

Q3 FY2025/9 Non-Consolidated Financial Results [Japanese GAAP]

July 30, 2025

Company name: Strike Co., Ltd.
 Stock exchange listing: Prime Market, Tokyo Stock Exchange
 Code number: 6196
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 Scheduled date of commencing dividend payments: —
 Availability of supplementary briefing material on financial results: Available
 Holding of financial results briefing session: None (scheduled to distribute earnings video)

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

1. Financial Results for the Nine Months Ended June 30, 2025 (October 1, 2024 to June 30, 2025)

(1) Operating Results

(Percentages indicate year-on-year change.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended June 30, 2025	14,441	8.8	4,110	(17.6)	4,100	(17.7)	2,853	(13.8)
June 30, 2024	13,272	45.3	4,986	69.2	4,982	68.6	3,308	66.3

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended June 30, 2025	148.58	—
June 30, 2024	172.31	—

(Note) Diluted earnings per share have been omitted due to an absence of dilutive shares.

(2) Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	22,815	19,587	85.9
As of September 30, 2024	22,690	18,470	81.4

(Reference) Equity: As of June 30, 2025: ¥19,587 million

As of September 30, 2024: ¥18,470 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended September 30, 2024	—	0.00	—	91.00	91.00
Fiscal year ending September 30, 2025	—	0.00	—	—	—
Fiscal year ending September 30, 2025 (forecast)	—	—	—	180.00	180.00

(Note) Changes in dividend forecast subsequent to most recent announcement: None

3. Earnings Forecasts for the Fiscal Year Ending September 30, 2025 (October 1, 2024 to September 30, 2025)

(Percentages indicate year-on-year change.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	22,300	22.9	8,407	24.1	8,406	24.1	5,631	13.7	293.27

(Note) Changes in earnings forecasts subsequent to most recent announcement: None

Notes:

(1) Application of special accounting treatment in preparing the quarterly financial statements: None

(2) Changes in accounting policies, changes in accounting estimates, and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(3) Total number of issued shares (common shares)

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

As of June 30, 2025: 19,203,000 shares

As of September 30, 2024: 19,354,200 shares

2) Total number of treasury shares at the end of the period:

As of June 30, 2025: 238 shares

As of September 30, 2024: 151,409 shares

3) Average number of shares outstanding during the period:

For the nine months ended June 30, 2025: 19,202,785 shares

For the nine months ended June 30, 2024: 19,202,844 shares

* Review of the Japanese-language originals of the attached quarterly non-consolidated financial statements by certified public accountants or an audit firm: None

* Explanation of the proper use of earnings forecasts and other notes

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable by the Company, and are not intended to be construed as assurance that they will be accomplished in the future. Actual results may differ significantly from these forecasts due to a wide range of factors.

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1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Business Results

During the nine months ended June 30, 2025, the Japanese economy maintained a gradual recovery trend, supported by factors such as the expansion of inbound demand driven by events such as the Osaka-Kansai Expo 2025 and a revitalization of the labor market due to improvements in employment and income conditions. On the other hand, the outlook remains uncertain due to concerns over factors such as U.S. tariff policies and the resulting escalation of U.S.-China trade tensions, unstable foreign exchange rates, and geopolitical risks.

The market for mergers and acquisitions of small and medium-sized enterprises (SMEs), in which the Company's main M&A brokerage business operates, has been on a medium- to long-term growth trend, on the back of the continued aging of SME business owners and the associated rise in the percentage of SMEs without successors passing on their business to third parties through M&A. Facilitating the transfer of these businesses to a new generation of ambitious management teams is important for preventing valuable operational resources from being wasted and supporting sustainable growth of the Japanese economy, highlighted by the fact that about half of approximately 60,000 companies that were shuttered or dissolved in 2024 had reported profits during their most recent fiscal years (according to the "2025 White Paper on Small and Medium Enterprises in Japan" issued by the Small and Medium Enterprise Agency of the Ministry of Economy, Trade and Industry). In addition, in recent years, M&A has become a popular option for SMEs not only as a means of business succession, but also as a means to diversify their business and execute their growth strategies, such as innovation-type M&A aimed at creating new businesses and transforming companies. Moreover, the Japanese government identifies the advancement of open innovation as a key pillar for startup development, emphasizing the need to increase M&A between large companies and startups to promote open innovation. In August 2024, the "M&A Guidelines for SMEs" were revised to their third edition, followed by the release of the "Skill Map for SME M&A Professionals (Individuals)" in April 2025. Together, these initiatives represent ongoing efforts to foster an environment that ensures and enhances the quality and scope of services provided by intermediaries and individual advisors involved in SME M&A support.

Within this environment, we undertook a variety of initiatives to develop our M&A consultants and enhance our service quality, such as providing internal training opportunities to enhance client proposal skills and deepen the understanding of M&A Guidelines for SMEs. Meanwhile, we also strove to identify a wide range of M&A needs by rolling out industry-specific online advertisements and proposal-based sales activities. Furthermore, we focused on cultivating new startup-related opportunities in the M&A market by holding monthly networking events through "S venture Lab.," a service designed to promote partnerships between startups and business companies. In addition, in line with business expansion, we expanded the Kyoto Innovation Office in April 2025 and the Sapporo Office in June 2025.

With regard to collaborative efforts involving our business partners, we have welcomed staff from partner financial institutions to enhance their M&A expertise, thereby strengthening our M&A support system. In addition, based on joint research conducted with the University of Tokyo and other institutions, we have developed an M&A candidate identification (matching) system utilizing patent data, in collaboration with Shobayashi International Patent & Trademark Office, which specializes in corporate intellectual property analysis. This initiative has led to further strengthening our framework for efficient M&A matching.

In terms of recruitment, we actively worked to add new employees with the goal of expanding our business performance and successfully recruited 75 new M&A consultants during the nine-month period under review.

As a result of these efforts, during the nine months ended June 30, 2025, we closed 192 deals ^(Note 1), compared with 183 deals a year earlier, and 371 contracts ^(Note 2), versus 357 contracts a year earlier. Additionally, we closed 33 large deals (generating ¥100 million or more in sales per deal) during the period under review, versus 33 large deals in the same period in the previous fiscal year. As of June 30, 2025, our new contract count ^(Note 3) was 829, versus 647 as of June 30, 2024.

(Note 1) Number of deals closed:

Number of M&A transactions in which Strike provides brokerage or advisory services (i.e., number of deals).

(Note 2) Number of contracts closed:

Number of contracts on closed M&A deals in which Strike provides brokerage or advisory services (i.e., number of companies). In brokerage services, each deal counts as two contracts (one for the seller and one for the buyer), while in advisory services, each deal counts as one contract.

(Note 3) New contracts:

Number of new brokerage service contracts signed with sellers (or in the case of advisory services, contracts signed, and services effectively commenced).

Consequently, net sales in the nine months ended June 30, 2025 was ¥14,441 million (up 8.8% year on year) as the number of deals closed exceeded that of the same period of the previous fiscal year, and the average sales per deal closed rose due to the completion of several large deals. Cost of sales totaled ¥6,047 million (up 28.5% year on year), reflecting an increase in incentive salaries due to higher sales, increased personnel expenses resulting from the addition of M&A consultants, and referral fees associated with large deals. SG&A expenses amounted to ¥4,283 million (up 19.7% year on year) on increased advertising expenses related to sales activities and an increase in recruitment-related fees due to active hiring efforts. As a result, operating profit came to ¥4,110 million (down 17.6% year on year) and ordinary profit totaled ¥4,100 million (down 17.7% year on year). In addition, as a result of recording gain on sale of investment securities of ¥89 million as extraordinary income and loss on valuation of investment securities of ¥33 million as extraordinary losses, bottom-line profit came in at ¥2,853 million (down 13.8% year on year).

The number of deals closed, contracts closed, new contracts, and net sales recorded during the nine months ended June 30, 2025, as well as the corresponding targets we plan to achieve for the full year, are provided below.

	Nine months ended June 30, 2025 (actual)	Fiscal year ending September 30, 2025 (target)	Percentage against the full- year target
Number of deals closed	192	310	61.9%
Number of contracts closed	371	604	61.4%
Number of new contracts	829	1,045	79.3%
Net sales (millions of yen)	14,441	22,300	64.8%

Business results by segment are omitted as the Company operates in a single operating segment of the M&A brokerage business.

(2) Explanation of Financial Position

(Assets)

As of June 30, 2025, current assets stood at ¥18,938 million, down ¥289 million from September 30, 2024. This decrease was primarily the result of a ¥182 million decline in accounts receivable - trade and a ¥102 million decrease in cash and deposits.

Non-current assets amounted to ¥3,876 million, up ¥414 million compared to September 30, 2024. This was mainly because of a ¥316 million increase in investments and other assets due primarily to an increase in deferred tax assets, in addition to a ¥99 million increase in property, plant and equipment owing primarily to an increase in facilities attached to buildings.

(Liabilities)

As of June 30, 2025, current liabilities were ¥2,955 million, down ¥968 million from September 30, 2024. This was mainly the result of a ¥1,760 million decrease in other current liabilities due mainly to the payment of accrued bonuses at the end of the previous fiscal year and a ¥463 million decrease in income taxes payable, despite a ¥1,306 million increase in provision for bonuses.

Non-current liabilities amounted to ¥271 million, down ¥24 million compared to September 30, 2024. This was due to a decrease of ¥24 million in long-term accounts payable.

(Net assets)

As of June 30, 2025, net assets totaled ¥19,587 million, up ¥1,117 million compared to September 30, 2024. This was primarily due to a ¥1,747 million decline in retained earnings owing to the payment of dividends, despite a ¥2,853 million increase in retained earnings because of the recording of profit.

(3) Explanation of Earnings Forecasts and Other Forward-Looking Information

Our earnings forecasts for the fiscal year ending September 30, 2025 are unchanged from the figures announced on October 30, 2024.

2. Quarterly Financial Statements and Primary Notes

(1) Quarterly Balance Sheet

(Thousands of yen)

	As of September 30, 2024	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	18,358,964	18,256,096
Accounts receivable – trade	643,867	461,123
Other	245,866	235,950
Allowance for doubtful accounts	(20,759)	(14,848)
Total current assets	19,227,939	18,938,322
Non-current assets		
Property, plant and equipment	1,146,207	1,245,928
Intangible assets	8,770	6,732
Investments and other assets		
Other	2,332,762	2,651,705
Allowance for doubtful accounts	(25,300)	(27,500)
Total investments and other assets	2,307,462	2,624,205
Total non-current assets	3,462,440	3,876,866
Total assets	22,690,380	22,815,189
Liabilities		
Current liabilities		
Accounts payable – trade	254,826	203,264
Income taxes payable	1,143,689	680,094
Contract liabilities	11,112	11,376
Provision for bonuses	—	1,306,593
Other	2,514,321	754,260
Total current liabilities	3,923,949	2,955,587
Non-current liabilities		
Other	296,328	271,618
Total non-current liabilities	296,328	271,618
Total liabilities	4,220,278	3,227,206
Net assets		
Shareholders' equity		
Share capital	823,741	823,741
Capital surplus	801,491	801,491
Retained earnings	17,285,684	17,957,360
Treasury shares	(434,538)	(682)
Total shareholders' equity	18,476,379	19,581,910
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(6,278)	6,072
Total valuation and translation adjustments	(6,278)	6,072
Total net assets	18,470,101	19,587,983
Total liabilities and net assets	22,690,380	22,815,189

(2) Quarterly Statement of Income

(Thousands of yen)

	For the nine months ended June 30, 2024 (October 1, 2023 to June 30, 2024)	For the nine months ended June 30, 2025 (October 1, 2024 to June 30, 2025)
Net sales	13,272,425	14,441,350
Cost of sales	4,706,910	6,047,709
Gross profit	8,565,515	8,393,641
Selling, general and administrative expenses	3,578,822	4,283,084
Operating profit	4,986,692	4,110,557
Non-operating income		
Interest income	163	9,235
Dividend income	1,940	572
Compensation for damage received	1,918	1,800
Other	560	1,532
Total non-operating income	4,581	13,140
Non-operating expenses		
Loss on investments in investment partnerships	6,841	22,705
Compensation for damage	2,000	—
Other	50	—
Total non-operating expenses	8,891	22,705
Ordinary profit	4,982,383	4,100,992
Extraordinary income		
Gain on sale of investment securities	—	89,264
Total extraordinary income	—	89,264
Extraordinary losses		
Loss on valuation of investment securities	104,606	33,260
Total extraordinary losses	104,606	33,260
Profit before income taxes	4,877,777	4,156,997
Income taxes—current	1,716,500	1,565,746
Income taxes—deferred	(147,579)	(261,838)
Total income taxes	1,568,920	1,303,908
Profit	3,308,856	2,853,088

(3) Notes to the Quarterly Financial Statements

(Notes on going concern assumption)

There is no relevant information.

(Notes in the event of significant changes in shareholders' equity)

At the meeting of the Board of Directors held on June 20, 2025, the Company resolved to cancel treasury shares in accordance with Article 178 of the Companies Act, and accordingly, 151,200 treasury shares were cancelled on June 30, 2025. As a result, during the nine months ended June 30, 2025, capital surplus and treasury shares each decreased by ¥433 million. In addition, as the balance of other capital surplus turned negative due to the cancellation of treasury shares, the balance of other capital surplus was reduced to zero, and the shortfall was deducted from other retained earnings. Consequently, as of June 30, 2025, the balance of retained earnings stood at ¥17,957 million, and the balance of treasury shares was ¥0 million.

(Notes on segment information, etc.)

[Segment information]

This information is omitted as the Company operates in a single operating segment of the M&A brokerage business.

(Notes to the statement of cash flows)

The Company has not prepared a statement of cash flows for the nine months ended June 30, 2025. Depreciation and amortization (including amortization of intangible assets) for the nine-month period is as follows:

	(Thousands of yen)	
	For the nine months ended June 30, 2024 (October 1, 2023 to June 30, 2024)	For the nine months ended June 30, 2025 (October 1, 2024 to June 30, 2025)
Depreciation and amortization	125,669	129,492