Translation

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Summary of Consolidated Financial Results for the First Two Quarters (Interim Period) of the Fiscal Year Ending March 2026 (Based on Japanese GAAP)

November 7, 2025

Company name: Interworks Confidence Inc. Listing exchange: Tokyo Stock Exchange

Securities code: 7374 URL: https://ciw.jp/

Representative: Nobuyuki Takushi, President

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Scheduled date for filing quarterly securities report: November 7, 2025

Scheduled date for commencing dividend payments: December 8, 2025

Preparation of supplementary materials on financial results: Yes

Holding of financial results briefing session: Yes

(Amounts are rounded down to the nearest million yen, unless otherwise noted)

1. Consolidated Financial Results for the First Two Quarters (Interim Period) (April 1, 2025, to September 30, 2025) of the Fiscal Year Ending March 31, 2026

(1) Consolidated Operating Results (Cumulative) (Percentage figures represent year-on-year changes)

	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Interim period ended September 30, 2025	4,716	8.8	676	(2.8)	656	(6.3)	415	(5.4)
Interim period ended September 30, 2024	4,335	33.4	696	23.9	700	37.2	439	30.3

(Note) Comprehensive income
Interim period ended September 30, 2025: 416 million yen [-4.8%]
Interim period ended September 30, 2024: 437 million yen [29.5%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Interim period ended September 30, 2025	67.06	66.79
Interim period ended September 30, 2024	70.40	69.67

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2025	7,692	6,141	79.2
As of March 31, 2025	6,614	5,816	87.3

(Reference) Total shareholders' equity
As of September 30, 2025: 6,095 million yen
As of March 31, 2025: 5,777 million yen

2. Cash Dividends

	Annual dividends per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	30.00	-	35.00	65.00
Fiscal year ending March 31, 2026	-	35.00			
Fiscal year ending March 31, 2026 (Forecast)			-	40.00	75.00

(Note) Revisions to the most recently announced dividend forecast: No

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2026 (from April 1, 2025, to March 31, 2026)

(Percentage figures indicate year-on-year changes)

	Revenue		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	10,300	22.7	1,500	15.1	1,485	13.2	945	(9.1)	151.00

(Note) Revisions to the most recently announced earnings forecast: No

* Notes

(1) Significant changes in the scope of consolidation during the interim period: Yes
Two new companies: BRAISE, Inc., G’s Corporation, Inc.

(2) Application of accounting treatments specific to the preparation of interim consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

1) Changes in accounting policies due to revisions to accounting standards and other regulations: No

2) Changes in accounting policies other than those in 1) above: No

3) Changes in accounting estimates: No

4) Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of September 30, 2025	6,711,777 shares	As of March 31, 2025	6,708,777 shares

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

As of September 30, 2025	463,224 shares	As of March 31, 2025	538,032 shares

3) Average number of shares during the period (interim period)

Interim period ended September 30, 2025	6,203,586 shares	Interim period ended September 30, 2024	6,248,607 shares

* This summary of financial results for the first two quarters (interim period) is not subject to review by a public accountant or audit corporation.

* Explanation regarding appropriate use of earnings forecasts, and other notes

The earnings outlook and other forward-looking statements contained in this document are based on information currently available to and certain assumptions that are thought to be reasonable by the Company. Accordingly, such statements should not be construed as a guarantee of achieving the results by the Company. Actual financial results and the like may differ materially due to various factors.

Contents of Attachment

1. Interim Consolidated Financial Statements and Major Notes

(1) Interim Consolidated Balance Sheets

(Thousands of yen)

	Previous fiscal year (As of March 31, 2025)	Interim of current fiscal year (As of September 30, 2025)
Assets		
Current assets		
Cash and deposits	3,994,242	4,369,580
Accounts receivable - trade	740,155	977,628
Prepaid expenses	71,882	106,040
Accounts receivable - other	816	593
Other	22,633	38,468
Allowance for doubtful accounts	(462)	(1,000)
Total current assets	4,829,268	5,491,311
Non-current assets		
Property, plant and equipment		
Buildings	68,740	99,926
Accumulated depreciation	(15,183)	(47,231)
Buildings, net	53,557	52,694
Tools, furniture and fixtures	77,845	145,060
Accumulated depreciation	(44,226)	(110,170)
Tools, furniture and fixtures, net	33,618	34,890
Other	-	24,199
Accumulated depreciation	-	(23,679)
Other, net	-	520
Total property, plant and equipment	87,176	88,105
Intangible assets		
Software	89,359	66,443
Goodwill	1,374,836	1,684,633
Total intangible assets	1,464,196	1,751,077
Investments and other assets		
Investment securities	15,000	15,000
Deferred tax assets	100,233	107,039
Guarantee deposits	109,993	136,937
Other	13,792	108,082
Allowance for doubtful accounts	(5,232)	(4,664)
Total investments and other assets	233,787	362,395
Total non-current assets	1,785,160	2,201,578
Total assets	6,614,428	7,692,889

(Thousands of yen)

	Previous fiscal year (As of March 31, 2025)	Interim of current fiscal year (As of September 30, 2025)
Liabilities		
Current liabilities		
Current portion of long-term borrowings	2,076	223,353
Accounts payable - trade	95,200	197,661
Accounts payable - other	118,516	128,899
Accrued expenses	303,312	365,885
Income taxes payable	36,577	272,397
Accrued consumption taxes	103,733	135,617
Deposits received	26,878	54,217
Contract liabilities	3,440	15,832
Refund liabilities	5,606	6,652
Provision for bonuses	98,592	137,742
Other	0	-
Total current liabilities	793,935	1,538,258
Non-current liabilities		
Long-term borrowings	3,553	2,515
Retirement benefit liability	-	11,049
Other	-	13
Total non-current liabilities	3,553	13,578
Total liabilities	797,488	1,551,836
Net assets		
Shareholders’ equity		
Share capital	534,590	535,572
Capital surplus	3,912,691	3,910,223
Retained earnings	2,191,258	2,391,279
Treasury shares	(861,220)	(741,512)
Total shareholders’ equity	5,777,319	6,095,563
Share acquisition rights	39,620	45,395
Non-controlling interests	-	94
Total net assets	5,816,940	6,141,052
Total liabilities and net assets	6,614,428	7,692,889

(2) Interim Consolidated Statements of Income and Interim Consolidated Statements of Comprehensive Income

Interim Consolidated Statements of Income

(Thousands of yen)

	Interim of previous fiscal year (April 1, 2024 – September 30, 2024)	Interim of current fiscal year (April 1, 2025 – September 30, 2025)
Revenue	4,335,075	4,716,091
Cost of sales	2,155,008	2,479,608
Gross profit	2,180,067	2,236,483
Selling, general and administrative expenses	1,483,898	1,559,513
Operating profit	696,168	676,969
Non-operating income		
Interest and dividend income	327	4,871
Rental income from buildings	1,224	108
Subsidy income	3,920	1,080
Other	272	1,086
Total non-operating income	5,743	7,147
Non-operating expenses		
Interest expenses	45	758
Commission expenses	925	21,379
Other	-	5,066
Total non-operating expenses	971	27,203
Ordinary profit	700,940	656,913
Extraordinary income		
Gain on sale of golf club membership	181	-
Total extraordinary income	181	-
Extraordinary losses		
Loss on retirement of non-current assets	1,002	-
Office relocation expenses	14,358	-
Total extraordinary losses	15,361	-
Profit before income taxes	685,760	656,913
Income taxes - current	226,127	247,628
Income taxes - deferred	22,569	(6,805)
Total income taxes	248,696	240,822
Profit	437,063	416,091
Profit (loss) attributable to non-controlling interests	(2,809)	94
Profit attributable to owners of parent	439,873	415,997

Interim Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Interim of previous fiscal year (April 1, 2024 – September 30, 2024)	Interim of current fiscal year (April 1, 2025 – September 30, 2025)
Profit	437,063	416,091
Other comprehensive income		
Total other comprehensive income	-	-
Comprehensive income	437,063	416,091
(Breakdown)		
Comprehensive income attributable to owners of parent	439,873	415,997
Comprehensive income attributable to non-controlling interests	(2,809)	94

(3) Interim Consolidated Statements of Cash Flows

(Thousands of yen)

	Interim of previous fiscal year (April 1, 2024 - September 30, 2024)	Interim of current fiscal year (April 1, 2025 - September 30, 2025)
Cash flows from operating activities		
Profit before income taxes	685,760	656,913
Depreciation	54,648	38,892
Amortization of goodwill	82,490	103,992
Interest and dividend income	(327)	(4,871)
Loss (gain) on sale of golf club membership	(181)	-
Interest expenses	45	758
Loss on retirement of non-current assets	1,002	-
Share-based payment expenses	6,574	10,630
Relocation expenses	14,358	-
Decrease (increase) in trade receivables	15,340	(1,301)
Decrease (increase) in accounts receivable – other	(734)	4,657
Increase (decrease) in trade payables	18,754	29,093
Increase (decrease) in accounts payable - other	(101,096)	(86,918)
Increase (decrease) in accrued expenses	2,762	31,219
Increase (decrease) in deposits received	(4,325)	15,587
Increase (decrease) in provision for bonuses	(38,760)	39,149
Increase (decrease) in accrued consumption taxes	(35,159)	(17,183)
Other	8,513	20,783
Subtotal	709,667	841,404
Interest and dividends received	327	4,125
Payments of relocation expenses	(7,552)	-
Interest paid	(45)	(758)
Income taxes refund	-	21,006
Income taxes paid	(207,319)	(35,080)
Net cash provided by operating activities	495,076	830,697
Cash flows from investing activities		
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(204,183)
Purchase of property, plant and equipment	(32,664)	(1,038)
Purchase of intangible assets	(4,396)	(3,390)
Payments of guarantee deposits	-	(8,739)
Proceeds from refund of guarantee deposits	73,854	100
Other	545	(200)
Net cash provided by (used in) investing activities	37,338	(217,452)
Cash flows from financing activities		
Proceeds from issuance of shares resulting from exercise of share acquisition rights	3,612	1,964
Repayments of long-term borrowings	(5,021)	(36,324)
Dividends paid	(199,324)	(216,394)
Purchase of treasury shares	(851,781)	(352)
Net cash provided by (used in) financing activities	(1,052,514)	(251,107)
Net increase (decrease) in cash and cash equivalents	(520,099)	362,138
Cash and cash equivalents at beginning of period	4,089,380	3,994,242
Cash and cash equivalents at end of interim period	3,569,281	4,356,380

(4) Notes to Interim Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Notes in Case of Significant Changes in the Amounts of Shareholders' Equity)

Based on a resolution at the Board of Directors' meeting held on June 23, 2025, the Company disposed of treasury shares (75,000 shares) as restricted stock compensation for its Directors (excluding Outside Directors) on July 16, 2025.

As a result, treasury shares decreased by 119,708 thousand yen, including the purchase of shares less than one unit, to 741,512 thousand yen, at the end of the interim consolidated accounting period of the current fiscal year.

(Notes to Segment Information, Etc.)

[Segment information]

I. Interim period of the previous fiscal year (April 1, 2024 – September 30, 2024)

1. Information on revenue and profit or loss and revenue breakdown by reportable segment

(Thousands of yen)

	Reportable segment				Adjustments (Note 1)	Amount recorded in interim statements of income (Note 2)
	HR Solution business - Staffing/ Outsourcing	HR Solution business - Recruitment	Media & Solutions business	Total		
Revenue						
Staffing	2,627,155	-	-	2,627,155	-	2,627,155
Recruitment	-	826,391	-	826,391	-	826,391
Job advertisement	-	-	542,221	542,221	-	542,221
Outsourcing and other	117,988	-	221,319	339,308	-	339,308
Revenue from contracts with customers	2,745,143	826,391	763,540	4,335,075	-	4,335,075
Sales to outside customers	2,745,143	826,391	763,540	4,335,075	-	4,335,075
Inter-segment sales or transfers	-	-	-	-	-	-
Total	2,745,143	826,391	763,540	4,335,075	-	4,335,075
Segment profit	643,323	317,571	253,548	1,214,443	(518,275)	696,168

(Note) 1. Adjustments of segment profit of -518,275 thousand yen include amortization of goodwill of 32,996 thousand yen and corporate expenses of 485,279 thousand yen that are not allocated to each reportable segment.

2. Segment profit has been adjusted with the operating profit in the Interim Consolidated Statements of Income.

2. Information on impairment losses on non-current assets or goodwill, etc. by reportable segment

Not applicable.

II. Interim period of the current fiscal year (April 1, 2025 – September 30, 2025)

1. Information on revenue and profit or loss and revenue breakdown by reportable segment

(Thousands of yen)

	Reportable segment				Adjustments (Note 1)	Amount recorded in interim statements of income (Note 2)
	HR Solution business - Staffing/ Outsourcing	HR Solution business - Recruitment	Media & Solutions business	Total		
Revenue						
Staffing	2,780,328	-	-	2,780,328	-	2,780,328
Recruitment	45,878	791,355	1,835	839,069	-	839,069
Job advertisement	-	-	619,268	619,268	-	619,268
Outsourcing and other	325,930	-	151,494	477,424	-	477,424
Revenue from contracts with customers	3,152,137	791,355	772,598	4,716,091	-	4,716,091
Sales to outside customers	3,152,137	791,355	772,598	4,716,091	-	4,716,091
Inter-segment sales or transfers	5,436	-	-	5,436	(5,436)	-
Total	3,157,574	791,355	772,598	4,721,528	(5,436)	4,716,091
Segment profit	587,621	288,023	277,946	1,153,591	(476,621)	676,969

(Note) 1. Adjustments of segment profit of -476,621 thousand yen include amortization of goodwill of 32,996 thousand yen and 443,625 thousand yen of corporate expenses and elimination of inter-segment transactions that are not allocated to each reportable segment.

2. Segment profit has been adjusted with the operating profit in the Interim Consolidated Statements of Income.

2. Information on assets by reportable segment

Let’s i, Inc., BRAISE, Inc., and G’s Corporation, Inc. are newly included in the scope of consolidation due to the acquisition of shares during the interim consolidated accounting period of the current fiscal year.

As a result, compared to the final day of the previous consolidated accounting year, the amount of reportable segment assets in the interim consolidated accounting period of the current fiscal year increased by 1,121,718 thousand yen in the HR Solution business - Staffing/Outsourcing.

3. Information on impairment losses on non-current assets or goodwill, etc. by reportable segment

(Significant changes in the amount of goodwill)

In the HR Solution business – Staffing/Outsourcing, the Company acquired all shares of Let’s i, Inc., making it a consolidated subsidiary. The increase in the amount of goodwill due to this event was 148,771 thousand yen for the interim consolidated accounting period of the current fiscal year.

Furthermore, in the HR Solution business – Staffing/Outsourcing, the Company acquired shares of BRAISE, Inc., and G’s Corporation, Inc., making them consolidated subsidiaries. The increase in the amount of goodwill due to this event was 265,018 thousand yen for the interim consolidated accounting period of the current fiscal year.