August 10, 2026

Consolidated Financial Results for the Six Months Ended June 30, 2026 (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 to file semi-annual securities report: August 14, 2026
Scheduled date to commence dividend payments: September 29, 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 six months ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

(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	%
June 30, 2026	3,434	(5.8)	489	(54.0)	459	(56.1)	198	(71.3)
June 30, 2025	3,644	7.0	1,064	50.7	1,047	34.1	693	(16.4)

Note: Comprehensive income For the six months ended June 30, 2026: ¥229 million [(64.7)%]
For the six months ended June 30, 2025: ¥649 million [(26.1)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2026	3.01	3.01
June 30, 2025	10.47	10.47

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	21,235	16,266	76.4
December 31, 2025	22,927	17,580	76.5

Reference: Equity
As of June 30, 2026: ¥16,234 million
As of December 31, 2025: ¥17,549 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 December 31, 2025	-	8.00	-	19.00	27.00
Fiscal year ending December 31, 2026	-	10.50			
Fiscal year ending December 31, 2026 (Forecast)				10.50	21.00

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

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
Fiscal year ending December 31, 2026	7,330	3.3	1,201	(38.9)	1,181	(41.4)	687	(47.5)	10.44

Note: Revisions to the earnings forecasts most recently announced: Yes

* **Notes**

(1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 1 company (Rayleigh Corporation)

(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: None
- (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 June 30, 2026	66,310,429 shares
As of December 31, 2025	66,310,429 shares

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

As of June 30, 2026	612,200 shares
As of December 31, 2025	0 shares

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

Six months ended June 30, 2026	65,939,252 shares
Six months ended June 30, 2025	66,248,429 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

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 3 of the attachment for information related to the above forecasts.

Semi-annual consolidated balance sheet

(Thousands of yen)

	As of December 31, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	14,694,521	12,125,064
Accounts receivable - trade	2,624,731	2,440,755
Securities	393,023	497,950
Other	257,841	214,098
Allowance for doubtful accounts	(12,621)	(16,344)
Total current assets	17,957,495	15,261,524
Non-current assets		
Property, plant and equipment		
Buildings, net	42,856	39,765
Tools, furniture and fixtures, net	27,509	25,874
Total property, plant and equipment	70,365	65,640
Intangible assets		
Goodwill	431,970	493,901
Other	430,718	424,089
Total intangible assets	862,688	917,990
Investments and other assets		
Investment securities	3,687,231	4,636,962
Other	351,443	358,811
Allowance for doubtful accounts	(1,751)	(5,174)
Total investments and other assets	4,036,923	4,990,600
Total non-current assets	4,969,978	5,974,231
Total assets	22,927,473	21,235,755

(Thousands of yen)

	As of December 31, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	3,938,419	3,856,045
Income taxes payable	589,247	226,981
Provision for point card certificates	49,607	84,845
Provision for bonuses	3,212	9,216
Other	651,237	685,628
Total current liabilities	5,231,724	4,862,717
Non-current liabilities		
Other	115,316	106,516
Total non-current liabilities	115,316	106,516
Total liabilities	5,347,040	4,969,233
Net assets		
Shareholders' equity		
Share capital	1,189,569	1,189,569
Capital surplus	294,269	294,269
Retained earnings	15,952,716	14,891,129
Treasury shares	-	(284,052)
Total shareholders' equity	17,436,554	16,090,915
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	112,578	143,360
Total accumulated other comprehensive income	112,578	143,360
Share acquisition rights	31,300	32,245
Total net assets	17,580,433	16,266,521
Total liabilities and net assets	22,927,473	21,235,755

Semi-annual consolidated statement of income

(Thousands of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Net sales	3,644,224	3,434,003
Cost of sales	385,273	754,077
Gross profit	3,258,951	2,679,925
Selling, general and administrative expenses	2,194,432	2,190,493
Operating profit	1,064,518	489,432
Non-operating income		
Interest income	17,402	36,226
Dividend income	1,750	1,750
Foreign exchange gains	-	21,302
Gain on investments in investment partnerships	3,161	-
Gain on forgiveness of debts	2,418	-
Other	4,850	2,871
Total non-operating income	29,583	62,151
Non-operating expenses		
Loss on investments in investment partnerships	-	91,056
Foreign exchange losses	46,453	-
Other	36	1,064
Total non-operating expenses	46,489	92,121
Ordinary profit	1,047,612	459,463
Extraordinary income		
Gain on sale of businesses	3,000	1,200
Other	19,454	-
Total extraordinary income	22,454	1,200
Extraordinary losses		
Loss on retirement of non-current assets	-	6,828
Loss on valuation of investment securities	9,994	49,999
Total extraordinary losses	9,994	56,828
Profit before income taxes	1,060,072	403,834
Income taxes - current	392,269	207,381
Income taxes - deferred	(26,013)	(2,345)
Total income taxes	366,256	205,036
Profit	693,815	198,798
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	693,815	198,798

Semi-annual consolidated statement of comprehensive income

(Thousands of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Profit	693,815	198,798
Other comprehensive income		
Valuation difference on available-for-sale securities	(43,861)	30,782
Total other comprehensive income	(43,861)	30,782
Comprehensive income	649,953	229,580
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	649,953	229,580
Comprehensive income attributable to non-controlling interests	-	-

(Notes on segment information, etc.)

Segment Information

I. Previous interim consolidated accounting period (January 1, 2025 to June 30, 2025)

1. Information on sales and the amount of profit or loss for each reported segment, as well as information on the breakdown of revenues

(Thousands of yen)

	Reportable segments			Adjustment amount (Note) 1	Interim Consolidated Statements of Income (Note)2
	Cost Per Action Solution Business	Strategic Business	Total		
Sales					
Revenue generated from customer contracts (Note)3	2,987,012	657,212	3,644,224	-	3,644,224
Revenues from external customers	2,987,012	657,212	3,644,224	-	3,644,224
Transactions with other segments	88,286	42,795	131,081	(131,081)	-
Total	3,075,298	700,007	3,775,306	(131,081)	3,644,224
Segment profit (loss)	2,011,639	(330,276)	1,681,362	(616,843)	1,064,518

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 interim consolidated statements of income.

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

2. Information on impairment losses or goodwill on fixed assets by reporting segment

Not applicable.

II. Interim Consolidated Accounting Period (January 1, 2026 to June 30, 2026)

1. Information on sales and the amount of profit or loss for each reported segment, as well as information on the breakdown of revenues

(Thousands of yen)

	Reportable segments			Adjustment amount (Note) 1	Interim Consolidated Statements of Income (Note)2
	Cost Per Action Solution Business	Strategic Business	Total		
Sales					
Revenue generated from customer contracts (Note)3	2,480,368	953,634	3,434,003	-	3,434,003
Revenues from external customers	2,480,368	953,634	3,434,003	-	3,434,003
Transactions with other segments	50,928	87,566	138,495	(138,495)	-
Total	2,531,297	1,041,201	3,572,498	(138,495)	3,434,003
Segment profit (loss)	1,613,539	(472,704)	1,140,834	(651,401)	489,432

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 interim consolidated statements of income.

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

2. Information on impairment losses or goodwill on fixed assets by reporting segment

(Significant fluctuations in the amount of goodwill)

In the interim consolidated accounting period under review, goodwill was generated in the strategic business as a result of the acquisition of Rayleigh Co., Ltd. as a subsidiary. The increase in goodwill due to this event was 123,641 thousand yen.