

February 9, 2026

Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 (Under Japanese GAAP)

Company name: FAN Communications, Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 2461
 URL: <https://www.fancs.com/>
 Representative: Koji Ninomiya, Representative Director and President
 Inquiries: Takashi Yoshinaga, Director, Executive Vice President and Executive Officer, Head of Corporate Department
 Telephone: +81-3-5766-3530
 Scheduled date of annual general meeting of shareholders: March 25, 2026
 Scheduled date to commence dividend payments: March 26, 2026
 Scheduled date to file annual securities report: March 25, 2026
 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 fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2025	7,096	1.9	1,965	23.1	2,014	20.6	1,307	(7.9)
December 31, 2024	6,961	(5.9)	1,595	(22.8)	1,670	(20.6)	1,419	15.1

Note: Comprehensive income For the fiscal year ended December 31, 2025: ¥1,301 million [(10.7)%]
 For the fiscal year ended December 31, 2024: ¥1,458 million [13.4%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
December 31, 2025	19.74	19.73	7.4	8.7	27.7
December 31, 2024	21.43	21.43	7.9	7.1	22.9

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2025	22,927	17,580	76.5	264.65
December 31, 2024	23,356	18,059	77.1	271.77

Reference: Equity
 As of December 31, 2025: ¥17,549 million
 As of December 31, 2024: ¥18,004 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2025	2,070	(2,628)	(1,758)	14,698
December 31, 2024	1,261	(324)	(1,257)	17,021

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
December 31, 2024	-	0.00	-	19.00	19.00	1,258	88.7	7.0
December 31, 2025	-	8.00	-	19.00	27.00	1,788	136.8	10.1
Fiscal year ending December 31, 2026 (Forecast)		10.50		10.50	21.00		97.4	

3. Forecast of consolidated financial results for the fiscal year ending December 31, 2026 (from January 1, 2026 to December 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
Six months ending June 30, 2026	3,770	3.5	890	(16.4)	900	(14.1)	540	(22.2)	8.14
Fiscal year ending December 31, 2026	7,800	9.9	2,180	10.9	2,200	9.2	1,430	9.4	21.57

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

Note: Changes to accounting policies due to revisions to accounting standards, etc., are described in Appendix 14 under "3. Consolidated Financial Statements and Major Notes (5) Notes on Consolidated Financial Statements (Notes on Changes in Accounting Policy)".

- (3) Number of issued shares (common shares)

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

As of December 31, 2025	66,310,429 shares
As of December 31, 2024	76,930,032 shares

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

As of December 31, 2025	0 shares
As of December 31, 2024	10,681,603 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended December 31, 2025	66,254,365 shares
Fiscal year ended December 31, 2024	66,248,429 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2025	6,027	(3.3)	2,188	31.9	2,253	30.4	1,549	3.6
December 31, 2024	6,234	(9.2)	1,659	(25.1)	1,727	(18.8)	1,494	34.3

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
December 31, 2025	23.38	23.37
December 31, 2024	22.56	22.56

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2025	22,813	17,572	76.9	264.54
December 31, 2024	22,988	17,810	77.2	268.02

Reference: Equity

As of December 31, 2025: ¥17,541 million

As of December 31, 2024: ¥17,755 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

Please note that the forecasted figures presented above are outlooks based on information currently available and include a considerable number of uncertain factors. Actual results may differ from the above forecasts due to changes in business conditions and other factors. Please refer to page 5 of the attachment for information related to the above forecasts.

Consolidated balance sheet

(Thousands of yen)

	As of December 31, 2024	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	16,917,898	14,694,521
Accounts receivable - trade	3,121,756	2,624,731
Securities	399,523	393,023
Other	358,350	257,841
Allowance for doubtful accounts	(11,574)	(12,621)
Total current assets	20,785,954	17,957,495
Non-current assets		
Property, plant and equipment		
Buildings, net	49,622	42,856
Tools, furniture and fixtures, net	3,889	27,509
Total property, plant and equipment	53,512	70,365
Intangible assets		
Goodwill	555,390	431,970
Other	461,296	430,718
Total intangible assets	1,016,687	862,688
Investments and other assets		
Investment securities	1,140,546	3,687,231
Deferred tax assets	212,462	255,714
Other	148,843	95,729
Allowance for doubtful accounts	(1,170)	(1,751)
Total investments and other assets	1,500,682	4,036,923
Total non-current assets	2,570,881	4,969,978
Total assets	23,356,835	22,927,473

	As of December 31, 2024	As of December 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	4,425,209	3,938,419
Income taxes payable	18,368	589,247
Provision for point card certificates	24,275	49,607
Provision for bonuses	4,345	3,212
Other	710,738	651,237
Total current liabilities	5,182,938	5,231,724
Non-current liabilities		
Other	114,262	115,316
Total non-current liabilities	114,262	115,316
Total liabilities	5,297,200	5,347,040
Net assets		
Shareholders' equity		
Share capital	1,173,673	1,189,569
Capital surplus	278,373	294,269
Retained earnings	21,212,893	15,952,716
Treasury shares	(4,779,247)	-
Total shareholders' equity	17,885,693	17,436,554
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	118,807	112,578
Total accumulated other comprehensive income	118,807	112,578
Share acquisition rights	55,134	31,300
Total net assets	18,059,635	17,580,433
Total liabilities and net assets	23,356,835	22,927,473

Consolidated statement of income

(Thousands of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Net sales	6,961,663	7,096,657
Cost of sales	1,074,151	933,045
Gross profit	5,887,512	6,163,612
Selling, general and administrative expenses	4,291,689	4,198,588
Operating profit	1,595,822	1,965,023
Non-operating income		
Interest income	8,836	44,734
Dividend income	4,150	3,500
Gain on investments in investment partnerships	-	4,415
Foreign exchange gains	43,795	-
Gain on forgiveness of debts	29,440	2,418
Other	15,090	6,141
Total non-operating income	101,313	61,210
Non-operating expenses		
Loss on investments in investment partnerships	26,789	-
Foreign exchange losses	-	8,819
Other	161	3,390
Total non-operating expenses	26,951	12,209
Ordinary profit	1,670,185	2,014,025
Extraordinary income		
Gain on sale of businesses	30,000	3,000
Gain on reversal of share acquisition rights	32,067	22,251
Other	-	19,454
Total extraordinary income	62,067	44,705
Extraordinary losses		
Loss on retirement of non-current assets	34,449	66,327
Loss on valuation of investment securities	-	9,994
Total extraordinary losses	34,449	76,321
Profit before income taxes	1,697,802	1,982,408
Income taxes - current	306,647	717,276
Income taxes - deferred	(28,247)	(42,644)
Total income taxes	278,400	674,631
Profit	1,419,402	1,307,776
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	1,419,402	1,307,776

Consolidated statement of comprehensive income

(Thousands of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Profit	1,419,402	1,307,776
Other comprehensive income		
Valuation difference on available-for-sale securities	38,740	(6,228)
Total other comprehensive income	38,740	(6,228)
Comprehensive income	1,458,142	1,301,548
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,458,142	1,301,548
Comprehensive income attributable to non-controlling interests	-	-

Consolidated statement of changes in equity

Fiscal year ended December 31, 2024

(Thousands of yen)

	Shareholders' equity					Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	1,173,673	278,373	21,052,211	(4,779,247)	17,725,011	80,066	80,066	83,529	17,888,608
Changes during period									
Issuance of new shares					-				-
Dividends of surplus			(1,258,720)		(1,258,720)				(1,258,720)
Profit attributable to owners of parent			1,419,402		1,419,402				1,419,402
Disposal of treasury shares					-				-
Transfer from retained earnings to capital surplus					-				-
Net changes in items other than shareholders' equity					-	38,740	38,740	(28,394)	10,345
Total changes during period	-	-	160,681	-	160,681	38,740	38,740	(28,394)	171,027
Balance at end of period	1,173,673	278,373	21,212,893	(4,779,247)	17,885,693	118,807	118,807	55,134	18,059,635

Consolidated statement of changes in equity

Fiscal year ended December 31, 2025

(Thousands of yen)

	Shareholders' equity					Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	1,173,673	278,373	21,212,893	(4,779,247)	17,885,693	118,807	118,807	55,134	18,059,635
Changes during period									
Issuance of new shares	15,896	15,896			31,792				31,792
Dividends of surplus			(1,788,707)		(1,788,707)				(1,788,707)
Profit attributable to owners of parent			1,307,776		1,307,776				1,307,776
Disposal of treasury shares		(4,779,247)		4,779,247	-				-
Transfer from retained earnings to capital surplus		4,779,247	(4,779,247)		-				-
Net changes in items other than shareholders' equity					-	(6,228)	(6,228)	(23,834)	(30,063)
Total changes during period	15,896	15,896	(5,260,177)	4,779,247	(449,138)	(6,228)	(6,228)	(23,834)	(479,201)
Balance at end of period	1,189,569	294,269	15,952,716	-	17,436,554	112,578	112,578	31,300	17,580,433

Consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Cash flows from operating activities		
Profit before income taxes	1,697,802	1,982,408
Share-based payment expenses	3,672	2,851
Depreciation	121,897	128,651
Amortization of goodwill	61,710	123,420
Loss on retirement of non-current assets	34,449	66,327
Loss (gain) on valuation of investment securities	-	9,994
Increase (decrease) in provision for point card certificates	16,334	25,332
Increase (decrease) in provision for bonuses	904	(1,133)
Increase (decrease) in allowance for doubtful accounts	2,829	1,627
Interest and dividend income	(12,987)	(48,234)
Foreign exchange losses (gains)	(38,045)	5,202
Loss (gain) on investments in investment partnerships	26,789	(4,415)
Loss (gain) on sale of non-current assets	(124)	-
Gain on reversal of share acquisition rights	(32,067)	(22,251)
Loss (gain) on sale of businesses	(30,000)	(3,000)
Decrease (increase) in trade receivables	(232,408)	496,444
Increase (decrease) in trade payables	103,457	(486,790)
Increase (decrease) in accrued consumption taxes	62,827	(1,864)
Other, net	87,543	(72,046)
Subtotal	1,874,584	2,202,524
Interest and dividends received	11,776	32,283
Income taxes refund (paid)	(625,088)	(164,743)
Net cash provided by (used in) operating activities	1,261,273	2,070,065
Cash flows from investing activities		
Purchase of property, plant and equipment	(17,539)	(4,061)
Purchase of intangible assets	(146,679)	(144,318)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(600,196)	-
Purchase of investment securities	(234,700)	(3,004,281)
Proceeds from redemption of investment securities	700,000	400,000
Proceeds from distributions from investment partnerships	22,207	57,258
Proceeds from sale of businesses	16,500	19,500
Proceeds from refund of leasehold and guarantee deposits	2,972	52,256
Payments of leasehold and guarantee deposits	(20,766)	(2,005)
Payments for asset retirement obligations	(36,500)	-
Other, net	(9,708)	(3,205)
Net cash provided by (used in) investing activities	(324,410)	(2,628,856)
Cash flows from financing activities		
Proceeds from issuance of shares	-	27,357
Dividends paid	(1,257,065)	(1,786,052)
Net cash provided by (used in) financing activities	(1,257,065)	(1,758,695)
Effect of exchange rate change on cash and cash equivalents	38,045	(5,202)
Net increase (decrease) in cash and cash equivalents	(282,157)	(2,322,689)
Cash and cash equivalents at beginning of period	17,303,258	17,021,101
Cash and cash equivalents at end of period	17,021,101	14,698,412

(Notes on segment information, etc.)

Segment Information

1. Overview of Reporting Segments

The Group's reporting segments are those for which segregated financial information is available and are subject to periodic review by the Board of Directors in order to determine the allocation of management resources and evaluate business performance.

The Group establishes companies or divisions for each service, formulates comprehensive strategies for the services provided by each company or division, and develops business activities.

Accordingly, the Group is comprised of segments by business target based on companies or business divisions, with two reporting segments: "CPA Solution Business" and "Strategic Business."

The CPA Solutions business is an affiliate advertising service "A8. net, and the strategic business consists of the comedy radio app "GERA", the digital marketing process optimization support service "N-INE", the project platform "LUMOS BUZZ" for short video creators, and the game application business.

In addition, from the current fiscal year, the name of the reporting segment, which was previously called "New Business," was changed to "Strategic Business."

2. Method of calculating the amount of sales, profit or loss for each reporting segment

The accounting method for the reported business segments is based on the accounting standards adopted for the preparation of consolidated financial statements.

Profit in the reporting segment is a figure based on operating income. Internal revenues and transfers between segments are based on prevailing market prices.

3. Information on sales, profits or losses, assets, liabilities and other amounts by reporting segment, and breakdown of earnings

The previous fiscal year (January 1, 2024 to December 31, 2024)

(Thousands of yen)

	Reportable segments			Adjustment amount (Note) 1	Amount recorded in the consolidated statements of income (Note)2
	Cost Per Action Solution Business	Strategy Business	Total		
Sales					
Revenue generated from customer contracts (Note)4	5,913,658	1,048,005	6,961,663	-	6,961,663
Revenues from external customers	5,913,658	1,048,005	6,961,663	-	6,961,663
Transactions with other segments	226,069	39,225	265,295	(265,295)	-
Total	6,139,728	1,087,231	7,226,959	(265,295)	6,961,663
Segment profit (loss)	3,426,518	(854,215)	2,572,303	(976,480)	1,595,822

Note: 1. Adjustments for segment profits or losses (loss) are company-wide expenses that have not been allocated to each reporting segment. Corporate expenses are general and administrative expenses that are not attributable to the reporting segment.

2. Segment profit or loss (loss) is adjusted for operating income in the consolidated statements of income.

3. Segment assets and liabilities are omitted because the highest decision-making body does not allocate such information to each segment for management decision-making.

4. There is no revenue other than revenue generated from contracts with customers.

The current fiscal year (January 1, 2025 to December 31, 2025)

(Thousands of yen)

	Reportable segments			Adjustment amount (Note) 1	Amount recorded in the consolidated statements of income (Note)2
	Cost Per Action Solution Business	Strategy Business	Total		
Sales					
Revenue generated from customer contracts (Note)4	5,660,912	1,435,744	7,096,657	-	7,096,657
Revenues from external customers	5,660,912	1,435,744	7,096,657	-	7,096,657
Transactions with other segments	165,393	127,067	292,460	(292,460)	-
Total	5,826,306	1,562,812	7,389,118	(292,460)	7,096,657
Segment profit (loss)	3,802,507	(619,155)	3,183,352	(1,218,328)	1,965,023

Note: 1. Adjustments for segment profits or losses (loss) are company-wide expenses that have not been allocated to each reporting segment. Corporate expenses are general and administrative expenses that are not attributable to the reporting segment.

2. Segment profit or loss (loss) is adjusted for operating income in the consolidated statements of income.

3. Segment assets and liabilities are omitted because the highest decision-making body does not allocate such information to each segment for management decision-making.

4. There is no revenue other than revenue generated from contracts with customers.

5. From the current fiscal year, the name of the reporting segment, which was previously called "New Business," was changed to "Strategic Business."

Related Information

The previous fiscal year (January 1, 2024 to December 31, 2024)

1. Product and Service Information

Since the same information is disclosed in the segment information, it is omitted.

2. Regional Information

(1) Net sales

(Thousands of yen)

Japan	Singapore	America	other	Total
6,097,191	348,692	241,645	274,135	6,961,663

Note: Others include Hong Kong, the Netherlands, the United Kingdom, and other countries.

(2) Property, plant and equipment

The amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the consolidated balance sheet, so the description is omitted.

3. Information per main customer

None of the sales to specific external customers exceed 10% of the sales in the consolidated statements of income, so the description is omitted.

The current fiscal year (January 1, 2025 to December 31, 2025)

1. Product and Service Information

Since the same information is disclosed in the segment information, it is omitted.

2. Regional Information

(1) Net sales

(Thousands of yen)

Japan	Singapore	America	other	Total
5,983,591	480,022	425,228	207,815	7,096,657

Note: Others include the Netherlands, Hong Kong, and other countries.

(2) Property, plant and equipment

The amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the consolidated balance sheet, so the description is omitted.

3. Information per main customer

None of the sales to specific external customers exceed 10% of the sales in the consolidated statements of income, so the description is omitted.

Information on impairment losses on fixed assets by reporting segment

The previous fiscal year (January 1, 2024 to December 31, 2024)

Not applicable.

The current fiscal year (January 1, 2025 to December 31, 2025)

Not applicable.

Information on amortization and unamortized balances of goodwill by reporting segment

The previous fiscal year (January 1, 2024 to December 31, 2024)

(Thousands of yen)

	Cost Per Action Solution Business	Strategy Business	Unallocated amounts and elimination	Total
Amortization of goodwill	-	61,710	-	61,710
Goodwill	-	555,390	-	555,390

The current fiscal year (January 1, 2025 to December 31, 2025)

(Thousands of yen)

	Cost Per Action Solution Business	Strategy Business	Unallocated amounts and elimination	Total
Amortization of goodwill	-	123,420	-	123,420
Goodwill	-	431,970	-	431,970

Information on Negative Goodwill Accrual Gains by Reporting Segment

The previous fiscal year (January 1, 2024 to December 31, 2024)

Not applicable.

The current fiscal year (January 1, 2025 to December 31, 2025)

Not applicable.