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Consolidated Financial Results for the Nine Months Ended December 31, 2024 (under Japanese GAAP)

February 7, 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
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 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 December 31, 2024 (from April 1, 2024 to December 31, 2024)

(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	%
Nine months ended December 31, 2024	2,675	9.5	202	(21.6)	199	(25.2)	143	(38.9)
Nine months ended December 31, 2023	2,443	10.7	257	(47.1)	266	(45.5)	235	(31.8)

(Note) Comprehensive income:

Nine months ended December 31, 2024 125 million yen (up 20.3%)

Nine months ended December 31, 2023 104 million yen (down 68.2%)

	Basic net income per share	Diluted net income per share
	Yen	Yen
Nine months ended December 31, 2024	39.94	39.83
Nine months ended December 31, 2023	66.26	64.65

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2024	3,525	2,419	58.6
As of March 31, 2024	3,241	2,545	67.1

(Reference) Equity: As of December 31, 2024: 2,064 million yen As of March 31, 2024: 2,174 million yen

2. Divided Status

	1Q-end	2Q-end	3Q-end	4Q-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	0.00	-	0.00	0.00
Fiscal year ending March 31, 2025	-	0.00	-		
Fiscal year ending March 31, 2025 (Forecast)				0.00	0.00

(Note) Revisions to the dividend forecasts announced most recently: None

3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(Percentage figures represent year-on-year changes)

Full year	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
	3,700	8.3	370	(12.6)	365	(14.8)	265	(31.3)	74.46

(Note) Revisions to the earnings forecasts announced most recently: 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: 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 December 31, 2024	3,646,400 shares
As of March 31, 2024	3,646,400 shares

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

As of December 31, 2024	226,891 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)

Nine months ended December 31, 2024	3,604,336 shares
Nine months ended December 31, 2023	3,556,767 shares

(1) Quarterly Consolidated Financial Statements and Notes
Quarterly consolidated balance sheets

(Units: thousand yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	1,655,674	1,739,095
Accounts receivable - trade	512,905	292,490
Operational investment securities	378,171	378,171
Prepaid expenses	34,370	48,623
Income tax receivable	-	60,527
Other	2,969	34,816
Allowance for doubtful accounts	(1,989)	(802)
Total current assets	2,582,102	2,552,923
Non-current assets		
Property, plant and equipment	67,953	360,402
Intangible assets	13	3
Investments and other assets		
Lease and guarantee deposits	423,272	451,855
Other	172,136	164,137
Allowance for doubtful accounts	(4,015)	(4,015)
Total Investments and other assets	591,393	611,977
Total non-current assets	659,361	972,383
Total assets	3,241,463	3,525,306
Liabilities		
Current liabilities		
Accounts payable - other	235,353	193,299
Current portion of long-term borrowings	-	114,000
Income taxes payable	114,368	2,231
Accrued consumption taxes	58,320	3,738
Provision for bonuses	127,828	61,076
Provision for loss of office transfer expenses	31,085	-
Other	129,243	303,791
Total current liabilities	696,198	678,137
Non-current liabilities		
Long-term borrowings	-	427,500
Total non-current liabilities	-	427,500
Total liabilities	696,198	1,105,637
Net assets		
Shareholders' equity		
Share capital	238,259	238,259
Capital surplus	238,577	238,577
Retained earnings	1,697,752	1,841,712
Treasury shares	(540)	(254,075)
Total shareholders' equity	2,174,048	2,064,473
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	692	492
Total accumulated other comprehensive income	692	492
Share acquisition rights	32,378	35,147
Non-controlling interests	338,145	319,556
Total net assets	2,545,264	2,419,669
Total liabilities and net assets	3,241,463	3,525,306

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
 (Quarterly Consolidated Statement of Income)
 (For the six-month period)

(Units: thousand yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	2,443,246	2,675,369
Cost of sales	525,085	450,498
Gross profit	1,918,160	2,224,871
Selling, general and administrative expenses	1,660,365	2,022,798
Operating income	257,794	202,073
Non-operating income		
Interest income	6	212
Gain on investments in investment partnerships	6,117	-
Gain on sales of investment securities	429	-
Outsourcing Service Income	980	845
Miscellaneous income	1,525	3,034
Total non-operating income	9,059	4,092
Non-operating expenses		
Interest expenses	169	2,490
Loss on investments in investment partnerships	-	2,201
Commission for purchase of treasury shares	-	2,016
Other	189	63
Total non-operating expenses	358	6,772
Ordinary profit	266,495	199,392
Extraordinary losses		
Provision for loss of office transfer expenses	31,085	-
Loss on disposal of non-current assets	-	8,549
Total extraordinary losses	31,085	8,549
Profit before income taxes	235,410	190,843
Income taxes - current	108,158	30,100
Income taxes - deferred	20,670	35,372
Total income taxes	128,828	65,473
Profit	106,581	125,370
Profit (loss) attributable to non-controlling interests	(129,087)	(18,589)
Profit attributable to owners of parent	235,668	143,960

(Semi-annual consolidated statements of comprehensive income)

(Units: thousand yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	106,581	125,370
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,536)	(199)
Total other comprehensive income	(2,536)	(199)
Comprehensive income	104,045	125,170
Total comprehensive income attributable to:		
Owners of parent	233,132	143,760
Non-controlling interests	(129,087)	(18,589)