Translation

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# Consolidated Financial Results for the Six Months of the Fiscal Year Ending March 31, 2027 (Under Japanese GAAP)

October 30, 2026


Company name: F&M Co., Ltd.
Stock exchange listings: Tokyo Stock Exchange
Stock code: 4771
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Scheduled date for submission of interim report: November 13, 2026
Dividend payable date (as planned): December 1, 2026
Supplementary materials for financial summaries: Yes
Financial results briefing: Yes (for analysts)

(Amounts of less than one million yen are rounded down.)

**1. Consolidated Financial Results for the Six Months of the Fiscal Year Ending March 31, 2027 (from April 1, 2026 to September 30, 2026)**

**(1) Consolidated operating results (Cumulative)** (Percentages indicate YoY 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, 2026 | 11,458 | 27.9 | 1,997 | 113.1 | 2,029 | 111.7 | 1,381 | 113.3 |
| September 30, 2025 | 8,956 | 25.5 | 937 | 49.9 | 958 | 50.1 | 647 | 59.9 |

(Note) Comprehensive income For the six months ended September 30, 2026: 1,380 million yen (113.0%) For the six months ended September 30, 2025: 648 million yen (53.9%)

| | Basic earnings per share | Diluted earnings per share |
|---|---|---|
| Six months ended | Yen | Yen |
| September 30, 2026 | 93.38 | - |
| September 30, 2025 | 43.78 | - |

**(2) Consolidated Financial Position**

| | Total assets | Net assets | Equity ratio |
|---|---|---|---|
| As of | Millions of yen | Millions of yen | % |
| September 30, 2026 | 21,941 | 16,359 | 74.6 |
| March 31, 2026 | 20,642 | 15,423 | 74.7 |

(Reference) Equity As of September 30, 2026: 16,359 million yen As of March 31, 2026: 15,423 million yen

**2. Cash Dividends**

| | Annual dividends per share | | | | |
|---|---|---|---|---|---|
| | End of the first quarter | End of the second quarter | End of the third quarter | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended March 31, 2026 | - | 21.00 | - | 30.00 | 51.00 |
| Fiscal year ending March 31, 2027 | - | 30.00 | | | |
| Fiscal year ending March 31, 2027 (Forecast) | | | - | 30.00 | 60.00 |

(Note) Revisions to the dividend forecast most recently announced: None

**3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2027 (from April 1, 2026 to March 31, 2027)**

(Percentages indicate YoY 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, 2027 | 25,675 | 23.4 | 4,994 | 29.4 | 5,046 | 29.4 | 3,448 | 22.0 | 233.12 |

(Note) Revisions to the financial forecast most recently announced: None

* Notes

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

Newly included: None, Excluded: None

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(3) Changes in accounting policies, Changes in accounting estimates, Retrospective 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) Retrospective 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 September 30, 2026 | 15,714,400 shares |
| As of March 31, 2026 | 15,714,400 shares |

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

| | |
|---|---|
| As of September 30, 2026 | 921,978 shares |
| As of March 31, 2026 | 921,897 shares |

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

| | |
|---|---|
| Six months ended September 30, 2026 | 14,792,464 shares |
| Six months ended September 30, 2025 | 14,792,529 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

(Notes on forward-looking statements, etc.)

The forward-looking statements, including forecasts of operating results, contained in this document are based on information currently available to the Company and certain assumptions that the Company considers reasonable, and are not intended to constitute a commitment by the Company that they will be achieved. In addition, actual operating results, etc. may differ significantly due to various factors. For the assumptions underlying the Forecasts and precautions regarding the use of the Forecasts, please refer to the attached document, P.5, “1. Overview of Operating Results, etc. (3) Explanation of Forward-Looking Information Such as Consolidated Forecasts.”

(Method of Obtaining Supplementary Explanatory Materials for Financial Results and Holding of Financial Results Briefing)

The supplementary financial results explanatory materials are scheduled to be posted on our website on October 30, 2026 (Friday). In addition, the Company plans to hold a briefing session for analysts on November 2, 2026 (Monday).

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Current Interim Period

During the Current interim consolidated accounting period, Japan's economy continued to face an uncertain outlook for the external environment, including persistently high energy prices due to the chronic nature of geopolitical risks and the establishment of a trend toward yen depreciation in the foreign exchange market. Meanwhile, domestic financial markets remained firm, with stock prices reaching record highs, while the widespread adoption of generative AI, robust demand for IT infrastructure centered on semiconductors and data centers, and improved appetite for capital investment associated with large-scale urban redevelopment projects were strongly recognized as factors supporting the economy.

In personal consumption, although high levels of wage increases were maintained in this spring's labor-management wage negotiations, caution regarding rises in housing loan interest rates and other rates accompanying the Bank of Japan’s additional rate hikes, as well as price increases for essential goods, continued to place pressure on household budgets. As consumers’ tendency to economize and refrain from purchasing became increasingly pronounced, particularly in the retail market, the trend toward “selective consumption”—where consumers thoroughly restrain unnecessary spending while not hesitating to spend on self-improvement and well-being—strengthened further.

Regarding the financial environment, as the Bank of Japan proceeded with raising its policy rate and the transition to a “world with interest rates” gained momentum, many companies faced concerns over and the need to address rising interest costs. This was a period in which the formulation of efficient financing strategies, the strengthening of financial structures, and transformation toward management that emphasizes capital efficiency became important indicators for evaluating corporate sustainability.

Under these economic conditions, our Group has worked to increase the number of members in its core businesses, expand its services, and improve operational efficiency.

As a result, Operating results for the Current interim consolidated accounting period were Net sales of 11,458 million yen (up 27.9% YoY), Operating profit of 1,997 million yen (up 113.1% YoY), Ordinary profit of 2,029 million yen (up 111.7% YoY), and Profit attributable to owners of parent of 1,381 million yen (up 113.3% YoY).

Operating results by segment are as follows.

Furthermore, from the first-quarter consolidated accounting period, the classification of reportable segments has been changed, and the following comparisons with the same quarter of the previous year are based on figures for the same quarter of the previous year reclassified according to the changed segment classification.

(i) Accounting Services Segment

The Accounting Services Segment provides accounting services, including bookkeeping outsourcing, to individual business owners, primarily life insurance sales representatives, and small-scale enterprises. In terms of sales activities during the Current interim consolidated accounting period, we continued to participate in training sessions conducted periodically by each life insurance company for new employees, and worked to maintain and secure customer acquisition channels. In terms of services, we upgraded the user-facing application currently provided, with the aim of strengthening customer engagement. By promoting measures utilizing the application, including reminder notifications for regularly required submission materials and the expansion of a direct chat (talk) function within the application, we achieved both stronger points of contact with users and improved operational efficiency.

As a result, the number of accounting service members as of the end of the Current interim consolidated accounting period (September 30, 2026) was 122,469, an increase of 8,967 from the end of the previous fiscal year.

As a result, Net sales in the Accounting Services Segment for the Current interim consolidated accounting period were 2,387 million yen (up 10.5% YoY), and Operating profit was 695 million yen (up 20.0% YoY).

(ii) Consulting Segment

The Consulting Segment comprises the “F&M Club,” a management department support service for medium-sized and small enterprises; support for obtaining ISO and Privacy Mark certifications; support for applying for Subsidies, including “Monozukuri Subsidies” and “ Large-Scale Growth Investment Subsidies for Medium-Sized Enterprises, etc.”; support for formulating management improvement plans to improve cash flow; and instructor-dispatch training services.

Regarding “F&M Club,” as of the end of September 2026, we have partnered with 240 financial institutions and are working to enhance sales opportunities. On July 15, 2026, we advanced our initiative with MUFG Bank, Ltd. from “referral” to “intermediation,” and announced the conclusion of an intermediation agreement, among other efforts, while strengthening relationships so that our Group can become the best partner for financial institutions. In addition, from the Current period, we integrated the departments that had been divided by role into “new customer acquisition” and “customer follow-up” on a regional basis, transitioning to an end-to-end structure. Under this structure, as a result of focusing on sharing information regarding the status of referred customers, collaboration with partner financial institutions has strengthened, leading to the steady acquisition of new contracts along with the expansion of our sales structure.

In our approach to member companies, integrating customer touchpoints for new customer acquisition and follow-up into a single division has enhanced our understanding of management issues, and the expansion of a comprehensive support platform, including back-office support for companies, is progressing smoothly. Against the backdrop of this strengthened structure, services such as recruitment support, including the revision of job descriptions to enhance recruiting competitiveness; improvement of the working environment through the development of labor management systems; support for formulating personnel evaluation systems to improve employee retention and performance after hiring; and analysis of cash flows related to capital and human investment have captured the needs of small and medium-sized business owners and contributed to an increase in new members. In addition, specialized teams in each field, including human resource development, improvement of financial strength, and promotion of DX in labor-related operations, are providing in-depth support tailored to customers' issues, thereby achieving favorable results in improving customer satisfaction and contract renewal rates.

As a result, the number of F&M Club members as of the end of the Current interim consolidated accounting period (September 30, 2026) was 15,764 companies (an increase of 947 companies compared with the end of the Previous fiscal year).

Regarding support for obtaining ISO and Privacy Mark certifications, orders were primarily received for ISO9001 and ISO14001 for the construction industry, aimed at obtaining additional points in public works bidding. Orders for FSSC22000 and HACCP associated with the promotion of overseas exports by the food manufacturing industry also remained strong. In addition, inquiries regarding BCP-related certifications have been on the rise as disaster countermeasures in response to earthquakes and wind and flood damage in recent years.

Regarding support for subsidy application procedures, we have continued to provide support for the "Monozukuri Subsidies (Subsidies for Promoting Productivity Improvement in Manufacturing, Commerce and Services)" and the " Large-Scale Growth Investment Subsidies for Medium-Sized Enterprises, etc. (Large-Scale Growth Investment Subsidies for Labor-Saving Measures, etc. to Support Wage Increases at Mid-Sized, Small and Medium-Sized, and Startup Companies)" (*1), while maintaining a high level of performance in the "Small and Medium-Sized Enterprise Labor-Saving Investment Subsidies (General Type)," which we have been focusing on. In addition, in the second round of public offerings for the " SME Growth Acceleration Subsidies," we achieved an adoption rate of 54.7% through our support. This substantially exceeded the national average adoption rate for the same public offering (25.6%), and we also achieved a significant improvement of 29.7 percentage points from our adoption rate of 25.0% in the first round of public offerings. Net sales associated with Subsidies for which adoption results are announced from October 2026 onward will be recorded from the third quarter onward.

| Subsidy name | Issue number | Announcement of selection | Number of applications | Number of selections |
|---|---|---|---|---|
| Monozukuri Subsidies | 22nd | April 30, 2026 | 22 cases | 13 cases |
| | 23rd | August 7, 2026 | 12 cases | 9 cases |
| Large-Scale Growth Investment Subsidies for Medium-Sized Enterprises, etc. (*1) | 5th | May 18, 2026 | 17 cases | 8 cases |
| | 6th | Early November 2026 | 5 cases | Awaiting announcement |
| SME Growth Acceleration Subsidies | 2nd | August 4, 2026 | 64 cases *2 | 35 cases |
| New Business Entry Subsidies | 3rd | July 1, 2026 | 21 cases | 11 cases |
| | 4th | September 30, 2026 | 35 cases | 14 cases |
| Small and Medium-Sized Enterprise Labor-Saving Investment Subsidies (General Type) | 5th | June 5, 2026 | 86 cases | 78 cases |
| | 6th | August 28, 2026 | 68 cases | 61 cases |
| | 7th | Mid-November 2026 | 118 cases | Awaiting announcement |
| | 8th | Early February 2027 | 104 cases | Awaiting announcement |

*1 These Subsidies, through the fourth public offering, were solicited under the name "Medium-sized and Small Business Growth Investment Subsidies (Large-scale Growth Investment Subsidies for Labor-saving Measures, etc. to Raise Wages at Medium-sized and Small Enterprises)."

*2 The figures reflect withdrawals made after application.

*3 The above table reflects the situation as of October 29, 2026.

For support in formulating management improvement plans to improve cash flow, we place emphasis on speed and are also focusing on refinancing support that does not utilize the 405 Program. This supports the realization of effective financial improvement for small and medium-sized enterprises.

In instructor-dispatch training services, which dispatch instructors with specialized knowledge and experience to provide training for corporate employees, we actively promoted the provision of high-value-added services suited to changes in the market environment and customer needs. In addition to steadily capturing demand for training in the areas of supportive leadership and management, we began providing full-scale support for the utilization and implementation of generative AI.
As a result, Net sales for the Current interim consolidated accounting period in the Consulting Segment were 5,473 million yen (up 37.1% YoY), and Operating profit was 2,123 million yen (up 74.9% YoY).
(iii) Business Solutions Segment
The Business Solutions Segment consists of providing consulting services for professional firms, as well as IT solutions for companies and professional firms.
Consulting services for professional firms includes the “Management Innovation Support Organization Promotion Council,” which supports certified tax accountant and certified public accountant offices in enhancing their capabilities as certified support organizations. During the period, we secured stable sales opportunities against the backdrop of support needs among small and medium-sized enterprises that are clients of tax accountant and certified public accountant offices, as well as ongoing needs to improve productivity at their own offices. In particular, initiatives that captured market trends, such as holding “Generative AI Study Sessions” and providing “Generative AI Prompts” for tax accountant and certified public accountant offices, proved effective, and membership in the “AI Study Group” remained steady.
As a result, the number of member offices of the "Management Innovation Support Organization Promotion Council," etc. as of the end of the Current interim consolidated accounting period (September 30, 2026) was 2,333 offices (an increase of 238 offices compared with the end of the Previous fiscal year).
The provision of IT solutions for companies and professional firms consists of sales of the "Office Station" series of cloud software for human resources and labor management, among others.
In our marketing activities aimed at acquiring customers, we continued exhibiting at trade shows that attract a large number of people in our target segments. Through individual consultations at our booth, the primary focus of exhibiting at this trade show was to remind the market of our services and encourage the resumption of purchase considerations. In addition to needs such as improving the efficiency of attendance and labor management, we were also able to directly identify specific needs, including the desire to integrate individually contracted SaaS products into a single brand. In response to these clear issues, we emphasized the benefits of consolidation through “Office Station,” which has led to the creation of high-value business negotiations involving the consolidation of tools.
As sales initiatives aimed at expanding Net sales, the Customer Success Division took the lead in developing proposal activities tailored to the degree of system utilization by existing users. Specifically, in addition to promoting the registration of the number of employees using the system within contracted companies, the division strongly pursued cross-selling proposals across product lines, including labor management, year-end adjustments, and payslips. Furthermore, by establishing a structure in which Field Sales and Customer Success worked closely together, we were able to make timely proposals in response to changes in customer needs, thereby optimizing the overall sales process through measures such as shortening sales lead times and improving the closing rate.
In addition, to prevent post-contract churn (cancellations) and maintain the contract renewal rate, we focused on establishing an onboarding structure to support smooth system implementation. We also thoroughly strengthened staffing at the support desk and enhanced the FAQ so that customer inquiries could be resolved promptly, and worked to build a support environment in which existing users can continue using the system with confidence.
As a result, as of the end of the Current interim consolidated accounting period (September 30, 2026), the number of companies using the “Office Station” series, including those using the free “Office Station Labor Lite,” was 56,601 companies (an increase of 3,932 companies from the end of the Previous fiscal year), and the number of professional offices was 3,839 offices (an increase of 173 offices from the end of the Previous fiscal year).
As a result, Net sales for the Current interim consolidated accounting period in the Business Solutions Segment were 3,365 million yen (up 30.7% YoY), and Operating loss was 98 million yen (Operating loss of 160 million yen in the Previous interim consolidated accounting period).
(iv) Real Estate Leasing Segment
The Real Estate Leasing Segment records stable earnings from rental income of buildings owned by the Company. In the Current interim consolidated accounting period, Net sales were 54 million yen (up 1.6% YoY), and Operating profit was 13 million yen (up 5.2% YoY).
(v) System Development Segment
The System Development Segment consists of the system development business and other operations of consolidated subsidiary F&M Net Co., Ltd. At F&M Net, development for intra-group use of Merchandise and other products sold by F&M, centered on the “Office Station” series, accounted for the majority.

As a result, Net sales in the System Development Segment for the Current interim consolidated accounting period were 157 million yen (up 10.2% YoY), and Operating loss was 63 million yen (Operating loss of 171 million yen in the same period of the Previous year).

(vi) Other Businesses

Other Businesses consist of the head office operation of computer classes and FC guidance services, etc. In these businesses, as part of the optimal allocation of management resources and the review of the business portfolio, we have proceeded with the downsizing of the businesses accompanying the sequential closure of schools while continuing to respond to students.

As a result, Net sales for the Current interim consolidated accounting period in the Other Businesses amounted to 20 million yen (down 32.5% YoY), while the Operating loss amounted to 4 million yen (the Previous corresponding period recorded an Operating profit of 2 million yen).

(2) Overview of Financial Positions for the Current Interim Period

(Assets)

As of the end of the Current interim consolidated accounting period, Current assets amounted to 8,888 million yen, an increase of 152 million yen compared with the end of the Previous consolidated fiscal year. This was mainly due to an increase of 541 million yen in Accounts receivable - trade, and contract assets and an increase of 173 million yen in Other (Current assets), while Cash and deposits decreased by 466 million yen and Securities decreased by 100 million yen.

Non-current assets amounted to 13,053 million yen, an increase of 1,147 million yen compared with the end of the Previous consolidated fiscal year. This was mainly due to increases of 950 million yen in Other (Intangible assets) and 142 million yen in Deferred tax assets, among others.

As a result, Total assets amounted to 21,941 million yen, an increase of 1,299 million yen compared with the end of the Previous consolidated fiscal year.

(Liabilities)

At the end of the Current interim consolidated accounting period, Current liabilities amounted to 5,393 million yen, an increase of 356 million yen compared with the end of the Previous consolidated fiscal year. This was mainly due to increases of 122 million yen in Contract liabilities and 393 million yen in Provision for bonuses, while Other (Current liabilities) decreased by 122 million yen, among other factors.

Non-current liabilities amounted to 188 million yen, an increase of 7 million yen compared with the end of the Previous consolidated fiscal year.

As a result, total liabilities amounted to 5,581 million yen, an increase of 363 million yen compared with the end of the Previous consolidated fiscal year.

(Net assets)

As of the end of the Current interim consolidated accounting period, total net assets amounted to 16,359 million yen, an increase of 936 million yen compared with the end of the Previous consolidated fiscal year. This was mainly due to the recording of Profit attributable to owners of parent of 1,381 million yen, while Dividends of surplus of 443 million yen were paid, among other factors.

As a result, the equity to total assets ratio was 74.6% (74.7% at the end of the Previous consolidated fiscal year).

In addition, there are currently no plans for any noteworthy significant capital expenditures or the associated financing.

(3) Explanation of Forward-Looking Information Such as Consolidated Forecasts

Regarding the full-year consolidated Forecasts, an upward revision was made on October 29, 2026, reflecting the strong performance progress during the Current interim consolidated accounting period. There has been no change from the full-year consolidated Forecasts announced on the same day in the “Notice Concerning Revision of Forecasts.”

The forward-looking statements regarding the performance outlook, etc. set forth in this document are based on information currently available to the Company and certain assumptions that the Company deems reasonable, and actual performance, etc. may differ significantly due to various factors.

2. Interim Consolidated Financial Statements and Major Notes

(1) Interim Consolidated Balance Sheet

(Unit: Thousands of yen)

| | Previous consolidated fiscal year (March 31, 2026) | Current interim consolidated accounting period (September 30, 2026) |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 6,740,850 | 6,274,826 |
| Accounts receivable - trade, and contract assets | 1,644,323 | 2,185,464 |
| Securities | 100,000 | - |
| Merchandise and finished goods | 2,104 | 2,403 |
| Work in process | 53 | 20,465 |
| Raw materials and supplies | 5,733 | 5,354 |
| Other | 281,363 | 454,589 |
| Allowance for doubtful accounts | (38,425) | (54,825) |
| Total current assets | 8,736,003 | 8,888,277 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 1,285,577 | 1,260,141 |
| Tools, furniture and fixtures, net | 220,833 | 287,523 |
| Land | 1,281,627 | 1,281,627 |
| Total property, plant and equipment | 2,788,037 | 2,829,291 |
| Intangible assets | | |
| Goodwill | 8 | 8 |
| Software | 6,387,715 | 6,447,452 |
| Other | 489,128 | 1,439,206 |
| Total intangible assets | 6,876,853 | 7,886,667 |
| Investments and other assets | | |
| Investment securities | 898,837 | 898,380 |
| Deferred tax assets | 615,767 | 758,615 |
| Bad debts | 122,857 | 103,174 |
| Guarantee deposits | 153,432 | 139,535 |
| Insurance funds | 514,642 | 506,276 |
| Other | 20,501 | 20,218 |
| Allowance for doubtful accounts | (84,818) | (88,521) |
| Total investments and other assets | 2,241,220 | 2,337,679 |
| Total non-current assets | 11,906,110 | 13,053,638 |
| Total assets | 20,642,114 | 21,941,916 |

(Unit: Thousands of yen)

| | Previous consolidated fiscal year (March 31, 2026) | Current interim consolidated accounting period (September 30, 2026) |
|---|---|---|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 9,521 | 8,805 |
| Contract liabilities | 1,059,953 | 1,182,552 |
| Income taxes payable | 893,023 | 855,583 |
| Provision for bonuses | 1,060,540 | 1,454,233 |
| Other | 2,014,727 | 1,892,663 |
| Total current liabilities | 5,037,767 | 5,393,838 |
| Non-current liabilities | | |
| Retirement benefit liability | 115,901 | 123,209 |
| Negative goodwill | 189 | 99 |
| Other | 64,812 | 64,812 |
| Total non-current liabilities | 180,903 | 188,122 |
| Total liabilities | 5,218,670 | 5,581,960 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 989,650 | 989,650 |
| Capital surplus | 2,467,459 | 2,467,459 |
| Retained earnings | 12,157,719 | 13,095,298 |
| Treasury shares | (223,828) | (224,038) |
| Total shareholders' equity | 15,391,000 | 16,328,369 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 32,442 | 31,586 |
| Total accumulated other comprehensive income | 32,442 | 31,586 |
| Total net assets | 15,423,443 | 16,359,955 |
| Total liabilities and net assets | 20,642,114 | 21,941,916 |

(2) Interim Consolidated Statement of Income and Interim Consolidated Statement of Comprehensive Income

(Interim Consolidated Statement of Income)

(Unit: Thousands of yen)

| | Six months ended September 30, 2025 | Six months ended September 30, 2026 |
|---|---|---|
| Net sales | 8,956,382 | 11,458,609 |
| Cost of sales | 3,021,988 | 3,951,348 |
| Gross profit | 5,934,394 | 7,507,261 |
| Selling, general and administrative expenses | 4,997,304 | 5,509,986 |
| Operating profit | 937,089 | 1,997,274 |
| Non-operating income | | |
| Interest income | 7,806 | 18,704 |
| Interest on securities | 6,793 | 6,897 |
| Dividend income | 1,248 | 1,285 |
| Commission income | - | 3,831 |
| Subsidy income | 2,071 | 114 |
| Gain on forfeiture of unclaimed dividends | 372 | 451 |
| Other | 3,097 | 791 |
| Total non-operating income | 21,389 | 32,076 |
| Ordinary profit | 958,479 | 2,029,351 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 28 | - |
| Surrender value of insurance policies | - | 3,535 |
| Total extraordinary income | 28 | 3,535 |
| Extraordinary losses | | |
| Loss on retirement of non-current assets | 0 | 8 |
| Loss on cancellation of insurance policies | - | 1,232 |
| Total extraordinary losses | 0 | 1,240 |
| Profit before income taxes | 958,507 | 2,031,645 |
| Income taxes - current | 465,510 | 792,614 |
| Income taxes - deferred | (154,570) | (142,322) |
| Total income taxes | 310,939 | 650,292 |
| Profit | 647,567 | 1,381,353 |
| Profit attributable to owners of parent | 647,567 | 1,381,353 |

(Interim Consolidated Statement of Comprehensive Income)

(Unit: Thousands of yen)

| | Six months ended September 30, 2025 | Six months ended September 30, 2026 |
|---|---|---|
| Profit | 647,567 | 1,381,353 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 477 | (856) |
| Total other comprehensive income | 477 | (856) |
| Comprehensive income | 648,045 | 1,380,497 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 648,045 | 1,380,497 |

(3) Notes to Interim Consolidated Financial Statements

(Notes on Segment Information, etc.)

[Segment Information]

I Previous interim consolidated accounting period (For the six months ended September 30, 2025)

1. Information on Net sales and amounts of profit or loss by reportable segment

(Unit: Thousands of yen)

| | Reportable segments | | | | | | Others (Note) | Total |
|---|---|---|---|---|---|---|---|---|
| | Accounting Services Segment | Consulting Segment | Business Solutions Segment | Real Estate Leasing Segment | System Development Segment | Total | | |
| Revenue | | | | | | | | |
| Net sales to external customers | 2,161,653 | 3,993,163 | 2,575,069 | 53,279 | 142,600 | 8,925,766 | 30,615 | 8,956,382 |
| Internal net sales or transfer amount between segments | - | 1,620 | 1,276 | 4,350 | 1,116,101 | 1,123,348 | 3,067 | 1,126,415 |
| Total | 2,161,653 | 3,994,783 | 2,576,346 | 57,629 | 1,258,701 | 10,049,115 | 33,682 | 10,082,798 |
| Segment profit or loss | 579,136 | 1,214,647 | (160,811) | 12,370 | (171,551) | 1,473,792 | 2,919 | 1,476,711 |

(Note) The “Others” segment comprises operating segments not included in the reportable segments and includes the operation of computer classes and FC guidance business, among others.

2. Difference between the total amount of profit or loss of reportable segments and the amount recorded in the interim consolidated Statement of income, and major components of such difference (matters related to difference reconciliation)

(Unit: Thousands of yen)

| Profit | Amount |
|---|---|
| Total reportable segments | 1,473,792 |
| Profit in the “Others” segment | 2,919 |
| Elimination of intersegment transactions | (2,485) |
| Amortization of goodwill | (1) |
| Corporate expenses (Note) | (608,280) |
| Adjustment for non-current assets | 71,146 |
| Operating profit in the interim consolidated Statement of income | 937,089 |

(Note) Corporate expenses are mainly General and administrative expenses not attributable to reportable segments.

II Current interim consolidated accounting period (From April 1, 2026 to September 30, 2026)

1. Information on Net sales and amounts of profit or loss by reportable segment

(Unit: Thousands of yen)

| | Reportable segments | | | | | | Others (Note) | Total |
|---|---|---|---|---|---|---|---|---|
| | Accounting Services Segment | Consulting Segment | Business Solutions Segment | Real Estate Leasing Segment | System Development Segment | Total | | |
| Revenue | | | | | | | | |
| Net sales to external customers | 2,387,860 | 5,473,477 | 3,365,409 | 54,108 | 157,102 | 11,437,958 | 20,651 | 11,458,609 |
| Internal net sales or transfer amount between segments | - | 1,365 | 1,278 | 4,350 | 1,784,981 | 1,791,975 | 3,067 | 1,795,042 |
| Total | 2,387,860 | 5,474,843 | 3,366,688 | 58,458 | 1,942,083 | 13,229,933 | 23,718 | 13,253,652 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Segment profit or loss | 695,042 | 2,123,952 | (98,545) | 13,012 | (63,326) | 2,670,133 | (4,400) | 2,665,733 |

(Note) The “Others” segment comprises operating segments not included in the reportable segments and includes the operation of computer classes and FC guidance business, among others.

2. Difference between the total amount of profit or loss of reportable segments and the amount recorded in the interim consolidated Statement of income, and the main details of such difference (Matters relating to difference reconciliation)

(Unit: Thousands of yen)

| Profit | Amount |
|---|---|
| Total reportable segments | 2,670,133 |
| Loss in the "Others" segment | (4,400) |
| Elimination of intersegment transactions | (4,636) |
| Amortization of goodwill | (0) |
| Corporate expenses (Note) | (712,353) |
| Adjustment for non-current assets | 48,531 |
| Operating profit in the interim consolidated Statement of income | 1,997,274 |

(Note) Corporate expenses mainly consist of General and administrative expenses not attributable to reportable segments.

3. Matters concerning changes to reportable segments, etc.

As a result of reviewing the management classification of the BPO business, which had previously been included in the “Accounting Services Segment”, in light of future business development and other factors, the BPO business has been reclassified into the “Business Solutions Segment” from the first quarter of the current consolidated accounting period. Furthermore, segment information for the Previous interim consolidated accounting period is disclosed based on the classifications of reportable segments for the Current interim consolidated accounting period.

(Notes on Significant Changes in Shareholders' Equity)
Not applicable.
(Notes on Going Concern Assumption)
Not applicable.