

November 14, 2025

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

Company name: Fibergate Inc.
 Listing: Tokyo Stock Exchange / Sapporo Stock Exchange
 Securities code: 9450
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes (Supplementary explanatory materials for financial results will be posted on the Company's website as appropriate.)
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended September 30, 2025 (from July 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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended September 30, 2025	3,456	13.2	412	(11.1)	407	(11.1)	286	(7.5)
September 30, 2024	3,054	7.1	463	(11.8)	458	(16.4)	310	(16.3)

Note: Comprehensive income For the three months ended September 30, 2025: ¥270 million [(10.6)%]
 For the three months ended September 30, 2024: ¥302 million [(17.7)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended September 30, 2025	14.26	14.24
September 30, 2024	15.30	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of September 30, 2025	13,158	6,472	49.1
June 30, 2025	12,144	6,502	53.1

Reference: Equity
 As of September 30, 2025: ¥6,459 million
 As of June 30, 2025: ¥6,445 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 June 30, 2025	-	13.50	-	13.50	27.00
Fiscal year ending June 30, 2026	-				
Fiscal year ending June 30, 2026 (Forecast)		13.50		13.50	27.00

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

3. Forecast of consolidated financial results for the fiscal year ending June 30, 2026 (from July 1, 2025 to June 30, 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 June 30, 2026	14,050	7.5	2,000	2.1	2,000	2.9	1,270	(3.7)	63.12

Note: Revisions to the earnings forecasts most recently announced: None

Since the Company manages its operations on an annual basis, the forecasts of consolidated financial results for the first half of the fiscal year have been omitted. For details, please refer to Appendix 3 "1. Qualitative Information on Financial Results for the this quarter (3) Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts."

* Notes

- (1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 1 company (Power Denki Innovation Inc.)
- (2) Adoption of accounting treatment specific to the preparation of quarterly 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 September 30, 2025	20,593,600 shares
As of June 30, 2025	20,593,600 shares

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

As of September 30, 2025	472,207 shares
As of June 30, 2025	472,207 shares

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

Three months ended September 30, 2025	20,121,393 shares
Three months ended September 30, 2024	20,271,393 shares

- * Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm:None

- * Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. For the conditions on which earnings forecasts are based, see "1. Qualitative Information on Financial Results for the this quarter (3) Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts."

(Method of accessing supplementary material on financial results)

Supplementary financial results materials will be disclosed on TDnet on the same day and posted on the Company's website.

1. Overview of Quarter Operating Results

Forward-looking statements in this report are based on the judgment as of the end of the current quarter consolidated fiscal year.

(1) Overview of operating results

(Millions of yen)

Three months ended	Sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net profit per share (Yen)
Current quarter consolidated fiscal year	3,456	412	407	286	14.26
Current quarter consolidated fiscal year	3,054	463	458	310	15.30
Percent change from the same period last year (%)	13.2	△11.1	△11.1	△7.5	△6.8

During the current first quarter consolidated cumulative period (from July 1, 2025 to September 30, 2025), Japan's economy showed signs of recovery, including increased personal consumption driven by higher wages and the deteriorated yen sparking a rise in inbound tourism. Factors such as the ruling party's loss of its majority in the election for the House of Councillors, however, contribute to rendering the economic outlook uncertain going forward.

Under these circumstances, our group aims to transform its business model in line with the changes in the environment and continue to grow as an on-premise infrastructure integrator.

Effective July 1, 2025, starting from the current first quarter consolidated cumulative period, the Company reorganized its operational structure from a business-based to a region-based system. This has resulted in a revision in the reportable segment classification method, with the Home-Use Business and Business-Use Business segments being consolidated and renamed the Network Solutions business segment.

In the Network Solutions business, the number of installations in rental properties has been steady, while sales of cross-selling products including network cameras are trending upward. Sales in the targeted medical and nursing care area, however, are currently flagging.

Meanwhile, profit margins have been declining because the number of outright sales projects continues to increase and there were no sales for large-scale, high-profit-margin projects.

As a result of the above, the Network Solutions business had sales of 3,141 million yen (up 3.0% from the same period last year) and segment profit of 673 million yen (down 9.2% from the same period last year).

In the Real Estate Business, FG Smart Asset Co., Ltd. had one real estate sale.

As a result of the above, the Real Estate Business had sales of 296 million yen (4 million yen in the same period last year) and a segment profit of 26 million yen (segment profit of 0 million yen in the same period last year).

Looking at other businesses, the Company recorded revenue generated from the Renewable Energy (electricity) Business and related activities at Off Grid Lab Co., Ltd. and Power Denki Innovation Inc., which became a subsidiary of Off Grid Lab. Moreover, various expenses related to the expansion of our Renewable Energy (electricity) Business are trending upward.

As a result of the above, other businesses had sales of 19 million yen (0 million yen in the same period last year) and a segment loss of 42 million yen (segment loss of 7 million yen in the same period last year).

As a result, the business results for the current first quarter consolidated cumulative period were sales of 3,463 million yen (up 13.4% from the same period last year), operating profit of 413 million yen (down 10.7% from the same period last year), ordinary profit of 409 million yen (down 10.8% from the same period last year), and profit attributable to owners of parent of 288 million yen (down 7.1% from the same period last year).

(2) Overview of financial position

(Millions of yen)

	At the end of the previously consolidated fiscal year	At the end of current quarter consolidated fiscal year	Percent change (%)
Total assets	12,144	13,158	8.3
Net assets	6,502	6,472	△0.5
Shareholders' equity ratio (%)	53.1	49.1	△7.5
Net assets per share (yen)	320.34	321.02	0.2

(Assets)

Total assets at the end of the current first quarter consolidated cumulative period were 13,158 million yen, an increase of 1,013 million yen compared with the end of the previous consolidated fiscal year. This was due to an increase of 1,073 million yen in current assets, despite a decrease of 59 million yen in fixed assets.

The increase in current assets was mainly due to increases of 556 million yen in cash and deposits, 124 million yen in accounts receivable and contract assets, and 225 million yen in power generation assets held for sale. The decrease in fixed assets was due to a decrease of 86 million yen in communications equipment used to provide our communications services and a decrease of 30 million yen in deferred tax assets.

(Liabilities)

Liabilities increased by 1,043 million yen from the end of the previous fiscal year to 6,685 million yen. This was mainly due to increases of 844 million yen in short-term borrowings and 352 million yen in long-term borrowings (including repayments within one year), offsetting decreases of 89 million yen in contract liabilities and 83 million yen in income taxes payable.

(Net Assets)

Net assets decreased by 30 million yen from the end of the previous fiscal year to 6,472 million yen. This was mainly due to a 33 million yen decrease in non-controlling interests, despite a 14 million yen increase in retained earnings.

(3) Explanation of forward-looking information such as consolidated earnings forecasts

Regarding the consolidated earnings forecasts for the fiscal year ending June 2026, there is no change to the consolidated earnings forecasts stated in the “Consolidated Financial Results for the Fiscal Year Ended June 30, 2025 (Under Japanese GAAP)” announced on August 14, 2025.

We will continue to examine the outlook for the future, and if it becomes necessary to revise the consolidated earnings forecasts, we will promptly disclose it.

Forward-looking statements are based on information currently available to the Company and certain assumptions that the Company believes are reasonable, and actual results may significantly differ due to various factors.

(Forecast of consolidated business results)

(Millions of yen)

	June 2025 Result	June 2026 Forecast	Percentage change (%)
Sales	13,070	14,050	7.5
Operating profit	1,958	2,000	2.1
Ordinary profit	1,943	2,000	2.9
Net profit attributable to owners of the parent	1,319	1,270	△3.7

Quarterly consolidated balance sheet

(Millions of yen)

	As of June 30, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	1,853	2,409
Accounts receivable - trade, and contract assets	1,992	2,116
Merchandise	577	652
Raw materials and supplies	0	24
Real estate for sale	212	276
Power generation assets for sale	-	225
Work in process	0	0
Other	76	81
Allowance for doubtful accounts	(5)	(5)
Total current assets	4,707	5,780
Non-current assets		
Property, plant and equipment		
Buildings, net	32	34
Tools, furniture and fixtures, net	10	12
Communication equipment	6,956	6,869
Machinery, equipment and vehicles, net	-	4
Land	-	49
Other, net	-	1
Total property, plant and equipment	6,998	6,972
Intangible assets		
Software	49	48
Software in progress	33	21
Goodwill	-	3
Total intangible assets	82	73
Investments and other assets		
Investment securities	11	11
Leasehold deposits	45	45
Deferred tax assets	281	251
Distressed receivables	1	1
Other	17	23
Allowance for doubtful accounts	(1)	(2)
Total investments and other assets	355	330
Total non-current assets	7,436	7,377
Deferred assets		
Organization expenses	0	0
Total deferred assets	0	0
Total assets	12,144	13,158

	As of June 30, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	681	745
Short-term borrowings	240	1,084
Current portion of long-term borrowings	1,070	1,146
Income taxes payable	176	92
Contract liabilities	987	898
Provision for bonuses	85	53
Provision for loss on orders received	-	0
Other	403	386
Total current liabilities	3,645	4,408
Non-current liabilities		
Bonds payable	50	50
Long-term borrowings	1,884	2,162
Retirement benefit liability	61	63
Other	-	0
Total non-current liabilities	1,996	2,276
Total liabilities	5,641	6,685
Net assets		
Shareholders' equity		
Share capital	494	494
Capital surplus	423	423
Retained earnings	6,017	6,031
Treasury shares	(493)	(493)
Total shareholders' equity	6,442	6,456
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(0)	(0)
Foreign currency translation adjustment	3	3
Total accumulated other comprehensive income	3	3
Share award rights	10	-
Non-controlling interests	46	13
Total net assets	6,502	6,472
Total liabilities and net assets	12,144	13,158

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended September 30, 2024	Three months ended September 30, 2025
Net sales	3,054	3,456
Cost of sales	1,699	2,135
Gross profit	1,354	1,321
Selling, general and administrative expenses	891	908
Operating profit	463	412
Non-operating income		
Interest income	0	2
Dividend income	0	0
Point income	1	1
Other	0	0
Total non-operating income	1	3
Non-operating expenses		
Interest expenses	6	7
Foreign exchange losses	0	0
Other	-	0
Total non-operating expenses	6	8
Ordinary profit	458	407
Extraordinary losses		
Loss on retirement of non-current assets	14	18
Total extraordinary losses	14	18
Profit before income taxes	444	389
Income taxes - current	86	87
Income taxes - deferred	53	30
Total income taxes	139	117
Profit	304	271
Loss attributable to non-controlling interests	(5)	(15)
Profit attributable to owners of parent	310	286

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended September 30, 2024	Three months ended September 30, 2025
Profit	304	271
Other comprehensive income		
Valuation difference on available-for-sale securities	(0)	0
Foreign currency translation adjustment	(2)	(0)
Total other comprehensive income	(2)	(0)
Comprehensive income	302	270
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	308	286
Comprehensive income attributable to non-controlling interests	(5)	(15)

(Notes on segment information, etc.)

Segment Information

I. The three months of the previous fiscal year (July 1, 2024 to September 30, 2024)

1. Information on sales and the amount of profit or loss for each reported segment

(Millions of yen)

	Reportable segments			Other (Note) 1	Total	Adjustment amount (Note) 2	Quarterly Consolidated Statements of Income (Note)3
	Network Solutions business	real estate business	Total				
Sales							
Revenues from external customers	3,049	4	3,054	0	3,054	-	3,054
Transactions with other segments	-	-	-	-	-	-	-
Total	3,049	4	3,054	0	3,054	-	3,054
Segment profit (loss)	741	(0)	740	(7)	733	(269)	463

Note: 1. The "Other" category is a business segment that is not included in the reporting segments and includes the renewable energy (electricity) business.

2. Segment profit adjustment of (269) million yen is general and administrative expenses that have not been allocated to each reporting segment.

3. Segment profit is adjusted to operating income in the quarterly consolidated statements of income.

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

Not applicable.

II. The three months of the current fiscal year (July 1, 2025 to September 30, 2025)

1. Information on sales and the amount of profit or loss for each reported segment

(Millions of yen)

	Reportable segments			Other (Note) 1	Total	Adjustment amount (Note) 2	Quarterly Consolidated Statements of Income (Note)3
	Network Solutions business	real estate business	Total				
Sales							
Revenues from external customers	3,141	296	3,437	19	3,456	-	3,456
Transactions with other segments	-	-	-	-	-	-	-
Total	3,141	296	3,437	19	3,456	-	3,456
Segment profit (loss)	673	26	699	(42)	657	(245)	412

Note: 1. The "Other" category is a business segment that is not included in the reporting segments and includes the renewable energy (electricity) business.

2. Segment profit adjustment of (245) million yen is general and administrative expenses that have not been allocated to each reporting segment.

3. Segment profit is adjusted to operating income in the quarterly consolidated statements of income.

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

Not applicable.

3. Changes to Reporting Segments

As of July 1, 2025, we have changed our sales structure from business to region, and we have revised the classification method of reporting segments and changed "Home Use Business" and "Business Use Business" to "Network Solutions business" as of July 1, 2025.

As a result of this segment change, the segment information for the three months of the previous fiscal year is described as prepared according to the revised classification method.

(Note in the event of a significant change in the amount of shareholders' equity)

There are no applicable matters.

(Notes to assumptions for going concern)

There are no applicable matters.

(Note on quarterly consolidated statements of cash flows)

We have not prepared quarterly consolidated statements of cash flows for the first quarter of the current fiscal year. Depreciation expenses for the consolidated cumulative period of the first quarter (including amortization of intangible assets excluding goodwill) and goodwill depreciation are as follows.

	Three months ended September 30, 2024	Three months ended September 31, 2025
Depreciation expenses	404 million yen	404 million yen
Good will Depreciation expenses	— million yen	0 million yen

(Matters related to business combination)

Business combination through acquisition

1. Overview of business combination

(1) Name of the company acquired and details of Its business

Name of the company acquired Power Denki Innovation Inc.

Details of Its business Solar power generation EPC Business

*EPC: Business involved in one-stop engineering, procurement, and construction

(2) Reasons for share acquisition

Consolidated subsidiary OffGrid-Lab operates in the renewable energy sector. The aim of welcoming Power Denki Innovation, which boasts superior expertise in EPC projects for solar power generation, into the Group is to acquire its shares to establish a more efficient, competitive business structure.

(3) Date of business combination

August 31, 2025

(4) Business combination legal structure

Acquisition of shares

(5) Name of combined entity

No change

(6) Ratio of voting rights acquired

100%

(7) Primary grounds for determining the company to acquire

This resulted from the acquisition of shares by Off Grid Lab Co., Ltd., a consolidated subsidiary of the Company, with cash as consideration.

2. Period of the acquired company's performance included in the quarterly consolidated statement of income for the consolidated cumulative quarter

September 1, 2025–September 30, 2025

3. Breakdown of acquisition price and type of consideration for the company acquired

Consideration for acquisition	Cash and deposits	50 million yen
Acquisition price		50 million yen

4. Details and amounts of major expenses related to the acquisition

Due diligence expenses, etc.: ¥5 million

5. Amount of goodwill recognized, reason for recognition, and method and period of amortization

(1) Amount of goodwill recognized

¥3 million

The goodwill calculation is provisional, as the allocation of the acquisition price had not been completed as of the end of the current first quarter consolidated accounting period.

(2) Reason for recognition

The amount represents the excess earnings capacity expected from the future business development of Power Denki Innovation Inc..

(3) Method and period of amortization

Five-year straight-line amortization

6. Amount and breakdown of assets and liabilities recognized on the date of business combination

Current assets	565 million yen
Non-current assets	60 million yen
Total assets	625 million yen
Current liabilities	588 million yen
Non-current liabilities	8 million yen
Total liabilities	596 million yen

7. Allocation of acquisition price

As of the end of the current first quarter consolidated accounting period, we had not yet completed the identification of identifiable assets and liabilities and the calculation of their fair values as of the date of business combination, nor had we finalized the allocation of the acquisition price. As such, provisional accounting treatment has been applied based on reasonable information available at the time.

8. Anticipated impact on the consolidated statement of income for the current fiscal year and method of calculation, assuming the business combination was completed on the first day of the consolidated fiscal year

Net sales	153 million yen
Operating profit	21 million yen
Ordinary profit	20 million yen
Profit attributable to owners of parent	▲4 million yen

(Method for calculating the estimated amount)

The estimated amount of impact is calculated as the difference between the revenue and profit or loss information calculated assuming the business combination was completed on the first day of the consolidated fiscal year and the revenue and profit or loss information in the consolidated statement of income of the company making the acquisition.