

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended September 30, 2024 (Based on Japanese GAAP)

October 30, 2024

Company name: I S B CORPORATION  
 Stock exchange listing: Tokyo  
 Stock code: 9702 URL <https://www.isb.co.jp/>  
 Representative: President Kazufumi Wakao  
 Director,  
 Inquiries: Executive General Manager, Administrative Masaya Hirose TEL 03-3490-1761  
 Headquarters  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the nine months ended September 30, 2024 (from January 1, 2024 to September 30, 2024)

#### (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	%
Nine months ended September 30, 2024	25,038	4.0	2,153	2.8	2,192	2.3	1,550	24.9
Nine months ended September 30, 2023	24,073	12.4	2,093	21.5	2,143	21.7	1,241	18.3

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended September 30, 2024	135.69	–
Nine months ended September 30, 2023	108.90	–

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	18,303	12,943	70.7
As of December 31, 2023	17,988	11,821	65.7

### 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 December 31, 2023	–	0.00	–	42.00	42.00
Year ending December 31, 2024	–	0.00	–		
Year ending December 31, 2024 (Forecast)				46.00	46.00

### 3. Forecast of consolidated financial results for the year ending December 31, 2024 (from January 1, 2024 to December 31, 2024)

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	33,700	4.1	2,470	(9.7)	2,550	(9.3)	1,620	10.0	141.88

4. Notes

- (1) Significant changes in the scope of consolidation during the nine months ended September 30, 2024: No
- (2) Application of special accounting methods for preparing quarterly 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, 2024	11,437,521 shares	As of December 31, 2023	11,417,900 shares
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Number of treasury shares at the end of the period

As of September 30, 2024	149 shares	As of December 31, 2023	149 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2024	11,428,779 shares	Nine months ended September 30, 2023	11,405,281 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of December 31, 2023	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	8,875,913	8,773,448
Notes and accounts receivable - trade, and contract assets	5,814,030	5,542,543
Prepaid expenses	165,695	233,936
Merchandise	692,511	826,573
Work in process	–	1,271
Supplies	1,512	1,307
Other	119,880	71,909
Allowance for doubtful accounts	(6,482)	(4,589)
Total current assets	15,663,060	15,446,401
Non-current assets		
Property, plant and equipment		
Buildings and structures	614,435	606,982
Accumulated depreciation and impairment	(357,627)	(228,936)
Buildings and structures, net	256,807	378,045
Land	450,361	354,004
Other	883,791	1,006,338
Accumulated depreciation and impairment	(673,089)	(732,018)
Other, net	210,701	274,319
Total property, plant and equipment	917,870	1,006,369
Intangible assets		
Other	36,626	61,267
Total intangible assets	36,626	61,267
Investments and other assets		
Investment securities	483,774	518,566
Long-term prepaid expenses	5,519	10,321
Guarantee deposits	449,994	808,229
Deferred tax assets	369,433	389,440
Other	62,596	62,777
Total investments and other assets	1,371,318	1,789,334
Total non-current assets	2,325,815	2,856,971
Total assets	17,988,876	18,303,372

(Thousands of yen)

	As of December 31, 2023	As of September 30, 2024
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	2,116,541	2,016,712
Contract liabilities	189,947	103,505
Short-term borrowings	120,000	120,000
Accounts payable - other	1,456,499	798,641
Accrued expenses	91,937	203,293
Income taxes payable	574,075	291,843
Accrued consumption taxes	446,747	351,945
Provision for bonuses	33,356	652,990
Provision for bonuses for directors (and other officers)	50,018	40,324
Provision for retirement benefits for directors	145,000	–
Provision for loss on orders received	88,255	–
Asset retirement obligations	29,200	103,290
Other	334,147	167,396
<b>Total current liabilities</b>	<b>5,675,726</b>	<b>4,849,944</b>
<b>Non-current liabilities</b>		
Retirement benefit liability	253,788	276,008
Provision for retirement benefits for directors (and other officers)	59,118	68,924
Asset retirement obligations	163,768	145,229
Other	14,895	19,458
<b>Total non-current liabilities</b>	<b>491,570</b>	<b>509,620</b>
<b>Total liabilities</b>	<b>6,167,296</b>	<b>5,359,565</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	2,378,921	2,392,430
Capital surplus	2,983,099	2,996,608
Retained earnings	6,235,068	7,306,313
Treasury shares	(146)	(146)
<b>Total shareholders' equity</b>	<b>11,596,942</b>	<b>12,695,205</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	162,756	184,768
Foreign currency translation adjustment	61,880	63,833
<b>Total accumulated other comprehensive income</b>	<b>224,637</b>	<b>248,601</b>
<b>Total net assets</b>	<b>11,821,579</b>	<b>12,943,807</b>
<b>Total liabilities and net assets</b>	<b>17,988,876</b>	<b>18,303,372</b>

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

### Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Net sales	24,073,775	25,038,484
Cost of sales	18,229,322	18,932,476
Gross profit	5,844,452	6,106,007
Selling, general and administrative expenses	3,751,011	3,952,954
Operating profit	2,093,441	2,153,052
Non-operating income		
Interest income	12,881	10,343
Compensation income	–	22,405
Insurance claim income	17,500	–
Dividend income	9,123	25,486
Reversal of allowance for doubtful accounts	8,610	–
Other	9,182	13,616
Total non-operating income	57,297	71,851
Non-operating expenses		
Interest expenses	551	670
Loss on sale of non-current assets	–	8,087
Loss on sale of notes receivable - trade	1,398	1,230
Settlement payments	–	6,636
Foreign exchange losses	4,618	14,161
Other	407	1,229
Total non-operating expenses	6,975	32,015
Ordinary profit	2,143,763	2,192,888
Extraordinary losses		
Fraud related losses	107,858	–
Total extraordinary losses	107,858	–
Profit before income taxes	2,035,905	2,192,888
Income taxes - current	884,527	672,741
Income taxes - deferred	(90,620)	(30,643)
Total income taxes	793,907	642,098
Profit	1,241,997	1,550,790
Profit attributable to owners of parent	1,241,997	1,550,790

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Profit	1,241,997	1,550,790
Other comprehensive income		
Valuation difference on available-for-sale securities	44,884	22,011
Foreign currency translation adjustment	58,604	1,952
Total other comprehensive income	103,489	23,964
Comprehensive income	1,345,487	1,574,755
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,345,487	1,574,755