

Translation

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Consolidated Financial Results for the Three Months Ended June 30, 2025 (Based on Japanese GAAP)

August 8, 2025

Company name: FURYU CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 6238 URL <https://www.furyu.jp/>
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 Department
 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 three months ended June 30, 2025 (from April 1, 2025 to June 30, 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	%
Three months ended June 30, 2025	10,104	0.6	702	8.3	707	8.5	463	6.2
Three months ended June 30, 2024	10,046	0.7	648	(50.7)	651	(48.4)	436	(48.1)

Note: Comprehensive income Three months ended June 30, 2025 ¥413 million [(21.4)%]
 Three months ended June 30, 2024 ¥526 million [(46.4)%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	17.49	—
Three months ended June 30, 2024	16.49	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	27,197	21,800	80.2
As of March 31, 2025	28,110	22,424	79.8

(Reference) Equity As of June 30, 2025 ¥21,800 million
 As of March 31, 2025 ¥22,424 million

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 March 31, 2025	—	0.00	—	39.00	39.00
Year ending March 31, 2026	—				
Year ending March 31, 2026 (Forecast)		0.00	—	39.00	39.00

Note: Revisions to the forecasts of cash dividends most recently announced: No

3. Forecast of consolidated financial results for the year ending March 31, 2026 (from April 1, 2025 to March 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	45,000	1.6	3,000	34.0	3,000	31.5	2,150	32.1	81.25

Note: Revisions to the forecasts of financial results most recently announced: No

*Notes

(1) Significant changes in the scope of consolidation during the period:

Yes

Newly included: one company (FURYU Pictures Corporation) Excluded: None

Note: For details, please see “2. Quarterly consolidated financial statements and significant notes thereto (3) Notes to quarterly consolidated financial statements (Notes on change in scope of consolidation or application of the equity method) on page 8 of the attached material.”

(2) Application of special accounting methods for preparing quarterly consolidated financial statements:

Yes

Note: For details, please see “2. Quarterly consolidated financial statements and significant notes thereto (3) Notes to quarterly consolidated financial statements (Notes on special accounting methods for preparing quarterly consolidated financial statements) on page 8 of the attached material.”

(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 June 30, 2025	28,296,000 shares	As of March 31, 2025	28,296,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2025	1,817,825 shares	As of March 31, 2025	1,817,325 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	26,478,219 shares	Three months ended June 30, 2024	26,440,011 shares
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Note: The number of treasury shares at the end of the period includes the shares of the Company held by the Board Benefit Trust-Restricted Stock (BBT-RS) (120,000 shares as of June 30, 2025 and 120,000 shares as of March 31, 2025). The shares of the Company held by the Board Benefit Trust-Restricted Stock (BBT-RS) are included in the treasury shares deducted from the calculation of the average number of shares during the period (120,000 shares in the three months ended June 30, 2025 and – shares for the three months ended June 30, 2024).

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: No

* Proper use of earnings forecasts, and other special matters

(Caution regarding forward-looking statements and others)

The forward-looking statements including forecast of financial results contained in these materials are based on the information currently available to the Company and certain assumptions which are regarded as legitimate. As such, they do not constitute the Company’s guarantee that such results would be achieved. Actual financial and other results may differ substantially from the statements herein due to various factors.

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1. Overview of operating results and others

(1) Overview of operating results for the first three months

During the first three months of the current fiscal year (April 1, 2025 to June 30, 2025), the Japanese economy remained uncertain, with many companies taking a cautious view of the future due to the U.S. tariff policy and other factors, despite business sentiment at large companies improving according to the Bank of Japan's *Tankan* survey in June.

Under these circumstances, with the Group's corporate philosophy "Create quality entertainment that brings happiness and fulfillment to people," the Group focused on expanding the Photo Sticker Business, diversifying monetization utilizing the customer base such as the young female demographic, where the Company has strengths, and selling products using character IPs (intellectual properties), and took steps to implement our "Medium-term Vision," as the fiscal year ending March 31, 2028 is the last year of the term.

As a consequence, regarding the operating results for the three months ended June 30, 2025, the Group saw net sales of ¥10,104 million (100.6% of the same period of the previous fiscal year), operating profit of ¥702 million (108.3% of the same period of the previous fiscal year), ordinary profit of ¥707 million (108.5% of the same period of the previous fiscal year), and profit attributable to owners of parent of ¥463 million (106.2% of the same period of the previous fiscal year).

Operating results by segment are as follows:

(SEKAIKAN Business)

In the SEKAIKAN Business, we continued to focus on acquiring many IPs of classic characters, popular manga works, world-famous games, etc. and producing merchandise thereof, and sales grew steadily.

Although goods manufactured in China are settled in U.S. dollars, the impact of exchange rate fluctuations on operating profit is mitigated through the implementation of forward exchange contracts for purchase cost payments and the expansion of dollar-denominated sales with overseas business partners.

Sales of Amusement Prizes remained strong, as a result of the expansion of the crane game market and the commercialization of several popular IPs, as well as the boost from inbound demand.

Turning to products for overseas merchandise, sales increased from the same period of the previous fiscal year mainly in the major markets of China, the U.S., and Europe. Although there are concerns about the impact of the U.S. tariff policy on products for the U.S. market, we are focusing on expanding new sales channels and acquiring merchandising rights not only in the U.S. but also for other overseas markets in order to expand our product lineup and sales network.

For high-end hobby items, we promoted the commercialization of popular IPs with an emphasis on profitability, and continuously focused on sales promotion through the "FURYU HOBBY MALL," a hobby e-commerce site.

As a result, for the three months ended June 30, 2025, the SEKAIKAN Business saw net sales of ¥6,293 million (107.6% of the same period of the previous fiscal year), and an operating profit of ¥618 million (121.2% of the same period of the previous fiscal year).

(GIRLS Trend Business)

In the Photo Sticker Business, in order to meet the changes to the external environment characterized by diversification of lifestyles and consumer needs that were brought about by the COVID-19 pandemic, we developed new models of photo sticker machines that users can experience "+α value" more than before and tried to expand the number of plays, such as by implementing collaboration with classic popular characters. In April 2025, we collaborated with the 2025 Sanrio Character Ranking for a limited time, and in May 2025, we launched a new next-generation "Hyper shot" model that allows

users to enjoy high-angle photography. In addition, with the cooperation of amusement arcades nationwide, the Group continued to conduct play promotion campaigns to revitalize the market. Although the measures were effective respectively, they were not sufficient to uplift the overall market, and the number of play counts in the three months ended June 30, 2025 was 6.38 million, down from 7.11 million in the same period of the previous fiscal year.

For the photo sticker image acquisition and viewing service “PICTLINK,” the number of paying members, which we consider an important KPI for the service, was 1.30 million as of the end of June 2025, down from 1.40 million at the end of June 2024, in spite of measures to strengthen the inflow of new members in order to maintain the membership scale. In November 2024, we started offering the calendar app “PICTLINK calendar” to increase opportunities to view PICTLINK and stimulate motivation to play photo sticker machines, and in this quarter we are leveraging the app and promoting the strategy for expanding the number of users of the service and reducing membership cancellations.

As a result, for the three months ended June 30, 2025, the GIRLS Trend Business saw net sales of ¥3,365 million (99.1% of the same period of the previous fiscal year), and an operating profit of ¥663 million (75.2% of the same period of the previous fiscal year).

(FURYU New Business)

In the home video game software business, download sales of existing titles in Japan and overseas were steady, resulting in sales exceeding those of the previous fiscal year. Additionally, promotional activities for our new title “VARLET,” to be released in August, are underway and orders started to be accepted.

In the animation business, the funded title “Summer Pockets” began airing in April, and the lottery product for the TV animation show “LAID-BACK CAMP” was released. Therefore, allocations of revenues from past productions, among others, contributed to sales.

As a result, for the three months ended June 30, 2025, the FURYU New Business saw net sales of ¥446 million (55.8% of the same period of the previous fiscal year), and an operating loss of ¥27 million (an operating loss of ¥202 million in the same period of the previous fiscal year).

(2) Overview of financial position for the first three months

As of June 30, 2025, total assets were ¥27,197 million, liabilities were ¥5,397 million, and net assets were ¥21,800 million. The equity ratio was 80.2%.

(Assets)

Assets stood at ¥27,197 million, a decrease of ¥912 million from the end of the previous fiscal year. This is mainly due to an increase in inventories of ¥586 million, and an increase in intangible assets of ¥109 million, despite a decrease in cash and deposits of ¥1,363 million and a decrease in electronically recorded monetary claims - operating of ¥233 million.

(Liabilities)

Liabilities stood at ¥5,397 million, a decrease of ¥289 million from the end of the previous fiscal year. This is mainly due to an increase in income taxes payable of ¥205 million, and an increase in provision for bonuses of ¥170 million, despite a decrease in “other” in current liabilities of ¥596 million.

(Net assets)

Net assets stood at ¥21,800 million, a decrease of ¥623 million from the end of the previous fiscal year. This is mainly due to an increase in retained earnings of ¥463 million resulting from the recording of profit attributable to owners of parent, despite a decrease in retained earnings of ¥1,037 million as a result of dividends paid.

(3) Explanation regarding consolidated financial results forecasts and other forward-looking statements

There is no change to the consolidated financial results forecasts announced on May 14, 2025.

2. Quarterly consolidated financial statements and significant notes thereto

(1) Quarterly consolidated balance sheet

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	11,733,051	10,369,617
Notes and accounts receivable - trade	4,103,294	4,058,510
Electronically recorded monetary claims - operating	1,044,899	810,907
Inventories	2,912,342	3,498,744
Other	2,604,839	2,594,060
Allowance for doubtful accounts	(5,246)	(2,747)
Total current assets	22,393,180	21,329,093
Non-current assets		
Property, plant and equipment	2,940,927	2,980,357
Intangible assets	971,048	1,080,596
Investments and other assets		
Other	1,821,969	1,824,076
Allowance for doubtful accounts	(16,650)	(16,610)
Total investments and other assets	1,805,319	1,807,466
Total non-current assets	5,717,295	5,868,420
Total assets	28,110,476	27,197,513
Liabilities		
Current liabilities		
Accounts payable - trade	659,006	674,370
Electronically recorded obligations - operating	714,657	647,341
Income taxes payable	62,306	267,742
Provision for bonuses	-	170,427
Provision for loss on orders received	44,319	23,865
Other	3,881,791	3,285,039
Total current liabilities	5,362,082	5,068,786
Non-current liabilities		
Provision for share awards for directors (and other officers)	8,686	1,170
Retirement benefit liability	309,728	316,908
Other	5,945	10,182
Total non-current liabilities	324,360	328,261
Total liabilities	5,686,442	5,397,047
Net assets		
Shareholders' equity		
Share capital	1,639,216	1,639,216
Capital surplus	1,614,716	1,614,716
Retained earnings	21,098,548	20,524,221
Treasury shares	(1,949,562)	(1,949,562)
Total shareholders' equity	22,402,918	21,828,591
Accumulated other comprehensive income		
Deferred gains or losses on hedges	(48,656)	(81,791)
Foreign currency translation adjustment	23,972	7,661
Remeasurements of defined benefit plans	45,798	46,003
Total accumulated other comprehensive income	21,115	(28,125)
Total net assets	22,424,034	21,800,465
Total liabilities and net assets	28,110,476	27,197,513

(2) Quarterly consolidated statement of income (cumulative) and quarterly consolidated statement of comprehensive income (cumulative)**Quarterly consolidated statement of income (cumulative)**

(Thousands of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	10,046,423	10,104,857
Cost of sales	5,879,324	6,245,027
Gross profit	4,167,099	3,859,829
Selling, general and administrative expenses	3,518,183	3,156,868
Operating profit	648,915	702,961
Non-operating income		
Subsidy income	551	–
Foreign exchange gains	5,782	4,408
Other	71	70
Total non-operating income	6,405	4,478
Non-operating expenses		
Interest expenses	94	104
Commission expenses	750	–
Compensation expenses	2,700	–
Other	89	8
Total non-operating expenses	3,633	113
Ordinary profit	651,686	707,326
Extraordinary losses		
Loss on sale and retirement of non-current assets	156	3,700
Total extraordinary losses	156	3,700
Profit before income taxes	651,530	703,626
Income taxes	215,479	240,605
Profit	436,051	463,020
Profit attributable to owners of parent	436,051	463,020

Quarterly consolidated statement of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	436,051	463,020
Other comprehensive income		
Deferred gains or losses on hedges	89,755	(33,134)
Foreign currency translation adjustment	—	(16,310)
Remeasurements of defined benefit plans, net of tax	568	204
Total other comprehensive income	90,324	(49,240)
Comprehensive income	526,375	413,779
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	526,375	413,779

(3) Notes to quarterly consolidated financial statements**(Notes on premise of going concern)**

Not applicable.

(Notes on change in scope of consolidation or application of the equity method)**(Significant changes in scope of consolidation)**

From the first quarter of the current fiscal year, FURYU Pictures Corporation, a newly established company through an incorporation-type company split, is included in the scope of consolidation.

(Notes on special accounting methods for preparing quarterly consolidated financial statements)**(Calculation of income tax expense)**

Income tax expense is calculated by reasonably estimating the effective tax rate after applying tax effect accounting to profit before income taxes for the fiscal year including the first quarter under review, and multiplying quarterly profit before income taxes by this estimated effective tax rate.

(Notes on quarterly consolidated statement of cash flows)

No quarterly consolidated statement of cash flows has been prepared for the three month ended June 30, 2025. Depreciation (including amortization related to intangible assets) for the first three months of the current and previous fiscal years is as follows:

	(Thousands of yen)	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Depreciation	478,717	485,592

(Notes when there are significant changes in amounts of equity)

Not applicable.

(Notes on segment information)

[Segment information]

I Three months ended June 30, 2024

1. Information on amounts of net sales and profit or loss by reportable segment

(Thousands of yen)

	Reportable segments				Adjustments (Note 1)	Amount recorded in the quarterly consolidated statement of income (Note 2)
	SEKAIKAN Business	GIRLS Trend Business	FURYU New Business	Total		
Net sales						
Sales to external customers	5,851,116	3,395,695	799,610	10,046,423	—	10,046,423
Inter-segment sales or transfers	—	—	—	—	—	—
Total	5,851,116	3,395,695	799,610	10,046,423	—	10,046,423
Segment profit (loss)	510,061	881,821	(202,227)	1,189,654	(540,739)	648,915

Notes: 1. The adjustment amount of negative ¥540,739 thousand for segment profit or loss includes ¥600 thousand in inter-segment transactions, and negative ¥541,339 thousand in corporate expenses that are not allocated to each reportable segment. Corporate expenses are mainly general and administrative expenses, which are not attributable to the reportable segments.

2. Segment profit (loss) was adjusted to operating profit in the quarterly consolidated statement of income.

2. Information about impairment loss of non-current assets or goodwill, etc. by reportable segment

(Significant impairment losses of non-current assets)

Not applicable.

(Significant changes in amount of goodwill)

Not applicable.

(Significant gain on bargain purchase)

Not applicable.

II Three months ended June 30, 2025

1. Information on amounts of net sales and profit or loss by reportable segment

(Thousands of yen)

	Reportable segments				Adjustments (Note 1)	Amount recorded in the quarterly consolidated statement of income (Note 2)
	SEKAIKAN Business	GIRLS Trend Business	FURYU New Business	Total		
Net sales						
Sales to external customers	6,293,398	3,365,125	446,333	10,104,857	—	10,104,857
Inter-segment sales or transfers	—	—	—	—	—	—
Total	6,293,398	3,365,125	446,333	10,104,857	—	10,104,857
Segment profit (loss)	618,029	663,436	(27,835)	1,253,630	(550,669)	702,961

Notes: 1. The adjustment amount of negative ¥550,669 thousand for segment profit or loss includes ¥6,487 thousand in inter-segment transactions, and negative ¥557,156 thousand in corporate expenses that are not allocated to each reportable segment. Corporate expenses are mainly general and administrative expenses, which are not attributable to the reportable segments.

2. Segment profit (loss) was adjusted to operating profit in the quarterly consolidated statement of income.

2. Information about impairment loss of non-current assets or goodwill, etc. by reportable segment

(Significant impairment losses of non-current assets)

Not applicable.

(Significant changes in amount of goodwill)

Not applicable.

(Significant gain on bargain purchase)

Not applicable.