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May 15, 2026

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

Company name: KEY COFFEE INC

Listing: Tokyo Stock Exchange

Securities code: 2594

URL: <https://www.keycoffee.co.jp/>

Representative: Yutaka Shibata

Representative

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Financial Director

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Scheduled date of annual general meeting of shareholders: June 26, 2026

Scheduled date to commence dividend payments: 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 briefing: Yes

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

1. Consolidated financial results for the fiscal 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	%
Fiscal year ended								
March 31, 2026	93,067	19.6	1,077	121.3	1,318	107.2	988	361.3
March 31, 2025	77,783	5.4	486	(36.3)	636	(26.6)	214	18.8

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥ 1,371 million [507.0%]
For the fiscal year ended March 31, 2025: ¥ 225 million [(68.7)%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	46.14	-	3.2	1.9	1.2
March 31, 2025	10.00	-	0.7	1.1	0.6

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2026: ¥ 196 million

For the fiscal year ended March 31, 2025: ¥ 51 million

(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
March 31, 2026	78,524	32,256	40.5	1,482.72
March 31, 2025	58,235	30,958	52.6	1,431.07

Reference: Equity

As of March 31, 2026: ¥ 31,764 million

As of March 31, 2025: ¥ 30,643 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
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	(3,380)	(5,258)	8,834	5,279
March 31, 2025	(1,353)	(1,070)	2,827	5,080

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	6.00	-	6.00	12.00	260	119.9	0.8
Fiscal year ended March 31, 2026	-	6.00	-	6.00	12.00	260	26.0	0.8
Fiscal year ending March 31, 2027 (Forecast)	-	6.00	-	6.00	12.00		42.8	

Note: Breakdown of the year-end dividend for the fiscal year ended March 31, 2026 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated financial result forecasts 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 attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	95,000	2.1	900	(16.4)	1,000	(24.2)	750	(24.1)	35.00

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included:	1	companies(INODA COFFEE)
Excluded:	-	companies()

(2) 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

(3) 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	22,689,000 shares
As of March 31, 2025	22,689,000 shares

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

As of March 31, 2026	1,265,547 shares
As of March 31, 2025	1,275,847 shares

(iii) Average number of shares outstanding during the period

Fiscal Year ended March 31, 2026	21,420,728 shares
Fiscal Year ended March 31, 2025	21,413,126 shares

[Reference] Overview of non-consolidated financial results**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	84,297	19.4	827	292.1	860	194.6	653	-
March 31, 2025	70,587	6.3	211	(62.6)	292	(53.3)	(13)	-

Fiscal year ended	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
March 31, 2026	30.48		-	
March 31, 2025	(0.61)		-	

(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	72,608		29,378		40.5		1,371.34	
March 31, 2025	54,800		28,585		52.2		1,334.93	

Reference: Equity

As of March 31, 2026: ¥ 29,378 million

As of March 31, 2025: ¥ 28,585 million

* 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

Consolidated Financial Statements and Primary Notes

Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	5,080	5,279
Notes receivable - trade	226	428
Accounts receivable - trade	16,115	22,569
Merchandise and finished goods	4,259	4,957
Work in process	371	504
Raw materials and supplies	12,389	17,167
Other	1,145	1,496
Allowance for doubtful accounts	(121)	(147)
Total current assets	39,467	52,255
Non-current assets		
Property, plant and equipment		
Buildings and structures	15,850	17,362
Accumulated depreciation	(12,094)	(13,074)
Buildings and structures, net	3,755	4,287
Machinery, equipment and vehicles	12,846	13,152
Accumulated depreciation	(11,019)	(11,187)
Machinery, equipment and vehicles, net	1,826	1,964
Land	6,428	10,627
Other	3,529	4,446
Accumulated depreciation	(2,973)	(3,217)
Other, net	555	1,228
Total property, plant and equipment	12,566	18,107
Intangible assets		
Goodwill	101	483
Other	615	741
Total intangible assets	717	1,224
Investments and other assets		
Investment securities	3,782	4,656
Long-term loans receivable	23	18
Deferred tax assets	90	104
Retirement benefit asset	772	1,055
Guarantee deposits	710	787
Other	252	448
Allowance for doubtful accounts	(145)	(135)
Total investments and other assets	5,485	6,936
Total non-current assets	18,768	26,269
Total assets	58,235	78,524

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	12,690	19,286
Short-term borrowings	8,223	17,320
Current portion of long-term borrowings	-	46
Accounts payable - other	2,200	2,286
Income taxes payable	155	324
Contract liabilities	37	67
Provision for bonuses	326	534
Provision for loss on orders received	32	-
Other	1,259	1,652
Total current liabilities	24,925	41,520
Non-current liabilities		
Long-term borrowings	-	534
Deferred tax liabilities	568	1,831
Deferred tax liabilities for land revaluation	492	492
Provision for share awards	109	120
Other provisions	6	13
Retirement benefit liability	180	308
Asset retirement obligations	418	489
Other	574	957
Total non-current liabilities	2,352	4,747
Total liabilities	27,277	46,267
Net assets		
Shareholders' equity		
Share capital	4,628	4,628
Capital surplus	5,071	5,076
Retained earnings	25,170	25,898
Treasury shares	(2,539)	(2,517)
Total shareholders' equity	32,331	33,086
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	661	1,043
Revaluation reserve for land	(2,751)	(2,751)
Foreign currency translation adjustment	26	20
Remeasurements of defined benefit plans	376	365
Total accumulated other comprehensive income	(1,687)	(1,321)
Non-controlling interests	314	491
Total net assets	30,958	32,256
Total liabilities and net assets	58,235	78,524

Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	77,783	93,067
Cost of sales	63,255	76,448
Gross profit	14,528	16,618
Selling, general and administrative expenses		
Advertising and sample expense	1,361	1,386
Packing and transportation costs	2,148	2,225
Vehicle expenses	400	382
Provision of allowance for doubtful accounts	26	23
Remuneration for directors (and other officers)	255	272
Salaries and bonuses	4,599	5,036
Provision for bonuses	255	446
Retirement benefit expenses	(108)	(68)
Welfare expenses	841	909
Rent expenses	765	863
Depreciation	334	395
Supplies expenses	212	220
Research and development expenses	190	213
Other	2,757	3,234
Total selling, general and administrative expenses	14,041	15,541
Operating profit	486	1,077
Non-operating income		
Interest income	1	2
Dividend income	34	41
Share of profit of entities accounted for using equity method	51	196
Rental income from real estate	73	81
Reversal of allowance for doubtful accounts	5	2
Other	71	91
Total non-operating income	237	416
Non-operating expenses		
Interest expenses	68	148
Rental expenses on real estate	8	8
Other	11	17
Total non-operating expenses	88	174
Ordinary profit	636	1,318

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Extraordinary income		
Gain on sale of investment securities	3	-
Total extraordinary income	3	-
Extraordinary losses		
Impairment losses	93	9
Total extraordinary losses	93	9
Profit before income taxes	546	1,308
Income taxes - current	184	350
Income taxes - deferred	132	(49)
Total income taxes	317	300
Profit	229	1,008
Profit attributable to non-controlling interests	15	19
Profit attributable to owners of parent	214	988

Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	229	1,008
Other comprehensive income		
Valuation difference on available-for-sale securities	(91)	385
Revaluation reserve for land	(14)	-
Foreign currency translation adjustment	7	(7)
Remeasurements of defined benefit plans, net of tax	94	(11)
Share of other comprehensive income of entities accounted for using equity method	(0)	(2)
Total other comprehensive income	(3)	363
Comprehensive income	225	1,371
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	211	1,354
Comprehensive income attributable to non-controlling interests	14	16

Consolidated Statement of Changes in Equity

For the 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	4,628	5,071	25,194	(2,539)	32,355
Changes during period					
Dividends of surplus			(238)		(238)
Profit attributable to owners of parent			214		214
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		0		0	0
Net changes in items other than shareholders' equity					
Total changes during period	-	0	(24)	0	(24)
Balance at end of period	4,628	5,071	25,170	(2,539)	32,331

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	753	(2,736)	17	282	(1,684)	300	30,971
Changes during period							
Dividends of surplus							(238)
Profit attributable to owners of parent							214
Purchase of treasury shares							(0)
Disposal of treasury shares							0
Net changes in items other than shareholders' equity	(91)	(14)	8	94	(3)	14	11
Total changes during period	(91)	(14)	8	94	(3)	14	(12)
Balance at end of period	661	(2,751)	26	376	(1,687)	314	30,958

For the 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	4,628	5,071	25,170	(2,539)	32,331
Changes during period					
Dividends of surplus			(260)		(260)
Profit attributable to owners of parent			988		988
Purchase of treasury shares					-
Disposal of treasury shares				22	22
Change in scope of consolidation		4			4
Change in ownership interest of parent due to transactions with non-controlling interests		(0)			(0)
Net changes in items other than shareholders' equity					
Total changes during period	-	4	728	22	754
Balance at end of period	4,628	5,076	25,898	(2,517)	33,086

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	661	(2,751)	26	376	(1,687)	314	30,958
Changes during period							
Dividends of surplus							(260)
Profit attributable to owners of parent							988
Purchase of treasury shares							-
Disposal of treasury shares							22
Change in scope of consolidation							4
Change in ownership interest of parent due to transactions with non-controlling interests							(0)
Net changes in items other than shareholders' equity	382	-	(5)	(11)	366	176	542
Total changes during period	382	-	(5)	(11)	366	176	1,297
Balance at end of period	1,043	(2,751)	20	365	(1,321)	491	32,256

Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	546	1,308
Depreciation	1,031	1,116
Impairment losses	93	9
Amortization of goodwill	17	53
Loss (gain) on sale of investment securities	(3)	-
Increase (decrease) in allowance for doubtful accounts	26	14
Increase (decrease) in provision for bonuses	(85)	176
Increase (decrease) in provision for loss on orders received	32	(32)
Increase (decrease) in retirement benefit liability	8	(20)
Decrease (increase) in retirement benefit asset	(120)	(85)
Retirement benefit expenses	(222)	(205)
Increase (decrease) in provision for share awards	22	10
Interest and dividend income	(36)	(44)
Interest expenses	68	148
Share of loss (profit) of entities accounted for using equity method	(51)	(196)
Decrease (increase) in trade receivables	(646)	(6,516)
Decrease (increase) in inventories	(1,606)	(5,513)
Decrease (increase) in accounts receivable - other	(334)	(143)
Increase (decrease) in trade payables	366	6,525
Increase (decrease) in accounts payable - other	(84)	202
Increase (decrease) in accrued consumption taxes	(348)	13
Other, net	265	136
Subtotal	(1,060)	(3,040)
Interest and dividends received	30	34
Dividends received from entities accounted for using equity method	6	14
Interest paid	(68)	(144)
Income taxes paid	(261)	(252)
Income taxes refund	0	5
Other, net	-	2
Net cash provided by (used in) operating activities	(1,353)	(3,380)
Cash flows from investing activities		
Purchase of investment securities	(21)	(127)
Proceeds from sale and redemption of investment securities	13	-
Purchase of property, plant and equipment	(848)	(1,665)
Purchase of intangible assets	(202)	(75)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(3,549)
Subsidies received	-	218
Other, net	(12)	(58)
Net cash provided by (used in) investing activities	(1,070)	(5,258)

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,874	8,996
Repayments of long-term borrowings	-	(27)
Dividends paid	(238)	(260)
Repayments of lease liabilities	(85)	(132)
Proceeds from sale and leaseback transactions	277	261
Other, net	(0)	(3)
Net cash provided by (used in) financing activities	2,827	8,834
Effect of exchange rate change on cash and cash equivalents	8	4
Net increase (decrease) in cash and cash equivalents	412	199
Cash and cash equivalents at beginning of period	4,667	5,080
Cash and cash equivalents at end of period	5,080	5,279