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Company name: ISB Corporation
 Representative: Kazufumi Wakao, Representative Director and President
 Code Number: 9702, TSE Prime Market
 Contact: Masaya Hirose, Director, Executive General Manager,
 Administrative Headquarters
 Phone +81-3-6775-3270

Notice of the Differences between FY2025 First Six-month of Financial Forecasts and Its Financial Results and the Revision to FY2025 Financial Forecast and Revision to Dividend Forecast

ISB Corporation ("ISB") hereby announces that, there are the differences between FY2025 first six-month consolidated forecasts, which announced on February 14, 2025, and revised our consolidated financial forecasts for the fiscal year ending December 2025 and our year-end dividend forecast as follows:

1. Differences between FY2025 first six-month of consolidated financial forecasts and its financial results (January 1, 2025 to June 30, 2025)

(Million yen)

| | Net sales | Operating profit | Ordinary profit | Profit attributable to owners of parent | Total basic earnings per share (Yen) |
|-------------------------------------|-----------|------------------|-----------------|---|--------------------------------------|
| Previously announced forecasts (A) | 17,700 | 950 | 980 | 670 | 58.60 |
| Results (B) | 18,439 | 1,402 | 1,420 | 781 | 68.29 |
| Change (B – A) | 739 | 452 | 440 | 111 | — |
| Rate of Change (%) | 4.2 | 47.6 | 44.9 | 16.6 | — |
| (Reference) Previous year's results | 16,673 | 1,537 | 1,569 | 1,120 | 98.04 |

2. Revision to the full-year FY2025 financial forecast (January 1, 2025 to December 31, 2025)

(Million yen)

| | Net sales | Operating profit | Ordinary profit | Profit attributable to owners of parent | Basic earnings per share (Yen) |
|-------------------------------------|-----------|------------------|-----------------|---|--------------------------------|
| Previously announced forecasts (A) | 36,100 | 2,200 | 2,300 | 1,570 | 137.30 |
| Revised forecast (B) | 36,900 | 2,660 | 2,750 | 1,690 | 147.73 |
| Change (B – A) | 800 | 460 | 450 | 120 | — |
| Rate of Change (%) | 2.2 | 20.9 | 19.6 | 7.6 | — |
| (Reference) Previous year's results | 33,954 | 2,800 | 2,892 | 2,032 | 177.80 |

3. Reason of differences and revision

Regarding the results for FY2025 first six-month of consolidated result orders from existing customers increased, and consolidated sales exceeded the previously announced forecast. Consolidated operating profit, ordinary profit, and quarterly net profit attributable to owners of the parent exceeded the previously announced forecasts, as the increase in sales more than offset the increase in procurement costs, the expansion of sales activities, and the increase in selling, general, and administrative expenses related to growth investments in human resources strategies.

The full-year FY2025 financial forecast has been revised upwards, taking into account the performance up to the interim period.

*The above forecast figures are based on information available at the present time, and the actual performance may differ from the forecasted figures due to various factors in the future.

4. Dividend forecast revision

(Yen)

| | Dividend per share | | |
|-------------------------------------|--------------------|----------|-------|
| | 2Q-end | Year-end | Total |
| Previously announced forecasts | 0.00 | 54.00 | 54.00 |
| Revised forecast | — | 55.00 | 55.00 |
| Results | 0.00 | — | — |
| (Reference) Previous year's results | 0.00 | 54.00 | 54.00 |

5. Reason of revision

ISB regards returning profits to shareholders as one of its most important management priorities, and its basic policy is to distribute profits by comprehensively taking into consideration factors such as the business performance of each fiscal year, strategies for future investments and business development, and the dividend payout ratio, in order to maintain a sound financial position and actively develop its business based on that.

Furthermore, we aim to maintain a dividend payout ratio of at least 30% of consolidated net income, and while closely monitoring the dividend-to-net-asset ratio, we aim to provide as stable a dividend as possible within the scope of maintaining our investment capacity and financial soundness.

For the reasons stated above, and in light of the revision of the consolidated financial forecast for the full fiscal year FY2025, we have revised the year-end dividend forecast to 55 yen per share, an increase of 1 yen from the previous forecast.