

November 13, 2025

Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)

Company name: Innovation Holding CO.,LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 3484
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 Scheduled date to file semi-annual securities report: November 13, 2025
 Scheduled date to commence dividend payments: -
 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 September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year 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, 2025	9,406	13.5	998	46.6	1,077	54.3	711	51.4
September 30, 2024	8,288	16.8	681	30.9	698	24.9	469	23.2

Note: Comprehensive income For the six months ended September 30, 2025: ¥720 million [54.0%]
 For the six months ended September 30, 2024: ¥467 million [22.7%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	42.40	-
September 30, 2024	28.00	-

Note: 1. Interim net income per share after adjusting for potential shares is not shown because there is no dilution effect on the existence of potential shares.
 2. Due to the change in the presentation method from the interim consolidated accounting period under review, the operating income in the consolidated operating results (cumulative) reflects the change in the display method and the percentage change in the interim period of the previous year.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	16,231	4,267	26.2
March 31, 2025	15,652	4,016	25.6

Reference: Equity
 As of September 30, 2025: ¥4,251 million
 As of March 31, 2025: ¥4,010 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 March 31, 2025	-	0.00	-	28.00	28.00
Fiscal year ending March 31, 2026	-	0.00			
Fiscal year ending March 31, 2026 (Forecast)				34.00	34.00

Note: Revisions to the forecast of cash dividends most recently announced: Yes

For the revision of the dividend forecast, please refer to the "Notice of Difference between Consolidated Earnings Forecast and Actual Result for the second quarter of the fiscal year ending March 31, 2026 (Interim Period), Revision of Consolidated Earnings Forecast for the Full Year, and Revision of Year-End Dividend Forecast" announced today (November 13, 2025).

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

(Percentages indicate year-on-year changes.)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
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	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	19,388	16.4	1,743	28.5	1,935	35.2	1,274	23.8	75.96

Note: Revisions to the earnings forecasts most recently announced: Yes
For the revision of the consolidated earnings forecast, please refer to the "Notice of Difference between Consolidated Earnings Forecast and Actual Results for the second quarter of the fiscal year ending March 31, 2026 (Interim Period), Revision of Consolidated Earnings Forecast for the Fiscal Year and Revision of Year-End Dividend Forecast" announced today (November 13, 2025).
2. Due to the change in the display method from the interim consolidated accounting period, the percentage change in operating income is calculated using the figures for the same period of the previous fiscal year after the reclassification reflecting the change in the display method.

* **Notes**

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

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

Note: For details, please refer to Appendix P.8 "2. Interim Consolidated Financial Statements and Key Notes (4) Notes on Interim Consolidated Financial Statements (Notes on Accounting Procedures Specific to the Preparation of Interim Consolidated Financial Statements)" in this article.

(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 September 30, 2025	17,674,400 shares
As of March 31, 2025	17,674,400 shares

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

As of September 30, 2025	900,660 shares
As of March 31, 2025	900,658 shares

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

Six months ended September 30, 2025	16,773,741 shares
Six months ended September 30, 2024	16,773,792 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

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. For the conditions on which earnings forecasts are predicated and precautions for the use of earnings forecasts, please refer to Appendix P.3 "1. Summary of Operating Results, etc. (3) Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts."

Semi-annual consolidated balance sheet

(Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	4,283,926	4,577,082
Real estate for sale	895,861	927,904
Prepaid expenses	1,313,930	1,373,354
Other	548,063	365,467
Total current assets	7,041,781	7,243,808
Non-current assets		
Property, plant and equipment	412,494	433,979
Intangible assets	36,187	35,284
Investments and other assets		
Guarantee deposits	7,412,403	7,741,250
Other	749,559	777,564
Total investments and other assets	8,161,962	8,518,814
Total non-current assets	8,610,645	8,988,078
Total assets	15,652,426	16,231,887
Liabilities		
Current liabilities		
Income taxes payable	441,978	360,002
Provision for bonuses	62,278	94,145
Unearned revenue	1,649,981	1,773,480
Other	887,377	839,620
Total current liabilities	3,041,615	3,067,249
Non-current liabilities		
Long-term borrowings	103,000	145,000
Retirement benefit liability	52,500	63,500
Guarantee deposits received	7,885,972	8,023,494
Other	552,719	665,354
Total non-current liabilities	8,594,192	8,897,348
Total liabilities	11,635,808	11,964,597
Net assets		
Shareholders' equity		
Share capital	308,394	308,394
Capital surplus	539,930	539,930
Retained earnings	4,240,873	4,482,424
Treasury shares	(1,078,880)	(1,078,882)
Total shareholders' equity	4,010,317	4,251,866
Share acquisition rights	2,358	2,358
Non-controlling interests	3,942	13,064
Total net assets	4,016,617	4,267,289
Total liabilities and net assets	15,652,426	16,231,887

Semi-annual consolidated statement of income

(Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	8,288,603	9,406,591
Cost of sales	6,744,614	7,211,986
Gross profit	1,543,988	2,194,604
Selling, general and administrative expenses	862,546	1,195,636
Operating profit	681,442	998,968
Non-operating income		
Penalty income	15,285	22,264
Compensation income	5,799	114,809
Other	2,782	21,254
Total non-operating income	23,867	158,327
Non-operating expenses		
Compensation expenses	7,219	69,431
Other	-	10,861
Total non-operating expenses	7,219	80,293
Ordinary profit	698,089	1,077,002
Profit before income taxes	698,089	1,077,002
Income taxes	230,190	356,664
Profit	467,899	720,338
Profit (loss) attributable to non-controlling interests	(1,916)	9,122
Profit attributable to owners of parent	469,815	711,215

Semi-annual consolidated statement of comprehensive income

(Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	467,899	720,338
Comprehensive income	467,899	720,338
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	469,815	711,215
Comprehensive income attributable to non-controlling interests	(1,916)	9,122

Semi-annual consolidated statement of cash flows

(Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	698,089	1,077,002
Depreciation	27,395	20,646
Increase (decrease) in provision for bonuses	17,418	31,866
Increase (decrease) in retirement benefit liability	6,500	11,000
Decrease (increase) in prepaid expenses	(22,604)	(59,424)
Decrease (increase) in guarantee deposits	(162,426)	(307,761)
Increase (decrease) in unearned revenue	74,586	123,499
Increase (decrease) in guarantee deposits received	141,090	137,521
Decrease (increase) in real estate for sale	(68,413)	(32,043)
Other, net	(94,437)	36,998
Subtotal	617,199	1,039,306
Income taxes paid	(147,347)	(434,470)
Other, net	63	2,245
Net cash provided by (used in) operating activities	469,914	607,081
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,958)	(37,141)
Proceeds from sale of property, plant and equipment	-	185,227
Purchase of intangible assets	(300)	(4,350)
Payments of leasehold deposits	-	(21,085)
Other, net	-	(8,910)
Net cash provided by (used in) investing activities	(4,258)	113,740
Cash flows from financing activities		
Proceeds from long-term borrowings	-	145,000
Repayments of long-term borrowings	-	(103,000)
Dividends paid	(335,475)	(469,664)
Purchase of treasury shares	-	(1)
Net cash provided by (used in) financing activities	(335,475)	(427,666)
Effect of exchange rate change on cash and cash equivalents	-	0
Net increase (decrease) in cash and cash equivalents	130,181	293,155
Cash and cash equivalents at beginning of period	3,331,233	4,283,926
Cash and cash equivalents at end of period	3,461,414	4,577,082

(Notes on segment information, etc.)

Segment Information

I. Previous interim consolidated accounting period (April 1, 2024 to September 30, 2024)

1. Matters related to sales and the amount of profit or loss for each reported segment

(Thousands of yen)

	Reportable segments		Total	Adjustment amount	Interim Consolidated Statements of Income
	Store sublease business	Real estate trading business			
Sales					
Revenues from external customers	7,305,411	983,191	8,288,603	-	8,288,603
Transactions with other segments	252	-	252	(252)	-
Total	7,305,664	983,191	8,288,855	(252)	8,288,603
Segment Profit	564,536	116,905	681,442	-	681,442

II. The Interim Consolidated Accounting Period (April 1, 2025 to September 30, 2025)

1. Matters related to sales and the amount of profit or loss for each reported segment

(Thousands of yen)

	Reportable segments		Total	Adjustment amount	Interim Consolidated Statements of Income
	Store sublease business	Real estate trading business			
Sales					
Revenues from external customers	8,581,496	825,094	9,406,591	-	9,406,591
Transactions with other segments	6,822	1,227	8,050	(8,050)	-
Total	8,588,319	826,322	9,414,642	(8,050)	9,406,591
Segment Profit	734,301	264,666	998,968	-	998,968

2. Changes to Reporting Segments, etc.

As described in the change in the labeling method, the method of displaying non-deductible consumption tax, etc., has been changed from non-operating expenses to selling, general and administrative expenses from the interim consolidated accounting period.

In order to reflect this change in the display method, we have reclassified the segment information for the previous interim consolidated accounting period. As a result, segment profit in the Store Subleasing Business decreased by 2,717 thousand yen compared to before the reclassification.

(Change in the Method of Measuring Profits or Losses for Reporting Segments)

Effective from the interim consolidated accounting period under review, we have changed the method of allocating corporate expenses in order to better reflect the performance of each reporting segment.

Segment information for the previous interim consolidated accounting period is prepared based on the measurement method before the change, as it is difficult to prepare it using the measurement method after the change. As a result of these changes, segment profit in the "Store Subleasing Business" increased by 12,998 thousand yen and segment profit in the "Real Estate Trading Business" decreased by 12,998 thousand yen compared to the previous method.