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February 12, 2026

Consolidated Financial Results for the Nine Months Ended December 31, 2025 (Under IFRS)

Company name: HIKARI TSUSHIN, INC.
 Listing: Tokyo Stock Exchange
 Securities code: 9435
 URL: <https://www.hikari.co.jp/en/>
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 Scheduled date to commence dividend payments: March 13, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of earnings conference call: Yes

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

1. Consolidated financial results for the nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit	
Nine months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2025	542,500	8.8	88,503	2.2	155,954	8.2	116,321	9.7
December 31, 2024	498,814	11.7	86,581	16.2	144,084	33.5	106,017	41.0

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Nine months ended	Million yen	%	Million yen	%	Yen	Yen
December 31, 2025	112,671	9.6	244,603	57.9	2,566.04	2,562.80
December 31, 2024	102,784	39.2	154,863	2.0	2,333.86	2,329.94

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
As of	Million yen	Million yen	Million yen	%
December 31, 2025	2,716,600	1,162,696	1,131,946	41.7
March 31, 2025	2,371,026	943,569	914,768	38.6

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	156.00	161.00	167.00	177.00	661.00
Fiscal year ending March 31, 2026	181.00	185.00	190.00		
Fiscal year ending March 31, 2026 (Forecast)				190.00	746.00

Note: Revisions to the forecast of cash dividends most recently announced: Yes

3. Consolidated earnings forecast for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	760,000	10.7	115,000	9.5	120,000	2.1	2,733.04

Note: Revisions to the earnings forecast most recently announced: Yes

Notes

(1) Significant changes in the scope of consolidation during the period: None

Newly included: –

Excluded: –

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

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

As of December 31, 2025	43,989,642 shares
As of March 31, 2025	44,269,642 shares

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

As of December 31, 2025	82,451 shares
As of March 31, 2025	385,681 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2025	43,897,849 shares
Nine months ended December 31, 2024	44,033,785 shares

- Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

- Proper use of earnings forecasts and other special matters

(Note to the forward-looking statements, etc.)

The forward-looking statements including earnings forecasts contained in this document are based on information currently available to us and certain assumptions that we believe to be reasonable. Accordingly, the Company does not guarantee the achievement of the forecast, and the actual results may differ materially due to various factors. Please refer to “1. Qualitative Information on Quarterly Financial Results, (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 4 of the Attachments for the assumptions that form the basis for the earnings forecasts, and points of caution concerning the use of earnings forecasts.

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1. Qualitative Information on Present Quarterly Financial Results

(1) Explanation of Operating Results

<Summary of financial results>

For the nine months ended December 31, 2025 (the “current period”), the Japanese economy showed a gradual recovery, supported by the continued improvements in employment and income conditions, with signs of a rebound in personal consumption and capital investment. However, the outlook remains uncertain due to continued high prices, future price trends, the impact of U.S. trade policies, fluctuations in financial and capital markets.

The HIKARI TSUSHIN, INC. (“the Company”) and its subsidiaries (collectively “the Group”) leveraged its strength in sales to engage in businesses where we can expect stable long-term revenue such as electricity and gas, internet communication line services, water delivery, and insurance.

In addition, to realize a decarbonized society and achieve the SDGs (Sustainable Development Goals), we undertake specific measures and initiatives to fulfill our social responsibility. These initiatives include developing environmentally friendly electricity services that provide virtually renewable energy using Non-Fossil Certificates, preserving sustainable water resources, and reducing resources and waste.

As a result, revenue amounted to 542,500 million yen, up 8.8% year on year, for the nine months ended December 31, 2025. Recurring operating profit*—which serves as a source of stable revenue in the future—increased as the number of customer contracts for our in-house products grew. Operating profit was 88,503 million yen, up 2.2% year on year. Profit before tax was 155,954 million yen, up 8.2% year on year, due to an increase in financial income reflecting a weaker yen. Profit attributable to owners of parent was 112,671 million yen, up 9.6% year on year.

*Recurring operating profit refers to the profit excluding customer retention costs and service provision costs from revenue (basic subscription fees, usage fees, and insurance fees, etc.) which are paid every month by users once they subscribe to our services.

Revenue may be received from telecommunications carriers or directly from users.

(Million yen unless otherwise stated)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025	Change	Change (%)
Revenue	498,814	542,500	43,686	8.8
Operating profit	86,581	88,503	1,921	2.2
Profit before tax	144,084	155,954	11,870	8.2
Profit attributable to owners of parent	102,784	112,671	9,887	9.6

<Financial results by segment>

Electricity and Gas segment

The Electricity and Gas segment mainly sells and provides electricity and gas to small-and-medium-sized enterprises (SMEs) and individual customers.

The growth in the number of customer contracts led to an increase in recurring operating profit, which serves as a stable source of revenue for the future, while expenses related to sales activities increased as a result of strong sales performance. The segment recorded revenue of 231,711 million yen, up 13.2% year on year, and operating profit of 25,943 million yen, down 3.3% year on year for the current period.

Telecommunication segment

The Telecommunication segment mainly provides SMEs and individual customers with internet communication line services and associated services.

The segment recorded revenue of 95,264 million yen, up 4.2% year on year, and operating profit of 22,105 million yen, up 11.3% year on year for the current period. As the number of customer contracts increased, recurring operating profit—which serves as a stable source of future revenue—also grew.

Beverage segment

The Beverage segment primarily involves producing natural mineral water products and selling them to individual customers through home delivery.

The segment recorded revenue of 64,382 million yen, up 7.9% year on year, and operating profit of 9,048 million yen, up 18.9% year on year for the current period. As the number of customer contracts increased, recurring operating profit—which serves as a stable source of future revenue—also grew.

Insurance segment

The Insurance segment mainly provides non-life insurance, life insurance, and warranty services to SMEs and individual customers.

The segment recorded revenue of 25,340 million yen, up 29.8% year on year, and operating profit of 7,429 million yen, up 15.3% year on year for the current period. While selling expenses associated with strong sales performance increased, recurring operating profit—which serves as a stable source of future revenue—also grew due to the rise in the number of customer contracts.

Finance segment

The Finance segment mainly provides microfinance and other financial services to SMEs and individual customers.

The segment recorded revenue of 32,316 million yen, up 31.7% year on year, and operating profit of 16,773 million yen, up 16.0% year on year for the current period, driven by a stable business environment and steady sales performance.

Solution segment

The Solution segment mainly provides SMEs with industry-specific solution services through the provision of customer management system and settlement management system platforms and various other tools.

The segment recorded revenue of 20,264 million yen, down 3.3% year on year, and operating profit of 2,947 million yen, down 23.9% year on year for the current period, although the business remained generally firm.

Commission-based Sales segment

The Commission-based Sales segment mainly engages in commission-based sale of various products, such as products offered by telecommunications carriers and manufacturers, targeting SMEs and individual customers.

The segment recorded revenue of 73,220 million yen, down 6.2% year on year, and operating profit of 8,563 million yen, down 25.5% year on year for the current period, due to the transfer of shares of some consolidated subsidiaries in the previous fiscal year.

(2) Explanation of Financial Position

Assets, liabilities, and net assets

(Million yen)

	As of March 31, 2025	As of December 31, 2025	Change
Assets	2,371,026	2,716,600	345,574
Liabilities	1,427,456	1,553,904	126,447
Equity	943,569	1,162,696	219,127

Assets were 2,716,600 million yen, up 345,574 million yen from March 31, 2025, primarily due to the acquisition of investment securities.

Liabilities were 1,553,904 million yen, up 126,447 million yen from March 31, 2025, primarily due to the issuance of bonds.

Equity was 1,162,696 million yen, up 219,127 million yen from March 31, 2025, reflecting an increase in retained earnings.

Cash flows

(Million yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Cash flows from operating activities	55,051	36,122
Cash flows from investing activities	(159,317)	(181,268)
Cash flows from financing activities	29,160	56,417
Cash and cash equivalents at end of period	430,663	388,538

Net cash provided by operating activities was 36,122 million yen as a result of robust operating results for the nine months ended December 31, 2025.

Net cash used in investing activities was 181,268 million yen due to the purchase of investment securities.

Net cash provided by financing activities was 56,417 million yen due to the issuance of bonds.

As a result, cash and cash equivalents as of December 31, 2025 was 388,538 million yen.

(3) Explanation of Consolidated Earnings Forecast and Other Forward-looking Information

The earnings forecast for the fiscal year ending March 31, 2026 have been revised. Please refer to the “Notice Concerning Revision of Financial Forecast” announced on February 12, 2026 for details.

The forward-looking information including earnings forecasts contained in this document are based on the judgement of the Company’s management, based on currently available information. Investors are therefore cautioned not to unduly rely on the forecasts provided.

2. Condensed Quarterly Consolidated Financial Statements and Primary Notes

(1) Condensed Quarterly Consolidated Statements of Financial Position

		(Million yen)	
	Notes	As of March 31, 2025	As of December 31, 2025
Assets			
Current assets			
Cash and cash equivalents		470,273	388,538
Trade and other receivables		332,327	385,637
Reinsurance contract asset		823	451
Inventories		2,356	2,370
Other financial assets		17,949	64,055
Other current assets		25,148	9,845
(subtotal)		848,880	850,898
Assets held for sale	6	—	1,822
Total current assets		848,880	852,721
Non-current assets			
Property, plant and equipment		38,975	41,327
Right-of-use assets		5,236	5,057
Goodwill		18,798	18,640
Intangible assets		6,696	6,788
Investments accounted for using equity method	7	205,485	306,448
Other financial assets		1,182,904	1,412,492
Deferred tax assets		7,974	7,615
Contract costs		50,693	59,486
Insurance contract asset		5,090	5,809
Other non-current assets		289	212
Total non-current assets		1,522,145	1,863,879
Total assets		2,371,026	2,716,600

The notes are an integral part of these condensed quarterly consolidated financial statements.

(Million yen)			
	Notes	As of March 31, 2025	As of December 31, 2025
Liabilities and equity			
Liabilities			
Current liabilities			
Trade and other payables		284,742	255,840
Insurance contract liabilities		5,582	5,511
Interest-bearing liabilities	8	179,876	188,699
Income taxes payable		17,999	27,008
Other financial liabilities		771	324
Other current liabilities		16,211	13,483
Total current liabilities		<u>505,183</u>	<u>490,869</u>
Non-current liabilities			
Interest-bearing liabilities	8	754,444	840,671
Provision		417	437
Other non-current liabilities		15,423	15,163
Deferred tax liabilities		151,987	206,762
Total non-current liabilities		<u>922,272</u>	<u>1,063,035</u>
Total liabilities		<u>1,427,456</u>	<u>1,553,904</u>
Equity			
Share capital		54,259	54,259
Capital surplus		984	1,604
Retained earnings		863,716	1,061,034
Treasury shares	9	(10,864)	(2,491)
Accumulated other comprehensive income		6,672	17,539
Total equity attributable to owners of parent		<u>914,768</u>	<u>1,131,946</u>
Non-controlling interests		28,800	30,750
Total equity		<u>943,569</u>	<u>1,162,696</u>
Total liabilities and equity		<u>2,371,026</u>	<u>2,716,600</u>

The notes are an integral part of these condensed quarterly consolidated financial statements.

**(2) Condensed Quarterly Consolidated Statements of Profit or Loss
and Condensed Quarterly Consolidated Statements of Comprehensive Income**

Condensed quarterly Consolidated Statements of Profit or Loss
Nine months ended December 31, 2024 and 2025

		(Million yen)	
	Notes	Nine months ended December 31, 2024 (From April 1, 2024 to December 31, 2024)	Nine months ended December 31, 2025 (From April 1, 2025 to December 31, 2025)
Revenue		498,814	542,500
Cost of sales		245,475	270,307
Gross profit		253,338	272,192
Other income		4,220	3,129
Selling, general and administrative expenses		170,366	186,532
Other expenses		611	286
Operating profit		86,581	88,503
Finance income		54,241	66,236
Finance costs		9,506	17,003
Share of profit (loss) of investments accounted for using equity method	7	12,037	19,379
Other non-operating income and expenses		730	(1,161)
Profit before tax		144,084	155,954
Income tax expense		38,067	39,633
Profit		106,017	116,321
Profit attributable to			
Owners of parent		102,784	112,671
Non-controlling interests		3,233	3,649
Profit		106,017	116,321
Earnings per share			
Basic earnings per share (Yen)	10	2,333.86	2,566.04
Diluted earnings per share (Yen)	10	2,329.94	2,562.80

The notes are an integral part of these condensed quarterly consolidated financial statements.

Condensed Quarterly Consolidated Statements of Comprehensive Income
Nine months ended December 31, 2024 and 2025

		(Million yen)	
	Notes	Nine months ended December 31, 2024 (From April 1, 2024 to December 31, 2024)	Nine months ended December 31, 2025 (From April 1, 2025 to December 31, 2025)
Profit		106,017	116,321
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income		44,467	115,006
Share of other comprehensive income of investments accounted for using equity method		(208)	2,521
Total		44,258	117,528
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		4,508	12,333
Share of other comprehensive income of investments accounted for using equity method		78	392
Cash flow hedge		-	(1,972)
Total		4,587	10,753
Other comprehensive income, net of tax		48,845	128,281
Comprehensive income		154,863	244,603
Comprehensive income attributable to			
Owners of parent		151,340	240,267
Non-controlling interests		3,522	4,335
Comprehensive income		154,863	244,603

The notes are an integral part of these condensed Quarterly consolidated financial statements.

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

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

(Million yen)

	Notes	Equity attributable to owners of parent					Non-controlling interests	Total equity
		Share capital	Capital surplus	Retained earnings	Treasury shares	Accumulated other comprehensive income		
Balance at beginning of period		54,259	-	748,760	(18,365)	5,823	28,771	819,249
Comprehensive income								
Profit		-	-	102,784	-	-	3,233	106,017
Other comprehensive income		-	-	-	-	48,556	288	48,845
Comprehensive income		-	-	102,784	-	48,556	3,522	154,863
Transactions with owners								
Dividends of surplus		-	-	(22,928)	-	-	(1,366)	(24,295)
Change in scope of consolidation		-	-	-	-	-	(2,135)	(2,135)
Changes in ownership interest in subsidiaries		-	1,295	-	-	-	(627)	667
Purchase and disposal of treasury shares		-	19	(153)	(9,145)	-	-	(9,279)
Cancellation of treasury shares	9	-	(34)	(15,788)	15,823	-	-	-
Share-based payment transactions		-	(166)	-	77	-	1	(88)
Transfer from other components of equity to retained earnings		-	-	44,000	-	(44,000)	-	-
Total transactions with owners		-	1,113	5,129	6,755	(44,000)	(4,128)	(35,130)
Balance at end of period		54,259	1,113	856,674	(11,610)	10,379	28,165	938,981

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

(Million yen)

	Notes	Equity attributable to owners of parent					Non-controlling interests	Total equity
		Share capital	Capital surplus	Retained earnings	Treasury shares	Accumulated other comprehensive income		
Balance at beginning of period		54,259	984	863,716	(10,864)	6,672	28,800	943,569
Comprehensive income								
Profit		-	-	112,671	-	-	3,649	116,321
Other comprehensive income		-	-	-	-	127,595	686	128,281
Comprehensive income		-	-	112,671	-	127,595	4,335	244,603
Transactions with owners								
Dividends of surplus		-	-	(23,836)	-	-	(1,730)	(25,566)
Change in scope of consolidation		-	-	-	-	-	1,806	1,806
Changes in ownership interest in subsidiaries		-	751	-	-	-	(2,464)	(1,712)
Purchase and disposal of treasury shares		-	138	-	(215)	-	-	(77)
Cancellation of treasury shares	9	-	(215)	(8,246)	8,461	-	-	-
Share-based payment transactions		-	(53)	-	126	-	1	73
Transfer from other components of equity to retained earnings		-	-	116,728	-	(116,728)	-	-
Total transactions with owners			620	84,645	8,372	(116,728)	(2,386)	(25,475)
Balance at end of period		54,259	1,604	1,061,034	(2,491)	17,539	30,750	1,162,696

The notes are an integral part of these condensed quarterly consolidated financial statements.

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Million yen)

	Notes	Nine months ended December 31, 2024 (From April 1, 2024 to December 31, 2024)	Nine months ended December 31, 2025 (From April 1, 2025 To December 31, 2025)
Cash flows from operating activities			
Profit before tax		144,084	155,954
Depreciation and amortization		10,585	12,507
Finance income		(54,241)	(66,236)
Finance costs		9,506	17,003
Share of loss (profit) of investments accounted for using equity method	7	(12,037)	(19,379)
Decrease (increase) in contract costs		(6,926)	(8,793)
Decrease (increase) in trade and other receivables		(28,397)	(44,529)
Increase (decrease) in trade and other payables		21,782	(27,057)
Decrease (increase) in inventories		(228)	(21)
Other		(7,968)	3,964
Subtotal		76,158	23,412
Interest received		10,785	10,709
Dividends received		24,956	32,700
Interest paid		(8,051)	(10,419)
Income taxes refund (paid)		(48,797)	(20,280)
Net cash provided by (used in) operating activities		55,051	36,122
Cash flows from investing activities			
Purchase of property, plant and equipment, and intangible assets		(19,298)	(13,700)
Proceeds from sale of property, plant and equipment, and intangible assets		2	106
Purchase of investment securities		(218,656)	(345,558)
Proceeds from sale of investment securities		85,818	201,658
Proceeds from obtaining control of subsidiaries		(1,594)	912
Proceeds from loss of control of subsidiaries		2,736	(446)
Payments for loans receivable		(2,793)	(3,701)
Collection of loans receivable		778	1,875
Payments for placement of time deposits		(13,948)	(28,500)
Proceeds from refund of time deposits		7,367	7,358
Other		271	(1,272)
Net cash provided by (used in) investing activities		(159,317)	(181,268)
Cash flows from financing activities			
Proceeds from short-term interest-bearing debt		(30,000)	15,622
Proceeds from long-term interest-bearing debt		120,272	132,753
Repayment of long-term interest-bearing debt		(29,836)	(59,549)
Capital contribution from non-controlling interests		1,801	474
Purchase of treasury shares		(10,001)	(2,181)
Dividends paid		(22,919)	(23,822)
Dividends paid to non-controlling interests		(1,296)	(1,784)
Payments for acquisition of interests in subsidiaries from non-controlling interests		(858)	(502)
Other		1,999	(4,591)
Net cash provided by (used in) financing activities		29,160	56,417
Effect of exchange rate changes on cash and cash equivalents		7,260	6,992
Net increase (decrease) in cash and cash equivalents		(67,844)	(81,734)
Decrease in cash and cash equivalents resulting from transfer to assets held for sale		3,657	-

		(Million yen)	
	Notes	Nine months ended December 31, 2024 (From April 1, 2024 to December 31, 2024)	Nine months ended December 31, 2025 (From April 1, 2025 To December 31, 2025)
Cash and cash equivalents at beginning of period		494,850	470,273
Cash and cash equivalents at end of period		430,663	388,538

The notes are an integral part of these condensed quarterly consolidated financial statements.

(5) Notes to Condensed Quaterly Consolidated Financial Statements

1. Reporting entity

HIKARI TSUSHIN, INC. (“the Company”) is a corporation domiciled in Japan, whose shares are listed on the Tokyo Stock Exchange. The address of the Company’s registered headquarters is 1-4-10 Nishi-Ikebukuro, Toshima-ku, Tokyo. The accompanying condensed quarterly consolidated financial statements for the nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025) comprise the Company and its subsidiaries (“the Group”). The ultimate parent company of the Group is the Company. The Group operates various businesses, mainly in the field of information and communications.

Details are provided in “Note 5. Operating segments.”

2. Basis of preparation of condensed quarterly consolidated financial statements

(1) Financial reporting framework

The Company’s condensed quarterly consolidated financial statements have been prepared in accordance with Article 5, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. (however, omissions set forth in Article 5, Paragraph 5 of the Standards for Preparation of Quarterly Financial Statements apply).

(2) Basis for measurement

The accompanying condensed quarterly consolidated financial statements are prepared on the historical cost basis, with the exception of financial instruments and other items measured at fair value.

(3) Functional currency and presentation currency

The accompanying condensed quarterly consolidated financial statements are presented in millions of Japanese yen (rounded down to the nearest million yen), the functional currency of the Company.

(4) Published standards that are not yet applied

The following standards are the principal standards for which their new establishment or revision has been announced prior to the approval date of the accompanying condensed quarterly consolidated financial statements. However, as of December 31, 2025, the application of these standards is not compulsory, and the Group has not applied them early.

The effect of the application of these standards on the Group is under consideration.

Standard	Standard name	Time of compulsory application (Fiscal years starting after)	Time of application by the Group	Overview of new clauses and revisions
IFRS 18	<i>Presentation and Disclosure in Financial Statements</i>	January 1, 2027	Fiscal year ending March 31, 2028	New standard as a replacement for IAS 1 “Presentation of Financial Statements,” the existing accounting standard for presentation and disclosure in financial statements

(5) Change in presentation method

(Condensed quarterly consolidated statements of cash flows)

In the nine months ended December 31, 2024, the item “Payments for time deposits,” and “Proceeds from refund of time-deposits” which had been included under “Other” in the section “Cash flows from investing activities,” has increased in materiality and is therefore presented as a separate line item in the nine months ended December 31, 2025.

To reflect this change in presentation, the condensed quarterly consolidated statements of cash flows for the nine months ended December 31, 2024, has been restated accordingly.

As a result, in the condensed quarterly consolidated statements of cash flows for the nine months ended December 31, 2024,

the amount previously presented as “Other” of 6,310 million yen in losses has been reclassified into “Payments for time deposits” of 13,948 million yen in losses, “Proceeds from refund of time deposits” of 7,367 million yen, and “Other” of 271 million yen.

3. Material accounting policy information

Material accounting policies the Group has adopted in preparing the accompanying condensed quarterly consolidated financial statements are the same as those applied in the previous fiscal year.

4. Significant accounting estimates and judgements on estimates

In the preparation of condensed quarterly consolidated financial statements, management is required to make judgements, estimates, and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, revenue, and expenses. Actual results could differ from those estimates depending on the nature of the situation.

These estimates and their underlying assumption are continuously reviewed. The impact of revisions to accounting estimates is prospectively recognized in the accounting period when the revision is made and in the subsequent period thereafter.

Significant accounting estimates and assumptions used in the condensed quarterly consolidated financial statements are the same as those used in the consolidated financial statements for the previous fiscal year.

5. Operating segments

(1) Outline of reportable segments

The Group’s reportable segments are components of the Group for which separate financial information is available, regular evaluation by the Board of Directors is performed in order to make decisions about resources to be allocated, and to assess their performance.

The Company manages the Group as a holding company to formulate business strategies for the products and services handled by each company and develop business activities. As such, the Group is composed of segments separated by product and service based on those companies and operates in 7 reporting segments: “Electricity and Gas,” “Telecommunication,” “Beverage,” “Insurance,” “Finance,” and “Solution,” where we provide products and services designed and developed in-house, and “Commission-based Sales,” in which we sell products of other companies.

Reportable segments and its businesses are as follows:

Segment	Major business
Electricity and Gas	Selling and providing gas and electricity
Telecommunication	Providing internet communication line services and associated services
Beverage	Producing natural mineral water products and selling them through home delivery
Insurance	Providing non-life insurance, life insurance, and warranty services, etc.
Finance	Providing microfinance and other financial services
Solution	Providing industry-specific solution services through the provision of customer management system and settlement management system platforms and various other tools
Commission-based Sales	Commission-based sale of various products, such as products offered by telecommunications carriers and manufacturers

(2) Method of calculating revenue, profit or loss, and other items for each reportable segment

The information for each reportable segment of the Group is as follows. Segment profit is based on operating profit.

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

(Million yen)

	Reportable segment								Other	Total	Adjustment (Note)	Condensed quarterly consolidated financial statements
	Electricity and Gas	Telecommuni- cation	Beverage	Insurance	Finance	Solution	Commission -based Sales	Total				
Revenue												
Sales to external customers	204,708	91,433	59,641	19,516	24,536	20,952	78,024	498,814	—	498,814	—	498,814
Intersegment sales and transfers	—	—	—	—	—		—	—	—	—	—	—
Total	204,708	91,433	59,641	19,516	24,536	20,952	78,024	498,814	—	498,814	—	498,814
Segment profit	26,815	19,864	7,611	6,441	14,465	3,875	11,498	90,572	—	90,572	(3,990)	86,581
Finance income												54,241
Finance costs												9,506
Share of profit (loss) of investments accounted for using equity method												12,037
Other non- operating income and expenses												730
Profit before tax												144,084

- Notes:
1. The adjustment for segment profit includes corporate profit or loss that have not been allocated to reportable segments.
 2. Revenue of each segment include the revenue from sources other than revenue from contracts with customers under IFRS 15 as follows:
The Electricity and Gas segment recognized 8,765 million yen of government grants under IAS 20.
The Beverage segment included lease income under IFRS 16.
The Insurance segment recognized 15,377 million yen of insurance revenue under IFRS 17. Corresponding insurance service expenses of 10,452 million yen and losses related to reinsurance of 305 million yen compose the segment profit of the Insurance segment.
The Finance segment recognized revenue, including finance income, calculated using the effective interest rate under IFRS 9.

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

(Million yen)

	Reportable segment								Other	Total	Adjustment (Note)	Condensed quarterly consolidated financial statements
	Electricity and Gas	Telecommuni- cation	Beverag e	Insuran ce	Finance	Solution	Commissi on-based Sales	Total				
Revenue												
Sales to external customers	231,711	95,264	64,382	25,340	32,316	20,264	73,220	542,500	—	542,500	—	542,500
Intersegment sales and transfers	—	—	—	—	—	—	—	—	—	—	—	—
Total	231,711	95,264	64,382	25,340	32,316	20,264	73,220	542,500	—	542,500	—	542,500
Segment profit	25,943	22,105	9,048	7,429	16,773	2,947	8,563	92,812	—	92,812	(4,308)	88,503
Finance income												66,236
Finance costs												17,003
Share of profit (loss) of investments accounted for using equity method												19,379
Other non- operating income and expenses												(1,161)
Profit before tax												155,954

- Notes:
1. The adjustment for segment profit includes corporate profit or loss that have not been allocated to reportable segments.
 2. Revenue of each segment include the revenue from sources other than revenue from contracts with customers under IFRS 15 as follows:
 The Electricity and Gas segment recognized 5,420 million yen of government grants under IAS 20.
 The Beverage segment included lease income under IFRS 16.
 The Insurance segment recognized 18,467 million yen of insurance revenue under IFRS 17. Corresponding insurance service expenses of 14,344 million yen and losses related to reinsurance of 120 million yen in losses compose the segment profit of the Insurance segment.
 The Finance segment recognized revenue, including finance income, calculated using the effective interest rate under IFRS 9.

6. Assets held for sale

Details of assets held for sale and liabilities directly associated with assets held for sale are as follows:

	(Million yen)	
	Fiscal year ended March 31, 2025 (As of March 31, 2025)	Nine months ended December 31, 2025 (As of December 31, 2025)
Assets held for sale		
Other financial assets	—	1,822
Total	—	1,822

Assets held for sale in the nine months ended December 31 2025 consist of investment securities held by the Group. These investment securities are classified as assets held for sale because their sale is highly probable, and they are expected to be sold within one year.

7. Investments accounted for using equity method

The carrying amount of investments in associates is as follows:

	(Million yen)	
	As of March 31, 2025	As of December 31, 2025
Total carrying amount	205,485	306,448

Financial information for associates is as follows. Additionally, these amounts are subsequent to the incorporation of the Group's ownership ratios.

	(Million yen)	
	Nine months ended December 31, 2024 (From April 1, 2024 to December 31, 2024)	Nine months ended December 31, 2025 (From April 1, 2025 to December 31, 2025)
Profit	12,037	19,379
Other comprehensive income	(130)	2,913
Total comprehensive income for the period	11,907	22,293

Note: Share of profit (loss) of investments accounted for using equity method in the condensed quarterly consolidated statement of profit or loss for the nine months ended December 31, 2025 includes a gain from the bargain purchase of 3,968 million yen, arising from a newly affiliated company accounted for using the equity method. No such gain was recorded during the same period of the previous fiscal year.

8. Bonds payable

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

The Company issued bonds payable of 95,000 million yen in the nine months ended December 31, 2024. The breakdown is as follows:

The 48th unsecured bond of 75,000 million yen (Annual interest rate: 2.05%, Date of issue: April 26, 2024, Term of redemption: April 25, 2031).

The 49th unsecured bond of 10,000 million yen (Annual interest rate: 1.073%, Date of issue: September 11, 2024, Term of redemption: September 10, 2027);

The 50th unsecured bond of 10,000 million yen (Annual interest rate: 1.580%, Date of issue: September 11, 2024, Term of redemption: September 11, 2029)

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

The Company issued bonds payable of 108,460 million yen in the nine months ended December 31, 2025. The breakdown is as follows:

USD-denominated senior unsecured bond of 73,460 million yen (Annual interest rate: 6.130%, Date of issue: September 18, 2025, Term of redemption: September 18, 2035).

The 52nd unsecured bond of 10,000 million yen (Annual interest rate: 1.654%, Date of issue: October 23, 2025, Term of redemption: October 23, 2028)

The 53rd unsecured bond of 10,000 million yen (Annual interest rate: 2.271%, Date of issue: October 23, 2025, Term of redemption: October 23, 2030)

The 54th unsecured bond of 15,000 million yen (Annual interest rate: 2.656%, Date of issue: November 6, 2025, Term of redemption: November 6, 2031)

9. Capital and reserves

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

The Company canceled 780,000 shares of treasury stock on May 31, 2024, pursuant to the resolution adopted at the Board of Directors meeting held on May 15, 2024.

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

The Company canceled 280,000 shares of treasury stock on December 29, 2025, pursuant to the resolution adopted at the Board of Directors meeting held on November 11, 2025.

10. Earnings per share

Basic earnings per share and the basis of its calculation, and diluted earnings per share and the basis of its calculation are as follows:

	Nine months ended December 31, 2024 (From April 1, 2024 to December 31, 2024)	Nine months ended December 31, 2025 (From April 1, 2025 to December 31, 2025)
(1) Basic earnings per share	2,333.86 yen	2,566.04 yen
(Basis of calculation)		
Profit attributable to owners of parent (million yen)	102,784	112,671
Amount not attributable to ordinary equity holders of the parent (million yen)	15	28
Amount used in calculation of basic earnings per share (million yen)	102,768	112,643
Weighted average number of ordinary shares (thousand shares)	44,033	43,897
(2) Diluted earnings per share	2,329.94 yen	2,562.80 yen
(Basis of calculation)		
Amount used in calculation of basic earnings per share (million yen)	102,768	112,643
Adjustment to profit for potential shares in subsidiaries and associates (million yen)	(94)	(110)
Amount used in calculation of diluted earnings per share (million yen)	102,674	112,533
Weighted average number of ordinary shares (thousand shares)	44,033	43,897
Increase in ordinary shares from share acquisition rights (thousand shares)	33	12
Weighted average number of ordinary shares used in calculation of diluted earnings per share (thousand shares)	44,607	43,910

11. Significant subsequent events

Issuance of unsecured straight corporate bonds

The Group approved the issuance of unsecured straight bonds with an issuance limit of 100 billion yen pursuant to the resolution adopted at the Board of Directors meeting held on February 12, 2026. The primary use of proceeds will consist of the redemption of corporate bonds and repayment of borrowings.

The timing of issuance, the amount to be issued, and other details will be determined after a comprehensive consideration of market demand, interest rate trends, and other relevant factors.

12. Notes on going concern assumption

No applicable items

13. Date of approval

The accompanying condensed quarterly consolidated financial statements were approved at the Board of Directors meeting held on February 12, 2026.