

May 8, 2026

Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

Company name: ABHOTEL CO.,LTD.
 Listing: Nagoya Stock Exchange
 Securities code: 6565
 URL: <https://www.ab-hotel.jp/>
 Representative: Kazuki Kutsuna, Representative Director and President
 Inquiries: Akiyoshi Oode, Director, General Manager of administration Headquarters
 Telephone: +81-566-79-3013
 Scheduled date of annual general meeting of shareholders: June 23, 2026
 Scheduled date to commence dividend payments: June 24, 2026
 Scheduled date to file annual securities report: June 19, 2026
 Preparation of supplementary material on financial results: None (-)
 Holding of financial results briefing: Yes (For institutional investors and analysts)

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

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

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	12,293	15.1	4,892	23.5	4,830	23.6	3,143	23.6
March 31, 2025	10,679	7.3	3,962	9.7	3,908	9.7	2,542	9.9

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2026	221.77	-	22.2	17.4	39.8
March 31, 2025	179.36	-	21.9	15.9	37.1

Note: Net income per share after adjustment for potential shares is not shown because there are no potential shares.

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	29,329	15,609	53.2	1,101.14
March 31, 2025	26,285	12,749	48.5	899.37

Reference: Equity

As of March 31, 2026: ¥15,609 million

As of March 31, 2025: ¥12,749 million

(3) Non-consolidated cash flows

Fiscal year ended	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
March 31, 2026	4,531	(2,009)	(730)	7,711
March 31, 2025	3,277	(3,778)	836	5,920

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio	Ratio of dividends to net assets
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended March 31, 2025	-	0.00	-	20.00	20.00	283	11.2	2.2
Fiscal year ended March 31, 2026	-	0.00	-	34.00	34.00	481	15.3	3.1
Fiscal year ending March 31, 2027 (Forecast)		0.00		29.00	29.00		13.1	

Note: Breakdown of year-end dividends for the fiscal year ending March 31, 2025: Ordinary dividend of 17 yen and commemorative dividend of 3 yen (10th anniversary dividend)

The fiscal year ending March 31, 2026: Breakdown of Year-end Dividends: Ordinary Dividend 24 yen, Special Dividend 10 yen (Special Dividend due to Elimination of Duplicate Listings)

3. Forecast of non-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		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2026	6,300	4.4	2,500	3.4	2,450	2.6	1,540	3.8	108.63
Fiscal year ending March 31, 2027	12,800	4.1	5,100	4.2	5,000	3.5	3,150	0.2	222.21

* **Notes**

(1) 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

(2) Number of issued shares (common shares)

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

As of March 31, 2026	14,176,000 shares
As of March 31, 2025	14,176,000 shares

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

As of March 31, 2026	466 shares
As of March 31, 2025	466 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	14,175,534 shares
Fiscal year ended March 31, 2025	14,175,566 shares

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

Forward-looking statements, such as earnings forecasts, contained in this material are based on information available to the Company and certain assumptions that the Company deems reasonable, and are not intended to be a promise by the Company to realize them. 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 P3 "1. Please refer to "Summary of Business Results (4) Future Outlook".

Balance sheet

(Thousands of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	5,920,492	8,011,620
Accounts receivable - trade	695,413	875,056
Supplies	21,679	28,405
Prepaid expenses	53,579	51,973
Other	47,038	5,546
Total current assets	6,738,203	8,972,601
Non-current assets		
Property, plant and equipment		
Buildings	16,220,597	17,214,049
Accumulated depreciation	(3,862,491)	(4,368,081)
Buildings, net	12,358,106	12,845,968
Structures	844,496	952,735
Accumulated depreciation	(411,941)	(464,646)
Structures, net	432,555	488,088
Machinery and equipment	87,692	95,542
Accumulated depreciation	(61,072)	(67,172)
Machinery and equipment, net	26,619	28,369
Tools, furniture and fixtures	314,269	352,925
Accumulated depreciation	(267,128)	(291,368)
Tools, furniture and fixtures, net	47,140	61,557
Land	2,654,802	2,836,098
Leased assets	4,550,989	4,927,861
Accumulated depreciation	(1,791,326)	(2,028,191)
Leased assets, net	2,759,663	2,899,670
Construction in progress	411,460	179,855
Total property, plant and equipment	18,690,347	19,339,609
Intangible assets		
Software	6,084	4,741
Other	25,077	30,564
Total intangible assets	31,161	35,305
Investments and other assets		
Investment securities	500	500
Investments in capital	40	40
Long-term prepaid expenses	6,928	17,519
Deferred tax assets	264,554	307,889
Leasehold and guarantee deposits	552,894	555,400
Membership	950	950
Other	-	100,000
Total investments and other assets	825,867	982,299
Total non-current assets	19,547,376	20,357,214
Total assets	26,285,579	29,329,816

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Short-term borrowings	521,000	-
Current portion of long-term borrowings	1,670,506	1,482,806
Lease liabilities	427,462	449,916
Accounts payable - other	766,329	839,452
Accrued expenses	155,880	205,342
Income taxes payable	807,986	1,011,931
Accrued consumption taxes	-	321,416
Contract liabilities	210,141	178,499
Deposits received	9,369	11,396
Other	102	111
Total current liabilities	4,568,778	4,500,873
Non-current liabilities		
Long-term borrowings	5,533,686	5,650,320
Lease liabilities	2,430,611	2,552,732
Provision for retirement benefits	5,018	5,432
Provision for retirement benefits for directors (and other officers)	57,770	66,380
Asset retirement obligations	909,111	919,288
Guarantee deposits received	31,535	25,535
Total non-current liabilities	8,967,732	9,219,689
Total liabilities	13,536,511	13,720,562
Net assets		
Shareholders' equity		
Share capital	953,920	953,920
Capital surplus		
Legal capital surplus	878,920	878,920
Other capital surplus	508,518	508,518
Total capital surplus	1,387,438	1,387,438
Retained earnings		
Other retained earnings		
Retained earnings brought forward	10,408,652	13,268,837
Total retained earnings	10,408,652	13,268,837
Treasury shares	(941)	(941)
Total shareholders' equity	12,749,068	15,609,254
Total net assets	12,749,068	15,609,254
Total liabilities and net assets	26,285,579	29,329,816

Statement of income

(Thousands of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	10,679,046	12,293,904
Cost of sales	6,053,189	6,656,838
Gross profit	4,625,856	5,637,066
Selling, general and administrative expenses		
Promotion expenses	2,127	2,638
Sales commission	188,031	193,180
Remuneration for directors (and other officers)	99,693	123,910
Provision for retirement benefits for directors (and other officers)	8,390	9,480
Salaries and bonuses	138,465	158,983
Retirement benefit expenses	1,369	1,332
Rent expenses	16,850	19,852
Taxes and dues	103,878	94,576
Depreciation	2,332	2,888
Other	101,881	137,685
Total selling, general and administrative expenses	663,019	744,527
Operating profit	3,962,837	4,892,539
Non-operating income		
Interest income	2,043	9,351
Commission income	24,399	25,438
Subsidy income	1,889	3,472
Other	10,607	10,040
Total non-operating income	38,940	48,303
Non-operating expenses		
Interest expenses	76,255	95,394
Compensation Income for loss claims	11,839	11,474
Other	5,007	3,840
Total non-operating expenses	93,102	110,709
Ordinary profit	3,908,675	4,830,133
Extraordinary losses		
Impairment losses	-	59,771
Total extraordinary losses	-	59,771
Profit before income taxes	3,908,675	4,770,362
Income taxes - current	1,412,653	1,670,001
Income taxes - deferred	(46,443)	(43,335)
Total income taxes	1,366,209	1,626,665
Profit	2,542,465	3,143,696

Statement of changes in equity

Fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity								Total net assets
	Share capital	Capital surplus			Retained earnings		Treasury shares	Total shareholders' equity	
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings	Total retained earnings			
Balance at beginning of period	953,920	878,920	508,518	1,387,438	8,092,996	8,092,996	(886)	10,433,467	10,433,467
Changes during period									
Dividends of surplus					(226,809)	(226,809)		(226,809)	(226,809)
Profit					2,542,465	2,542,465		2,542,465	2,542,465
Purchase of treasury shares							(55)	(55)	(55)
Total changes during period	-	-	-	-	2,315,656	2,315,656	(55)	2,315,600	2,315,600
Balance at end of period	953,920	878,920	508,518	1,387,438	10,408,652	10,408,652	(941)	12,749,068	12,749,068

Statement of changes in equity

Fiscal year ended March 31, 2026

(Thousands of yen)

	Shareholders' equity								Total net assets
	Share capital	Capital surplus			Retained earnings		Treasury shares	Total shareholders' equity	
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings	Total retained earnings			
Balance at beginning of period	953,920	878,920	508,518	1,387,438	10,408,652	10,408,652	(941)	12,749,068	12,749,068
Changes during period									
Dividends of surplus					(283,510)	(283,510)		(283,510)	(283,510)
Profit					3,143,696	3,143,696		3,143,696	3,143,696
Purchase of treasury shares									
Total changes during period	-	-	-	-	2,860,185	2,860,185	-	2,860,185	2,860,185
Balance at end of period	953,920	878,920	508,518	1,387,438	13,268,837	13,268,837	(941)	15,609,254	15,609,254

Statement of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	3,908,675	4,770,362
Depreciation	853,868	915,503
Increase (decrease) in provision for retirement benefits for directors (and other officers)	8,390	8,610
Increase (decrease) in provision for retirement benefits	1,069	414
Impairment losses	-	59,771
Interest and dividend income	(2,043)	(9,351)
Interest expenses	76,255	95,394
Decrease (increase) in trade receivables	(56,912)	(179,642)
Decrease (increase) in inventories	(1,861)	(6,726)
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	(208,183)	366,997
Decrease (increase) in other assets	20,395	(11,367)
Increase (decrease) in other liabilities	128,397	85,052
Subtotal	4,728,051	6,095,018
Interest and dividends received	2,043	9,351
Interest paid	(77,054)	(95,905)
Income taxes paid	(1,375,923)	(1,477,268)
Net cash provided by (used in) operating activities	3,277,116	4,531,195
Cash flows from investing activities		
Payments into time deposits	-	(600,000)
Proceeds from withdrawal of time deposits	-	300,000
Purchase of property, plant and equipment	(3,805,804)	(1,593,115)
Payments of guarantee deposits	(100)	(6,057)
Other, net	27,135	(109,902)
Net cash provided by (used in) investing activities	(3,778,769)	(2,009,076)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	391,000	(521,000)
Proceeds from long-term borrowings	2,400,000	1,700,000
Repayments of long-term borrowings	(1,755,126)	(1,771,066)
Dividends paid	(226,767)	(283,501)
Purchase of treasury shares	(55)	-
Repayments of lease liabilities	(295,677)	(317,522)
Proceeds from sale and leaseback transactions	322,745	462,097
Net cash provided by (used in) financing activities	836,119	(730,991)
Net increase (decrease) in cash and cash equivalents	334,466	1,791,128
Cash and cash equivalents at beginning of period	5,586,025	5,920,492
Cash and cash equivalents at end of period	5,920,492	7,711,620