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February 5, 2026

Consolidated Financial Results for the Six Months Ended December 31, 2025 (Under Japanese GAAP)

Company name: URBANET CORPORATION Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 3242
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 Scheduled date to file semi-annual securities report: February 5, 2026
 Scheduled date to commence dividend payments: March 30, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the six months ended December 31, 2025 (from July 1, 2025 to December 31, 2025)

(1) Consolidated operating results (cumulative)

(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	%
Six months ended								
December 31, 2025	22,304	180.0	3,258	—	2,842	—	1,907	—
December 31, 2024	7,965	(30.3)	100	(87.9)	(232)	—	(210)	—

Note: Comprehensive income For the six months ended December 31, 2025: ¥1,907 million [—%]
 For the six months ended December 31, 2024: ¥(210) million [—%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
December 31, 2025	52.49	52.38
December 31, 2024	(6.53)	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
December 31, 2025	69,317	19,687	28.4
June 30, 2025	62,322	17,347	27.8

Reference: Equity As of December 31, 2025: ¥19,687 million
 As of June 30, 2025: ¥17,347 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended June 30, 2025	–	10.00	–	12.00	22.00
Fiscal year ending June 30, 2026	–	11.00			
Fiscal year ending June 30, 2026 (Forecast)			–	11.00	22.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated earnings forecasts for the fiscal year ending June 30, 2026 (from July 1, 2025 to June 30, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending June 30, 2026	37,044	9.2	3,623	4.1	2,850	2.2	1,900	2.7	54.31

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

* **Notes**

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

Newly included: 1 company (Kagurazaka Heights Co., Ltd.) Excluded: None

Note: For details, please refer to “2. Semi-annual Consolidated Financial Statements and Significant Notes Thereto (4) Notes to Semi-annual Consolidated Financial Statements (Notes to Changes in Scope of Consolidation or Equity Method)” on page 9 of the Attached Materials.

(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, 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

(4) Number of issued shares (common shares)

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

As of December 31, 2025	37,574,100 shares
As of June 30, 2025	35,574,100 shares

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

As of December 31, 2025	659,049 shares
As of June 30, 2025	588,649 shares

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

Six months ended December 31, 2025	36,339,036 shares
Six months ended December 31, 2024	32,275,159 shares

Note: The number of treasury shares at the end of the period includes the Company’s shares held in the trust account used as a result of the introduction of a trust-based stock compensation plan for directors (excluding outside directors) of the Company and some of its subsidiaries, as well as employees of the Company, and the Company’s shares held in the trust account are included in the treasury shares excluded from the calculation of the average number of shares outstanding during the period.

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

* Proper use of earnings forecasts, and other special matters

(Caution concerning forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in this document are based on information currently available to the Urbanet Group and on certain assumptions deemed to be reasonable.

Actual business and other results may differ substantially due to various factors. For the assumptions underlying the earnings forecasts and notes on their use, please refer to “1. Overview of Results of Operations

(3) Explanation Concerning the Forecast of Consolidated Financial Results and Other Forward-looking Information” on page 3 of the Attached Material.

(Means of access to contents of supplementary material on financial results and financial results briefing)

Materials on financial results will be disclosed on the Timely Disclosure network (TDnet) and available on the Group’s website at the same time as this financial summary.

We plan to hold the following financial results briefing for investors.

Videos recorded at this event are to be posted promptly on the Group’s website following the briefing.

Thursday, February 5, 2026: Financial results briefing for institutional investors and analysts

Attached Material

- 1. Overview of Results of Operations 2
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1. Overview of Results of Operations

(1) Overview of Results of Operations for the Period Under Review

For the period under review, the Urbanet Group companies (hereinafter “the Urbanet Group” or “the Group”) reported net sales of 22,304 million yen (up 180.0% from the same period of the previous fiscal year), operating profit of 3,258 million yen (compared with an operating profit of 100 million yen in the same period of the previous fiscal year), ordinary profit of 2,842 million yen (compared with an ordinary loss of 232 million yen in the same period of the previous fiscal year), and profit attributable to owners of parent of 1,907 million yen (compared with a loss attributable to owners of the parent of 210 million yen in the same period of the previous fiscal year).

The significant year-on-year increase in both sales and profits was mainly due to the steady progress in the completion and recording of sales for projects during the first six months of the current fiscal year, in addition to the fact that the recording of sales for urban rental condominiums in the previous fiscal year was concentrated in the fourth quarter of the fiscal year. In the current fiscal year, the Group plans to sell a total of 552 units in 12 urban rental condominiums, etc. During the period under review, sales were recorded for 310 units in six urban rental condominiums, eight units in one apartment, 23 detached or terraced houses, and six parcels of land for development sites. The Group’s core business is the development and sale of buildings with urban rental condominiums, and the timing, amount, and profit ratio of sales upon completion of construction vary greatly from project to project and from year to year, causing quarterly net sales and profits to fluctuate significantly each year. Consolidated subsidiary K-nine Co., Ltd. continues to perform strongly.

For the Group as a whole, construction is generally progressing smoothly toward June 2026, and at present, net sales and profits are both generally progressing in line with initial plans.

The performance by each business segment is explained below.

(Real Estate Business)

Net sales in the Real Estate Business were 22,185 million yen (up 182.8% from the same period of the previous fiscal year), and segment profit was 4,101 million yen (up 374.2% from the same period of the previous fiscal year).

Among these, the total amount of net sales from real estate development and sales was 21,453 million yen (up 220.3% from the same period of the previous year) with revenues derived from the sale of 310 units in six urban rental condominiums, eight units in one apartment, 23 detached or terraced houses, and six tracts of land for sites. The total amount of net sales from real estate purchase and resales was 417 million yen (down 42.7% from the same period of the previous year) with revenues derived from the purchase and resale of two units, and net sales from other real estate business were 314 million yen (down 25.0% from the same period of the previous fiscal year) due to real estate brokerage, real estate leasing, and other factors.

(Hotel Business)

In the Hotel Business, net sales were 119 million yen (down 0.3% from the same period of the previous fiscal year) and segment profit was 25 million yen (down 15.1% from the same period of the previous fiscal year) due to room charges and other factors at Hotel Asyl Tokyo Kamata.

(2) Overview of Financial Position for the Period Under Review

(i) Analysis of Financial Position

As for the financial position at the end of the first six months of the fiscal year under review, compared to the end of the previous fiscal year, total assets increased 6,995 million yen to 69,317 million yen, liabilities increased 4,655 million yen to 49,630 million yen, and net assets increased 2,339 million yen to 19,687 million yen.

The increase in total assets was mainly due to an increase in real estate for sale in process of 5,557 million yen as a result of steady progress in purchasing sites in favorable locations in city centers.

The increase in liabilities was mainly due to an increase of 3,767 million yen in long-term borrowings (including the current portion of long-term borrowings) as a result of the purchase of land for sites.

The increase in net assets was mainly due to profit attributable to owners of parent and an increase in share capital and legal capital surplus as a result of the exercise of share acquisition rights, which outweighed a decrease due to payment of dividends.

(ii) Analysis of Cash Flows

Cash and cash equivalents (hereinafter referred to as “cash”) at the end of the first six months of the fiscal year under review increased by 2,182 million yen compared to the end of the previous fiscal year to 13,581 million yen, due to an increase in cash in financing activities, despite a decrease in cash in operating and investing activities.

Cash flows from operating activities

Net cash used in operating activities amounted to 1,472 million yen (compared with net cash used of 9,361 million yen in the same period of the previous fiscal year). This was mainly due to an increase in inventories and a decrease due to interest payments and income tax payments, which outweighed the recording of profit before income taxes.

Cash flows from investing activities

Net cash used in investing activities amounted to 1,334 million yen (compared with net cash used of 1,989 million yen in the same period of the previous fiscal year). This was mainly due to purchase of property, plant and equipment, and purchase of shares of subsidiaries resulting in change in scope of consolidation.

Cash flows from financing activities

Net cash provided by financing activities amounted to 4,989 million yen (compared with net cash provided of 10,101 million yen in the same period of the previous fiscal year). This was mainly due to proceeds from long-term borrowings in connection with the steady land purchases and proceeds from issuance of shares resulting from exercise of share acquisition rights, which outweighed repayments of long-term borrowings in connection with sales of properties.

(3) Explanation Concerning the Forecast of Consolidated Financial Results and Other Forward-looking Information

The Group’s financial results for the period under review were as follows: net sales of 22,304 million yen, operating profit of 3,258 million yen, ordinary profit of 2,842 million yen, and profit attributable to owners of parent of 1,907 million yen.

The significant year-on-year increases in both sales and profits were mainly due to the steady progress in the completion and recording of sales for projects during the first six months of the current fiscal year, in addition to the fact that the recording of sales for urban rental condominiums in the previous fiscal year was concentrated in the fourth quarter of the fiscal year. On August 7, 2025, the Company disclosed its forecast figures for the fiscal year ending June 30, 2026, and has made significant progress against these forecast figures. This was also due to the steady progress in the completion and recording of sales for projects during the first six months of the current fiscal year, and the fact that many of the projects were relatively high-margin projects. Sales and profits were generally in line with our initial assumptions.

The Group’s core business is the development and sale of buildings with urban rental condominiums, and the timing, amount, and profit ratio of sales upon completion of construction vary greatly from project to project and from year to year, causing quarterly net sales and profits to fluctuate significantly each year.

In the current fiscal year, the Group plans to sell a total of 552 units in 12 urban rental condominiums, etc., of which 525 units in 11 buildings have already been contracted or sold, and construction is progressing smoothly for each project. The performance of consolidated subsidiaries is also robust. Therefore, the Company has decided to maintain the full-year consolidated earnings forecasts for the current fiscal year that were disclosed on August 7, 2025.

As stated in the “Notice of the Urbanet Group Medium-Term Management Plan” disclosed on May 13, 2025, the Group is proactively working on expanding its core business, engaging in M&A, investing in human capital, and pursuing new business initiatives. As a result, K-nine Co., Ltd has made a significant contribution to the expansion of the Group’s business performance and has also generated synergies. In addition, thanks to our investment in human capital, we have been able to purchase development sites in favorable locations in city centers and large properties to support our mainstay business. We are also steadily advancing new

businesses such as the development of apartment hotels for inbound travelers and business for wealthy individuals. The Group aims to achieve sustainable growth in the future while also striving to further increase corporate value and deliver returns to shareholders.

The Company will pay close attention to uncertainties such as the occurrence of unexpected additional construction within the Group, the impact of the supply status of construction materials and soaring prices on construction schedules and costs, as well as the impact of the future economic situation, financial environment, etc., on sales. If any revisions to its consolidated earnings forecasts are necessary, the Company will promptly disclose them.

2. Semi-annual Consolidated Financial Statements and Significant Notes Thereto

(1) Semi-annual Consolidated Balance Sheet

(Thousands of yen)

	As of June 30, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	11,423,168	13,644,814
Real estate for sale	2,070,324	759,079
Real estate for sale in process	39,361,222	44,919,108
Other	892,814	910,919
Total current assets	53,747,530	60,233,922
Non-current assets		
Property, plant and equipment	7,736,467	7,943,958
Intangible assets		
Goodwill	–	318,046
Other	13,914	16,611
Total intangible assets	13,914	334,657
Investments and other assets	824,663	805,293
Total non-current assets	8,575,045	9,083,909
Total assets	62,322,576	69,317,831
Liabilities		
Current liabilities		
Accounts payable - trade	984,221	833,441
Short-term borrowings	2,662,100	3,489,939
Current portion of long-term borrowings	9,128,116	9,011,883
Lease liabilities	32,510	32,375
Income taxes payable	861,707	939,703
Provision for shareholder benefit program	76,929	80,581
Provision for warranties for completed construction	12,780	13,019
Other	911,880	685,500
Total current liabilities	14,670,246	15,086,442
Non-current liabilities		
Long-term borrowings	29,791,941	33,675,612
Lease liabilities	85,349	69,124
Provision for share awards for directors (and other officers)	99,666	130,336
Provision for employee stock ownership plan trust	29,832	37,772
Retirement benefit liability	73,103	74,585
Other	224,598	556,728
Total non-current liabilities	30,304,492	34,544,159
Total liabilities	44,974,739	49,630,601
Net assets		
Shareholders' equity		
Share capital	3,519,264	3,967,364
Capital surplus	3,018,320	3,466,449
Retained earnings	11,015,974	12,496,432
Treasury shares	(205,922)	(243,015)
Total shareholders' equity	17,347,636	19,687,230
Share acquisition rights	200	–
Total net assets	17,347,836	19,687,230
Total liabilities and net assets	62,322,576	69,317,831

(2) Semi-annual Consolidated Statement of Income and Semi-annual Consolidated Statement of Comprehensive Income
Semi-annual Consolidated Statement of Income

(Thousands of yen)

	Six months ended December 31, 2024	Six months ended December 31, 2025
Net sales	7,965,174	22,304,566
Cost of sales	6,458,794	17,219,109
Gross profit	1,506,380	5,085,457
Selling, general and administrative expenses	1,405,878	1,826,976
Operating profit	100,501	3,258,480
Non-operating income		
Interest income	468	5,042
Dividend income	1	4
Other	1,224	3,004
Total non-operating income	1,694	8,050
Non-operating expenses		
Interest expenses	200,273	315,888
Commission expenses	133,629	108,097
Other	354	192
Total non-operating expenses	334,258	424,178
Ordinary profit (loss)	(232,062)	2,842,353
Extraordinary losses		
Impairment losses	–	17,927
Total extraordinary losses	–	17,927
Profit (loss) before income taxes	(232,062)	2,824,425
Income taxes - current	262,341	883,780
Income taxes - deferred	(283,617)	33,299
Total income taxes	(21,276)	917,080
Profit (loss)	(210,785)	1,907,345
Profit (loss) attributable to owners of parent	(210,785)	1,907,345

Semi-annual Consolidated Statement of Comprehensive Income

(Thousands of yen)

	Six months ended December 31, 2024	Six months ended December 31, 2025
Profit (loss)	(210,785)	1,907,345
Other comprehensive income	—	—
Comprehensive income	(210,785)	1,907,345
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(210,785)	1,907,345

(3) Semi-annual Consolidated Statement of Cash Flows

(Thousands of yen)

	Six months ended December 31, 2024	Six months ended December 31, 2025
Cash flows from operating activities		
Profit (loss) before income taxes	(232,062)	2,824,425
Depreciation	97,342	90,241
Impairment losses	–	17,927
Increase (decrease) in provision for shareholder benefit program	55,337	3,652
Increase (decrease) in provision for warranties for completed construction	3,065	238
Increase (decrease) in provision for share awards for directors (and other officers)	8,462	30,669
Increase (decrease) in provision for employee stock ownership plan trust	7,003	9,813
Increase (decrease) in retirement benefit liability	4,558	1,482
Interest and dividend income	(469)	(5,046)
Interest expenses	200,273	315,888
Decrease (increase) in investments in leases	18,187	19,637
Decrease (increase) in inventories	(9,263,908)	(3,213,856)
Increase (decrease) in trade payables	621,348	(150,780)
Increase (decrease) in advances received	(166,725)	(211,436)
Increase (decrease) in accrued consumption taxes	50,158	1,272
Other, net	(50,105)	(74,244)
Subtotal	(8,647,534)	(340,116)
Interest and dividends received	469	5,059
Interest paid	(204,583)	(308,045)
Income taxes paid	(510,143)	(829,047)
Net cash provided by (used in) operating activities	(9,361,791)	(1,472,150)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,942,701)	(330,344)
Purchase of intangible assets	(6,465)	(4,400)
Purchase of insurance funds	–	(17,343)
Proceeds from cancellation of insurance funds	–	496
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(983,783)
Payments of conditional acquisition consideration for shares of subsidiaries	(56,100)	–
Other, net	15,562	900
Net cash provided by (used in) investing activities	(1,989,704)	(1,334,475)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(534,946)	827,839
Proceeds from long-term borrowings	13,404,000	12,255,500
Repayments of long-term borrowings	(2,697,797)	(8,488,063)
Purchase of treasury shares	(11)	(38,937)
Repayments of lease liabilities	(17,150)	(16,360)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	322,750	896,000
Dividends paid	(360,232)	(426,464)
Other, net	(15,227)	(20,300)
Net cash provided by (used in) financing activities	10,101,385	4,989,213
Net increase (decrease) in cash and cash equivalents	(1,250,110)	2,182,588
Cash and cash equivalents at beginning of period	8,509,615	11,398,766
Cash and cash equivalents at end of period	7,259,504	13,581,354

(4) Notes to Semi-annual Consolidated Financial Statements

Notes to Changes in Scope of Consolidation or Equity Method

Significant changes in scope of consolidation

Effective from the first six months under review, following the acquisition of all shares of Kagurazaka Heights Co., Ltd. by the Company's consolidated subsidiary K-nine Co., Ltd. on December 26, 2025, the said company is included in the scope of consolidation.

Notes to Segment Information, Etc.

I Six months ended December 31, 2024 (July 1, 2024-December 31, 2024)

Information related to net sales and profit or loss for each reportable segment

(Thousands of yen)

	Reportable segments		Total	Adjustment (Note 1)	Amounts shown on semi- annual consolidated statement of income (Note 2)
	Real Estate	Hotel			
Net sales					
External sales	7,845,624	119,549	7,965,174	—	7,965,174
Inter-segment sales and transfers	—	—	—	—	—
Total	7,845,624	119,549	7,965,174	—	7,965,174
Segment profit	864,975	30,242	895,217	(794,716)	100,501

Notes: 1. The negative 794,716 thousand yen adjustment to segment profit represents corporate expenses that are not allocated to any of the reportable segments. Corporate expenses mainly consist of general and administrative expenses that are not attributable to any of the reportable segments.

2. Segment profit is adjusted with operating profit shown on the semi-annual consolidated statement of income.

II Six months ended December 31, 2025 (July 1, 2025-December 31, 2025)

1. Information related to net sales and profit or loss for each reportable segment

(Thousands of yen)

	Reportable segments		Total	Adjustment (Note 1)	Amounts shown on semi- annual consolidated statement of income (Note 2)
	Real Estate	Hotel			
Net sales					
External sales	22,185,368	119,198	22,304,566	—	22,304,566
Inter-segment sales and transfers	—	—	—	—	—
Total	22,185,368	119,198	22,304,566	—	22,304,566
Segment profit	4,101,820	25,663	4,127,484	(869,003)	3,258,480

Notes: 1. The negative 869,003 thousand yen adjustment to segment profit represents corporate expenses that are not allocated to any of the reportable segments. Corporate expenses mainly consist of general and administrative expenses that are not attributable to any of the reportable segments.

2. Segment profit is adjusted with operating profit shown on the semi-annual consolidated statement of income.

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

(Significant impairment losses on non-current assets)

Impairment losses on non-current assets were recorded in the Real Estate Business. The amount of such impairment losses recorded was 17,927 thousand yen in the period under review.

(Significant changes in the amount of goodwill)

In the first six months under review, the Company's consolidated subsidiary K-nine Co., Ltd. has acquired all shares of Kagurazaka Heights Co., Ltd., and the said company was newly included in the scope of consolidation.

As a result, goodwill of 318,046 thousand yen was recorded in the Real Estate Business.

Significant Changes in Shareholders' Equity

Not applicable.

Notes to Going Concern Assumption

Not applicable.