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Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (under Japanese GAAP)

May 9, 2025

Company name: for Startups, Inc.
 Listing: Tokyo Stock Exchange
 Securities Code: 7089
 URL: <https://forstartups.com/en/>
 Representative: Yuichiro Shimizu, President and CEO
 Inquiries: Isao Kikuchi, Operating officer and Head of Corporate Division
 Mail: ir@forstartups.com
 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 nine months ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated Operating Results (Percentage figures represent year-on-year changes)

	Net sales		Operating income		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal Year ended March 31, 2025	3,693	8.1	452	7.0	449	4.9	353	(8.4)
Fiscal Year ended March 31, 2024	3,416	13.9	423	(27.6)	428	(27.0)	385	(12.7)

(Note) Comprehensive income:
 Fiscal year ended March 31, 2025 328 million yen (up 32.4%)
 Fiscal year ended March 31, 2024 248 million yen (down 40.9%)

	Basic net income per share	Diluted net income per share	Return on equity (ROE)	Ratio of ordinary profit to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
Fiscal Year ended March 31, 2025	99.60	99.33	16.3	13.0	12.3
Fiscal Year ended March 31, 2024	107.92	105.82	19.6	13.8	12.4

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Total equity per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	3,666	2,479	59.0	651.82
As of March 31, 2024	3,241	2,545	67.1	596.43

(Reference) Equity: As of March 31, 2025: 2,164 million yen As of March 31, 2024: 2,174 million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
As of March 31, 2025	355	(252)	149	1,908
As of March 31, 2024	179	(293)	24	1,655

2. Divided Status

	Dividend per share					Total dividends (Annual)	Dividend payout ratio (Consolidated)	Ratio of dividends to total equity (Consolidated)
	1Q-end	2Q-end	3Q-end	4Q-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ended March 31, 2025	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ending March 31, 2026 (Forecast)	—	0.00	—	0.00	0.00		—	

3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentage figures represent year-on-year changes)

	Net sales		Operating income		Ordinary profit		Profit attributable to owners of parent		Basic net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	4,300	16.4	650	43.5	640	42.5	500	41.3	150.54

*** 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: Yes
- (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 March 31, 2025 | 3,647,600 shares |
| As of March 31, 2024 | 3,646,400 shares |
- (ii) Number of treasury shares at the end of the period
- | | |
|----------------------|----------------|
| As of March 31, 2025 | 326,291 Shares |
| As of March 31, 2024 | 156 Shares |
- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)
- | | |
|----------------------------------|------------------|
| Fiscal year ended March 31, 2025 | 3,551,597 shares |
| Fiscal year ended March 31, 2024 | 3,576,784 shares |

(Reference) Overview of non-consolidated results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)**(1) Non-consolidated Operating Results**

(Percentage figures represent year-on-year changes)

	Net sales		Operating income		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	3,571	5.3	437	(23.3)	440	(23.7)	328	(19.0)
Fiscal year ended March 31, 2024	3,393	13.2	571	(3.7)	577	(2.9)	404	(5.6)

	Basic net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended March 31, 2025	92.37	92.11
Fiscal year ended March 31, 2024	113.23	111.03

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Total equity per share
	Millions of yen	Millions of yen	%	Yen
Fiscal year ended March 31, 2025	3,306	2,141	64.7	644.57
Fiscal year ended March 31, 2024	2,891	2,208	75.3	596.88

(Reference) Equity:
As of March 31, 2025 2,140 million yen
As of March 31, 2024 2,176 million yen

* This report is not subject to the review by certified public accountants or auditing firms.

Consolidated Financial Statements and Notes

(1) Consolidated balance sheets

(Units: thousand yen)

	Fiscal Year 2024 (As of March 31, 2024)	Fiscal Year 2025 (As of March 31, 2025)
Assets		
Current assets		
Cash and deposits	1,655,674	1,895,360
Accounts receivable - trade	512,905	484,503
Operational investment securities	378,171	378,171
Prepaid expenses	34,370	37,926
Other	2,969	18,224
Allowance for doubtful accounts	(1,989)	(1,289)
Total current assets	2,582,102	2,812,898
Non-current assets		
Property, plant and equipment		
Buildings	115,612	256,000
Accumulated depreciation	(59,624)	(6,568)
Buildings, net	55,988	249,431
Tools, furniture and fixtures	30,837	116,919
Accumulated depreciation	(18,872)	(17,859)
Tools, furniture and fixtures, net	11,965	99,059
Total property, plant and equipment	67,953	348,491
Intangible assets		
Other	13	-
Total intangible assets	13	-
Investments and other assets		
Investment securities	61,881	89,283
Deferred tax assets	106,122	110,865
Lease and guarantee deposits	423,272	304,854
Distressed receivables	4,015	4,015
Other	116	0
Allowance for doubtful accounts	(4,015)	(4,015)
Total Investments and other assets	591,393	505,003
Total non-current assets	659,361	853,494
Total assets	3,241,463	3,666,392

	Fiscal Year 2024 (As of March 31, 2024)	Fiscal Year 2025 (As of March 31, 2025)
Liabilities		
Current liabilities		
Accounts payable - other	235,353	208,318
Current portion of long-term borrowings	-	114,000
Accrued expenses	45,462	178,214
Income taxes payable	114,368	32,220
Accrued consumption taxes	58,320	17,261
Provision for bonuses	127,828	103,859
Provision for loss of office transfer expenses	31,085	-
Other	83,780	134,670
Total current liabilities	696,198	788,273
Non-current liabilities		
Long-term borrowings	-	399,000
Total non-current liabilities	-	399,000
Total liabilities	696,198	1,187,273
Net assets		
Shareholders' equity		
Share capital	238,259	238,412
Capital surplus	238,577	238,729
Retained earnings	1,697,752	2,051,501
Treasury shares	(540)	(364,228)
Total shareholders' equity	2,174,048	2,164,414
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	692	485
Total accumulated other comprehensive income	692	485
Share acquisition rights	32,378	913
Non-controlling interests	338,145	313,304
Total net assets	2,545,264	2,479,118
Total liabilities and net assets	3,241,463	3,666,392

(2) Consolidated Statements of Income and Comprehensive Income
(Consolidated Statement of Income)

(Units: thousand yen)

	Fiscal Year 2024 (April 1, 2023 to March 31, 2024)	Fiscal Year 2025 (April 1, 2024 to March 31, 2025)
Net sales	3,416,101	3,693,767
Cost of sales	692,760	607,434
Gross profit	2,723,340	3,086,333
Selling, general and administrative expenses	2,299,876	2,633,364
Operating income	423,463	452,969
Non-operating income		
Interest income	13	1,041
Subsidy income	150	1,150
Gain on investments in investment partnerships	6,117	-
Gain on sales of investment securities	429	-
Outsourcing Service Income	1,167	1,340
Miscellaneous income	3,174	2,457
Total non-operating income	11,052	5,989
Non-operating expenses		
Interest expenses	185	4,241
Share issuance costs	5,042	-
Loss on investments in investment partnerships	-	2,224
Commission for purchase of treasury shares	-	2,960
Other	890	283
Total non-operating expenses	6,118	9,710
Ordinary profit	428,398	449,248
Extraordinary losses		
Loss on disposal of non-current assets	0	8,549
Provision for loss of office transfer expenses	31,085	-
Total extraordinary losses	31,085	8,549
Profit before income taxes	397,313	440,699
Income taxes - current	188,776	116,452
Income taxes - deferred	(42,204)	(4,660)
Total income taxes	146,572	111,791
Profit	250,740	328,907
Profit (loss) attributable to non-controlling interests	(135,259)	(24,840)
Profit attributable to owners of parent	385,999	353,748

(Consolidated statements of comprehensive income)

	(Units: thousand yen)	
	Fiscal Year 2024 (April 1, 2023 to March 31, 2024)	Fiscal Year 2025 (April 1, 2024 to March 31, 2025)
Profit	250,740	328,907
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,536)	(206)
Total other comprehensive income	(2,536)	(206)
Comprehensive income	248,204	328,701
Total comprehensive income attributable to:		
Owners of parent	383,463	353,542
Non-controlling interests	(135,259)	(24,840)

(3) Consolidated Statements of Changes in Equity

Fiscal Year 2024 (April 1, 2023 to March 31, 2024)

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the year	226,446	226,763	1,311,752	(540)	1,764,422
Changes during the year					
Issuance of new shares (Exercise of share acquisition rights)	11,813	11,813			23,626
Profit attributable to owners of parent of the parent			385,999		385,999
Purchase of treasury shares					—
Net changes during the year of items other than shareholders' equity					
Total changes during the year	11,813	11,813	385,999	—	409,626
Balance at the end of the year	238,259	238,577	1,697,752	(540)	2,174,048

	Accumulated other comprehensive income		Share acquisition rights	Non- controlling interests	Total equity
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income			
Balance at the beginning of the year	3,228	3,228	17,415	405,404	2,190,470
Changes during the year					
Issuance of new shares (Exercise of share acquisition rights)					23,626
Profit attributable to owners of parent of the parent					385,999
Purchase of treasury shares					—
Net changes during the year of items other than shareholders' equity	(2,536)	(2,536)	14,962	(67,259)	(54,832)
Total changes during the year	(2,536)	(2,536)	14,962	(67,259)	354,794
Balance at the end of the year	692	692	32,378	338,145	2,545,264

Fiscal Year 2025 (April 1, 2024 to March 31, 2025)

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the year	238,259	238,577	1,697,752	(540)	2,174,048
Changes during the year					
Issuance of new shares (Exercise of share acquisition rights)	152	152			304
Profit attributable to owners of parent of the parent			353,748		353,748
Purchase of treasury shares				(363,687)	(363,687)
Net changes during the year of items other than shareholders' equity					
Total changes during the year	152	152	353,748	(363,687)	(9,634)
Balance at the end of the year	238,412	238,729	2,051,501	(364,228)	2,164,414

	Accumulated other comprehensive income		Share acquisition rights	Non- controlling interests	Total equity
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income			
Balance at the beginning of the year	692	692	32,378	338,145	2,545,264
Changes during the year					
Issuance of new shares (Exercise of share acquisition rights)					304
Profit attributable to owners of parent of the parent					353,748
Purchase of treasury shares					(363,687)
Net changes during the year of items other than shareholders' equity	(206)	(206)	(31,464)	(24,840)	(56,511)
Total changes during the year	(206)	(206)	(31,464)	(24,840)	(66,146)
Balance at the end of the year	485	485	913	313,304	2,479,118

(4) Consolidated Statement of Cash Flows

	(Thousand yen)	
	Fiscal Year 2024 (April 1, 2023 to March 31, 2024)	Fiscal Year 2025 (April 1, 2024 to March 31, 2025)
Cash flows from operating activities		
Profit before income taxes	397,313	440,699
Depreciation	55,709	77,998
Share-based payment expenses	15,100	(31,460)
Increase (decrease) in provision for bonuses	33,532	(24,239)
Interest income	(13)	(1,041)
Interest expenses	185	4,241
Loss on disposal of non-current assets	0	8,549
Loss (gain) on investments in investment partnerships	(6,117)	2,224
Decrease (increase) in trade receivables	(181,710)	28,401
Decrease (increase) in operational investment securities	85,236	-
Decrease (increase) in distressed receivables	(4,015)	-
Loss (gain) on sales of investment securities	(429)	-
Increase (decrease) in allowance for doubtful accounts	6,004	(700)
Increase (decrease) in Provision for loss of office transfer expenses	31,085	(31,085)
Increase (decrease) in accounts payable – other	(190,666)	(27,035)
Increase (decrease) in accrued consumption taxes	5,341	(41,059)
Increase (decrease) in accrued expenses	(20,937)	132,751
Other, net	33,781	16,474
Subtotal	259,041	554,722
Interest received	13	1,041
Interest paid	(99)	(5,366)
Income taxes paid	(172,882)	(194,729)
Income taxes refunded	93,045	-
Net cash (used in) provided by operating activities	179,478	355,667
Cash flows from investing activities		
Purchases of property, plant and equipment	(761)	(367,071)
Purchases of investment securities	(0)	(30,000)
Payments of leasehold and guarantee deposits	(304,155)	(5,220)
Proceeds from refund of leasehold and guarantee deposits	539	149,795
Proceeds from sales of investment securities	429	-
Proceeds from distributions from investment partnerships	10,059	-
Net cash (used in) provided by investing activities	(293,889)	(252,496)
Cash flows from financing activities		
Proceeds from long-term borrowings	-	570,000
Repayments of long-term borrowings	(66,674)	(57,000)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	23,488	300
Purchase of treasury shares	-	(363,687)
Proceeds from share issuance to non-controlling shareholders	68,000	-
Net cash (used in) provided by financing activities	24,814	149,612
Net (decrease) increase in cash and cash equivalents	(89,595)	252,782
Cash and cash equivalents at the beginning of period	1,745,270	1,655,674
Cash and cash equivalents at the end of period	1,655,674	1,908,457