

August 7, 2025

## Consolidated Financial Results for the Six Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: ISB CORPORATION  
 Listing: Tokyo Stock Exchange  
 Securities code: 9702  
 URL: <https://www.isb.co.jp/>  
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 Scheduled date to file semi-annual securities report: August 14, 2025  
 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, 2025 (from January 1, 2025 to June 30, 2025)

#### (1) Consolidated operating results

(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, 2025	18,439	10.6	1,402	(8.8)	1,420	(9.5)	781	(30.2)
June 30, 2024	16,673	4.7	1,537	16.9	1,569	17.1	1,120	46.8

Note: Comprehensive income For the six months ended June 30, 2025: ¥782 million [(37.6)%]  
 For the six months ended June 30, 2024: ¥1,254 million [49.5%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2025	68.29	-
June 30, 2024	98.04	-

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	20,474	13,704	66.9
December 31, 2024	19,800	13,504	68.2

Reference: Equity  
 As of June 30, 2025: ¥13,704 million  
 As of December 31, 2024: ¥13,504 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, 2024	-	0.00	-	54.00	54.00
Fiscal year ending December 31, 2025	-	0.00			
Fiscal year ending December 31, 2025 (Forecast)			-	55.00	55.00

Note: Revisions to the forecast of cash dividends most recently announced: Yes

### 3. Forecast of consolidated financial results for the fiscal year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

(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, 2025	36,900	8.7	2,660	(5.0)	2,750	(4.9)	1,690	(16.9)	147.73

Note: Revisions to the earnings forecasts most recently announced: Yes

\*

## 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, 2025	11,463,141 shares
As of December 31, 2024	11,437,521 shares

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

As of June 30, 2025	149 shares
As of December 31, 2024	149 shares

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

Six months ended June 30, 2025	11,446,431 shares
Six months ended June 30, 2024	11,424,435 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 Friday, August 8, 2025, 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, 2024	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	8,975	8,588
Notes and accounts receivable - trade, and contract assets	6,078	5,923
Prepaid expenses	195	314
Merchandise	921	1,112
Work in process	0	10
Supplies	0	0
Other	90	70
Allowance for doubtful accounts	(4)	(4)
Total current assets	16,257	16,018
Non-current assets		
Property, plant and equipment		
Buildings and structures	608	1,345
Accumulated depreciation and impairment	(259)	(273)
Buildings and structures, net	349	1,071
Land	354	354
Other	1,090	1,024
Accumulated depreciation and impairment	(760)	(471)
Other, net	330	553
Total property, plant and equipment	1,033	1,979
Intangible assets		
Goodwill	625	563
Other	98	97
Total intangible assets	724	661
Investments and other assets		
Investment securities	545	629
Long-term prepaid expenses	9	15
Guarantee deposits	816	826
Deferred tax assets	348	284
Allowance for doubtful accounts	(0)	(0)
Other	65	59
Total investments and other assets	1,784	1,815
Total non-current assets	3,543	4,455
Total assets	19,800	20,474

	As of December 31, 2024	As of June 30, 2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	2,296	2,294
Contract liabilities	171	243
Short-term borrowings	120	120
Accounts payable - other	1,453	1,309
Accrued expenses	195	326
Income taxes payable	524	678
Accrued consumption taxes	383	319
Provision for bonuses	28	60
Provision for bonuses for directors (and other officers)	89	33
Provision for loss on orders received	-	28
Asset retirement obligations	103	93
Other	418	461
Total current liabilities	5,785	5,969
Non-current liabilities		
Retirement benefit liability	274	274
Provision for retirement benefits for directors (and other officers)	71	77
Asset retirement obligations	145	429
Other	19	18
Total non-current liabilities	510	799
Total liabilities	6,296	6,769
<b>Net assets</b>		
Shareholders' equity		
Share capital	2,392	2,410
Capital surplus	2,996	3,014
Retained earnings	7,787	7,952
Treasury shares	(0)	(0)
Total shareholders' equity	13,176	13,376
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	202	257
Foreign currency translation adjustment	124	70
Total accumulated other comprehensive income	327	328
Total net assets	13,504	13,704
Total liabilities and net assets	19,800	20,474

# Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Net sales	16,673	18,439
Cost of sales	12,492	13,839
Gross profit	4,180	4,600
Selling, general and administrative expenses	2,642	3,197
Operating profit	1,537	1,402
Non-operating income		
Interest income	6	7
Dividend income	24	12
Dividend income of insurance	2	0
Compensation income	22	-
Other	10	8
Total non-operating income	66	30
Non-operating expenses		
Interest expenses	0	0
Loss on sale of non-current assets	8	-
Loss on sale of notes receivable - trade	0	0
Settlement payments	6	-
Foreign exchange losses	17	4
Other	0	6
Total non-operating expenses	34	12
Ordinary profit	1,569	1,420
Profit before income taxes	1,569	1,420
Income taxes - current	348	602
Income taxes - deferred	100	35
Total income taxes	449	638
Profit	1,120	781
Profit attributable to owners of parent	1,120	781

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Profit	1,120	781
Other comprehensive income		
Valuation difference on available-for-sale securities	62	55
Foreign currency translation adjustment	72	(54)
Total other comprehensive income	134	0
Comprehensive income	1,254	782
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,254	782

# Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	1,569	1,420
Depreciation	125	172
Amortization of goodwill	-	62
Increase (decrease) in allowance for doubtful accounts	(2)	(0)
Increase (decrease) in provision for bonuses	(6)	32
Increase (decrease) in provision for bonuses for directors (and other officers)	(24)	(56)
Increase (decrease) in provision for loss on orders received	(82)	28
Increase (decrease) in retirement benefit liability	21	0
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(137)	5
Interest and dividend income	(30)	(20)
Dividend income of insurance	(2)	(0)
Compensation income	(22)	-
Interest expenses	0	0
Settlement payments	6	-
Loss (gain) on sale of property, plant and equipment	8	-
Decrease (increase) in trade receivables	337	222
Decrease (increase) in inventories	11	(201)
Increase (decrease) in trade payables	(230)	(1)
Increase (decrease) in accounts payable - other	2	(142)
Increase (decrease) in accrued consumption taxes	(87)	(57)
Decrease (increase) in other current assets	(6)	(95)
Increase (decrease) in other current liabilities	28	167
Other, net	5	15
Subtotal	1,482	1,551
Interest and dividends received	30	20
Insurance amount of dividends received	2	0
Proceeds from compensation	22	-
Interest paid	(0)	(0)
Settlement paid	(6)	-
Income taxes paid	(465)	(441)
Net cash provided by (used in) operating activities	1,066	1,130

	Six months ended June 30, 2024	Six months ended June 30, 2025
Cash flows from investing activities		
Purchase of property, plant and equipment	(218)	(806)
Proceeds from sale of property, plant and equipment	108	-
Payments for asset retirement obligations	-	(1)
Purchase of intangible assets	-	(29)
Purchase of investment securities	(1)	(1)
Proceeds from sale of investment securities	0	-
Payments of leasehold and guarantee deposits	(366)	(14)
Proceeds from refund of leasehold and guarantee deposits	-	3
Proceeds from maturity of insurance funds	-	9
Purchase of long-term prepaid expenses	(6)	(10)
Other, net	10	0
Net cash provided by (used in) investing activities	(473)	(851)
Cash flows from financing activities		
Repayments of lease liabilities	(0)	(0)
Dividends paid	(478)	(615)
Net cash provided by (used in) financing activities	(479)	(615)
Effect of exchange rate change on cash and cash equivalents	63	(49)
Net increase (decrease) in cash and cash equivalents	177	(386)
Cash and cash equivalents at beginning of period	8,872	8,975
Cash and cash equivalents at end of period	9,050	8,588



(Notes on segment information, etc.)  
Segment Information  
I. Previous interim consolidated accounting period (January 1, 2024 to June 30, 2024)  
1. Information on sales and the amount of profit or loss for each reported segment

(in millions of yen)

	Reportable segments		Adjustment amount (Note)	Total
	Information service business	Security system		
Sales				
Revenues from external customers	14,042	2,630	-	16,673
Transactions with other segments	60	124	(184)	-
Total	14,103	2,754	(184)	16,673
Segment Profit	1,051	468	17	1,537

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.  
II. 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

(in 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	869	514	18	1,402

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.