



Summary of Consolidated Financial Results for the Six-month Period Ended September 30, 2025 (Japanese accounting standards)

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Name of listed firm: Nojima Corporation
Code No.: 7419
Representative: Hiroshi Nojima, President & Representative Executive Officer
Contact: Hiroaki Hatano, Executive Officer/General Manager, Finance and Accounting Division
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Listed on the Tokyo Stock Exchange
URL: <https://www.nojima.co.jp>
Tel.: +81-50-3116-6500

(Amounts are rounded down to the nearest million yen.)

1. Consolidated financial results for the fiscal year ended September 30, 2025 (April 1, 2025 - September 30, 2025)

(1) Consolidated results of operations

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		EBITDA		Net income attributable to shareholders of the parent company	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six-month period ended September 30, 2025	462,768	17.7	27,669	38.6	30,621	42.8	42,588	22.1	19,431	36.9
Six-month period ended September 30, 2024	393,106	9.8	19,968	47.8	21,448	46.2	34,888	31.7	14,198	54.4

Note: Comprehensive income: Six-month period ended September 30, 2025: 23,613million yen (41.0%)
Six-month period ended September 30, 2024: 16,750million yen (59.2%)

• For detailed information, including definitions and methods used to calculate indicators, see p. 2, "1. Qualitative Information on Interim Consolidated Financial Performance: (1) Explanation of operating results."

	Net income per share	Diluted net income per share
	Yen	Yen
Six-month period ended September 30, 2025	202.06	188.14
Six-month period ended September 30, 2024	145.98	142.06

Note: The Company carried out a stock split of its common stock at a ratio of three shares for every one share held, effective October 11, 2025.

The effects of this stock split on per-share information are described in the section on Important Subsequent Events.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of September 30, 2025	554,647	229,983	40.4	2,314.76
As of March 31, 2025	623,810	208,307	32.4	2,110.39

Reference: Equity: As of September 30, 2025: 224,271million yen As of March 31, 2025: 202,143million yen

Note: The Company carried out a stock split of its common stock at a ratio of three shares for every one share held, effective October 11, 2025.

The effects of this stock split on per-share information are described in the section on Important Subsequent Events.

2. Dividends

	Dividends per share				
	End of Q1	End of Q2	End of Q3	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY ended March 2025	—	20.00	—	25.00	45.00
FY ended March 2026	—	23.00	—	—	—
FY ending March 2026 (planned)	—	—	—	8.00	—

Note: Revisions to the most recently announced dividend forecast: No

Breakdown of the dividend for the FY ended March 2025: Regular dividend: 23.00 yen, 30th anniversary commemorative dividend for stock listing: 2.00 yen

The Company carried out a stock split of common stock at a ratio of three shares for every one share, effective October 11, 2025. The forecast for the year-end dividend per share for the fiscal year ending March 2026 reflects the amount considering this stock split, and the total annual dividend is listed as "—". The year-end dividend per share for the fiscal year ending March 2026, without considering the stock split, would be 24 yen, and the total annual dividend per share would be 47 yen.

3. Forecasts of consolidated financial results for the fiscal year ending March 2026 (April 1, 2025 - March 31, 2026)

(Percentages indicate changes from the previous year for full-year forecasts.)

	Net sales		Operating income		Ordinary income		EBITDA		Net income attributable to shareholders of the parent company		Net income per share
Full-year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	930,000	9.0	56,000	15.8	60,000	17.2	83,000	11.8	40,000	23.9	138.64

Note: Revisions to the most recently announced consolidated earnings forecast: No

The Company implemented a stock split at a ratio of three shares for every one share of common stock, effective October 11, 2025. The net income per share in the consolidated earnings forecast (full-year) for the fiscal year ending March 2026 reflects the impact of this stock split.

* Notes

- (1) Significant changes in subsidiaries during this period
(changes in designated subsidiaries resulting in changes in the scope of consolidation): Yes
Added: 7 company(ies) (name(s): Street Holdings Corporation and 6 other companies)
Removed: 2 company(ies) (name(s): MONEY SQUARE HOLDINGS, INC., MONEY SQUARE, INC.)
- (2) Application of special accounting methods in the preparation of the interim consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
 - i. Changes in accounting policies due to revisions in accounting standards and other regulations: No
 - ii. Changes in accounting policies for reasons other than i.: No
 - iii. Changes in accounting estimates: No
 - iv. Restatement of prior period financial statements: No

(4) Number of shares issued and outstanding (common shares)

i. Number of shares issued and outstanding at the end of the period (including treasury shares)	As of September 30, 2025	102,579,232shares	FY ended March 2025	102,579,232shares
ii. Number of shares of treasury shares at the end of the period	As of September 30, 2025	5,691,719shares	FY ended March 2025	6,794,435shares
iii. Average number of shares during the period	Six-month period ended September 30, 2025	96,166,023shares	Six-month period ended September 30, 2024	97,262,282shares

Note: The number of treasury shares at the end of the period includes the Company's own stock held in ESOP trust accounts (1,076,100 shares for the six-month period ended September 30, 2026, and 1,336,900 shares for the fiscal year ended March 31, 2025). Additionally, the Company's own stock held in ESOP trust accounts is included in the treasury stock deducted in the calculation of the average number of shares during the period (Cumulative for the six-month period: 1,200,268 shares for the period ended September 30, 2026, and 105,196 shares for the period ended September 30, 2025)

* Financial statements are not subject to audits by certified public accountants or auditing firms

* Explanation concerning the appropriate use of forecasts of business performance and other notes

Note on forward-looking statements:

Forecasts of business performance and other forward-looking statements in this release are based on information currently available and certain assumptions the Company deems reasonable at the time of preparation. They do not constitute a guarantee of future results. Actual results may differ materially from those of any forward-looking statements for various reasons.

○ Contents of attached documents

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1. Qualitative Information on Interim Consolidated Financial Performance

(1) Explanation of operating results

While the Japanese economy is recovering moderately in the current interim consolidated accounting period, downside risks remain, such as the impact of U.S. trade policies and the possibility that continued price increases may affect personal consumption, potentially weighing down Japan's economy.

Under these circumstances, the Nojima Group has committed itself to contributing to society through digital products and services, with each business leveraging synergy to provide "consulting-based sales" from the customer's perspective.

As a result, for the current interim consolidated accounting period, net sales were 462,768 million yen (117.7% compared to the same period in the previous fiscal year), operating income was 27,669 million yen (138.6% compared to the same period in the previous fiscal year), ordinary income was 30,621 million yen (142.8% compared to the same period in the previous fiscal year), and net income attributable to shareholders of the parent company was 19,431 million yen (136.9% compared to the same period in the previous fiscal year). Net sales and operating income reached record highs. Ordinary income and interim net income also reached record highs, excluding equity in earnings from Suruga Bank, Ltd. and others in the fiscal year ended March 2021. Additionally, EBITDA (*), which our Group regards as a key management indicator, was 42,588 million yen (122.1% compared to the same period in the previous fiscal year), also marking a record high.

*EBITDA = ordinary income + interest expenses + interest on bonds + depreciation + amortization of goodwill – profit or loss on equity method investment

The situation for each segment is as follows. Following the inclusion of VAIO Corporation in the scope of consolidation in the previous fiscal year, "Product business" was added to the reporting segments.

From the current first quarter of the consolidated fiscal year, the "Paid satellite broadcasting business," previously included in "Other," and due to the inclusion of Street Holdings Corporation and its subsidiaries in the scope of consolidation, "Media business" has been added to the reporting segments.

In accordance with this change, the segment information for the previous interim consolidated accounting period has been reclassified to the new reporting segment categories.

(Operation of digital home electronics retail stores)

Regarding sales trends in the home electronics retail industry, the overall market size increased for the first time in four years due to favorable performance in mobile phone related products, especially smartphones, and rising demand for PC replacement ahead of the end of Windows 10 support.

Amidst these circumstances, our air conditioner sales grew in August due to the "Tokyo Zero-Emi" campaign, and PC sales rose in September during the "Big Settlement Sale". Although sales of TVs and refrigerators declined, overall sales progressed steadily. We prioritize employee job satisfaction and have decided to implement base salary increases twice a year (implemented in September, this was the second time this year and is at an industry-leading level). We are also collaborating on DX with GlobalLogic to provide customers with delight and excitement. Regarding our stores, we are pursuing a dominant strategy centered in Tokyo and Kanagawa prefectures, while also opening smaller stores and optimizing the floor space of existing locations.

As a result, net sales were 158,456 million yen (109.0% compared to the same period in the previous fiscal year), and ordinary income was 11,153 million yen (114.5% compared to the same period in the previous fiscal year). Net sales reached a record high.

(Operation of mobile carrier stores)

In the mobile carrier store industry, movements have emerged, such as Docomo and SoftBank announcing revisions to administrative fees, against the backdrop of rising store operating costs like personnel expenses and utility costs due to inflation.

Amidst these circumstances, our Group positioned the creation of appealing store experiences for customers as the highest priority issue, actively promoting initiatives aimed at realizing "stores that customers naturally gravitate towards" and "sales floors where new discoveries are made". We will continue to build stores that customers choose. In terms of promotions, we successively deployed strategies that emphasized differentiation from competitors. Furthermore, to further satisfy our customers, we promoted actions based on our internal philosophy and strove to improve service quality.

As a result, net sales were 182,554 million yen (109.6% compared to the same period in the previous fiscal year), and ordinary income was 11,151 million yen (196.6% compared to the same period in the previous fiscal year). Both net sales and ordinary income reached record highs.

(Internet business)

As an essential infrastructure for daily life, the role of ultra-high-speed broadband services is expanding. Amidst this, we are promoting various initiatives aimed at becoming the "ISP that is closest to and most inspiring for our customers".

A key initiative is the introduction of BIMi to "@nifty mail" to enhance email security. This visually proves the legitimate sender using the company logo, thereby increasing customer peace of mind.

Meanwhile, Cecile Co., Ltd. promotes "creating products that are closely aligned with customer needs". By introducing examples of improvements based on customer feedback, we communicate our corporate attitude of standing alongside our customers.

As a result of these efforts, net sales were 35,778 million yen (104.5% compared to the same period in the previous fiscal year), and ordinary income was 3,290 million yen (98.6% compared to the same period in the previous fiscal year).

(Overseas business)

In Southeast Asian countries where our overseas business operates, economic growth fueled by rising prices is a concern. Singapore is facing a challenging market situation compared to the previous year due to the reactionary drop following rush demand from last year's consumption tax hikes and special demand for eco-products. This year, amidst overlapping events such as the expansion of government support recipients and the 60th anniversary of Singapore's founding, COURTS has engaged in active promotional activities to encourage customer purchases.

In Malaysia, the expansion of the SST (Service and Sales Tax) has been implemented since July, raising concerns about a decrease in overall market consumption. Amidst this, we are promoting scrap-and-build store development, along with promotional activities and store expansion tailored to the region.

As a result, net sales were 40,736 million yen (104.3% compared to the same period in the previous fiscal year), and ordinary income was 331 million yen (119.6% compared to the same period in the previous fiscal year). Net sales reached a record high.

(Financial business)

In July, although there was a temporary appreciation of the yen after the House of Councillors election when Prime Minister Ishiba announced his continuation in office, the market has generally seen a weaker yen and stronger dollar, backed by robust U.S. economic data. Under these circumstances, we continue to promote the "Trap Repeat If Done - Global Strategy" from the previous period.

As a result, net sales were 1,851 million yen (59.9% compared to the same period in the previous fiscal year), and ordinary income was 437 million yen (42.9% compared to the same period in the previous fiscal year). Notably, on August 13, 2025, all issued shares of MONEY SQUARE HOLDINGS, INC. and MONEY SQUARE, INC. were transferred, and they have been excluded from the scope of consolidation. Consequently, disclosure for the Financial Business segment is scheduled to cease in the next fiscal period.

(Product business)

While the PC market is growing due to replacement demand right before the end of extended support for Windows 10, sales of VAIO PCs, from standard to high-end models, are progressing very favorably. Display exhibition has been implemented across all Nojima stores, and sales results have grown, delighting customers through "Fit Consulting" tailored to their needs. Furthermore, VAIO has received high praise, particularly from corporate customers, including winning first place in the Client PC category of the "Nikkei Computer Customer Satisfaction Survey 2025-2026". Moreover, VAIO began selling refurbished PCs, "Reborn VAIO," for corporate use in August 2025, which has garnered attention due to rising environmental awareness and has already been adopted by multiple companies.

As a result, net sales were 34,214 million yen, and ordinary income was 3,141 million yen. This level is the highest recorded in the last 10 years.

(Media business)

The paid satellite broadcasting market is facing intensifying competition, with the number of viewable households decreasing by 4–5% annually due to the spread of streaming services.

Amidst this, our Group merged Animax and Kids Station on October 1, and achieved operational efficiency by integrating offices and standardizing broadcasting systems beforehand. Furthermore, we are aiming to strengthen original content through events and content production, and expand businesses related to broadcasting, currently preparing for new events in the second half of the year.

In addition, Adflex, which joined the Group in April 2025, saw favorable growth in its core listing advertising. Meanwhile, Tri-Stage struggled due to slow engagement with existing customers and sluggish new customer acquisition. Conversely, it smoothly initiated marketing support within the Nojima Group. While working to maximize Group synergy, it also developed unique sales channels, steadily expanding its business from a unique position.

As a result, net sales were 12,341 million yen (209.1% compared to the same period in the previous fiscal year), and ordinary income was 734 million yen (68.5% compared to the same period in the previous fiscal year).

(Stores in operation)

In the operation of digital home electronics retail stores, through scrap-and-build, 6 new digital home electronics retail stores were opened, bringing the total to 237 stores. Additionally, 2 dedicated communication device stores were closed, resulting in a total of 15 stores, for a combined total of 252 stores.

In the operation of mobile carrier stores, including both directly operated stores and franchise stores, through scrap-and-build, 5 new stores were opened/acquired, and 15 stores were closed/transferred, resulting in a total of 925 stores.

In the overseas business, through scrap-and-build, 1 new store was opened and 2 stores were closed, bringing the total to 113 stores.

As a result, the number of stores at the end of the current interim consolidated accounting period is as follows:

Stores in operation

Classification	Directly operated stores	Franchises	Total
Operation of digital home electronics retail stores	252	—	252
Digital home electronics retail stores	237	—	237
Dedicated communications device stores	15	—	15
Operation of mobile carrier stores	641	284	925
Carrier stores	604	281	885
Others	37	3	40
Overseas business	113	—	113
Total	1,006	284	1,290

(2) Explanation of financial position

Assets, liabilities and net assets

(Assets)

As of the end of the current six-month consolidated period, total assets amounted to 554,647 million yen, a decrease of 69,162 million yen compared to the end of the previous consolidated fiscal year.

The main breakdown shows that current assets decreased by 71,587 million yen to 325,088 million yen, and fixed assets increased by 2,424 million yen to 229,558 million yen.

The primary reason for the decrease in current assets was reductions in segregated deposits (72,041 million yen decrease), trading products (23,504 million yen decrease), and accounts receivable (12,159 million yen decrease), despite an increase in cash and deposits (31,592 million yen increase).

The primary reason for the increase in fixed assets was increases in customer-related intangible assets (4,628 million yen increase) and investment securities (4,109 million yen increase), despite decreases in technology-related intangible assets (3,133 million yen decrease) and contractual intangible assets (2,679 million yen decrease).

(Liabilities)

Total liabilities decreased by 90,838 million yen from the end of the previous consolidated fiscal year, settling at 324,664 million yen as of September 30, 2025. This reduction was driven by a 95,318 million yen decrease in current liabilities, totaling 209,884 million yen, which more than offset a 4,480 million yen increase in non-current liabilities, which reached 114,780 million yen.

The major reasons for the fall in current liabilities included reductions in guarantee deposits received (92,398 million yen), electronically recorded obligations (5,624 million yen), and accounts payable-other (3,752 million yen), even with increases in notes and accounts payable-trade (3,840 million yen) and advance received (1,672 million yen).

The growth in non-current liabilities was primarily attributable to an increase in long-term loans payable (3,806 million yen) and contract liabilities (1,904 million yen), despite decreases in lease obligations (650 million yen) and deferred tax liabilities (649 million yen).

(Net assets)

Total net assets increased by 21,675 million yen from the end of the previous consolidated fiscal year, reaching 229,983 million yen. This increase was largely due to a rise of 17,001 million yen in retained earnings. Consequently, the Equity ratio improved by 8.0 percentage points compared to the end of the previous consolidated fiscal year, achieving 40.4%.

Overview of cash flow

(Cash flow from operating activities)

Regarding the Status of Cash Flow, cash and cash equivalents (funds) at the end of the current consolidated interim period totaled 98,207 million yen (compared to 56,674 million yen in the previous consolidated interim period). Cash Flow from Operating Activities resulted in an inflow of 37,135 million yen, representing an increase of 217.1% compared to the previous consolidated interim period. This strong inflow was primarily driven by income before income taxes and other adjustments of 29,829 million yen. Major increasing factors included a decrease in accounts receivable-trade amounting to 15,463 million yen, while decreasing factors included an increase in accounts receivable-other of 4,171 million yen and a decrease in accounts payable-other of 4,069 million yen.

(Cash flow from investment activities)

Cash flow from investing activities resulted in an outflow of 231 million yen (compared to an inflow of 25,092 million yen in the previous consolidated interim period). This was mainly attributable to proceeds from sale of shares of subsidiaries resulting in a change in the scope of consolidation (14,576 million yen), despite having expenditures for the acquisition of intangible fixed assets (5,532 million yen), expenditures for the acquisition of tangible fixed assets (4,778 million yen), and expenditures for the purchase of shares in subsidiaries resulting in a change in the scope of consolidation (3,025 million yen), among other factors.

(Cash flow from financing activities)

Cash flow from financing activities resulted in an outflow of 5,036 million yen (compared to an inflow of 29,738 million yen in the previous consolidated interim period). This was mainly attributable to expenditures such as the repayment of long-term loans (14,288 million yen), the repayment of lease obligations (2,582 million yen), and cash dividends paid (2,423 million yen), despite having proceeds from long-term borrowings (13,855 million yen), among other factors.

(3) Information on forward-looking statements such as forecasts of consolidated financial results

Regarding the consolidated earnings forecast for the fiscal year ending March 2026, there are no changes to the full-year consolidated earnings forecast announced in the "Summary of Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 2026" dated July 31, 2025.

Furthermore, concerning the dividend status, there are no changes to the dividend forecast announced in the "Announcement Regarding Stock Split, Partial Amendment to Articles of Incorporation Accompanying Stock Split, and Revision of Dividend Forecast" dated September 16, 2025.

2. Interim Consolidated Financial Statements and Main Notes

(1) Consolidated balance sheet

(Million yen)

	Previous fiscal year (as of March 31, 2025)	Second quarter of the current fiscal year (as of September 30, 2025)
Assets		
Current assets		
Cash and deposits	66,614	98,207
Accounts receivable	101,373	89,213
Merchandise and products	72,277	72,863
Raw materials and supplies	6,063	9,665
Programing rights	2,688	2,398
Accounts receivable-other	38,988	42,758
Segregated deposits	72,041	—
Trading products	23,504	—
Other	14,230	11,083
Allowance for doubtful accounts	-1,106	-1,100
Total current assets	396,676	325,088
Non-current assets		
Tangible non-current assets		
Buildings and structures (net)	20,997	20,890
Tools, fixtures, and facilities (net)	783	756
Machinery, equipment and vehicles (net)	4,772	4,959
Lease assets (net)	14,768	14,381
Land	16,724	16,724
Other (net)	901	2,710
Total tangible non-current assets	58,948	60,422
Intangible assets		
Goodwill	42,621	40,150
Software	3,526	3,717
Trademark	6,019	5,896
Contractual intangible assets	43,000	40,320
Customer-related intangible assets	9,264	13,893
Technology-related intangible assets	3,133	—
Other	36	95
Total intangible assets	107,602	104,074
Investments and other assets		
Investment securities	31,412	35,522
Deferred tax assets	7,570	6,877
Lease and guarantee deposits	18,621	20,425
Retirement benefit assets	259	275
Other	3,098	2,599
Allowance for doubtful accounts	-379	-638
Total investments and other assets	60,583	65,061
Total non-current assets	227,134	229,558
Total assets	623,810	554,647

(Million yen)

	Previous fiscal year (as of March 31, 2025)	Second quarter of the current fiscal year (as of September 30, 2025)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	87,761	91,602
Electronically recorded obligations-operating	6,543	918
Short-term loans payable	11,652	11,231
Current portion of long-term loans payable	11,843	13,275
Accounts payable-other	25,983	22,231
Accrued income taxes	14,142	12,663
Accrued consumption tax	3,717	3,725
Accrued expenses	5,911	6,188
Advance received	9,209	10,881
Contract liabilities	14,869	15,947
Provision for product warranties	1,989	2,008
Reserve for points	1,424	1,653
Reserve for bonuses	4,288	3,945
Lease obligations	4,631	4,980
Guarantee deposits received	92,398	—
Trading products	1,415	—
Other	7,418	8,629
Total current liabilities	305,202	209,884
Non-current liabilities		
Long-term loans payable	46,688	50,495
Contract liabilities	18,675	20,580
Reserve for directors' retirement benefits	359	239
Retirement benefit liabilities	11,929	12,247
Deferred tax liabilities	13,118	12,469
Lease obligations	12,801	12,151
Other	6,725	6,597
Total non-current liabilities	110,299	114,780
Reserves under special laws		
Reserve for financial instruments transaction liabilities	0	—
Total Reserves under special laws	0	—
Total liabilities	415,502	324,664
Net Assets		
Shareholders' equity		
Capital stock	6,330	6,330
Capital surplus	7,734	7,658
Retained earnings	191,505	208,507
Treasury stock	-10,580	-9,200
Total shareholders' equity	194,989	213,295
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,757	7,012
Deferred gains or losses on hedges	-2	9
Currency conversion adjustments	3,399	3,953
Total accumulated other comprehensive income	7,153	10,975
Stock acquisition rights	2,853	2,496
Non-controlling interests	3,311	3,216
Total net assets	208,307	229,983
Total liabilities and net assets	623,810	554,647

(2) Consolidated income statement and consolidated statement of comprehensive income

Consolidated income statement

	(Million yen)	
	Six-month period of the previous fiscal year (April 1, 2024 - September 30, 2024)	Six-month period of the current fiscal year (April 1, 2025 - September 30, 2025)
Net sales	393,106	462,768
Cost of sales	277,622	327,723
Gross profit on sales	115,484	135,045
Sales, general and administrative expenses		
Advertising expenses	11,523	13,231
Salaries, allowances and bonuses	32,848	37,088
Provision of reserve for bonuses	3,475	3,387
Retirement benefit expenses	846	899
Rents	12,232	12,892
Depreciation	7,877	8,706
Amortization of goodwill	2,993	3,145
Other	23,718	28,025
Total sales, general and administrative expenses	95,515	107,375
Operating income	19,968	27,669
Non-operating income		
Interest income	109	107
Dividend	168	647
Purchase discounts	1,324	1,308
Profit on sale of investment securities	—	638
Profit on equity method investment	22	44
Foreign exchange profit	—	654
Other	576	843
Total non-operating income	2,202	4,243
Non-operating expenses		
Interest expenses	537	728
Foreign exchange losses	8	—
Other	176	563
Total non-operating expenses	722	1,292
Ordinary income	21,448	30,621
Extraordinary income		
Gain on reversal of share acquisition rights	261	441
Gain on sales of non-current assets	0	14
Other	23	—
Total extraordinary income	285	455
Extraordinary losses		
Impairment losses	37	405
Loss on store closings	106	34
Loss on sale of investment securities	—	97
Loss on sale of investment in affiliated company	—	708
Total extraordinary losses	144	1,246
Net income before taxes and other adjustments	21,590	29,829
Income taxes-current	8,074	12,187
Income taxes-deferred	-795	-2,149
Total income taxes	7,278	10,038
Net income	14,311	19,791
Net income attributable to shareholders of the non-controlling interests	113	360
Net income attributable to shareholders of the parent company	14,198	19,431

Consolidated statement of comprehensive income
(For the six-month period)

(Million yen)

	Six-month period of the previous fiscal year (April 1, 2024 - September 30, 2024)	Six-month period of the current fiscal year (April 1, 2025 - September 30, 2025)
Net income	14,311	19,791
Other comprehensive income		
Valuation difference on available-for-sale securities	1,605	3,255
Deferred gains or losses on hedges	-31	12
Currency conversion adjustments	865	553
Total other comprehensive income	2,439	3,821
Comprehensive income	16,750	23,613
(Breakdown)		
Comprehensive income attributable to shareholders of the parent company	16,637	23,252
Comprehensive income attributable to non-controlling interests	113	360

(3) Consolidated cash flow statement

(Million yen)

	Previous fiscal year (April 1, 2024 – September 30, 2024)	Current fiscal year (April 1, 2025 – September 30, 2025)
Cash flow from operating activities		
Net income before taxes and other adjustments	21,590	29,829
Depreciation	8,427	9,113
Impairment loss	37	405
Amortization of goodwill	2,993	3,145
Loss (profit) on equity method investment	-22	-44
Increase (decrease) in reserve for retirement benefits	102	222
Increase (decrease) in allowance for doubtful accounts	-109	196
Increase (decrease) in reserve for points	92	229
Increase (decrease) in contract liabilities	6,396	2,792
Interest income and dividend income	-278	-754
Interest expenses	537	728
Loss on sale of investment securities	—	97
Loss on sale of investment in affiliated company	—	708
Decrease (increase) in accounts receivable-trade	14,124	15,463
Decrease (increase) in inventories	-1,330	-3,480
Decrease (increase) in accounts receivable-other	3,157	-4,171
Increase (decrease) in notes and accounts payable-trade	-15,552	764
Increase (decrease) in accrued expenses	-1,569	154
Increase (decrease) in accrued consumption taxes	-1,146	6
Increase (decrease) in accounts payable-other	-3,972	-4,069
Increase (decrease) in advances received	-978	1,548
Increase (decrease) in unearned revenue	-5,040	19
Increase (decrease) in segregated deposits	8,427	1,389
Increase (decrease) in trading products (Assets)	12,072	2,778
Increase (decrease) in guarantee deposits received	-22,914	-3,280
Increase (decrease) in trading products (Liabilities)	-432	-1,290
Other	198	-1,408
Subtotal	24,811	51,094
Interest and dividend income received	294	770
Interest expenses paid	-532	-731
Income tax (paid) or refund	-7,471	-13,999
Cash flow from operating activities	17,102	37,135

(Million yen)

	Previous fiscal year (April 1, 2024 – September 30, 2024)	Current fiscal year (April 1, 2025 – September 30, 2025)
Cash flow from investment activities		
Purchase of tangible non-current assets	-1,714	-4,778
Purchase of intangible assets	-1,155	-5,532
Purchase of investment securities	-18,953	-1,163
Proceeds from sale of investment securities	19	2,550
Payments for lease and guarantee deposits	-554	-2,391
Proceeds from collection of lease and guarantee deposits	474	437
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-3,550	-3,025
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	—	14,576
Other	342	-442
Cash flow from investment activities	-25,092	231
Cash flow from financing activities		
Increase (decrease) in short-term loans payable	-4,769	-774
Proceeds from long-term loans payable	53,630	13,855
Repayment of long-term loans payable	-9,725	-14,288
Purchase of treasury stock	-5,552	-858
Proceeds from sales of treasury stock	—	497
Proceed from exercising stock options	619	1,593
Cash dividends paid	-1,775	-2,423
Repayment of lease obligations	-2,674	-2,582
Other	-13	-55
Cash flow from financing activities	29,738	-5,036
Effect of exchange rate changes on cash and cash equivalents	-32	212
Increase (decrease) in cash and cash equivalents	21,714	32,543
Starting balance of cash and cash equivalents	34,960	65,664
Ending balance of cash and cash equivalents	56,674	98,207

(4) Notes on consolidated financial statements

(Notes on going concern assumption)

Not applicable

(Significant changes in shareholders' equity)

Not applicable

(Segment information, etc.)

[Segment information]

I Six-month period of the previous fiscal year (April 1, 2024 – September 30, 2024)

1. Net sales and income (loss) by reporting segment

(Million yen)

	Reporting segment								Other (*1)	Total	Adjustments (*2)	Amount on consolidated financial statements (*3)
	Operation of digital home electronics retail stores	Operation of mobile carrier stores	Internet business	Overseas business	Financial business	Product business	Media business	Subtotal				
Net sales												
Net sales to external customers	144,097	165,247	33,988	39,047	3,093	—	5,882	391,358	1,747	393,106	—	393,106
Internal sales or transfers between segments	1,290	1,302	238	—	—	—	17	2,848	375	3,224	-3,224	—
Subtotal	145,387	166,550	34,227	39,047	3,093	—	5,900	394,207	2,123	396,330	-3,224	393,106
Segment income	9,742	5,672	3,336	277	1,018	—	1,073	21,120	364	21,484	-36	21,448

Notes:

*1. The “Other” business segment consists of businesses not included in the reporting segments above. These include the shopping mall business, the sports business, the training business and the mega-solar business.

*2. Adjustments to segment income consist of companywide costs not distributed among reporting segments.

*3. Segment income is adjusted with ordinary income on the interim consolidated income statement.

2. Information on impairment losses on non-current assets or goodwill for each reportable segment

(Significant impairment losses on non-current assets)

The carrying amount of a group of assets that have recorded a continued loss from business activities is reduced to the recoverable amount and the reduced amount is recorded as an impairment loss under extraordinary loss.

The amount recorded in the reporting segment was 9 million yen for the operation of digital home electronics retail stores, 26 million yen for the operation of mobile carrier stores, and 1 million yen for the operation of overseas business.

(Significant change in amount of goodwill)

Not applicable

II Six-month period of the current fiscal year (April 1, 2025 – September 30, 2025)

1. Net sales and income (loss) by reporting segment

(Million yen)

	Reporting segment								Other (*1)	Total	Adjustments (*2)	Amount on consolidated financial statements (*3)
	Operation of digital home electronics retail stores	Operation of mobile carrier stores	Internet business	Overseas business	Financial business	Product business	Media business	Subtotal				
Net sales												
Net sales to external customers	157,081	180,250	35,517	40,736	1,851	33,128	12,315	460,881	1,886	462,768	—	462,768
Internal sales or transfers between segments	1,375	2,303	260	—	—	1,085	25	5,050	375	5,426	-5,426	—
Subtotal	158,456	182,554	35,778	40,736	1,851	34,214	12,341	465,932	2,261	468,194	-5,426	462,768
Segment income	11,153	11,151	3,290	331	437	3,141	734	30,241	440	30,681	-60	30,621

Notes:

- *1. The "Other" business segment consists of businesses not included in the reporting segments above. These include the shopping mall business, the sports business, the training business and the mega-solar business.
- *2. Adjustments to segment income consist of companywide costs not distributed among reporting segments.
- *3. Segment income is adjusted with ordinary income on the interim consolidated income statement.

2. Matters Concerning Changes in Reportable Segments

The "Product business" segment was added to the conventional reportable segments following the inclusion of VAIO Corporation in the scope of consolidation starting from the previous consolidated fiscal year.

Starting from the current first quarter of the consolidated fiscal year, the "Media business" segment was added to more appropriately evaluate the performance of the "Paid satellite broadcasting business," which was previously included in "Other". Additionally, this segment was added due to the inclusion of Street Holdings Corporation and its subsidiaries in the scope of consolidation during the current first quarter.

The segment information for the previous second quarter consolidated cumulative period is presented based on the revised classifications.

3. Information on impairment losses on non-current assets or goodwill for each reportable segment (Significant impairment losses on non-current assets)

The carrying amount of a group of assets that has continuously generated losses from operating activities is reduced to its recoverable amount, and the reduced amount is recorded as an impairment loss under extraordinary losses.

The amounts recorded in the reportable segments are 384 million yen for the Operation of digital home electronics retail stores and 21 million yen for the Operation of mobile carrier stores.

(Significant change in amount of goodwill)

Regarding the business combination with Street Holdings Corporation in the Media business during the first quarter of the current consolidated fiscal year, the amount of goodwill was initially calculated provisionally because the purchase price allocation had not been finalized. Since the provisional accounting treatment was finalized during the current second quarter consolidated fiscal period, the amount of goodwill has been revised.

As a result, the goodwill provisionally calculated at 9,208 million yen decreased by 3,370 million yen, resulting in 5,837 million yen.

(Important Subsequent Events)

(Stock Split)

The Company, at its Board of Directors meeting held on September 16, 2025, resolved to conduct a stock split and a partial amendment to its Articles of Incorporation accompanying the stock split, effective as of October 11, 2025. The details are as follows.

1. Purpose of the Stock Split

Purpose of the Stock Split The purpose of the stock split is to reduce the unit price per investment and increase the liquidity of the Company's shares, thereby creating an environment more conducive for investment by investors, aiming to expand the investor base and improve the liquidity of the Company's shares.

2. Outline of the Stock Split

(1) Method of Split The Company will split its common stock at a ratio of three shares for every one share held by shareholders listed or recorded in the final shareholder register as of the record date of October 10, 2025

(2) Increase in Number of Shares due to the Split

i .Total number of shares issued before the split	102,579,232
ii .Number of shares increased by the stock split	205,158,464
iii .Total number of shares issued after the stock split	307,737,696
iv .Total number of authorized shares after the stock split	1,020,000,000

(3) Schedule of the Stock Split

Date of Public Notice of Record Date	September 25, 2025
Record Date	October 10, 2025
Effective Date	October 11, 2025

(4) Impact on Per-Share Information

Assuming the stock split was conducted at the beginning of the previous consolidated fiscal year, the per-share information would be as follows.

	Net income per share (cumulative)	Diluted net income per share (cumulative)
Six-month period ended Sep 30, 2025	67.35 Yen	62.71 Yen
Six-month period ended Sep 30, 2024	48.66 Yen	47.35 Yen

	Net assets per share
As of September 30, 2025	771.59 Yen
As of March 31, 2025	703.46 Yen

3. Partial Amendment to the Articles of Incorporation Accompanying the Stock Split

(1) Reason for Amendment In conjunction with this stock split, a partial amendment to the Company's Articles of Incorporation will be made, effective October 11, 2025, pursuant to the provisions of Article 184, Paragraph 2 of the Companies Act.

(2) Details of the Amendment The change is detailed as follows (underlined parts indicate amendments):

Current Articles of Incorporation	Revised Articles of Incorporation
Article 5 (Total Number of Authorized Shares) The total number of authorized shares of the Company shall be <u>340,000,000</u> shares.	Article 5 (Total Number of Authorized Shares) The total number of authorized shares of the Company shall be <u>1,020,000,000</u> shares.

(3) Schedule for Amendment to the Articles of Incorporation

Date of Board of Directors' Resolution	September 16, 2025
Effective Date	October 11, 2025

4. Other

(1) Change in Amount of Capital Stock There will be no change in the amount of capital stock accompanying this stock split.

(2) Adjustment of Exercise Price for Stock Acquisition Rights In conjunction with this stock split, the exercise price per share for the Company's outstanding stock acquisition rights will be adjusted, effective on or after October 11, 2025, as follows:

Name of Stock Acquisition Right (Date of Special Resolution of Shareholders Meeting)	Adjusted Exercise Price (Yen)	Pre-Adjustment Exercise Price (Yen)
19th Stock Acquisition Rights (June 17, 2021)	473	1,418
20th Stock Acquisition Rights (June 17, 2022)	475	1,423
21st Stock Acquisition Rights (June 16, 2023)	421	1,263
22nd Stock Acquisition Rights (June 21, 2024)	524	1,570
23rd Stock Acquisition Rights (June 20, 2025) *1	1,119	3,355

※1 Date of Board of Directors' Resolution