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November 10, 2026

Consolidated Financial Results for the Six Months Ended September 30, 2026 (Under Japanese GAAP)

Company name: HAKUHODO DY HOLDINGS INCORPORATED
Listing: Tokyo Stock Exchange
Securities code: 2433
URL: https://www.hakuhodody-holdings.co.jp/
Representative: Yasuo Nishiyama Representative Director & President
Inquiries: Daisuke Hara Executive Manager, Investor Relations Department
Telephone: +81-3（6441）9033

Scheduled date to file interim securities report: November 11, 2026
Scheduled date to commence dividend payments: December 4, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (For Analysts and Institutional Investors)

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

1. Consolidated financial results for the six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Revenue		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, 2026	375,766	2.6	9,798	(8.8)	9,096	(15.0)	380	22.6
September 30, 2025	366,131	(14.4)	10,742	21.0	10,696	9.2	310	-

Note: Comprehensive income For the six months ended September 30, 2026: ¥ 10,317 million [353.5%]
For the six months ended September 30, 2025: ¥ 2,274 million [(72.9) %]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	1.06	1.05
September 30, 2025	0.85	0.84

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2026	926,112	407,824	42.5
March 31, 2026	1,081,132	402,516	36.0

Reference: Equity
As of September 30, 2026: ¥ 393,849 million
As of March 31, 2026: ¥ 389,128 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, 2026	-	16.00	-	16.00	32.00
Fiscal year ending March 31, 2027	-	16.00			
Fiscal year ending March 31, 2027 (Forecast)			-	16.00	32.00

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

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages 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	910,000	5.7	46,700	4.5	47,000	2.0	26,000	55.0	72.38

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

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 companies(Auburn Digital Solutions Pvt. Ltd.)

Excluded: - companies( )

(2) Adoption of accounting treatment specific to the preparation of interim 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, 2026	363,902,636 shares
As of March 31, 2026	363,902,636 shares

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

As of September 30, 2026	4,594,646 shares
As of March 31, 2026	4,870,596 shares

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

Six months ended September 30, 2026	359,113,468 shares
Six months ended September 30, 2025	367,238,023 shares

* Interim 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

Forward-looking statements, including earnings forecasts, contained in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. The Company does not intend to promise that these forecasts will be achieved. Actual results may differ significantly due to various factors. For the assumptions underlying the earnings forecasts and precautions regarding their use, please refer to "1. (3) Explanation of Consolidated Earnings Forecasts" on page 4 of the attached material.

Supplementary explanatory materials on quarterly financial results are available on the Company's website (https://www.hakuhodody-holdings.co.jp/english/)

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1. Qualitative Information on the Interim Consolidated Financial Statements

(1) Explanation of Consolidated Operating Results

During the interim consolidated accounting period under review (April 1, 2026 to September 30, 2026), the Japanese economy continued a moderate recovery trend, supported by firm personal consumption and capital investment against the backdrop of an improving employment and income environment and solid corporate earnings, despite underlying uncertainties regarding the future outlook such as the situation in the Middle East and fluctuations in the financial capital markets. Under these circumstances, the domestic advertising market (Note 1) generally trended at a level exceeding the previous year, although a slight slowdown in the growth rate was observed.

Given this environment, regarding the Group's financial results for the interim consolidated period under review, although overseas operations were sluggish due to the impact of economic uncertainty stemming from escalating tensions in the Middle East, domestically, revenue from existing clients grew and there were contributions from newly consolidated subsidiaries. Consequently, billings (Note 2) reached 736,825 million yen (an increase of 6.0% year on year) and gross profit was 188,111 million yen (an increase of 4.5% year on year), with top-line results exceeding those of the same period of the previous fiscal year.

While the Domestic Business achieved an increase in both revenue and profit, the Overseas Business experienced a decline in profitability due to sluggish organic growth. As a result, operating profit was 9,798 million yen (a decrease of 8.8% year on year), and operating profit before amortization of goodwill was 16,478 million yen (a decrease of 2.8% year on year), representing a slight decrease in profit. However, while the Overseas Business recorded a significant decrease in profit in the first quarter, the extent of the decrease in profit narrowed in the second quarter, showing signs of improvement such as operating profit before amortization of goodwill turning to an increase, mainly in the Greater China region. In addition, extraordinary losses decreased as structural reforms implemented both in Japan and overseas during the previous fiscal year ran their course and related expenses were curtailed. Consequently, profit attributable to owners of parent for the interim period reached 380 million yen (an increase of 22.6% year on year), representing an increase in profit.

The domestic and overseas situations are as follows.

In the domestic business, the top line remained firm despite a slight deceleration in the second quarter, driven by significant growth in internet media due to new consolidation effects, as well as the impact of strong television advertising revenues particularly in the first quarter. By client industry (Note 3), although Beverages/Cigarettes/Luxury foods and Precision machinery/Office supplies and others fell below the same period of the previous year, Restaurants/Services (an increase of 19.8% year on year) and Information/Communications (an increase of 17.5% year on year) expanded significantly. As a result, Billings were 633,966 million yen (an increase of 6.0% year on year) and Gross profit was 138,038 million yen (an increase of 4.8% year on year). Although Selling, general and administrative expenses increased due to changes in the scope of consolidation, this was absorbed by the increase in revenue, resulting in Operating income of 30,119 million yen (an increase of 3.0% year on year).

In the overseas business, despite continued struggles in the North American region, driven in part by the exchange rate effect of a weaker yen, Billings were 107,940 million yen (an increase of 6.5% year on year) and Gross profit was 52,608 million yen (an increase of 3.4% year on year). Operating loss was 4,432 million yen (compared with an operating loss of 2,620 million yen in the same period of the previous fiscal year). However, in the second quarter, operating profit returned to growth in the Greater China region, including Taiwan, and the margin of profit decline in North America narrowed compared with the first quarter.

(Note 1) Source: "Monthly Survey on Service Industries" (Ministry of Internal Affairs and Communications).
(Note 2) "Billings" are based on previous accounting standards but are voluntarily disclosed, because we believe the metric is useful to financial statement users, although it is not in accordance with the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and other standards.
(Note 3) Based on the Company's internal management classification and tabulation.

(2) Explanation of Consolidated Financial Position

(Status of Assets, Liabilities and Net Assets)

Total assets at the end of the interim consolidated accounting period under review decreased by 155,019 million yen compared to the end of the previous consolidated fiscal year to 926,112 million yen. The main factors for this change were a decrease in Cash and deposits of 97,940 million yen, a decrease in Notes and accounts receivable-trade of 86,401 million yen, an increase in Inventories of 14,457 million yen, and an increase in Investment securities of 9,216 million yen.

Liabilities decreased by 160,327 million yen compared to the end of the previous consolidated fiscal year to 518,287 million yen. The main factors for this change were a decrease in Notes and accounts payable-trade of 54,561 million yen, a decrease in Provision for bonuses of 24,256 million yen, and a decrease in Deposits received of 55,958 million yen.

Net assets increased by 5,307 million yen compared to the end of the previous consolidated fiscal year to 407,824 million yen. The main factors for this change were a decrease in Retained earnings of 5,363 million yen, an increase in Valuation difference on available-for-sale securities of 6,564 million yen, and an increase in Foreign currency translation adjustment of 3,109 million yen.

(Status of Cash Flows)

The balance of cash and cash equivalents at the end of the current interim consolidated accounting period was 135,639 million yen, an increase of 14,489 million yen from the same period of the previous year (a decrease of 97,437 million yen from the end of the previous consolidated fiscal year).

Cash flows from operating activities

Net cash used in operating activities was 66,818 million yen (compared to 53,351 million yen used in the same period of the previous year). This resulted from positive cash flow factors such as the recording of Interim profit before income taxes of 8,086 million yen and a decrease in Trade receivables of 88,421 million yen, which were offset by cash outflows including a decrease in Provision for bonuses of 24,220 million yen, an increase in Inventories of 14,260 million yen, a decrease in Trade payables of 55,771 million yen, a decrease in Deposits received of 55,946 million yen, and Income taxes paid of 12,541 million yen.

Cash flows from investing activities

Net cash used in investing activities was 8,338 million yen (compared to 18,833 million yen used in the same period of the previous year). This was primarily due to cash outflows such as payments of 2,243 million yen for the Purchase of property, plant and equipment, payments of 3,849 million yen for the Purchase of intangible assets, and payments of 2,062 million yen for the Purchase of shares and investments in capital of subsidiaries.

Cash flows from financing activities

Net cash used in financing activities was 23,249 million yen (compared to 10,348 million yen used in the same period of the previous year). This was mainly due to cash outflows including payments of 15,144 million yen for the Purchase of shares and investments in capital of subsidiaries not resulting in change in scope of consolidation, and Dividends paid of 5,739 million yen.

(3) Explanation of Consolidated Earnings Forecasts

There are no changes to the full-year consolidated earnings forecast at this time.

(Note) The earnings forecasts are prepared based on certain conditions that the Company currently judges to be reasonable, and actual results may differ significantly due to various factors in the future.

(Regarding dividend forecasts)

Based on the basic policy of stable dividends, the Company determines the annual dividend amount by comprehensively taking into account the dividend payout ratio (approximately 30%), the status of funding needs, and the enhancement of retained earnings.
Regarding the interim dividend for the current fiscal year, it will be 16 yen per share from the perspective of stable dividends.
In addition, the year-end dividend forecast is also 16 yen per share, making the annual total 32 yen per share, the same amount as the previous year.

2. Interim Consolidated Financial Statements and Primary Notes

(1) Interim Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	238,960	141,020
Notes and accounts receivable - trade	424,811	338,409
Securities	6,684	6,218
Inventories	22,600	37,057
Short-term loans receivable	840	880
Other	50,072	62,164
Allowance for doubtful accounts	(1,008)	(898)
Total current assets	742,959	584,852
Non-current assets		
Property, plant and equipment		
Buildings and structures	44,184	44,738
Accumulated depreciation	(23,436)	(24,191)
Buildings and structures, net	20,747	20,546
Land	9,520	9,435
Other	56,841	60,043
Accumulated depreciation	(34,241)	(34,749)
Other, net	22,600	25,294
Total property, plant and equipment	52,867	55,276
Intangible assets		
Software	26,301	25,599
Goodwill	49,805	46,197
Other	15,882	14,833
Total intangible assets	91,990	86,630
Investments and other assets		
Investment securities	139,796	149,012
Long-term loans receivable	504	506
Retirement benefit asset	10,949	11,029
Deferred tax assets	11,468	9,886
Other	33,124	31,527
Allowance for doubtful accounts	(2,529)	(2,608)
Total investments and other assets	193,314	199,352
Total non-current assets	338,172	341,259
Total assets	1,081,132	926,112

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	270,819	216,258
Short-term borrowings	7,170	6,294
Current portion of long-term borrowings	22,985	22,814
Accrued expenses	26,237	27,480
Income taxes payable	14,051	4,207
Provision for bonuses	36,383	12,127
Deposits received	79,454	23,496
Other	78,703	56,925
Total current liabilities	535,806	369,604
Non-current liabilities		
Bonds payable	30,000	30,000
Long-term borrowings	65,323	65,270
Deferred tax liabilities	11,144	16,850
Provision for retirement benefits for directors (and other officers)	516	519
Retirement benefit liability	11,863	11,899
Other	23,961	24,142
Total non-current liabilities	142,808	148,682
Total liabilities	678,615	518,287
Net assets		
Shareholders' equity		
Share capital	10,790	10,790
Capital surplus	-	19
Retained earnings	321,110	315,746
Treasury shares	(4,864)	(4,588)
Total shareholders' equity	327,036	321,968
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	35,940	42,504
Deferred gains or losses on hedges	(5)	-
Foreign currency translation adjustment	25,970	29,079
Remeasurements of defined benefit plans	187	297
Total accumulated other comprehensive income	62,091	71,881
Share acquisition rights	2	2
Non-controlling interests	13,385	13,971
Total net assets	402,516	407,824
Total liabilities and net assets	1,081,132	926,112

(2) Interim Consolidated Statements of Income and Comprehensive Income

Interim Consolidated Statement of Income

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Revenue	366,131	375,766
Cost of sales	186,197	187,655
Gross profit	179,933	188,111
Selling, general and administrative expenses		
Salaries and allowances	77,077	81,287
Retirement benefit expenses	4,104	4,056
Provision for bonuses	11,604	10,221
Provision for retirement benefits for directors (and other officers)	121	52
Amortization of goodwill	4,988	5,276
Provision of allowance for doubtful accounts	16	40
Other	71,278	77,378
Total selling, general and administrative expenses	169,190	178,312
Operating profit	10,742	9,798
Non-operating income		
Interest income	341	386
Dividend income	1,347	1,543
Other	775	795
Total non-operating income	2,465	2,725
Non-operating expenses		
Interest expenses	662	822
Share of loss of entities accounted for using equity method	776	242
Foreign exchange losses	75	657
Loss on investments in investment partnerships	429	1,361
Other	567	342
Total non-operating expenses	2,511	3,426
Ordinary profit	10,696	9,096
Extraordinary income		
Gain on sale of non-current assets	11	51
Gain on sale of investment securities	127	29
Gain on sale of shares of subsidiaries and associates	149	1
Gain on change in equity	1	53
Gain on liquidation of subsidiaries and associates	7	356
Other	32	3
Total extraordinary income	329	496
Extraordinary losses		
Extra retirement payments	2,302	468
Loss on retirement of non-current assets	776	151
Impairment losses	46	-
Loss on valuation of investment securities	170	462
Other	671	423
Total extraordinary losses	3,967	1,506
Profit before income taxes	7,058	8,086
Income taxes - current	3,573	3,349
Income taxes - deferred	2,599	4,139
Total income taxes	6,173	7,488
Profit	885	597

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Profit attributable to non-controlling interests	575	216
Profit attributable to owners of parent	310	380

Interim Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Profit	885	597
Other comprehensive income		
Valuation difference on available-for-sale securities	7,529	6,808
Foreign currency translation adjustment	(6,520)	3,048
Remeasurements of defined benefit plans, net of tax	352	109
Share of other comprehensive income of entities accounted for using equity method	27	(247)
Total other comprehensive income	1,389	9,719
Comprehensive income	2,274	10,317
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,567	10,208
Comprehensive income attributable to non-controlling interests	707	109

(3) Interim Consolidated Statement of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	7,058	8,086
Depreciation	6,858	7,674
Impairment losses	46	-
Amortization of goodwill	4,988	5,276
Increase (decrease) in provision for bonuses	(20,094)	(24,220)
Increase (decrease) in provision for bonuses for directors (and other officers)	(612)	(1,258)
Increase (decrease) in retirement benefit liability	(162)	91
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(69)	3
Increase (decrease) in allowance for doubtful accounts	(150)	(40)
Interest and dividend income	(1,689)	(1,930)
Interest expenses	662	822
Foreign exchange losses (gains)	567	487
Share of loss (profit) of entities accounted for using equity method	776	242
Loss (gain) on sale of investment securities	(127)	86
Loss (gain) on valuation of investment securities	170	462
Extra retirement payments	2,302	468
Decrease (increase) in trade receivables	84,899	88,421
Decrease (increase) in inventories	(13,251)	(14,260)
Increase (decrease) in trade payables	(50,650)	(55,771)
Increase (decrease) in deposits received	(50,731)	(55,946)
Increase (decrease) in advances received	(773)	4,776
Decrease (increase) in retirement benefit asset	114	44
Other, net	(10,871)	(18,664)
Subtotal	(40,739)	(55,146)
Interest and dividends received	2,261	2,345
Interest paid	(664)	(788)
Extra retirement payments	(1,081)	(687)
Income taxes paid	(13,127)	(12,541)
Net cash provided by (used in) operating activities	(53,351)	(66,818)

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Cash flows from investing activities		
Payments into time deposits	(451)	(2,025)
Proceeds from withdrawal of time deposits	985	2,475
Purchase of property, plant and equipment	(1,530)	(2,243)
Proceeds from sale of property, plant and equipment	27	189
Purchase of intangible assets	(3,854)	(3,849)
Purchase of investment securities	(2,500)	(1,301)
Proceeds from sale of investment securities	560	903
Payments for investments in capital	(84)	(173)
Proceeds from divestments	13	77
Payments for investments in subsidiaries resulting in change in scope of consolidation	(184)	(391)
Payment for sales of shares and investments in capital of subsidiaries resulting in change in scope of consolidation	(11,482)	(103)
Purchase of shares and investments in capital of subsidiaries	(967)	(2,062)
Payments of leasehold deposits	(470)	(141)
Proceeds from refund of leasehold deposits	994	494
Decrease (increase) in short-term loans receivable	143	(42)
Long-term loan advances	(2)	(9)
Proceeds from collection of long-term loans receivable	5	7
Other, net	(35)	(142)
Net cash provided by (used in) investing activities	(18,833)	(8,338)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	225	(878)
Repayments of long-term borrowings	(290)	(298)
Repayments of finance lease liabilities	(747)	(909)
Purchase of treasury shares	(2,252)	-
Purchase of shares and investments in capital of subsidiaries not resulting in change in scope of consolidation	(1,181)	(15,144)
Dividends paid	(5,877)	(5,739)
Dividends paid to non-controlling interests	(413)	(315)
Proceeds from share issuance to non-controlling shareholders	187	35
Net cash provided by (used in) financing activities	(10,348)	(23,249)
Effect of exchange rate change on cash and cash equivalents	(3,837)	968
Net increase (decrease) in cash and cash equivalents	(86,370)	(97,437)
Cash and cash equivalents at beginning of period	207,520	233,077
Cash and cash equivalents at end of period	121,150	135,639

(4) Notes to Interim Consolidated Financial Statements

(Notes Regarding the Going Concern Assumption)

Not applicable.

(Notes Regarding Significant Changes in Shareholders' Equity)

Not applicable.

(Segment Information, etc.)

During the previous interim consolidated accounting period and the current interim consolidated accounting period, the Company and its consolidated subsidiaries are primarily engaged in the handling of advertising in various media, including newspaper, magazine, radio, television, and digital media, as well as providing services such as planning and production related to advertising expression, marketing, and public relations (PR).

As the Group's businesses are aggregated into a single segment, the disclosure of segment information is omitted.

Reference Information

I. Regional business results and overseas revenue for the previous interim consolidated accounting period (From April 1, 2025 to September 30, 2025) are as follows:

i. Regional business results

(Millions of yen)

	Japan	Overseas	Total	Eliminations or Corporate	Consolidated
Revenue					
(1) Revenue from external customers	266,471	99,659	366,131	—	366,131
(2) Inter-segment revenue or transfers	2,669	1,654	4,323	(4,323)	—
Total	269,141	101,313	370,454	(4,323)	366,131
Gross profit	131,733	50,857	182,590	(2,657)	179,933
Operating income or loss	29,232	(2,620)	26,611	(15,868)	10,742

ii. Overseas revenue

(1) Overseas revenue (Millions of yen)	107,089
(2) Consolidated revenue (Millions of yen)	366,131
(3) Ratio of overseas revenue to consolidated revenue (%)	29.2

Note: Major countries or regions classified as "Overseas":
United States, Canada, Germany, United Kingdom, France, Türkiye, China, Taiwan, South Korea, Thailand, Malaysia, Singapore, Vietnam, Philippines, India, and Australia

II. Regional business results and overseas revenue for the current interim consolidated accounting period (From April 1, 2026 to September 30, 2026) are as follows:

i. Regional business results

(Millions of yen)

	Japan	Overseas	Total	Eliminations or Corporate	Consolidated
Revenue					
(1) Revenue from external customers	269,827	105,938	375,766	—	375,766
(2) Inter-segment revenue or transfers	3,036	2,002	5,038	(5,038)	—
Total	272,864	107,940	380,805	(5,038)	375,766
Gross profit	138,038	52,608	190,646	(2,535)	188,111
Operating income or loss	30,119	(4,432)	25,686	(15,888)	9,798

ii. Overseas revenue

(1) Overseas revenue (Millions of yen)	112,554
(2) Consolidated revenue (Millions of yen)	375,766
(3) Ratio of overseas revenue to consolidated revenue (%)	30.0

Note: Major countries or regions classified as "Overseas":
United States, Canada, Germany, United Kingdom, France, Türkiye, China, Taiwan, South Korea, Thailand, Malaysia, Singapore, Vietnam, Philippines, India, and Australia

(Significant Subsequent Events)

Not applicable.