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Consolidated Financial Results for the Six Months Ended May 31, 2025 [Japanese GAAP]

July 8, 2025

Company name: First Brothers Co.,Ltd.

Listing: Tokyo Stock Exchange

Securities code: 3454

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Scheduled date to file semi-annual securities report: July 9, 2025

Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

President

Executive Officer, Head of Corporate Planning

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Six Months Ended May 31, 2025 (December 1, 2024 to May 31, 2025)

(1) Consolidated Operating Results

(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 May 31, 2025	5,377	23.1	802	33.1	346	(8.3)	223	24.8
May 31, 2024	4,368	(63.6)	603	(80.3)	377	(86.1)	179	(91.9)

(Note) Comprehensive income: Six months ended May 31, 2025: ¥ 407 million [78.4%]
Six months ended May 31, 2024: ¥ 228 million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended May 31, 2025	15.97	-
May 31, 2024	12.79	12.77

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of May 31, 2025	89,124	24,837	27.7	1,763.31
November 30, 2024	89,141	24,907	27.8	1,768.33

(Reference) Equity: As of May 31, 2025: ¥ 24,729 million
As of November 30, 2024: ¥ 24,799 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended November 30, 2024	-	33.00	-	34.00	67.00
Fiscal year ending November 30, 2025	-	0.00			
Fiscal year ending November 30, 2025 (Forecast)			-	35.00	35.00

(Note) Revision to the forecast for dividends announced most recently: None

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending November 30, 2025 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending November 30, 2025(December 1, 2024 to November 30, 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
Full year	17,950	6.4	3,520	24.0	2,180	(0.6)	1,370	(3.3)	97.69

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included:	-	(Company name:)
Excluded:	-	(Company name:)

(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

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of issued shares (common shares)

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

May 31, 2025:	14,445,000 shares
November 30, 2024:	14,445,000 shares

2) Number of treasury shares at the end of the period:

May 31, 2025:	420,710 shares
November 30, 2024:	420,710 shares

3) Average number of shares outstanding during the period:

Six months ended May 31, 2025:	14,024,290 shares
Six months ended May 31, 2024:	14,023,290 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

Semi-annual Consolidated Financial Statements and Primary Notes
Semi-annual Consolidated Balance Sheet

(Thousands of yen)

	As of November 30, 2024	As of May 31, 2025
Assets		
Current assets		
Cash and deposits	4,817,134	3,312,667
Deposits in trust	1,242,795	1,208,603
Accounts receivable - trade	406,166	378,415
Real estate for sale	47,366,186	47,700,946
Real estate for sale in process	3,327,995	3,424,121
Operational investment securities	507,491	773,521
Other	983,519	508,726
Total current assets	58,651,289	57,307,002
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	13,124,756	13,186,658
Land	12,431,713	12,963,252
Other, net	1,696,570	2,252,526
Total property, plant and equipment	27,253,040	28,402,437
Intangible assets		
Goodwill	884,979	827,058
Other	443,317	463,656
Total intangible assets	1,328,296	1,290,714
Investments and other assets	1,908,959	2,124,253
Total non-current assets	30,490,296	31,817,405
Total assets	89,141,585	89,124,408
Liabilities		
Current liabilities		
Short-term borrowings	71,000	343,361
Current portion of long-term borrowings	3,462,916	4,396,958
Income taxes payable	530,012	313,796
Provision for bonuses	-	101,849
Provision for shareholder benefit program	23,725	2,591
Other	1,659,536	1,373,636
Total current liabilities	5,747,191	6,532,193
Non-current liabilities		
Long-term borrowings	53,154,598	53,699,092
Long-term non-recourse loans payable	1,486,502	-
Retirement benefit liability	23,220	21,829
Other	3,822,967	4,033,834
Total non-current liabilities	58,487,289	57,754,756
Total liabilities	64,234,480	64,286,949

(Thousands of yen)

	As of November 30, 2024	As of May 31, 2025
Net assets		
Shareholders' equity		
Share capital	100,000	100,000
Capital surplus	3,406,766	3,406,766
Retained earnings	21,511,406	21,258,547
Treasury shares	(277,426)	(277,426)
Total shareholders' equity	24,740,746	24,487,887
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	31,157	210,359
Deferred gains or losses on hedges	27,703	30,858
Total accumulated other comprehensive income	58,860	241,217
Non-controlling interests	107,497	108,353
Total net assets	24,907,104	24,837,458
Total liabilities and net assets	89,141,585	89,124,408

Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statement of Income

(Thousands of yen)

	For the six months ended May 31, 2024	For the six months ended May 31, 2025
Net sales	4,368,608	5,377,017
Cost of sales	2,603,435	3,324,738
Gross profit	1,765,172	2,052,279
Selling, general and administrative expenses	1,161,831	1,249,513
Operating profit	603,341	802,765
Non-operating income		
Interest income	48	2,820
Dividend income	29	22
Consumption taxes refund	1,372	733
Subsidy income	1,402	1,003
Insurance fee income	79,567	30
Gain on valuation of derivatives	69,271	24,419
Other	5,095	7,860
Total non-operating income	156,787	36,890
Non-operating expenses		
Interest expenses	302,288	389,476
Commission expenses	26,910	75,814
Loss on valuation of derivatives	-	11,165
Other	53,022	16,498
Total non-operating expenses	382,221	492,954
Ordinary profit	377,908	346,700
Extraordinary income		
Gain on sale of non-current assets	-	50,046
Gain on sale of shares of subsidiaries and associates	-	4,999
Total extraordinary income	-	55,046
Extraordinary losses		
Loss on sale of non-current assets	6,426	-
Loss on retirement of non-current assets	-	30
Loss on valuation of shares of subsidiaries and associates	4,999	-
Total extraordinary losses	11,426	30
Profit before income taxes	366,481	401,716
Income taxes - current	167,432	363,068
Income taxes - deferred	(5,867)	(186,341)
Total income taxes	161,565	176,726
Profit	204,916	224,989
Profit attributable to non-controlling interests	25,519	1,022
Profit attributable to owners of parent	179,396	223,966

Semi-annual Consolidated Statement of Comprehensive Income

(Thousands of yen)

	For the six months ended May 31, 2024	For the six months ended May 31, 2025
Profit	204,916	224,989
Other comprehensive income		
Valuation difference on available-for-sale securities	19,164	179,201
Deferred gains or losses on hedges	4,216	3,170
Total other comprehensive income	23,381	182,371
Comprehensive income	228,297	407,361
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	202,757	406,323
Comprehensive income attributable to non-controlling interests	25,540	1,037

Semi-annual Consolidated Statement of Cash Flows

(Thousands of yen)

	For the six months ended May 31, 2024	For the six months ended May 31, 2025
Cash flows from operating activities		
Profit before income taxes	366,481	401,716
Depreciation	583,352	618,409
Amortization of goodwill	57,921	90,342
Increase (decrease) in provision for bonuses	148,876	101,849
Increase (decrease) in provision for shareholder benefit program	(21,953)	(21,134)
Increase (decrease) in retirement benefit liability	6,082	(1,391)
Interest and dividend income	(77)	(2,843)
Interest expenses	302,288	389,476
Loss (gain) on sale of non-current assets	6,426	(50,046)
Loss (gain) on sale of shares of subsidiaries and associates	-	(4,999)
Loss on retirement of non-current assets	-	30
Decrease (increase) in deposits in trust	18,712	34,192
Decrease (increase) in trade receivables	70,135	32,263
Decrease (increase) in inventories	(2,790,689)	(804,267)
Decrease (increase) in operational investment securities	(1,457)	6,708
Decrease (increase) in investment in anonymous association of subsidiaries and associates	(7,584)	26,797
Decrease (increase) in other current assets	(281,381)	131,719
Increase (decrease) in other current liabilities	(824,090)	(306,279)
Increase (decrease) in other non-current liabilities	25,006	101,705
Other, net	(64,262)	(5,475)
Subtotal	(2,406,213)	738,772
Interest and dividends received	77	2,843
Interest paid	(300,487)	(399,146)
Income taxes refund	26,840	373,069
Income taxes paid	(1,323,704)	(581,899)
Net cash provided by (used in) operating activities	(4,003,487)	133,639
Cash flows from investing activities		
Payments into time deposits	(37,215)	(26,280)
Purchase of property, plant and equipment	(212,649)	(1,456,920)
Proceeds from sale of property, plant and equipment	4,819	220,798
Purchase of intangible assets	(5,887)	(22,285)
Proceeds from sale of shares of subsidiaries and associates	-	5,000
Payments of leasehold and guarantee deposits	(108)	(595)
Proceeds from refund of leasehold and guarantee deposits	2,026	284
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(14,495)
Other, net	(2,576)	(3,114)
Net cash provided by (used in) investing activities	(251,590)	(1,297,609)

(Thousands of yen)

	For the six months ended May 31, 2024	For the six months ended May 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	179,498	272,361
Proceeds from long-term borrowings	2,465,280	3,952,000
Repayments of long-term borrowings	(1,545,186)	(2,603,659)
Repayment of long-term non recourse loans payable	(9,250)	(1,486,502)
Dividends paid	(445,521)	(476,528)
Dividends paid to non-controlling interests	(182)	(182)
Other, net	(2,542)	(1,731)
Net cash provided by (used in) financing activities	642,095	(344,244)
Net increase (decrease) in cash and cash equivalents	(3,612,982)	(1,508,214)
Cash and cash equivalents at beginning of period	7,506,955	4,792,802
Cash and cash equivalents at end of period	3,893,972	3,284,588