August 7, 2026

Consolidated Financial Results for the Six Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: ISB CORPORATION
Listing: Tokyo Stock Exchange
Securities code: 9702
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Scheduled date to file semi-annual securities report: August 14, 2026
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

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

1. Consolidated financial results for the six months ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(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	%
June 30, 2026	19,171	4.0	1,582	12.3	1,618	13.4	1,018	28.1
June 30, 2025	18,439	10.6	1,409	(8.4)	1,426	(9.1)	795	(29.0)

Note: Comprehensive income For the six months ended June 30, 2026: ¥980 million [23.2%]
For the six months ended June 30, 2025: ¥795 million [(36.6)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2026	88.83	-
June 30, 2025	69.46	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	20,806	14,904	71.6
December 31, 2025	21,610	14,522	67.2

Reference: Equity
As of June 30, 2026: ¥14,904 million
As of December 31, 2025: ¥14,522 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 December 31, 2025	-	0.00	-	55.00	55.00
Fiscal year ending December 31, 2026	-	0.00			
Fiscal year ending December 31, 2026 (Forecast)				70.00	70.00

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

3. Forecast of consolidated financial results for the fiscal year ending December 31, 2026 (from January 1, 2026 to December 31, 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 December 31, 2026	38,500	4.0	3,000	29.6	3,050	27.9	1,850	28.9	161.40

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

* **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: 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 June 30, 2026	11,478,497 shares
As of December 31, 2025	11,463,141 shares

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

As of June 30, 2026	149 shares
As of December 31, 2025	149 shares

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

Six months ended June 30, 2026	11,468,507 shares
Six months ended June 30, 2025	11,446,431 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 information on the conditions on which earnings forecasts are based and precautions to be taken when using earnings forecasts, please refer to "Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts" on page 3 of the Interim Financial Results Summary (Appendix).

(Method of accessing supplementary material on financial results and contents of the financial results briefing)

Supplementary financial results materials are disclosed on TDnet on the same day and are also posted on the Company's website.

A briefing for institutional investors and analysts is scheduled to be held on Monday, August 10, 2026, and a video of the briefing will be posted on the Company's website after the meeting.

Semi-annual consolidated balance sheet

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	9,078	9,039
Notes and accounts receivable - trade, and contract assets	6,388	5,739
Prepaid expenses	277	446
Merchandise	1,131	933
Work in process	0	1
Supplies	1	2
Other	73	77
Allowance for doubtful accounts	(5)	(4)
Total current assets	16,947	16,236
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,237	1,275
Accumulated depreciation and impairment	(190)	(232)
Buildings and structures, net	1,047	1,043
Land	354	354
Other	1,067	1,127
Accumulated depreciation and impairment	(544)	(635)
Other, net	522	492
Total property, plant and equipment	1,923	1,889
Intangible assets		
Goodwill	286	250
Customer-related intangible assets	368	347
Other	114	154
Total intangible assets	769	753
Investments and other assets		
Investment securities	803	714
Long-term prepaid expenses	13	82
Guarantee deposits	764	788
Deferred tax assets	328	282
Allowance for doubtful accounts	(0)	(0)
Other	59	59
Total investments and other assets	1,969	1,927
Total non-current assets	4,663	4,569
Total assets	21,610	20,806

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,373	1,424
Contract liabilities	185	192
Short-term borrowings	120	120
Accounts payable - other	1,586	1,276
Accrued expenses	294	282
Income taxes payable	600	603
Accrued consumption taxes	340	458
Provision for bonuses	34	57
Provision for bonuses for directors (and other officers)	54	36
Provision for loss on orders received	115	-
Other	403	460
Total current liabilities	6,109	4,911
Non-current liabilities		
Retirement benefit liability	263	270
Provision for retirement benefits for directors (and other officers)	85	97
Asset retirement obligations	440	449
Deferred tax liabilities	172	156
Other	17	16
Total non-current liabilities	978	990
Total liabilities	7,087	5,902
Net assets		
Shareholders' equity		
Share capital	2,410	2,426
Capital surplus	3,014	3,030
Retained earnings	8,605	8,994
Treasury shares	(0)	(0)
Total shareholders' equity	14,030	14,450
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	375	315
Foreign currency translation adjustment	116	138
Total accumulated other comprehensive income	492	454
Total net assets	14,522	14,904
Total liabilities and net assets	21,610	20,806

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Net sales	18,439	19,171
Cost of sales	13,839	14,428
Gross profit	4,600	4,743
Selling, general and administrative expenses	3,191	3,160
Operating profit	1,409	1,582
Non-operating income		
Interest income	7	6
Dividend income	12	19
Dividend income of insurance	0	-
Insurance claim income	-	5
Other	8	8
Total non-operating income	30	40
Non-operating expenses		
Interest expenses	0	0
Loss on sale of notes receivable - trade	0	0
Foreign exchange losses	4	2
Other	6	1
Total non-operating expenses	12	4
Ordinary profit	1,426	1,618
Profit before income taxes	1,426	1,618
Income taxes - current	602	540
Income taxes - deferred	28	59
Total income taxes	631	599
Profit	795	1,018
Profit attributable to owners of parent	795	1,018

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Profit	795	1,018
Other comprehensive income		
Valuation difference on available-for-sale securities	55	(60)
Foreign currency translation adjustment	(54)	22
Total other comprehensive income	0	(38)
Comprehensive income	795	980
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	795	980

Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	1,426	1,618
Depreciation	193	181
Amortization of goodwill	35	35
Increase (decrease) in allowance for doubtful accounts	(0)	(0)
Increase (decrease) in provision for bonuses	32	22
Increase (decrease) in provision for bonuses for directors (and other officers)	(56)	(17)
Increase (decrease) in provision for loss on orders received	28	(115)
Increase (decrease) in retirement benefit liability	0	7
Increase (decrease) in provision for retirement benefits for directors (and other officers)	5	12
Interest and dividend income	(20)	(25)
Dividend income of insurance	(0)	-
Interest expenses	0	0
Decrease (increase) in trade receivables	222	657
Decrease (increase) in inventories	(201)	196
Increase (decrease) in trade payables	(1)	(949)
Increase (decrease) in accounts payable - other	(142)	(308)
Increase (decrease) in accrued consumption taxes	(57)	117
Decrease (increase) in other current assets	(95)	(151)
Increase (decrease) in other current liabilities	167	12
Other, net	15	(56)
Subtotal	1,551	1,235
Interest and dividends received	20	25
Insurance amount of dividends received	0	-
Proceeds from insurance income	-	5
Interest paid	(0)	(0)
Income taxes paid	(441)	(524)
Net cash provided by (used in) operating activities	1,130	741
Cash flows from investing activities		
Purchase of property, plant and equipment	(806)	(94)
Payments for asset retirement obligations	(1)	-
Purchase of intangible assets	(29)	(46)
Purchase of investment securities	(1)	(1)
Payments of leasehold and guarantee deposits	(14)	(62)
Proceeds from refund of leasehold and guarantee deposits	3	39
Proceeds from maturity of insurance funds	9	-
Purchase of long-term prepaid expenses	(10)	(5)
Other, net	0	0
Net cash provided by (used in) investing activities	(851)	(170)
Cash flows from financing activities		
Repayments of lease liabilities	(0)	(0)
Dividends paid	(615)	(628)
Net cash provided by (used in) financing activities	(615)	(629)
Effect of exchange rate change on cash and cash equivalents	(49)	19
Net increase (decrease) in cash and cash equivalents	(386)	(39)
Cash and cash equivalents at beginning of period	8,975	9,078
Cash and cash equivalents at end of period	8,588	9,039

(Notes on segment information, etc.)

Segment Information

I. Previous interim consolidated accounting period (January 1, 2025 to June 30, 2025)

1. Information on sales and the amount of profit or loss for each reported segment

(Millions of yen)

	Reportable segments		Adjustment amount (Note)	Total
	Information service business	Security system		
Sales				
Revenues from external customers	15,528	2,910	-	18,439
Transactions with other segments	57	29	(86)	-
Total	15,586	2,939	(86)	18,439
Segment Profit	876	514	18	1,409

Note: 1. Segment profit is adjusted to operating income in the interim consolidated statements of income.

2. In the previous fiscal year, the provisional accounting treatment for the business combination was finalized, and the segment information for the previous interim consolidated accounting period is shown after the revision is reflected.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

(Significant impairment loss on fixed assets)

Not applicable.

(Significant fluctuations in the amount of goodwill)

Not applicable.

(Significant Negative Goodwill Accrual)

Not applicable.

II. Interim Consolidated Accounting Period (January 1, 2026 to June 30, 2026)

1. Information on sales and the amount of profit or loss for each reported segment

(Millions of yen)

	Reportable segments		Adjustment amount (Note)	Total
	Information service business	Security system		
Sales				
Revenues from external customers	15,793	3,377	-	19,171
Transactions with other segments	58	19	(78)	-
Total	15,851	3,397	(78)	19,171
Segment Profit	865	708	8	1,582

Note: Segment profit is adjusted for operating income in the interim consolidated statements of income.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

(Significant impairment loss on fixed assets)

Not applicable.

(Significant fluctuations in the amount of goodwill)

Not applicable.

(Significant Negative Goodwill Accrual)

Not applicable.