Consolidated Financial Results for the First Quarter of the Fiscal Year Ending February 28, 2027 (Three Months Ended May 31, 2026)

July 15, 2026

Company name: VECTOR INC.
Listing: Tokyo Stock Exchange
Code number: 6058
URL: https://www.vectorinc.co.jp/en
Representative: Keiji Nishie, Representative Director and CEO
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Scheduled date to commence dividend payments: —
Preparation of supplementary materials for quarterly financial results: Yes
Holding of financial results meeting: No

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Three Months Ended May 31, 2026 (from March 1, 2026 to May 31, 2026)

(1) Consolidated results of operations (Percentages represent 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	%
Three months ended May 31, 2026	16,899	14.2	3,166	87.4	3,210	89.1	1,984	158.6
Three months ended May 31, 2025	14,802	6.7	1,689	22.9	1,698	21.8	767	39.6

(Note) Comprehensive income: For the three months ended May 31, 2026: ¥2,170 million (132.8%)
For the three months ended May 31, 2025: ¥932 million (296.3%)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended May 31, 2026	42.30	—
Three months ended May 31, 2025	16.35	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of May 31, 2026	48,650	29,552	45.0	466.70
As of Feb. 28, 2026	47,293	27,141	44.7	450.66

(Reference) Shareholders' equity: As of May 31, 2026: ¥21,890 million
As of February 28, 2026: ¥21,137 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Feb. 28, 2026	—	0.00	—	33.00	33.00
Fiscal year ending Feb. 28, 2027	—				
Fiscal year ending Feb. 28, 2027 (forecast)		0.00	—	36.00	36.00

Note: Revision to the most recently announced dividend forecast: None

3. Consolidated Forecast for the Fiscal Year Ending February 28, 2027 (from March 1, 2026 to February 28, 2027)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	32,600	9.6	4,640	24.4	4,600	17.6	2,600	47.2	55.43
Full year	68,000	6.6	10,000	9.7	9,800	7.2	5,500	7.7	117.26

(Note) Revision to the most recently announced earnings forecast: Yes

Concerning the revisions to our consolidated earnings forecast, please see " Notice Regarding Revision of Consolidated Earnings Forecasts for the Second Quarter (Interim Period) of the Fiscal Year Ending February 2027" released today, July 15, 2026.

Notes:

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

Newly included	One company (AILES inc.)
Excluded	None

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: Yes

Note: Please refer to the section “2. Quarterly Consolidated Financial Statements and Notes, (3) Notes to Quarterly Consolidated Financial Statements, Notes on Special Accounting Methods for Presenting Consolidated Quarterly Financial Statements” on page 9 for further information.

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others:	None
2) Changes in accounting policies other than 1) above:	None
3) Changes in accounting-based estimates:	None
4) Restatements:	None

(4) Number of issued shares (common stock)

1) Number of shares issued at the end of the period (including treasury shares)

As of May 31, 2026	46,914,039
As of February 28, 2026	46,914,039

2) Number of treasury shares at the end of the period

As of May 31, 2026	9,600
As of February 28, 2026	9,600

3) Average number of shares during the period

Three months ended May 31, 2026	46,904,439
Three months ended May 31, 2025	46,904,439

Review by a certified public accountant or auditing firm of attached quarterly financial statements: None

Appropriate use of business forecast and other special items

Forecasts regarding future performance in this material are based on information currently available to VECTOR and incorporate a variety of uncertainties. Actual performance may differ from these forecasts for a number of reasons including changes in internal or external factors affecting business operations. Please refer to “1. Overview of Results of Operations, (3) Consolidated Forecast and Other Forward-Looking Statements” on page 4 of the attachments regarding the forecasts shown in this material.

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1. Overview of Results of Operations

Forward-looking statements are based on judgments made by VECTOR as of July 15, 2026.

(1) Results of operations

During the first quarter of this fiscal year (March 1, 2026 to May 31, 2026), the Japanese economy continued its moderate recovery, supported by improved employment and income conditions as well as the effects of various policy measures. At the same time, we are monitoring factors such as the impact of US trade policy, developments in the Middle East, and fluctuations in financial and capital markets.

The VECTOR Group is centered around the concept of distributing information in a simple and speedy manner through state-of-the-art communication tools, beginning with strategic public relations (PR) services. We offer our services at a low cost relative to conventional advertising budgets, and we have built a client base spanning a wide range of industry sectors, forming a diversified portfolio that does not depend on any single industry. As a result, even when certain sectors are affected by changes in the external environment, such as developments in the Middle East, the impact on our overall earnings remains limited, and we expect this to continue.

In the advertising industry, according to the “2025 Advertising Expenditures in Japan” report released by Dentsu Inc. in March 2026, total advertising expenditures in Japan for calendar 2025 reached ¥8,062.3 billion, 105.1% year on year, supported by accelerated digitalization spending on the back of strong corporate earnings and major events, marking a record high for the fourth consecutive year. Of this, internet advertising expenditures accounted for ¥4,045.9 billion, 110.8% year on year. This growth can be attributed to increasing demand for vertical video advertising on social media and video advertising on connected TVs contributing to the expansion of the overall advertising market.

Against this market backdrop, we continue to focus on operating as a “FAST COMPANY” that is a one-stop source of comprehensive support for marketing strategies with the goal of making people aware of the outstanding products, services, and other attributes of our clients. To accomplish this goal, we have been expanding our services, primarily aimed at the VECTOR Group’s existing clients. Furthermore, with the ongoing growth of internet advertising expenditure in Japan’s advertising industry driven by society’s digital transformation, we have focused on strengthening its Group foundation, including through M&A, with the goal of enhancing services, particularly in the social media sector, where the share of consumers’ disposable time is increasing, within the broader context of digital domains.

Due to these activities, consolidated net sales for the first quarter of this fiscal year increased 14.2% year on year to ¥16,899 million, operating profit grew 87.4% to ¥3,166 million, ordinary profit rose 89.1% to ¥3,210 million, and profit attributable to owners of parent grew 158.6% to ¥1,984 million.

Business segment performance is as follows.

・PR and Advertising

In this business segment, we provide a one-stop communication strategy tailored to each client that includes Strategic PR services centered on consulting and is driven by digital marketing using IoT signage via tablets placed in taxis and social networking services. With the transition toward digital channels as the preferred method for distributing information, our strategic approach as a “FAST COMPANY” has become even more relevant to the times. Further, our efforts to expand services through such means as M&A in the social media marketing domain have enabled us to further reinforce a robust framework for providing even more comprehensive support for our clients’ communication strategies.

The strong performance in our Strategic PR business, taxi signage business, and gracemode Inc. drove record first quarter net sales, gross profit, and operating profit.

As a result of the above, sales in the PR and Advertising segment were up 13.4% year on year to ¥9,307 million, and operating profit was up 34.1% to ¥1,420 million.

・Press Release Distribution

PR TIMES, Inc. ("PR TIMES") distributes and posts press releases by using its PR TIMES website as well as many other websites. Utilization of this service has been very high. The number of companies using PR TIMES surpassed 129,000. We also engaged in sales and other activities to boost usage frequency of PR TIMES among existing customers. This resulted in a record-high number of press releases distributed for a first quarter. Consequently, net sales and gross profit also reached record highs for a first quarter. Operating profit was in line with the plan, as selling, general and administrative (SG&A) expenses were incurred in accordance with the original plan.

As a result of the above, sales in the Press Release Distribution segment were up 9.7% year on year to ¥2,527 million, and operating profit was down 0.4% to ¥880 million.

・**Direct Marketing**

In Direct Marketing operated primarily by Vitabrid Japan Inc., we made efforts to strengthen sales of existing products in the interest of advertising efficiency and to develop new products. Advertising investment efficiently brought in new customers, and our base of repeat customers expanded. In addition, we broadened our sales channels beyond our own e-commerce website into drugstores, various online marketplaces, and television shopping. As a result, we achieved our highest-ever first-quarter net sales and gross profit. We also strategically curbed advertising spend in the interest of efficiency, resulting in our highest-ever first-quarter operating profit.

Vitabrid Japan Inc. was newly listed on the Tokyo Stock Exchange Growth Market on April 2, 2026.

As a result of the above, sales in the Direct Marketing segment were up 22.7% year on year to ¥4,356 million and an operating profit of ¥479 million was recorded, versus an operating loss of ¥224 million in the first quarter of the previous fiscal year.

・**HR**

In the HR business, we excluded ASHITA-TEAM Co., Ltd. from the scope of consolidation at the end of the previous fiscal year, and from the first quarter of this fiscal year our consolidated results therefore reflect only the JOBTV business. In April 2026 we fully relaunched JOBTV, the recruitment platform we operate, and it began a new chapter as a media brand. The new JOBTV integrates social media, video media, and in-person events into a single customer-acquisition ecosystem, deploying a seamless business model that starts with students watching short-form video and then guides them to the JOBTV media platform and face-to-face hiring events, and ultimately introduces them to employers. This approach has resonated with the market and driven strong sales momentum, and the business recorded its second consecutive quarter of profitability.

As a result of the above, sales in the HR segment fell 61.6% year on year to ¥283 million and operating profit was ¥2 million (compared with an operating loss of ¥13 million in the first quarter of the previous fiscal year).

・**Investment**

In the Investment segment, we sold a portion of our equity holdings.

As a result of the above, segment sales increased 650.0% year on year to ¥497 million while an operating profit of ¥383 million was recorded, compared with an operating loss of ¥15 million in the first quarter of the previous fiscal year.

(2) Overview of financial position

Assets

Total assets at the end of the first quarter increased by ¥1,357 million from the end of the previous fiscal year to ¥48,650 million.

Current assets increased by ¥738 million to ¥38,115 million. This was mainly due to a ¥1,949 million increase in cash and deposits and a ¥343 million increase in merchandise and finished goods, while notes and accounts receivable - trade, and contract assets decreased by ¥1,644 million.

Non-current assets increased by ¥618 million to ¥10,535 million. This was mainly due to an increase of ¥743 million in goodwill.

Liabilities

Total liabilities at the end of the first quarter decreased by ¥1,053 million from the end of the previous fiscal year to ¥19,098 million.

Current liabilities decreased by ¥227 million to ¥15,693 million. This was mainly due to a ¥1,070 million decrease in income taxes payable, a ¥574 million decrease in accounts payable–other, a ¥498 million decrease in the provision for bonuses, and a ¥341 million decrease in trade payables, which more than offset increases of ¥1,976 million in short-term borrowings and ¥332 million in contract liabilities.

Non-current liabilities decreased by ¥825 million to ¥3,405 million. This was mainly due to a ¥757 million decrease in long-term borrowings.

Net assets

Net assets at the end of the first quarter increased by ¥2,410 million from the end of the previous fiscal year to ¥29,552 million. This was mainly due to increases of ¥431 million in capital surplus, ¥436 million in retained earnings, and ¥1,615 million in non-controlling interests.

(3) Consolidated forecast and other forward-looking statements

Based on first quarter consolidated results and current conditions, we revise our consolidated earnings forecast for the six months ending August 31, 2026 (the first half) as follows.

This reflects our expectation that we will generate higher 1H profits than anticipated by recognizing in the first half a portion of the profits we had initially expected to book in the second half in our Direct Marketing and Investment segments.

Accordingly, we have left our full-year consolidated earnings forecast unchanged, as the adjustment described above reflects a shift in profit within the fiscal year.

Revisions to consolidated earnings forecasts for first half of fiscal year ending February 28, 2027

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	31,800	3,220	3,120	1,550	33.05
Revised forecast (B)	32,600	4,640	4,600	2,600	55.43
Change (B-A)	800	1,420	1,480	1,050	
Change (%)	2.5	44.1	47.4	67.7	
(Reference) 1H results for the previous fiscal year (ended February 28, 2026)	29,749	3,730	3,910	1,765	37.65

Segment earnings forecasts

Revisions to operating profit forecasts by business segment for first half of fiscal year ending February 28, 2027

(Millions of yen)

	Previous operating profit forecast	Revised operating profit forecast	Change (B-A)	Change (%)
PR and Advertising	2,300	2,400	100	4.3
Press Release Distribution	1,650	1,650	—	—
Direct Marketing	(550)	300	850	—
HR	(30)	10	40	—
Investment	(150)	280	430	—
Total	3,220	4,640	1,420	44.1

2. Quarterly Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheet

(Millions of yen)

	FY2/26 As of Feb. 28, 2026	1Q FY2/27 As of May 31, 2026
Assets		
Current assets		
Cash and deposits	22,273	24,222
Notes and accounts receivable - trade, and contract assets	8,867	7,223
Operational investment securities	1,621	1,526
Merchandise and finished goods	1,685	2,029
Costs on service contracts in progress	799	806
Other, net	2,591	2,698
Allowance for doubtful accounts	(462)	(390)
Total current assets	37,376	38,115
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,249	1,257
Machinery, equipment and vehicles	58	40
Tools, furniture and fixtures	1,305	1,315
Leased assets	1,125	1,125
Construction in progress	36	41
Accumulated depreciation	(1,996)	(2,153)
Total property, plant and equipment	1,779	1,626
Intangible assets		
Goodwill	2,856	3,600
Software	550	512
Other, net	97	118
Total intangible assets	3,504	4,231
Investments and other assets		
Investment securities	1,161	1,160
Deferred tax assets	1,586	1,630
Leasehold and guarantee deposits	1,107	1,124
Other, net	1,067	1,101
Allowance for doubtful accounts	(290)	(339)
Total investments and other assets	4,632	4,676
Total non-current assets	9,916	10,535
Total assets	47,293	48,650

(Millions of yen)

	FY2/26 As of Feb. 28, 2026	1Q FY2/27 As of May 31, 2026
Liabilities		
Current liabilities		
Accounts payable-trade	2,571	2,230
Accounts payable-other	2,649	2,075
Short-term borrowings	2,888	4,865
Current portion of long-term borrowings	1,085	1,089
Lease obligations	247	250
Income taxes payable	2,127	1,057
Provision for bonuses	847	349
Provision for directors' bonuses	-	13
Contract liabilities	943	1,276
Provision for point card certificates	9	9
Provision for shareholder benefit program	53	53
Provision for contract losses	60	60
Other, net	2,434	2,361
Total current liabilities	15,920	15,693
Non-current liabilities		
Long-term borrowings	3,610	2,853
Bonds payable	10	10
Lease obligations	287	223
Deferred tax liabilities	26	19
Retirement benefit liability	37	62
Provision for contract losses	158	138
Other, net	101	98
Total non-current liabilities	4,231	3,405
Total liabilities	20,152	19,098
Net assets		
Shareholders' equity		
Share capital	3,038	3,038
Capital surplus	543	974
Retained earnings	17,085	17,521
Total shareholders' equity	20,667	21,535
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	141	106
Foreign currency translation adjustment	328	248
Total accumulated other comprehensive income	470	354
Share acquisition rights	345	389
Non-controlling interests	5,657	7,272
Total net assets	27,141	29,552
Total net assets and liabilities	47,293	48,650

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	1Q FY2/26 (Mar. 1–May 31, 2025)	1Q FY2/27 (Mar. 1–May 31, 2026)
Net sales	14,802	16,899
Cost of sales	4,750	5,611
Gross Profit	10,051	11,288
Selling, general and administrative expenses	8,362	8,122
Operating profit	1,689	3,166
Non-operating income		
Interest and dividend income	4	9
Gain on investments in investment partnerships	4	12
Share of profit of entities accounted for using equity method	21	14
Foreign exchange gains	41	28
Other, net	16	47
Total non-operating income	88	113
Non-operating expenses		
Interest expenses	43	35
Loss on investments in investment partnerships	20	13
Other, net	15	20
Total non-operating expenses	79	68
Ordinary profit	1,698	3,210
Extraordinary income		
Gain on sale of shares of subsidiaries and associates	–	7
Gain on reversal of share acquisition rights	–	3
Gain on reversal of provisions for contract losses	–	20
Total extraordinary income	–	30
Extraordinary losses		
Loss on sale of non-current assets	–	0
Loss on retirement of non-current assets	–	0
Loss on valuation of investment securities	27	–
Total extraordinary losses	27	0
Profit before income taxes	1,670	3,240
Income taxes	637	953
Profit	1,033	2,287
Net profit attributable to non-controlling interests	266	303
Profit attributable to owners of parent	767	1,984

Consolidated Statement of Comprehensive Income

(Millions of yen)

	1Q FY2/26 (Mar. 1–May 31, 2025)	1Q FY2/27 (Mar. 1–May 31, 2026)
Profit	1,033	2,287
Other comprehensive income		
Foreign currency translation adjustment	(79)	(81)
Valuation difference on available-for-sale securities	(0)	(36)
Share of other comprehensive income of entities accounted for using equity method	(20)	-
Total other comprehensive income	(101)	(117)
Comprehensive income	932	2,170
Comprehensive income attributable to		
Owners of parent	668	1,868
Non-controlling interests	263	301

(3) Notes to Quarterly Consolidated Financial Statements

Notes on Going Concern Assumption

Not applicable.

Notes on Significant Changes in Shareholders' Equity

During the first quarter of this fiscal year, our consolidated subsidiary Vitabrid Japan Inc. listed on the Tokyo Stock Exchange Growth Market on April 2, 2026, and as part of that process disposed of treasury shares through a public offering, which increased capital surplus. As a result, capital surplus stood at ¥974 million at the end of the first quarter.

Notes on Special Accounting Methods for Presenting Quarterly Consolidated Financial Statements

The tax expense was calculated by first reasonably estimating the effective tax rate after the application of tax effect accounting with respect to profit before income taxes during the fiscal year, including the first quarter, and multiplying that rate by the quarterly profit before income taxes.

However, if the tax expense calculated by using the estimated effective tax rate results in an unrealistic figure, the statutory effective tax rate is used instead after adjustments for significant differences in quarterly net profit that are not attributable to one-time differences.

Notes on Quarterly Consolidated Statements of Cash Flows

The consolidated statement of cash flows for the three months has not been prepared. Depreciation for the three months (including amortization of intangible assets excluding goodwill) and the goodwill amortization amount are as follows.

	1Q FY2/26 (Mar. 1–May 31, 2025)	1Q FY2/27 (Mar. 1–May 31, 2026)
Depreciation	¥183 million	¥215 million
Amortization of goodwill	¥127 million	¥98 million

Segment and Other Information

Segment information

1. 1Q FY2/26 (Mar. 1, 2025 – May 31, 2025)

(1) Information related to net sales and profit or loss for each reportable segment and breakdown of revenue

(Millions of yen)

	Reportable Segments					Total	Adjustments	Amounts shown on consolidated statement of income (Note)
	PR and Advertising	Press Release Distribution	Direct Marketing	HR	Investment			
Net sales								
Revenue from contracts with customers	8,178	2,274	3,549	733	–	14,735	–	14,735
Other revenue	–	–	–	–	66	66	–	66
External sales	8,178	2,274	3,549	733	66	14,802	–	14,802
Inter-segment sales and transfers	30	30	–	4	–	65	(65)	–
Total	8,208	2,305	3,549	737	66	14,867	(65)	14,802
Segment profit (loss)	1,059	883	(224)	(13)	(15)	1,689	–	1,689

Note: Segment profit (loss) is adjusted to be consistent with operating profit in the quarterly consolidated statement of income.

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

Significant impairment losses involving non-current assets

Not applicable.

Significant change in goodwill

Starting from the first quarter of the fiscal year, gracemode Inc. was included in the scope of consolidation within the PR and Advertising segment. This acquisition resulted in goodwill of ¥1,077 million.

Significant gain on bargain purchase

Not applicable.

2. 1Q FY2/27 (Mar. 1, 2026 – May 31, 2026)

(1) Information related to net sales and profit or loss for each reportable segment and breakdown of revenue

(Millions of yen)

	Reportable Segments					Total	Adjustments	Amounts shown on consolidated statement of income (Note)
	PR and Advertising	Press Release Distribution	Direct Marketing	HR	Investment			
Net sales								
Revenue from contracts with customers	9,265	2,498	4,356	280	-	16,402	-	16,402
Other revenue	-	-	-	-	497	497	-	497
External sales	9,265	2,498	4,356	280	497	16,899	-	16,899
Inter-segment sales and transfers	41	28	-	2	-	72	(72)	-
Total	9,307	2,527	4,356	283	497	16,972	(72)	16,899
Segment profit	1,420	880	479	2	383	3,166	-	3,166

(Note) Segment profit is adjusted to be consistent with operating profit in the quarterly consolidated statement of income.

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

Significant impairment losses involving non-current assets

Not applicable.

Significant change in goodwill

Starting from the first quarter of the current fiscal year, AILES inc. has been included in the scope of consolidation within the PR and Advertising segment. This acquisition resulted in goodwill of ¥870 million.

Significant gain on bargain purchase

Not applicable.

Notes on Subsequent Events

Not applicable.