31, 2025	31,580,742 shares
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Reference: Summary of non-consolidated financial results

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

(1) Non-consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2026	58,886	1.8	5,417	4.8	6,853	16.8	5,710	59.7
Year ended March 31, 2025	57,867	6.0	5,171	138.6	5,869	12.1	3,577	−10.6

	Earnings per share	Diluted earnings per share
	Yen	Yen
Year ended March 31, 2026	182.44	156.34
Year ended March 31, 2025	113.27	98.22

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	100,652	60,098	59.7	1,917.23
As of March 31, 2025	97,227	54,169	55.7	1,732.95

Reference: Equity: As of March 31, 2026: ¥60,098 million

As of March 31, 2025: ¥54,169 million

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

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2026	25,200	2.5	(660)	—	(60)	—	(290)	—	(9.24)
Full year	60,100	2.1	5,210	−3.8	6,160	−10.1	4,230	−25.9	134.73

Notes: 1. Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.
2. Proper use of forecasts of financial results, and other special matters

(Cautions on forward-looking statements, etc.)

Forward-looking statements, including the earnings forecasts stated in this document, are based on information currently available to the Company and certain assumptions deemed reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual results may differ materially from the forecasts due to various factors. For the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof, please refer to “(4) Future outlook” in “1. Overview of Operating Results, Etc.,” on page 4 of the attached materials.

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1. Overview of Operating Results, Etc.

(1) Overview of operating results for the fiscal year ended March 31, 2026

During the fiscal year ended March 31, 2026, the Japanese economy showed a moderate recovery trend against a backdrop of improvements in employment and income conditions. However, the outlook remained uncertain due to ongoing price increases, labor shortages, developments surrounding U.S. trade policies, and concerns over the impact of emerging energy issues associated with heightened geopolitical risks, including tensions in the Middle East.

In this economic environment, under the Management Vision to “Expand the market and consumption, with delivering health through mushrooms as our mission” and to “Balance profit generation and corporate social responsibility,” the Group carried out business activities primarily in the mushroom business to deliver deliciousness and health to more and more people through research and development, production, and sales of mushrooms, which are a health food.

As a result of the above, the operating results of the Group for the fiscal year ended March 31, 2026 were net sales of ¥85,915 million (up 3.4% year on year), operating profit of ¥7,031 million (up 6.1%), ordinary profit of ¥8,186 million (up 17.7%), and profit attributable to owners of parent of ¥7,006 million (up 57.8%).

Production output of the main mushroom varieties for the fiscal year ended March 31, 2026 (consolidated basis) consists of 46,876t of Bunashimeji, including Bunapi (up 0.3% year on year), 15,925t of Eryngii (down 4.5%), and 15,655t of Maitake (up 0.4%).

The overview of each segment for the fiscal year under review is as follows.

Mushroom business in Japan

The production division continued working to reduce costs, performed even more thorough hygiene control, worked to improve quality and for stable cultivation, and produced mushrooms safely and securely.

The R&D division worked to increase product quality, develop new high value-added products and new varieties, and pursue the pharmacological effects and functionality of mushrooms. In addition, in November 2025, we launched a new Eryngii variety with improved texture and appearance, marking the first varietal improvement in 26 years.

The sales division advocated for “Kinkatsu through mushrooms” (the lifestyle habit of incorporating mushrooms into daily meals) with the three pillars of health, beauty, and sports in order to stimulate mushroom demand and carry out sales activities with a commitment to freshness. While continuing to advance initiatives set forth in the new Medium-Term Management Plan, including new customer development and area-based strategies, the Company implemented measures such as enhancing awareness through social media and conducting promotions at mass retail stores for Shimofuri Hiratake, its proprietary mushroom variety positioned as a premium product. As a result, mushroom prices remained firm.

As a result, net sales for the mushroom business in Japan as a whole were ¥56,077 million (up 1.8% year on year) and segment profits were ¥7,242 million (up 3.5%).

Mushroom business outside Japan

At the U.S. subsidiary, Hokto Kinoko Company, net sales were in line with the previous fiscal year despite unsuccessful bids with major customers and a decline in demand, while operating profit and other profit measures fell short of the initial plan. At Taiwan Hokuto Corporation, our subsidiary in Taiwan, vegetable market prices remained weak due to an oversupply of vegetables under stable weather conditions, and mushroom prices also softened. As a result, both net sales and operating profit fell short of the initial targets. At Hokto Malaysia Sdn. Bhd., our subsidiary in Malaysia, sales to Vietnam and Thailand performed favorably; however, this was insufficient to offset sluggish performance in Malaysia and Singapore. As a result, both net sales and operating profit decreased year on year. At Hokto Malaysia Sdn. Bhd., our subsidiary in Malaysia, overall sales were sluggish, and as a result, both net sales and operating profit fell short of the initial targets.

Meanwhile, due to the depreciation of the yen, the yen-converted net sales and operating profit of overseas subsidiaries increased. As a result, overall net sales of the mushroom business outside Japan rose to ¥8,236 million (up 6.8% year on year) and segment profits amounted to ¥1,147 million (down 0.8%).

Processed products business

In the processed products business, we expanded sales of processed mushroom products (boiled or frozen), ready-to-use processed products and fresh mushrooms for commercial use, and worked to develop new products and open up new markets. While sales to convenience stores were sluggish, retail products, which significantly exceeded the initial targets, together with products for restaurants, delicatessens, and prepared meals, performed strongly and drove the overall business. In the mail-order businesses, sales of dried mushrooms continued to perform well, and ready-to-eat foods have reversed the previous trend and are now on a growth trajectory. For certain health food items, the number of regular customers has grown significantly, and this is beginning to have a positive impact on results. At the subsidiary Arden Corporation, orders from customers in the OEM business increased significantly, resulting in performance that substantially exceeded the initial targets.

As a result, net sales for the processed products business were ¥8,003 million (down 1.9% year on year) and segment profits were ¥511 million (up 36.5%).

Chemical products business

The chemical products business focused on the packaging materials sector, including environmentally friendly packaging materials, such as recycled and plant-based products, as well as packaging and equipment for frozen foods. In the industrial materials sector, sales to export manufacturers, such as those in the semiconductor and precision equipment industries, continued to show a recovery trend. In the agricultural materials sector, in addition to securing a major equipment order, sales of mushroom cultivation materials remained firm. Against a backdrop of uncertain global conditions, moves to procure imported cultivation materials in advance also supported sales. The manufacturing and sales of in-house products were affected by a decrease in orders from certain major customers, but remained firm due to the commencement of production for new orders.

As a result, net sales for the chemical products business were ¥13,598 million (up 12.1% year on year) and segment profits were ¥470 million (up 39.2%).

(2) Overview of financial position for the fiscal year ended March 31, 2026

Assets

Current assets as of March 31, 2026 amounted to ¥40,529 million, up ¥1,907 million from the previous fiscal year end. This was due mainly to an increase of ¥2,416 million in cash and deposits and a decrease of ¥1,012 million in securities. Non-current assets amounted to ¥73,196 million, up ¥4,197 million from the previous fiscal year end. This was due mainly to an increase of ¥3,609 million in investments and other assets.

As a result, total assets amounted to ¥113,726 million, up ¥6,105 million from the previous fiscal year end.

Liabilities

Current liabilities as of March 31, 2026 amounted to ¥23,483 million, down ¥1,340 million from the previous fiscal year end. This was due mainly to a decrease of ¥1,461 million in short-term borrowings. Non-current liabilities amounted to ¥25,318 million, down ¥669 million from the previous fiscal year end.

As a result, total liabilities amounted to ¥48,802 million, down ¥2,009 million from the previous fiscal year end.

Net assets

Total net assets as of March 31, 2026 amounted to ¥64,924 million, up ¥8,115 million from the previous fiscal year end. This was due mainly to an increase of ¥5,415 million in retained earnings resulting from the recording of ¥7,006 million in profit attributable to owners of parent and dividends paid of ¥1,590 million, as well as an increase of ¥1,671 million in valuation difference on available-for-sale securities.

As a result, the equity ratio was 57.1% (52.8% at the end of the previous fiscal year).

(3) Overview of cash flows for the fiscal year ended March 31, 2026

Cash and cash equivalents (hereinafter referred to as “net cash”) as of March 31, 2026, increased by ¥3,792 million from the end of the previous fiscal year to ¥18,861 million.

The status of the various cash flows for the fiscal year ended March 31, 2026, and the reasons for the said status, are as follows.

Cash flows from operating activities

Net cash provided by operating activities was ¥10,824 million. This was mainly due to the recording of ¥10,054 million in profit before income taxes, ¥5,157 million in depreciation, and ¥665 million in foreign exchange gains, as well as ¥1,946 million in income taxes paid and a decrease of ¥791 million in trade payables.

Cash flows from investing activities

Net cash used in investing activities was ¥2,917 million. This was due mainly to a net decrease in securities of ¥2,113 million and purchase of property, plant and equipment of ¥4,923 million.

Cash flows from financing activities

Net cash used in financing activities was ¥4,420 million. This was mainly due to a net decrease of ¥1,500 million in short-term borrowings, a net decrease of ¥1,392 million in long-term borrowings, and ¥1,591 million in dividends paid.

Reference: Changes in cash flow-related indicators

	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2026
Equity ratio (%)	51.9	48.6	53.0	52.8	57.1
Market value-based equity ratio (%)	57.4	56.0	57.2	54.2	52.5
Cash flow to interest-bearing debt ratio (years)	4.6	6.5	3.9	1.9	1.9
Interest coverage ratio (times)	77.9	50.6	66.9	105.7	71.6

Equity ratio = Shareholder's equity / Total assets

Market value-based equity ratio = Market capitalization / Total assets

Cash flow to interest-bearing debt ratio = Interest bearing debt / Cash flow

Interest coverage ratio = Cash flow / Interest payments

Notes: 1. All are calculated based on consolidated financial figures.

2. Market capitalization is calculated based on the number of shares issued excluding treasury shares.

3. Operating cash flow is used as cash flow.

4. Interest-bearing debt covers all debts recorded on the consolidated balance sheet that are paying interest.

(4) Future outlook

The outlook for the Japanese economy is expected to remain on a moderate recovery trend. However, downside risks to overseas economies due to U.S. policies, as well as concerns over the impact of rising energy prices associated with heightened tensions in the Middle East, increased logistics costs, and supply chain disruptions, are expected to keep conditions uncertain for the time being. Under these conditions, the Group will strengthen its management base while, in its core mushroom business in Japan, promoting energy management, improving efficiency through DX and labor-saving initiatives, and optimizing procured materials to reduce costs, while ensuring the stable and continuous production of safe, high-quality mushrooms. On the sales front, we will work to stimulate demand and increase net sales by strengthening marketing activities, promoting area and item strategies, and enhancing sales promotion through the use of social media, while improving the operating profit margin. We will also concentrate on the mushroom business outside Japan and the processed products business, which are focus areas for the Group. In addition, in the chemical products business, as a company engaged in plastic molding, we will further strengthen our initiatives related to the SDGs, while contributing to society, expanding our product divisions, and striving to improve profitability.

Based on the above, consolidated financial results for the fiscal year ending March 31, 2027 are expected to be net sales of ¥88,100 million, operating profit of ¥7,260 million, ordinary profit of ¥7,650 million, and profit attributable to owners of parent of ¥5,250 million. The impact of the current situation in the Middle East has not been factored into the above forecasts, as both its extent and duration remain uncertain.

2. Basic Approach to Selection of Accounting Standards

Taking into account the comparability of consolidated financial statements over the period and the comparability between companies, the Group intends, for the time being, to prepare consolidated financial statements based on Japanese accounting standards.

In the future however, we intend to consider the application of International Financial Reporting Standards based on changes to the ratio of foreign shareholders and the tendency toward applying international accounting standards in Japan.

3. Consolidated Financial Statements and Notes

(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	16,323	18,740
Notes receivable - trade	314	268
Accounts receivable - trade	6,770	6,679
Securities	6,989	5,977
Merchandise and finished goods	2,221	2,220
Work in process	4,254	4,345
Raw materials and supplies	1,086	1,103
Other	668	1,201
Allowance for doubtful accounts	(7)	(8)
Total current assets	38,621	40,529
Non-current assets		
Property, plant and equipment		
Buildings and structures	72,019	74,960
Accumulated depreciation	(39,164)	(41,862)
Buildings and structures, net	32,855	33,097
Machinery, equipment and vehicles	70,088	73,442
Accumulated depreciation	(62,132)	(65,354)
Machinery, equipment and vehicles, net	7,955	8,088
Land	14,581	14,680
Construction in progress	691	374
Other	2,801	3,271
Accumulated depreciation	(2,089)	(2,086)
Other, net	712	1,185
Total property, plant and equipment	56,796	57,426
Intangible assets	136	96
Investments and other assets		
Investment securities	8,374	11,046
Deferred tax assets	653	697
Retirement benefit asset	1,773	2,174
Other	1,409	1,926
Allowance for doubtful accounts	(146)	(170)
Total investments and other assets	12,065	15,674
Total non-current assets	68,998	73,196
Total assets	107,620	113,726

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,730	1,667
Electronically recorded obligations - operating	4,087	3,293
Short-term borrowings	7,097	5,636
Current portion of long-term borrowings	3,282	3,878
Income taxes payable	1,542	2,676
Provision for bonuses	1,288	1,434
Provision for loss by fire	147	—
Other	5,647	4,897
Total current liabilities	24,823	23,483
Non-current liabilities		
Bonds with share acquisition rights	10,015	10,011
Long-term borrowings	12,672	10,683
Deferred tax liabilities	1,383	2,294
Retirement benefit liability	333	318
Asset retirement obligations	1,035	1,071
Provision for share awards for directors (and other officers)	78	107
Other	468	831
Total non-current liabilities	25,988	25,318
Total liabilities	50,811	48,802
Net assets		
Shareholders' equity		
Share capital	5,500	5,500
Capital surplus	5,727	5,728
Retained earnings	47,044	52,460
Treasury shares	(3,851)	(3,694)
Total shareholders' equity	54,420	59,994
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,768	4,440
Foreign currency translation adjustment	(732)	(212)
Remeasurements of defined benefit plans	352	702
Total accumulated other comprehensive income	2,387	4,929
Total net assets	56,808	64,924
Total liabilities and net assets	107,620	113,726

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

Consolidated statements of income

(Millions of yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Net sales	83,104	85,915
Cost of sales	59,344	60,996
Gross profit	23,760	24,919
Selling, general and administrative expenses	17,132	17,888
Operating profit	6,628	7,031
Non-operating income		
Interest income	89	155
Dividend income	199	294
Subsidy income	43	66
Rental income from land and buildings	112	118
Foreign exchange gains	—	640
Other	131	109
Total non-operating income	575	1,384
Non-operating expenses		
Interest expenses	122	158
Foreign exchange losses	47	—
Settlement payments	2	0
Depreciation	30	16
Other	47	53
Total non-operating expenses	251	229
Ordinary profit	6,953	8,186
Extraordinary income		
Gain on sale of non-current assets	1	5
Gain on sale of investment securities	0	254
Insurance claim income	—	1,915
Total extraordinary income	2	2,175
Extraordinary losses		
Loss on sale of non-current assets	2	0
Loss on retirement of non-current assets	42	1
Impairment loss	151	—
Loss on valuation of investment securities	2	1
Loss by fire	725	119
Loss on transition of retirement benefit plan	—	185
Total extraordinary losses	923	307
Profit before income taxes	6,031	10,054
Income taxes - current	1,595	3,070
Income taxes - deferred	(4)	(23)
Total income taxes	1,590	3,047
Profit	4,441	7,006
Profit attributable to owners of parent	4,441	7,006

Consolidated statements of comprehensive income

(Millions of yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Profit	4,441	7,006
Other comprehensive income		
Valuation difference on available-for-sale securities	92	1,671
Foreign currency translation adjustment	(232)	520
Remeasurements of defined benefit plans, net of tax	100	350
Total other comprehensive income	(39)	2,541
Comprehensive income	4,401	9,548
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,401	9,548
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated statements of changes in equity
Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,500	5,728	44,194	(3,024)	52,397
Changes during period					
Dividends of surplus			(1,590)		(1,590)
Profit attributable to owners of parent			4,441		4,441
Purchase of treasury shares				(880)	(880)
Disposal of treasury shares		(0)		52	52
Net changes in items other than shareholders' equity					
Total changes during period	-	(0)	2,850	(827)	2,023
Balance at end of period	5,500	5,727	47,044	(3,851)	54,420

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	2,675	(500)	251	2,427	54,824
Changes during period					
Dividends of surplus					(1,590)
Profit attributable to owners of parent					4,441
Purchase of treasury shares					(880)
Disposal of treasury shares					52
Net changes in items other than shareholders' equity	92	(232)	100	(39)	(39)
Total changes during period	92	(232)	100	(39)	1,983
Balance at end of period	2,768	(732)	352	2,387	56,808

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,500	5,727	47,044	(3,851)	54,420
Changes during period					
Dividends of surplus			(1,590)		(1,590)
Profit attributable to owners of parent			7,006		7,006
Purchase of treasury shares				(63)	(63)
Disposal of treasury shares		0		220	221
Net changes in items other than shareholders' equity					
Total changes during period	-	0	5,415	157	5,573
Balance at end of period	5,500	5,728	52,460	(3,694)	59,994

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	2,768	(732)	352	2,387	56,808
Changes during period					
Dividends of surplus					(1,590)
Profit attributable to owners of parent					7,006
Purchase of treasury shares					(63)
Disposal of treasury shares					221
Net changes in items other than shareholders' equity	1,671	520	350	2,541	2,541
Total changes during period	1,671	520	350	2,541	8,115
Balance at end of period	4,440	(212)	702	4,929	64,924

(4) Consolidated statements of cash flows

(Millions of yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	6,031	10,054
Depreciation	5,563	5,157
Increase (decrease) in provision for bonuses	41	139
Decrease (increase) in retirement benefit asset	(60)	(81)
Increase (decrease) in retirement benefit liability	2	(10)
Interest and dividend income	(289)	(450)
Interest expenses	122	158
Insurance claim income	(3)	(1,931)
Impairment loss	151	—
Loss by fire	725	119
Loss on transition of retirement benefit plan	—	185
Settlement payments	2	0
Foreign exchange losses (gains)	44	(665)
Decrease (increase) in trade receivables	866	196
Decrease (increase) in inventories	(68)	(26)
Increase (decrease) in trade payables	(93)	(791)
Decrease (increase) in other current assets	31	(480)
Increase (decrease) in other current liabilities	0	(493)
Decrease (increase) in other non-current assets	20	—
Other	85	(265)
Subtotal	13,174	10,816
Interest and dividends received	284	441
Interest paid	(115)	(151)
Proceeds from insurance income	3	1,931
Income taxes paid	(975)	(1,946)
Settlement paid	(2)	(0)
Payments associated with loss by fire	(146)	(266)
Net cash provided by operating activities	12,222	10,824
Cash flows from investing activities		
Payments into time deposits	(5,649)	(7,124)
Proceeds from withdrawal of time deposits	3,623	7,613
Purchase of property, plant and equipment	(1,655)	(4,923)
Proceeds from sale of property, plant and equipment	8	7
Purchase of investment securities	(467)	(1,598)
Proceeds from sale of investment securities	262	1,020
Purchase of securities	(5,992)	(4,877)
Proceeds from redemption of securities	997	6,991
Proceeds from cancellation of insurance funds	92	188
Other payments	(243)	(229)
Other proceeds	10	15
Net cash provided by (used in) investing activities	(9,012)	(2,917)
Cash flows from financing activities		
Proceeds from short-term borrowings	1,000	5,000
Repayments of short-term borrowings	(6,000)	(6,500)
Proceeds from long-term borrowings	880	2,000
Repayments of long-term borrowings	(5,168)	(3,392)
Proceeds from issuance of bonds	10,019	—
Purchase of treasury shares	(880)	(63)
Proceeds from sale of treasury shares	40	188
Dividends paid	(1,590)	(1,591)
Other payments	(21)	(61)
Net cash used in financing activities	(1,721)	(4,420)
Effect of exchange rate change on cash and cash equivalents	(56)	305
Net increase (decrease) in cash and cash equivalents	1,431	3,792
Cash and cash equivalents at beginning of period	13,638	15,069
Cash and cash equivalents at end of period	15,069	18,861

(5) Notes to consolidated financial statements

Notes on assumptions for going concern

Not applicable.

Additional information

Loss by fire and insurance claim income

During the fiscal year ended March 31, 2026, the Company recorded an extraordinary loss of ¥119 million related to the fire that occurred on October 29, 2024, at the Company's Ueda First Mushroom Center (Ueda City, Nagano Prefecture), including repair costs. The Company also recorded ¥1,915 million as insurance claim income under extraordinary income due to confirmed insurance proceeds related to this fire.

Segment information, etc.

Segment information

1. Summary of reportable segments

The Group's reportable segments are made available with separate financial information from among the Group's organized units, and the Board of Directors periodically examines them in order to determine the allocation of management resources and evaluate performance.

The Group has four reportable segments: the Mushroom Business in Japan (centered on the submitting company), the Mushroom Business Outside Japan, the Processed Products Business, and the Chemical Products Business. The mushroom business in Japan produces and sells mushroom products, mainly Bunashimeji, Eryngii, and Maitake, in Japan, and the mushroom business outside Japan produces and sells mushroom products, mainly Bunashimeji, Eryngii, and Maitake, overseas. The processed products business produces and sells various retort pouch foods, such as processed foods, curries and soups made with mushrooms, and also sells supplements. The chemical products business produces and sells packaging materials and agricultural materials.

2. Calculating net sales, profits or losses, assets, liabilities and other items for each reportable segment

The method of accounting for the reported business segments is generally the same as described in the "Important matters that are the basis for preparing consolidated financial statements."

Profit for the reportable segments is based on operating profit.

Internal revenues and money transfers between segments are based on current market prices.

3. Information on net sales, profits or losses, assets, liabilities and other items for each reportable segment
Fiscal year ended March 31, 2025

(Millions of yen)

	Reportable segments				Total	Adjustments (Note 1)	Amount recorded on consolidated financial statements (Note 2)
	Mushroom business in Japan	Mushroom business outside Japan	Processed products business	Chemical products business			
Net sales							
(1) Net sales from external customers	55,100	7,711	8,158	12,134	83,104	—	83,104
(2) Intersegment sales and transfers	67	—	—	1,280	1,347	(1,347)	—
Total	55,167	7,711	8,158	13,414	84,452	(1,347)	83,104
Segment profit	6,994	1,156	374	337	8,864	(2,235)	6,628
Segment assets	78,993	12,380	5,695	8,879	105,948	1,672	107,620
Segment liabilities	43,054	1,380	1,549	4,826	50,811	—	50,811
Other items							
Depreciation	4,537	483	187	266	5,475	57	5,533
Amortization of goodwill	—	—	—	—	—	—	—
Increase in property, plant and equipment and intangible assets	1,610	209	358	36	2,215	0	2,216

Notes: 1. Adjustments are as follows:

- (1) Adjustments for segment profit of ¥(2,235) million are Group-wide expenses of ¥(2,243) million not allocated to an individual reporting segment and elimination of internal transactions of ¥7 million. Group-wide expenses are mainly selling, general and administrative expenses that do not belong to any reportable segment.
- (2) The segment asset adjustment amount of ¥1,672 million corresponds to Group-wide assets, etc. not allocated to an individual reportable segment. The main assets of the Group are assets related to the management division.
- (3) The adjustment amount of ¥58 million for other items is the increase in Group-wide assets not allocated to an individual reportable segment and its depreciation. The main increase in Group-wide assets is assets related to Company management division that do not belong to any segment.

2. Segment profit is adjusted with operating profit on the consolidated financial statement.

Fiscal year ended March 31, 2026

(Millions of yen)

	Reportable segments				Total	Adjustments (Note 1)	Amount recorded on consolidated financial statements (Note 2)
	Mushroom business in Japan	Mushroom business outside Japan	Processed products business	Chemical products business			
Net sales							
(1) Net sales from external customers	56,077	8,236	8,003	13,598	85,915	—	85,915
(2) Intersegment sales and transfers	102	—	—	1,325	1,427	(1,427)	—
Total	56,179	8,236	8,003	14,924	87,343	(1,427)	85,915
Segment profit	7,242	1,147	511	470	9,371	(2,340)	7,031
Segment assets	82,000	15,261	5,648	9,190	112,101	1,625	113,726
Segment liabilities	40,802	2,047	1,363	4,589	48,802	—	48,802
Other items							
Depreciation	4,042	599	184	258	5,084	57	5,141
Amortization of goodwill	—	—	—	—	—	—	—
Increase in property, plant and equipment and intangible assets	3,993	239	151	182	4,567	11	4,578

Notes: 1. Adjustments are as follows:

- (1) Adjustments for segment profit of ¥(2,340) million are Group-wide expenses of ¥(2,355) million not allocated to an individual reporting segment and elimination of internal transactions of ¥14 million. Group-wide expenses are mainly selling, general and administrative expenses that do not belong to any reportable segment.
- (2) The segment asset adjustment amount of ¥1,625 million corresponds to Group-wide assets, etc. not allocated to an individual reportable segment. The main assets of the Group are assets related to the management division.
- (3) The adjustment amount of ¥68 million for other items is the increase in Group-wide assets not allocated to an individual reportable segment and its depreciation. The main increase in Group-wide assets is assets related to Company management division that do not belong to any segment.

2. Segment profit is adjusted with operating profit on the consolidated financial statement.

Related information

Fiscal year ended March 31, 2025

1. Information by product and service

Not stated as similar information is disclosed in segment information.

2. Information by region

(1) Net sales

Not stated as net sales from external customers in Japan exceed 90% of net sales on the consolidated income statement.

(2) Property, plant and equipment

(Millions of yen)

Japan	Asia	North America	Other	Total
48,729	3,493	4,573	—	56,796

3. Information by major customer

Not stated as there is no other party of the net sales from external customers that accounts for 10% or more of net sales on the consolidated income statement.

Fiscal year ended March 31, 2026

1. Information by product and service

Not stated as similar information is disclosed in segment information.

2. Information by region

(1) Net sales

Not stated as net sales from external customers in Japan exceed 90% of net sales on the consolidated income statement.

(2) Property, plant and equipment

(Millions of yen)

Japan	Asia	North America	Other	Total
48,558	4,150	4,717	—	57,426

3. Information by major customer

Not stated as there is no other party of the net sales from external customers that accounts for 10% or more of net sales on the consolidated income statement.

Information on impairment losses on non-current assets by reportable segment

Fiscal year ended March 31, 2025

(Millions of yen)

	Mushroom business in Japan	Mushroom business outside Japan	Processed products business	Chemical products business	Eliminations and corporate	Total
Impairment loss	151	—	—	—	—	151

Fiscal year ended March 31, 2026

Not applicable.

Information on amortization of goodwill and unamortized balance by reportable segment

Fiscal year ended March 31, 2025

Not applicable.

Fiscal year ended March 31, 2026

Not applicable.

Information on gain on bargain purchase by reportable segment

Fiscal year ended March 31, 2025

Not applicable.

Fiscal year ended March 31, 2026

Not applicable.

Notes on per share information

Fiscal year ended March 31, 2025		Fiscal year ended March 31, 2026	
Net assets per share	¥1,817.38	Net assets per share	¥2,071.19
Earnings per share	¥140.63	Earnings per share	¥223.84
Diluted earnings per share	¥121.97	Diluted earnings per share	¥191.83

Notes: 1. Company shares held by the Board Incentive Plan Trust (BIP Trust) and in the employee stock ownership plan (ESOP) are included in treasury shares deducted from the total number of issued shares at the end of the fiscal year based on the calculation of the net assets per share (BIP Trust: 100,000 shares in the fiscal year ended March 31, 2026, and 83,000 shares in the previous fiscal year; ESOP: 371,000 shares in the fiscal year ended March 31, 2026, and 472,000 shares in the previous fiscal year). They are also included in treasury shares deducted in the calculation of the average number of shares during the period based on the calculation of basic earnings per share and diluted earnings per share (BIP Trust: 91,000 shares in the fiscal year ended March 31, 2026, and 83,000 shares in the previous fiscal year; ESOP: 419,000 shares in the fiscal year ended March 31, 2026, and 143,000 shares in the previous fiscal year).

2. The basis for calculating basic earnings per share and diluted earnings per share is as follows.

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Earnings per share		
Profit attributable to owners of parent (Millions of yen)	4,441	7,006
Amount not attributable to ordinary shareholders (Millions of yen)	—	—
Profit attributable to owners of parent pertaining to common shares (Millions of yen)	4,441	7,006
Average number of shares during the period (Thousands of shares)	31,580	31,301
Diluted earnings per share		
Adjustment of profit attributable to owners of parent (Millions of yen)	(2)	(2)
[Interest income (after deduction of the tax equivalent) (Millions of yen)]	[(2)]	[(2)]
Increase in common shares (Thousands of shares)	4,807	5,208
[Of which are convertible bonds with share acquisition rights (Thousands of shares)]	[4,807]	[5,208]
Summary of diluted shares not included in calculation of diluted earnings per share because they do not have a dilutive effect	—	—

Notes on significant subsequent events

Not applicable.