

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2025 (Based on Japanese GAAP)

November 12, 2025

Company name: FORVAL CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 8275 URL <https://www.forval.co.jp>
 Representative: President and COO Masanori Nakajima
 Managing Executive Officer, Group Chief
 Inquiries: Masaki Akai TEL 03-3498-1541
 Financial Strategy Officer
 Scheduled date to file Semi-annual Securities Report: November 12, 2025
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: Yes (for analysts, institutional investors and general investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

Percentages indicate 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	%
Six months ended September 30, 2025	33,934	0.3	1,202	(24.7)	1,348	(20.6)	602	(26.6)
Six months ended September 30, 2024	33,839	10.7	1,596	6.6	1,699	2.6	820	(13.0)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2025	23.10	–
Six months ended September 30, 2024	31.35	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2025	38,343	19,847	45.8
As of March 31, 2025	42,130	19,704	41.6

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2025	–	0.00	–	30.00	30.00
Year ending March 31, 2026	–	0.00			
Year ending March 31, 2026 (Forecast)			–	31.00	31.00

3. Forecast of consolidated financial results for the year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

Percentages indicate 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
Full year	76,000	4.6	4,100	9.6	4,200	5.6	2,200	1.5	84.47

4. Notes

(1) Significant changes in the scope of consolidation during the six months ended September 30, 2025: No

(2) Application of special accounting methods for preparing semi-annual consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of September 30, 2025	27,732,622 shares	As of March 31, 2025	27,732,622 shares
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Number of treasury shares at the end of the period

As of September 30, 2025	1,617,984 shares	As of March 31, 2025	1,687,984 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2025	26,067,783 shares	Six months ended September 30, 2024	26,166,168 shares
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Semi-annual consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	11,408,399	9,283,304
Notes and accounts receivable - trade, and contract assets	11,387,158	9,736,615
Investments in leases	1,033,286	911,338
Merchandise and finished goods	1,082,171	1,014,249
Work in process	85,226	104,399
Raw materials and supplies	356,918	525,412
Accounts receivable - other	1,900,515	1,732,240
Other	1,507,614	1,659,893
Allowance for doubtful accounts	(195,293)	(196,467)
Total current assets	28,565,996	24,770,986
Non-current assets		
Property, plant and equipment	2,608,642	2,596,208
Intangible assets		
Goodwill	2,618,717	2,794,333
Other	1,487,814	1,477,092
Total intangible assets	4,106,531	4,271,425
Investments and other assets		
Investment securities	2,596,057	2,711,310
Distressed receivables	281,747	287,255
Deferred tax assets	1,721,395	1,538,581
Other	2,598,270	2,520,001
Allowance for doubtful accounts	(348,137)	(352,094)
Total investments and other assets	6,849,332	6,705,054
Total non-current assets	13,564,506	13,572,688
Total assets	42,130,503	38,343,675
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,816,086	6,214,416
Short-term borrowings	1,325,384	1,225,384
Accounts payable - other	2,836,412	2,498,849
Income taxes payable	1,105,410	504,080
Provision for bonuses	1,055,873	767,129
Provision for bonuses for directors (and other officers)	294,330	143,445
Other	3,893,333	3,333,860
Total current liabilities	18,326,829	14,687,165
Non-current liabilities		
Long-term borrowings	935,454	756,303
Retirement benefit liability	2,801,704	2,758,438
Provision for retirement benefits for directors (and other officers)	43,628	15,450
Deferred tax liabilities	21,406	12,381
Liabilities from application of equity method	28,265	29,655
Other	268,289	237,264
Total non-current liabilities	4,098,749	3,809,491
Total liabilities	22,425,579	18,496,657

	(Thousands of yen)	
	As of March 31, 2025	As of September 30, 2025
Net assets		
Shareholders' equity		
Share capital	4,150,294	4,150,294
Capital surplus	3,255,844	3,317,276
Retained earnings	11,160,609	10,988,835
Treasury shares	(1,112,083)	(1,065,965)
Total shareholders' equity	17,454,664	17,390,441
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	96,915	187,290
Foreign currency translation adjustment	32,701	22,060
Remeasurements of defined benefit plans	(40,620)	(34,470)
Total accumulated other comprehensive income	88,995	174,880
Non-controlling interests	2,161,263	2,281,697
Total net assets	19,704,923	19,847,018
Total liabilities and net assets	42,130,503	38,343,675

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	33,839,809	33,934,985
Cost of sales	21,632,494	21,241,442
Gross profit	12,207,315	12,693,542
Selling, general and administrative expenses	10,610,390	11,491,022
Operating profit	1,596,924	1,202,520
Non-operating income		
Interest income	3,631	10,079
Dividend income	11,899	16,777
Foreign exchange gains	9,809	8,106
Share of profit of entities accounted for using equity method	84,645	63,237
Other	34,602	79,270
Total non-operating income	144,588	177,472
Non-operating expenses		
Interest expenses	29,869	18,259
Other	12,120	12,767
Total non-operating expenses	41,990	31,026
Ordinary profit	1,699,523	1,348,965
Extraordinary income		
Gain on sale of investment securities	3,473	634
Gain on sale of non-current assets	83	1,617
Gain on extinguishment of tie-in shares	—	37,698
Other	135	—
Total extraordinary income	3,691	39,950
Extraordinary losses		
Loss on sale and retirement of non-current assets	2,749	3,918
Impairment losses	1,820	13,801
Bad debts expenses	8,880	—
Other	2,825	1,965
Total extraordinary losses	16,275	19,684
Profit before income taxes	1,686,939	1,369,231
Income taxes - current	475,232	413,334
Income taxes - deferred	284,244	144,061
Total income taxes	759,476	557,395
Profit	927,462	811,836
Profit attributable to non-controlling interests	107,168	209,689
Profit attributable to owners of parent	820,294	602,146

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	927,462	811,836
Other comprehensive income		
Valuation difference on available-for-sale securities	17,566	96,640
Remeasurements of defined benefit plans, net of tax	6,049	6,150
Share of other comprehensive income of entities accounted for using equity method	(41,413)	(10,641)
Total other comprehensive income	(17,797)	92,149
Comprehensive income	909,665	903,985
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	802,497	688,030
Comprehensive income attributable to non-controlling interests	107,168	215,954

Consolidated statements of cash flows

(Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	1,686,939	1,369,231
Depreciation	758,747	809,544
Impairment losses	1,820	13,801
Amortization of goodwill	226,251	240,622
Increase (decrease) in allowance for doubtful accounts	(40,479)	4,957
Increase (decrease) in provision for bonuses	(135,111)	(297,424)
Increase (decrease) in provision for bonuses for directors (and other officers)	(109,792)	(152,479)
Increase (decrease) in retirement benefit liability	(9,815)	(47,335)
Interest and dividend income	(15,531)	(26,857)
Interest expenses	29,869	18,259
Share of loss (profit) of entities accounted for using equity method	(84,645)	(63,237)
Loss (gain) on sale and retirement of non-current assets	2,665	2,300
Loss (gain) on extinguishment of tie-in shares	—	(37,698)
Decrease (increase) in accounts receivable - trade, and contract assets	679,343	1,922,187
Decrease (increase) in inventories	(37,848)	(98,730)
Decrease (increase) in prepaid expenses	(423,000)	(637,027)
Decrease (increase) in accounts receivable - other	(15,994)	214,066
Increase (decrease) in trade payables	(301,522)	(1,764,628)
Increase (decrease) in accrued consumption taxes	269,725	(308,093)
Increase (decrease) in accounts payable - other	(408,975)	(435,553)
Increase (decrease) in accrued expenses	(243,711)	(322,492)
Other, net	(203,326)	(14,531)
Subtotal	1,625,606	388,880
Interest and dividends received	32,101	28,403
Interest paid	(28,934)	(18,210)
Income taxes paid	(610,866)	(1,034,067)
Net cash provided by (used in) operating activities	1,017,907	(634,994)
Cash flows from investing activities		
Purchase of property, plant and equipment	(172,117)	(163,918)
Purchase of intangible assets	(249,783)	(298,171)
Purchase of investment securities	(84,351)	(6,893)
Proceeds from sale of investment securities	7,537	2,737
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(424,938)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	352,898	—
Loan advances	(70)	(1,115)
Proceeds from collection of loans receivable	84,739	18,404
Payments of guarantee deposits	(87,118)	(43,264)
Purchase of insurance funds	(150,379)	(44,506)
Proceeds from cancellation of insurance funds	7,116	374,099
Other, net	27,856	30,351
Net cash provided by (used in) investing activities	(263,673)	(557,216)

	(Thousands of yen)	
	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(600,000)	—
Proceeds from long-term borrowings	—	3,006
Repayments of long-term borrowings	(157,716)	(283,489)
Purchase of treasury shares	(205,807)	—
Dividends paid	(730,954)	(779,463)
Dividends paid to non-controlling interests	(71,500)	(66,652)
Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation	345,212	—
Other, net	(95,676)	(84,846)
Net cash provided by (used in) financing activities	(1,516,441)	(1,211,446)
Effect of exchange rate change on cash and cash equivalents	(201)	(120)
Net increase (decrease) in cash and cash equivalents	(762,409)	(2,403,777)
Cash and cash equivalents at beginning of period	11,724,950	11,186,203
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(6)	—
Increase in cash and cash equivalents resulting from merger	—	184,746
Cash and cash equivalents at end of period	10,962,533	8,967,172