

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

November 14, 2025

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



Company name: FaithNetwork Co.,Ltd
Listing: Tokyo Stock Exchange
Securities code: 3489
URL: <https://faithnetwork.co.jp/en/>
Representative: Jiro Hachiya, President and Representative Director
Inquiries: Yosuke Ishimaru, Director and Executive Officer
Telephone: +81-3(6432)9937
Scheduled date to file semi-annual securities report: November 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 September 30, 2025 (from April 1, 2025 to September 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	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	8,619	6.5	757	250.4	540	-	358	-
September 30, 2024	8,095	157.1	216	-	28	-	(31)	-

Note: Comprehensive income For the six months ended September 30, 2025: ¥ 358 million [-%]
For the six months ended September 30, 2024: ¥ (31) million [-%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	12.11	-
September 30, 2024	(1.06)	-

Note: The Company conducted a 3-for-1 split of its common shares as of October 1, 2025. Basic earnings per share has been calculated as if this share split were carried out at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	35,193	9,161	26.0
March 31, 2025	30,036	9,765	32.5

Reference: Equity

As of September 30, 2025: ¥ 9,161 million
As of March 31, 2025: ¥ 9,765 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 March 31, 2025	-	0.00	-	98.50	98.50
Fiscal year ending March 31, 2026	-	0.00			
Fiscal year ending March 31, 2026 (Forecast)			-	40.00	40.00

Note 1: Revisions to the forecast of cash dividends most recently announced: None

Note 2: The Company conducted a 3-for-1 split of its common shares as of October 1, 2025. The year-end dividend per share forecast for the fiscal year ending March 31, 2026 takes into account the impact of this stocksplit. The year-end dividend forecast for the fiscal year ending March 31, 2026 that does not take into account the stock split is 120.00 yen.

3. Consolidated financial result forecasts for the fiscal 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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	35,000	17.0	5,600	23.9	5,000	21.7	3,400	22.8	114.76

Note 1: Revisions to the financial result forecast most recently announced: None

Note 2: The Company conducted a 3-for-1 split of its common shares as of October 1, 2025. The basic earnings per share in the consolidated financial results forecast for the fiscal year ending March 31, 2026 take into account the impact of this share split.

* Notes

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

Newly included: - companies()
Excluded: - companies()

(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: Yes
- (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 September 30, 2025	29,880,000 shares
As of March 31, 2025	29,880,000 shares

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

As of September 30, 2025	234,327 shares
As of March 31, 2025	248,463 shares

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

Six months ended September 30, 2025	29,637,323 shares
Six months ended September 30, 2024	29,623,669 shares

Note: The Company conducted a 3-for-1 split of its common shares as of October 1, 2025. The total number of issued shares (common shares) has been calculated as if this share split were carried out at the beginning of the previous fiscal year.

* 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 March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	8,838,769	5,157,061
Accounts receivable from completed construction contracts	55,495	10,066
Real estate for sale	-	1,586,124
Real estate for sale in process	16,914,225	24,251,739
Advance payments to suppliers	398,200	240,341
Other	187,663	257,809
Total current assets	26,394,354	31,503,143
Non-current assets		
Property, plant and equipment		
Buildings	1,000,843	1,000,843
Structures	15,124	15,124
Machinery and equipment	101,514	61,614
Vehicles	37,836	37,836
Tools, furniture and fixtures	61,972	65,364
Land	1,673,117	1,673,117
Accumulated depreciation	(451,373)	(458,412)
Total property, plant and equipment	2,439,034	2,395,488
Intangible assets		
Goodwill	614,575	558,705
Other	21,270	19,976
Total intangible assets	635,846	578,682
Investments and other assets	567,104	715,793
Total non-current assets	3,641,985	3,689,964
Total assets	30,036,340	35,193,107

(Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Accounts payable for construction contracts	1,429,698	2,113,887
Short-term borrowings	468,000	2,557,000
Current portion of long-term borrowings	2,058,383	5,677,403
Current portion of bonds payable	74,000	72,000
Accounts payable - other	172,314	145,996
Income taxes payable	1,120,749	185,899
Advances received	922	10,709
Advances received on uncompleted construction contracts	818,007	413,712
Deposits received	375,281	393,632
Provision for bonuses	162,813	141,164
Provision for costs after sales	19,826	20,578
Other	95,593	67,359
Total current liabilities	6,795,589	11,799,344
Non-current liabilities		
Bonds payable	105,000	70,000
Long-term borrowings	13,265,523	14,072,746
Other	104,931	89,470
Total non-current liabilities	13,475,454	14,232,217
Total liabilities	20,271,044	26,031,561
Net assets		
Shareholders' equity		
Share capital	681,120	681,120
Capital surplus	646,564	653,786
Retained earnings	8,494,600	7,880,492
Treasury shares	(57,058)	(53,882)
Total shareholders' equity	9,765,226	9,161,516
Accumulated other comprehensive income		
Deferred gains or losses on hedges	69	28
Total accumulated other comprehensive income	69	28
Total net assets	9,765,296	9,161,545
Total liabilities and net assets	30,036,340	35,193,107

Semi-annual Consolidated Statements of Income and Comprehensive Income
Semi-annual Consolidated Statement of Income

(Thousands of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	8,095,351	8,619,742
Cost of sales	6,569,680	6,254,230
Gross profit	1,525,671	2,365,512
Selling, general and administrative expenses	1,309,402	1,607,634
Operating profit	216,269	757,877
Non-operating income		
Interest income	225	5,483
Dividend income	43	43
Reversal of provision for retirement benefits for directors (and other officers)	1,945	-
Other	855	585
Total non-operating income	3,070	6,112
Non-operating expenses		
Interest expenses	139,509	178,267
Commission expenses	32,583	29,780
Registration license taxes and other	6,860	13,663
Other	11,648	1,868
Total non-operating expenses	190,601	223,579
Ordinary profit	28,738	540,411
Extraordinary losses		
Loss on sale of non-current assets	-	1,554
Loss on retirement of non-current assets	12,165	-
Loss on valuation of investment securities	52,001	-
Total extraordinary losses	64,166	1,554
Profit (loss) before income taxes	(35,427)	538,856
Income taxes - current	2,900	151,633
Income taxes - deferred	(6,842)	28,428
Total income taxes	(3,941)	180,061
Profit (loss)	(31,486)	358,794
Profit (loss) attributable to owners of parent	(31,486)	358,794

Semi-annual Consolidated Statement of Comprehensive Income

(Thousands of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit (loss)	(31,486)	358,794
Other comprehensive income		
Deferred gains or losses on hedges	288	(40)
Total other comprehensive income	288	(40)
Comprehensive income	(31,197)	358,753
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(31,197)	358,753

Semi-annual Consolidated Statement of Cash Flows

(Thousands of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit (loss) before income taxes	(35,427)	538,856
Depreciation	31,878	31,226
Amortization of goodwill	55,870	55,870
Share-based payment expenses	7,172	4,622
Increase (decrease) in provision for bonuses	(5,950)	(21,648)
Increase (decrease) in provision for costs after sales	(21,426)	752
Increase (decrease) in provision for loss on construction contracts	20,911	-
Interest and dividend income	(269)	(5,527)
Interest expenses	139,509	178,267
Commission expenses	32,583	29,780
Decrease (increase) in accounts receivable from completed construction contracts	(516,550)	45,429
Decrease (increase) in inventories	(6,012,796)	(8,923,639)
Decrease (increase) in equity investments in properties for sale	290,421	-
Increase (decrease) in accounts payable for construction contracts	376,480	684,188
Increase (decrease) in advances received	(647,619)	9,787
Increase (decrease) in advances received on construction contracts in progress	(272,852)	(404,295)
Loss on sales of non current assets	-	1,554
Loss on retirement of non-current assets	12,165	-
Loss (gain) on valuation of investment securities	52,001	-
Other, net	95,252	24,825
Subtotal	(6,398,646)	(7,749,948)
Interest and dividends received	269	5,527
Interest paid	(157,519)	(185,253)
Income taxes paid	(32,068)	(1,050,644)
Net cash provided by (used in) operating activities	(6,587,964)	(8,980,319)
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,366)	(3,942)
Purchase of intangible assets	(250)	(3,034)
Proceeds from sale of property, plant and equipment	-	19,058
Payments of leasehold and guarantee deposits	(1,614)	(191,093)
Other, net	8,444	5,847
Net cash provided by (used in) investing activities	2,214	(173,165)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,186,500	2,089,000
Proceeds from long-term borrowings	5,323,140	7,047,000
Repayments of long-term borrowings	(1,984,338)	(2,620,756)
Proceeds from issuance of bonds	100,000	-
Redemption of bonds	(54,000)	(37,000)
Dividends paid	(444,011)	(970,011)
Other, net	(40,554)	(36,456)
Net cash provided by (used in) financing activities	4,086,735	5,471,776
Net increase (decrease) in cash and cash equivalents	(2,499,014)	(3,681,708)
Cash and cash equivalents at beginning of period	5,300,581	8,838,769
Cash and cash equivalents at end of period	2,801,566	5,157,061