August 7, 2026

# Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: Heiwa Corporation
Listing: Tokyo Stock Exchange
Securities code: 6412
URL: https://www.heiwanet.co.jp/
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Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

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

## 1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

| | Net sales | | EBITDA | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|---|---|---|---|---|---|---|---|---|---|---|
| Three months ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| June 30, 2026 | 77,764 | 10.7 | 23,710 | 2.5 | 15,572 | (1.5) | 12,447 | (10.0) | 7,941 | (10.1) |
| June 30, 2025 | 70,249 | 97.4 | 23,141 | 112.17 | 15,806 | 82.6 | 13,832 | 58.5 | 8,837 | 57.0 |

Note: Comprehensive income For the three months ended June 30, 2026: ¥7,872 million [(11.9)%]
For the three months ended June 30, 2025: ¥8,933 million [62.7%]

| | EPS before goodwill amortization | Basic earnings per share | Diluted earnings per share |
|---|---|---|---|
| Three months ended | Yen | Yen | Yen |
| June 30, 2026 | 99.51 | 80.52 | - |
| June 30, 2025 | 108.55 | 89.61 | - |

Note: During the second quarter of the fiscal year ending March 31, 2026, the Company finalized the provisional accounting treatment for business combinations, and the figures for the first quarter of the fiscal year ended March 31, 2026 reflect the finalization of the provisional accounting treatment.

### (2) Consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio | Net assets per share |
|---|---|---|---|---|
| As of | Millions of yen | Millions of yen | % | Yen |
| June 30, 2026 | 1,086,037 | 252,825 | 23.3 | 2,561.17 |
| March 31, 2026 | 1,077,576 | 248,910 | 23.1 | 2,521.44 |

Reference: Equity
As of June 30, 2026: ¥252,599 million
As of March 31, 2026: ¥248,681 million

## 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, 2026 | - | 40.00 | - | 40.00 | 80.00 |
| Fiscal year ending March 31, 2027 | - | | | | |
| Fiscal year ending March 31, 2027 (Forecast) | | 40.00 | | 40.00 | 80.00 |

Note: Revisions to the forecast of cash dividends most recently announced: None

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

(Percentages indicate year-on-year changes.)

| | Net sales | | EBITDA | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Fiscal year ending March 31, 2027 | 285,900 | 10.8 | 85,000 | 14.7 | 52,000 | 19.8 | 37,800 | 12.3 | 20,300 | 73.9 |

| | EPS before goodwill amortization | Basic earnings per share |
|---|---|---|
| | Yen | Yen |
| Fiscal year ending March 31, 2027 | 281.75 | 205.83 |

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

Since the Group manages its performance on an annual basis, it only discloses its full-year consolidated earnings forecasts.

* **Notes**

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

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

Note: For details, please refer to Appendix P.8 "2. Quarterly Consolidated Financial Statements and Key Notes (4) Notes on Quarterly Consolidated Financial Statements (Notes on Accounting Procedures Specific to the Preparation of Quarterly Consolidated Financial Statements)" for more information.

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

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

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

| | |
|---|---|
| As of June 30, 2026 | 99,809,060 shares |
| As of March 31, 2026 | 99,809,060 shares |

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

| | |
|---|---|
| As of June 30, 2026 | 1,182,136 shares |
| As of March 31, 2026 | 1,182,050 shares |

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

| | |
|---|---|
| Three months ended June 30, 2026 | 98,627,003 shares |
| Three months ended June 30, 2025 | 98,627,119 shares |

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm:None

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

1. The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. For the conditions on which earnings forecasts are predicated and precautions for the use of earnings forecasts, please refer to Appendix P.3 "1. Summary of Operating Results, etc. (3) Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts."

2. Supplementary explanatory materials for financial results shall be posted on the Company's website promptly after the disclosure of the financial results.

## Quarterly consolidated balance sheet

(Millions of yen)

| | As of March 31, 2026 | As of June 30, 2026 |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 49,928 | 53,231 |
| Notes and accounts receivable - trade | 11,642 | 18,741 |
| Electronically recorded monetary claims - operating | 511 | 1,438 |
| Securities | 11,399 | 8,798 |
| Merchandise and finished goods | 3,788 | 4,429 |
| Raw materials and supplies | 17,387 | 15,501 |
| Other | 15,097 | 16,757 |
| Allowance for doubtful accounts | (45) | (115) |
| Total current assets | 109,710 | 118,784 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 167,880 | 170,260 |
| Golf courses | 379,043 | 379,892 |
| Land | 175,745 | 175,755 |
| Other, net | 35,875 | 35,023 |
| Total property, plant and equipment | 758,545 | 760,931 |
| Intangible assets | | |
| Goodwill | 139,888 | 138,015 |
| Other | 52,642 | 51,913 |
| Total intangible assets | 192,531 | 189,929 |
| Investments and other assets | | |
| Investment securities | 3,563 | 3,473 |
| Other | 13,269 | 12,961 |
| Allowance for doubtful accounts | (43) | (42) |
| Total investments and other assets | 16,789 | 16,392 |
| Total non-current assets | 967,866 | 967,253 |
| Total assets | 1,077,576 | 1,086,037 |

(Millions of yen)

| | As of March 31, 2026 | As of June 30, 2026 |
|---|---|---|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 6,164 | 5,516 |
| Electronically recorded obligations - operating | 1,544 | 2,991 |
| Current portion of long-term borrowings | 41,029 | 41,696 |
| Income taxes payable | 8,213 | 4,186 |
| Provisions | 3,226 | 4,061 |
| Other | 50,326 | 48,299 |
| Total current liabilities | 110,505 | 106,751 |
| Non-current liabilities | | |
| Long-term borrowings | 552,538 | 559,685 |
| Retirement benefit liability | 5,240 | 5,232 |
| Other | 160,381 | 161,543 |
| Total non-current liabilities | 718,160 | 726,461 |
| Total liabilities | 828,666 | 833,212 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 16,755 | 16,755 |
| Capital surplus | 54,864 | 54,863 |
| Retained earnings | 177,393 | 181,389 |
| Treasury shares | (1,358) | (1,358) |
| Total shareholders' equity | 247,654 | 251,649 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 654 | 590 |
| Remeasurements of defined benefit plans | 372 | 359 |
| Total accumulated other comprehensive income | 1,027 | 950 |
| Non-controlling interests | 228 | 225 |
| Total net assets | 248,910 | 252,825 |
| Total liabilities and net assets | 1,077,576 | 1,086,037 |

## Quarterly consolidated statement of income

(Millions of yen)

| | Three months ended June 30, 2025 | Three months ended June 30, 2026 |
|---|---|---|
| Net sales | 70,249 | 77,764 |
| Cost of sales | 43,878 | 50,842 |
| Gross profit | 26,370 | 26,922 |
| Selling, general and administrative expenses | 10,564 | 11,349 |
| Operating profit | 15,806 | 15,572 |
| Non-operating income | | |
| Interest income | 58 | 64 |
| Dividend income | 109 | 39 |
| Rental income | 86 | 70 |
| Insurance claim income | 18 | 41 |
| Gain on sale of non-current assets | 39 | 26 |
| Other | 166 | 82 |
| Total non-operating income | 478 | 324 |
| Non-operating expenses | | |
| Interest expenses | 2,290 | 3,050 |
| Loss on retirement of non-current assets | 34 | 92 |
| Other | 127 | 307 |
| Total non-operating expenses | 2,452 | 3,449 |
| Ordinary profit | 13,832 | 12,447 |
| Extraordinary income | | |
| Total extraordinary income | - | - |
| Extraordinary losses | | |
| Total extraordinary losses | - | - |
| Profit before income taxes | 13,832 | 12,447 |
| Income taxes | 4,986 | 4,497 |
| Profit | 8,846 | 7,949 |
| Profit attributable to | | |
| Profit attributable to owners of parent | 8,837 | 7,941 |
| Profit attributable to non-controlling interests | 9 | 8 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 84 | (64) |
| Remeasurements of defined benefit plans, net of tax | 2 | (13) |
| Total other comprehensive income | 86 | (77) |
| Comprehensive income | 8,933 | 7,872 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 8,923 | 7,863 |
| Comprehensive income attributable to non-controlling interests | 9 | 8 |

## Quarterly consolidated statement of cash flows

(Millions of yen)

| | Three months ended June 30, 2025 | Three months ended June 30, 2026 |
|---|---|---|
| Cash flows from operating activities | | |
| Profit before income taxes | 13,832 | 12,447 |
| Depreciation | 5,492 | 6,264 |
| Amortization of goodwill | 1,868 | 1,873 |
| Increase (decrease) in allowance for doubtful accounts | (176) | 69 |
| Increase (decrease) in provision for bonuses | 216 | 696 |
| Increase (decrease) in retirement benefit liability | (20) | (12) |
| Interest and dividend income | (167) | (104) |
| Interest expenses | 2,290 | 3,050 |
| Foreign exchange losses (gains) | 0 | (0) |
| Loss (gain) on sale of non-current assets | (39) | (26) |
| Loss on retirement of non-current assets | 34 | 92 |
| Decrease (increase) in advance payments to suppliers | (110) | 24 |
| Decrease (increase) in consumption taxes refund receivable | (20) | (21) |
| Decrease (increase) in trade receivables | 443 | (8,033) |
| Decrease (increase) in inventories | (116) | 1,250 |
| Increase (decrease) in trade payables | (568) | 847 |
| Increase (decrease) in accounts payable - other | (2,864) | (3,950) |
| Increase (decrease) in accrued consumption taxes | 1,962 | 2,714 |
| Increase (decrease) in advances received | (2,064) | (2,033) |
| Other, net | (367) | (410) |
| Subtotal | 19,624 | 14,737 |
| Interest and dividends received | 168 | 122 |
| Interest paid | (1,623) | (663) |
| Income taxes paid | (11,784) | (8,300) |
| Net cash provided by (used in) operating activities | 6,384 | 5,895 |

(Millions of yen)

| | Three months ended June 30, 2025 | Three months ended June 30, 2026 |
|---|---|---|
| Cash flows from investing activities | | |
| Payments into time deposits | (17,880) | - |
| Proceeds from withdrawal of time deposits | 6,380 | 5,000 |
| Purchase of short-term and long-term investment securities | (8,498) | (4,997) |
| Proceeds from sale and redemption of short-term and long-term investment securities | 8,497 | 6,994 |
| Purchase of property, plant and equipment | (7,806) | (7,718) |
| Proceeds from sale of property, plant and equipment | 40 | 59 |
| Purchase of intangible assets | (77) | (97) |
| Purchase of shares,etc of subsidiaries resulting in change in scope of consolidation | (70) | (652) |
| Other, net | (84) | (26) |
| Net cash provided by (used in) investing activities | (19,500) | (1,439) |
| Cash flows from financing activities | | |
| Proceeds from long-term borrowings | 4,995 | 9,999 |
| Repayments of long-term borrowings | (1,774) | (2,186) |
| Purchase of treasury shares | (0) | (0) |
| Repayments of lease liabilities | (758) | (762) |
| Dividends paid | (3,803) | (3,791) |
| Other, net | (12) | (12) |
| Net cash provided by (used in) financing activities | (1,354) | 3,246 |
| Effect of exchange rate change on cash and cash equivalents | (0) | 0 |
| Net increase (decrease) in cash and cash equivalents | (14,470) | 7,703 |
| Cash and cash equivalents at beginning of period | 74,707 | 49,280 |
| Cash and cash equivalents at end of period | 60,237 | 56,984 |

(Notes on segment information, etc.)

Segment Information

I. The three months of the previous fiscal year (April 1, 2025 to June 30, 2025)

1. Information on sales and the amount of profit or loss for each reported segment, as well as information on the breakdown of revenues

(Millions of yen)

| | Reportable segments | | | Adjustment amount (Note) 1 | Quarterly Consolidated Income and Statements of Comprehensive Income (Note)2 |
|---|---|---|---|---|---|
| | Golf Business | Pachinko and Pachislot Machine Business | Total | | |
| Sales | | | | | |
| Goods to be transferred at a single point in time | 57,636 | 8,413 | 66,050 | - | 66,050 |
| Goods that are transferred over a period of time | 4,199 | - | 4,199 | - | 4,199 |
| Revenue generated from customer contracts | 61,835 | 8,413 | 70,249 | - | 70,249 |
| Revenues from external customers | 61,835 | 8,413 | 70,249 | - | 70,249 |
| Transactions with other segments | 0 | - | 0 | (0) | - |
| Total | 61,836 | 8,413 | 70,250 | (0) | 70,249 |
| Segment Profit | 15,695 | 1,384 | 17,079 | (1,273) | 15,806 |

Note: 1. Segment profit adjustment of (1,273) million yen includes inter-segment transaction elimination of 6 million yen and non-allocable operating expense of (1,279) million yen. Non-allocable operating expenses are expenses related to the administrative department of the submitting company.

2. Segment profit is adjusted to quarterly consolidated income and operating income in the statement of comprehensive income.

3. In the second quarter of the previous fiscal year, the provisional accounting treatment for the business combination was finalized, and the segment profit for the three months of the previous fiscal year reflects the figures after the finalization.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

Not applicable.

II. The three months of the current fiscal year (April 1, 2026 to June 30, 2026)

1. Information on sales and the amount of profit or loss for each reported segment, as well as information on the breakdown of revenues

(Millions of yen)

| | Reportable segments | | | Adjustment amount (Note) 1 | Quarterly Consolidated Income and Statements of Comprehensive Income (Note)2 |
|---|---|---|---|---|---|
| | Golf Business | Pachinko and Pachislot Machine Business | Total | | |
| Sales | | | | | |
| Goods to be transferred at a single point in time | 57,914 | 15,254 | 73,169 | - | 73,169 |
| Goods that are transferred over a period of time | 4,595 | - | 4,595 | - | 4,595 |
| Revenue generated from customer contracts | 62,509 | 15,254 | 77,764 | - | 77,764 |
| Revenues from external customers | 62,509 | 15,254 | 77,764 | - | 77,764 |
| Transactions with other segments | - | - | - | - | - |
| Total | 62,509 | 15,254 | 77,764 | - | 77,764 |
| Segment Profit | 12,702 | 4,084 | 16,787 | (1,215) | 15,572 |

Note: 1. Segment profit adjustment of (1,215) million yen is an operating expense that cannot be assigned. Non-allocable operating expenses are expenses related to the administrative department of the submitting company.

2. Segment profit is adjusted to quarterly consolidated income and operating income in the statement of comprehensive income.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

Not applicable.

3. Changes to Reporting Segments

From the first quarter of the current fiscal year, we have reviewed the scope of company-wide expenses in accordance with the organizational restructuring of the submitting company.

Segment information for the three months of the previous fiscal year is based on the revised standards.