

Translation

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Summary of Consolidated Financial Results for the Six Months Ended July 31, 2025 (Based on Japanese GAAP)

September 10, 2025

Company name: Howtelevision, Inc.
 Stock exchange listing: Tokyo
 Stock code: 7064 URL <https://howtelevision.co.jp>
 Representative: President & Representative Director Yosuke Otonari
 Inquiries: Board of Directors Shintaro Shimizu TEL 03(6427)2862
 Scheduled date to file Semi-annual Securities Report: September 10, 2025
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended July 31, 2025 (from February 1, 2025 to July 31, 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 July 31, 2025	1,407	23.4	284	(3.3)	281	(3.8)	175	(4.4)
Six months ended July 31, 2024	1,140	–	293	–	292	–	184	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended July 31, 2025	64.67		64.21	
Six months ended July 31, 2024	67.57		67.54	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of July 31, 2025	2,640	1,492	56.4
As of January 31, 2025	2,354	1,314	55.8

2. Cash dividends

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

3. Forecast of consolidated financial results for the year ending January 31, 2026 (from February 1, 2025 to January 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	2,750	26.9	50	(87.6)	44	(89.0)	27	(88.9)	9.93

4. Notes

(1) Significant changes in the scope of consolidation during the six months ended July 31, 2025: No

(2) Application of special accounting methods for preparing semi-annual consolidated financial statements:
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(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: Yes
 Changes in accounting policies due to other reasons: No
 Changes in accounting estimates: Yes
 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 July 31, 2025	;	2,720,882 shares	As of January 31, 2025	;	2,724,710 shares
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Number of treasury shares at the end of the period

As of July 31, 2025	;	84 shares	As of January 31, 2025	;	3,828 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended July 31, 2025	;	2,720,862 shares	Six months ended July 31, 2024	;	2,723,821 shares
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Semi-annual consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of January 31, 2025	As of July 31, 2025
Assets		
Current assets		
Cash and deposits	1,599,927	1,856,315
Accounts receivable - trade	193,727	118,400
Supplies	2,784	6,216
Other	49,378	55,907
Allowance for doubtful accounts	(2,893)	(3,272)
Total current assets	1,842,924	2,033,566
Non-current assets		
Property, plant and equipment	80,282	45,548
Intangible assets		
Software	129,455	157,025
Goodwill	155,159	136,540
Other	14,939	16,269
Total intangible assets	299,554	309,835
Investments and other assets		
Shares of subsidiaries and associates	–	14,608
Leasehold deposits	78,970	181,919
Deferred tax assets	43,197	50,277
Other	9,941	4,531
Total investments and other assets	132,109	251,337
Total non-current assets	511,945	606,721
Total assets	2,354,870	2,640,287
Liabilities		
Current liabilities		
Current portion of long-term borrowings	218,020	197,214
Income taxes payable	84,503	111,674
Contract liabilities	128,958	344,506
Provision for bonuses	–	19,003
Other	202,647	165,877
Total current liabilities	634,130	838,275
Non-current liabilities		
Long-term borrowings	397,785	309,581
Asset retirement obligations	8,756	–
Total non-current liabilities	406,541	309,581
Total liabilities	1,040,671	1,147,856
Net assets		
Shareholders' equity		
Share capital	10,110	10,110
Capital surplus	550,704	550,399
Retained earnings	753,688	929,637
Treasury shares	(304)	(92)
Total shareholders' equity	1,314,198	1,490,055
Share acquisition rights	–	2,376
Total net assets	1,314,198	1,492,431
Total liabilities and net assets	2,354,870	2,640,287

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended July 31, 2024	Six months ended July 31, 2025
Net sales	1,140,984	1,407,942
Cost of sales	174,654	246,349
Gross profit	966,330	1,161,593
Selling, general and administrative expenses	672,532	877,573
Operating profit	293,798	284,019
Non-operating income		
Interest income	8	724
Miscellaneous income	562	92
Other	10	61
Total non-operating income	581	879
Non-operating expenses		
Interest expenses	1,728	3,102
Provision of allowance for doubtful accounts	–	379
Total non-operating expenses	1,728	3,482
Ordinary profit	292,650	281,416
Extraordinary losses		
Loss on sale and retirement of non-current assets	–	1,132
Total extraordinary losses	–	1,132
Profit before income taxes	292,650	280,284
Income taxes - current	115,070	111,785
Income taxes - deferred	(9,327)	(7,080)
Income taxes for prior periods	2,856	(369)
Total income taxes	108,600	104,335
Profit	184,050	175,949
Profit attributable to owners of parent	184,050	175,949

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended July 31, 2024	Six months ended July 31, 2025
Profit	184,050	175,949
Comprehensive income	184,050	175,949
Comprehensive income attributable to Comprehensive income attributable to owners of parent	184,050	175,949

Consolidated statements of cash flows

(Thousands of yen)

	Six months ended July 31, 2024	Six months ended July 31, 2025
Cash flows from operating activities		
Profit before income taxes	292,650	280,284
Depreciation	45,260	59,460
Amortization of goodwill	12,412	18,619
Share-based payment expenses	7,917	7,356
Increase (decrease) in allowance for doubtful accounts	289	379
Increase (decrease) in provision for bonuses	13,180	19,003
Interest income	(8)	(682)
Interest expenses	1,728	3,102
Loss (gain) on sale and retirement of non-current assets	–	1,132
Decrease (increase) in trade receivables	(18,901)	75,326
Decrease (increase) in inventories	(6,052)	(3,431)
Increase (decrease) in contract liabilities	254,247	215,547
Other, net	(16,679)	(52,596)
Subtotal	586,044	623,503
Interest received	8	682
Interest paid	(1,749)	(3,059)
Income taxes paid	(78,186)	(84,234)
Income taxes refund	–	369
Net cash provided by (used in) operating activities	506,116	537,261
Cash flows from investing activities		
Purchase of property, plant and equipment	–	(8,189)
Purchase of intangible assets	(51,736)	(48,412)
Purchase of shares of subsidiaries and associates	–	(14,608)
Payments of leasehold and guarantee deposits	(2,388)	(102,949)
Proceeds from refund of leasehold and guarantee deposits	–	2,388
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(69,353)	–
Net cash provided by (used in) investing activities	(123,477)	(171,771)
Cash flows from financing activities		
Repayments of long-term borrowings	(92,096)	(109,010)
Purchase of treasury shares	(304)	(92)
Net cash provided by (used in) financing activities	(92,400)	(109,102)
Net increase (decrease) in cash and cash equivalents	290,237	256,387
Cash and cash equivalents at beginning of period	1,424,959	1,599,927
Cash and cash equivalents at end of period	1,715,197	1,856,315