

November 13, 2025

Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)

Company name: Heiwa Corporation
 Listing: Tokyo Stock Exchange
 Securities code: 6412
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 Scheduled date to file semi-annual securities report: November 14, 2025
 Scheduled date to commence dividend payments: December 10, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (For Securities Analysts and Institutional Investors)

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

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	131,471	83.1	23,107	50.0	18,386	20.2	9,807	(5.8)
September 30, 2024	71,790	7.6	15,404	26.6	15,292	33.6	10,415	40.1

Note: Comprehensive income For the six months ended September 30, 2025: ¥10,230 million [0.0%]
 For the six months ended September 30, 2024: ¥10,229 million [38.9%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	99.44	-
September 30, 2024	105.60	-

(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
September 30, 2025	1,095,689	250,604	22.9	2,538.73
March 31, 2025	1,104,151	244,331	22.1	2,475.16

Reference: Equity
 As of September 30, 2025: ¥250,387 million
 As of March 31, 2025: ¥244,118 million

Note: In the consolidated accounting period between the fiscal year ending March 31, 2026, the provisional accounting treatment for the business combination was finalized, and the figures for the fiscal year ending March 31, 2025 reflect the details of the provisional accounting treatment.

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	-	40.00	-	40.00	80.00
Fiscal year ending March 31, 2026	-	40.00			
Fiscal year ending March 31, 2026 (Forecast)				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, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	295,900	102.9	58,000	109.5	47,800	124.1	23,100	76.8	234.22

Note: Revisions to the earnings forecasts most recently announced: None

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 semi-annual consolidated financial statements: Yes

Note: For details, please refer to Appendix P.8 "2. Interim Consolidated Financial Statements and Major Notes (4) Notes on Interim Consolidated Financial Statements (Notes on Accounting Procedures Specific to the Preparation of Interim 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: Yes
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

Note: For details, please refer to Appendix P.8 "2. Interim Consolidated Financial Statements and Major Notes (4) Notes on Interim Consolidated Financial Statements (Notes on Changes in Accounting Policy)"

- (4) Number of issued shares (common shares)

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

As of September 30, 2025	99,809,060 shares
As of March 31, 2025	99,809,060 shares

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

As of September 30, 2025	1,181,910 shares
As of March 31, 2025	1,181,890 shares

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

Six months ended September 30, 2025	98,627,129 shares
Six months ended September 30, 2024	98,627,441 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

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. The Company plans to hold a briefing for securities analysts and institutional investors on Tuesday, November 18, 2025. The financial results explanatory materials distributed at this briefing will be posted on the Company's website promptly after the disclosure of the financial results for the second quarter of the current fiscal year (interim period).

Semi-annual consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	77,799	62,514
Notes and accounts receivable - trade	12,561	13,529
Electronically recorded monetary claims - operating	799	401
Securities	14,448	15,192
Merchandise and finished goods	3,758	5,121
Raw materials and supplies	15,949	15,378
Other	12,550	11,971
Allowance for doubtful accounts	(59)	(62)
Total current assets	137,807	124,047
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	140,491	140,462
Golf courses	377,100	377,657
Land	175,789	175,794
Other, net	43,025	52,783
Total property, plant and equipment	736,407	746,698
Intangible assets		
Goodwill	147,027	143,291
Other	55,760	54,203
Total intangible assets	202,787	197,494
Investments and other assets		
Investment securities	8,520	9,588
Other	18,848	17,903
Allowance for doubtful accounts	(220)	(43)
Total investments and other assets	27,148	27,448
Total non-current assets	966,343	971,642
Total assets	1,104,151	1,095,689

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,842	5,925
Electronically recorded obligations - operating	2,641	2,167
Current portion of long-term borrowings	44,433	38,205
Income taxes payable	11,145	6,444
Provisions	3,685	3,530
Other	43,663	38,237
Total current liabilities	111,411	94,511
Non-current liabilities		
Long-term borrowings	583,992	583,627
Retirement benefit liability	5,425	5,410
Other	158,989	161,535
Total non-current liabilities	748,407	750,573
Total liabilities	859,819	845,085
Net assets		
Shareholders' equity		
Share capital	16,755	16,755
Capital surplus	54,864	54,864
Retained earnings	173,612	179,475
Treasury shares	(1,357)	(1,357)
Total shareholders' equity	243,874	249,736
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	291	693
Remeasurements of defined benefit plans	(47)	(43)
Total accumulated other comprehensive income	243	650
Non-controlling interests	213	216
Total net assets	244,331	250,604
Total liabilities and net assets	1,104,151	1,095,689

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	71,790	131,471
Cost of sales	45,476	86,996
Gross profit	26,314	44,474
Selling, general and administrative expenses	10,909	21,367
Operating profit	15,404	23,107
Non-operating income		
Interest income	39	150
Dividend income	31	112
Rental income	32	143
Insurance claim income	128	122
Electricity sale income	66	100
Gain on sale of non-current assets	90	45
Other	125	249
Total non-operating income	514	924
Non-operating expenses		
Interest expenses	303	4,779
Commission expenses	71	47
Loss on retirement of non-current assets	39	327
Provision for loss on disaster	94	260
Other	117	229
Total non-operating expenses	626	5,645
Ordinary profit	15,292	18,386
Extraordinary income		
Total extraordinary income	-	-
Extraordinary losses		
Total extraordinary losses	-	-
Profit before income taxes	15,292	18,386
Income taxes	4,877	8,563
Profit	10,415	9,823
Profit attributable to		
Profit attributable to owners of parent	10,415	9,807
Profit attributable to non-controlling interests	-	15
Other comprehensive income		
Valuation difference on available-for-sale securities	(191)	402
Remeasurements of defined benefit plans, net of tax	5	4
Total other comprehensive income	(185)	406
Comprehensive income	10,229	10,230
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,229	10,214
Comprehensive income attributable to non-controlling interests	-	15

Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	15,292	18,386
Depreciation	4,442	11,264
Amortization of goodwill	194	3,737
Increase (decrease) in allowance for doubtful accounts	(17)	(172)
Increase (decrease) in provision for bonuses	(540)	(98)
Increase (decrease) in retirement benefit liability	(11)	(8)
Interest and dividend income	(70)	(262)
Interest expenses	303	4,779
Commission expenses	71	47
Foreign exchange losses (gains)	0	0
Loss (gain) on sale of non-current assets	(90)	(45)
Loss on retirement of non-current assets	39	327
Decrease (increase) in advance payments to suppliers	(70)	(290)
Decrease (increase) in consumption taxes refund receivable	1,179	27
Decrease (increase) in trade receivables	(690)	(449)
Decrease (increase) in inventories	(1,530)	(791)
Increase (decrease) in trade payables	(2,131)	(571)
Increase (decrease) in accounts payable - other	(1,570)	(3,105)
Increase (decrease) in accrued consumption taxes	122	562
Increase (decrease) in advances received	(2,761)	(4,742)
Other, net	183	590
Subtotal	12,343	29,184
Interest and dividends received	66	248
Interest paid	(281)	(3,422)
Income taxes paid	(5,691)	(11,806)
Income taxes refund	464	53
Net cash provided by (used in) operating activities	6,901	14,256

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from investing activities		
Payments into time deposits	(12,660)	(21,310)
Proceeds from withdrawal of time deposits	4,480	13,920
Purchase of short-term and long-term investment securities	(29,995)	(19,183)
Proceeds from sale and redemption of short-term and long-term investment securities	31,498	18,000
Purchase of property, plant and equipment	(10,194)	(15,957)
Proceeds from sale of property, plant and equipment	91	46
Purchase of intangible assets	(62)	(127)
Other, net	12	(202)
Net cash provided by (used in) investing activities	(16,830)	(24,813)
Cash flows from financing activities		
Proceeds from long-term borrowings	13,441	12,813
Repayments of long-term borrowings	(5,926)	(19,440)
Purchase of treasury shares	(0)	(0)
Repayments of lease liabilities	(290)	(1,543)
Dividends paid	(3,945)	(3,944)
Other, net	(0)	(12)
Net cash provided by (used in) financing activities	3,278	(12,128)
Effect of exchange rate change on cash and cash equivalents	(0)	(0)
Net increase (decrease) in cash and cash equivalents	(6,650)	(22,686)
Cash and cash equivalents at beginning of period	39,874	74,707
Cash and cash equivalents at end of period	33,224	52,021

(Notes on segment information, etc.)

Segment Information

I. Previous interim consolidated accounting period (April 1, 2024 to September 30, 2024)

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	Interim Consolidated Income and Comprehensive Income Statement (Note)2
	Golf Business	Pachinko and Pachislot Machine Business	Total		
Sales					
Goods to be transferred at a single point in time	46,614	20,184	66,798	-	66,798
Goods that are transferred over a period of time	4,992	-	4,992	-	4,992
Revenue generated from customer contracts	51,606	20,184	71,790	-	71,790
Revenues from external customers	51,606	20,184	71,790	-	71,790
Transactions with other segments	2	-	2	(2)	-
Total	51,608	20,184	71,792	(2)	71,790
Segment Profit	11,421	5,311	16,733	(1,328)	15,404

Note: 1. Segment profit adjustment of (1,328) million yen includes inter-segment transaction elimination of 6 million yen and non-allocable operating expense of (1,335) million yen. Non-allocable operating expenses are expenses related to the administrative department of the submitting company.

2. Segment profit is adjusted to interim 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.

II. The Interim Consolidated Accounting Period (April 1, 2025 to September 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	Interim Consolidated Income and Comprehensive Income Statement (Note)2
	Golf Business	Pachinko and Pachislot Machine Business	Total		
Sales					
Goods to be transferred at a single point in time	109,690	13,442	123,133	-	123,133
Goods that are transferred over a period of time	8,338	-	8,338	-	8,338
Revenue generated from customer contracts	118,028	13,442	131,471	-	131,471
Revenues from external customers	118,028	13,442	131,471	-	131,471
Transactions with other segments	2	-	2	(2)	-
Total	118,030	13,442	131,473	(2)	131,471
Segment Profit	24,426	281	24,707	(1,600)	23,107

Note: 1. Segment profit adjustment of (1,600) million yen includes 11 million yen of inter-segment transaction elimination and non-allocable operating expense of (1,611) million yen. Non-allocable operating expenses are expenses related to the administrative department of the submitting company.

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

2. Information on impairment losses or goodwill on fixed assets by reporting segment
(Significant fluctuations in the amount of goodwill)

In the Golf Business segment, the business combination with PJC Investments Co., Ltd. (currently Accordia Golf Holdings Co., Ltd.) on January 31, 2025 was provisionally accounted for in the previous fiscal year, but was finalized in the interim consolidated accounting period.
For details, please refer to "Notes (Business Combinations, etc.)."