

Results for the First Half of the Fiscal Year Ending May 31, 2026

H1 FY2025
(June 1, 2025 - November 30, 2025)

Pasona Group Inc.
Prime Market TSE (2168)

January 14, 2026

www.pasonagroup.co.jp/English



Pasona Heartful Inc. Haruka Nakamura [Hanaguruma]

① Net sales increased year-on-year, while Operating profit decreased.

- Expert Solutions, Life Solutions, and Regional Revitalization & Tourism Solutions increased net sales due to business expansion.
- BPO solutions net sales decreased, impacted by the peak-out effect of large-scale contracted projects.
- Gross profit increased due to an improvement in gross profit margin. Operating profit decreased due to an increase in SG&A expenses, including retirement benefit costs.

② Ordinary profit increased due to growth in non-operating profit. Net profit attributable to owners of the parent for the semi-annual period was a loss of ¥620 million, partly due to the impact of Expo-related extraordinary losses.

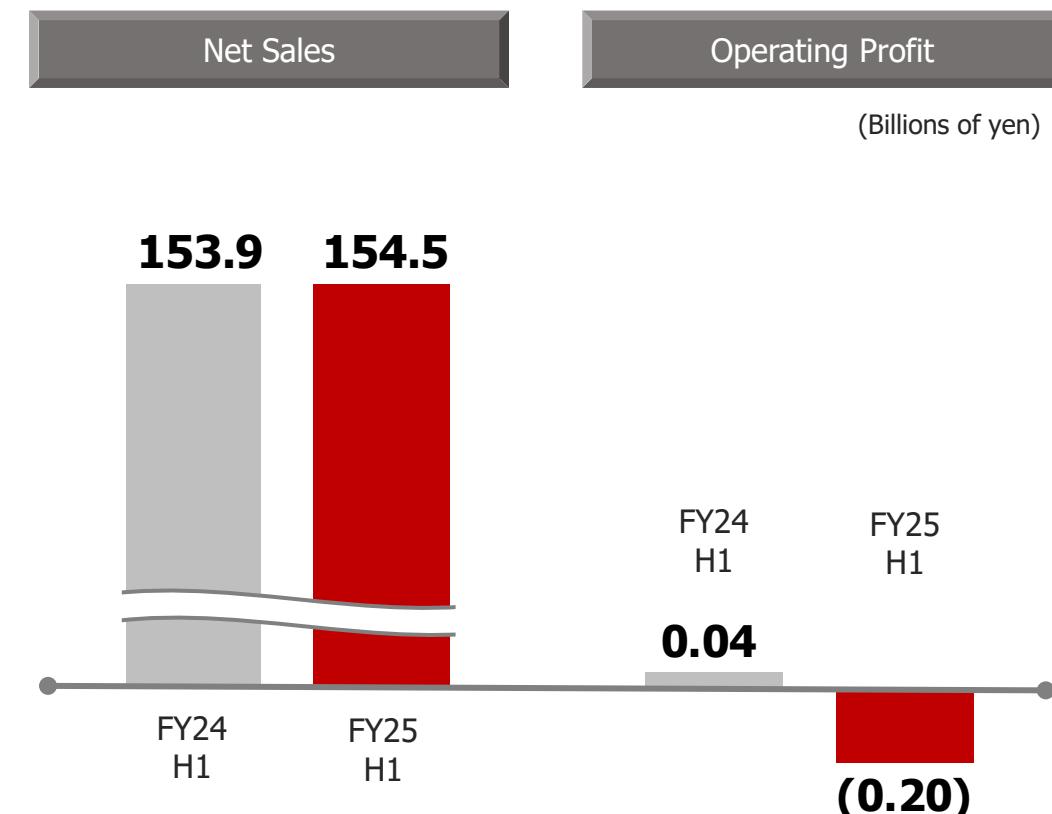
- Sponsorship money income and merchandise sales at Expo 2025 Osaka, Kansai, Japan contributed positively to non-operating profit.
- Expo exhibit-related expenses of ¥969 million were recorded as extraordinary losses.

H1 FY2025 Results

Consolidated financial results

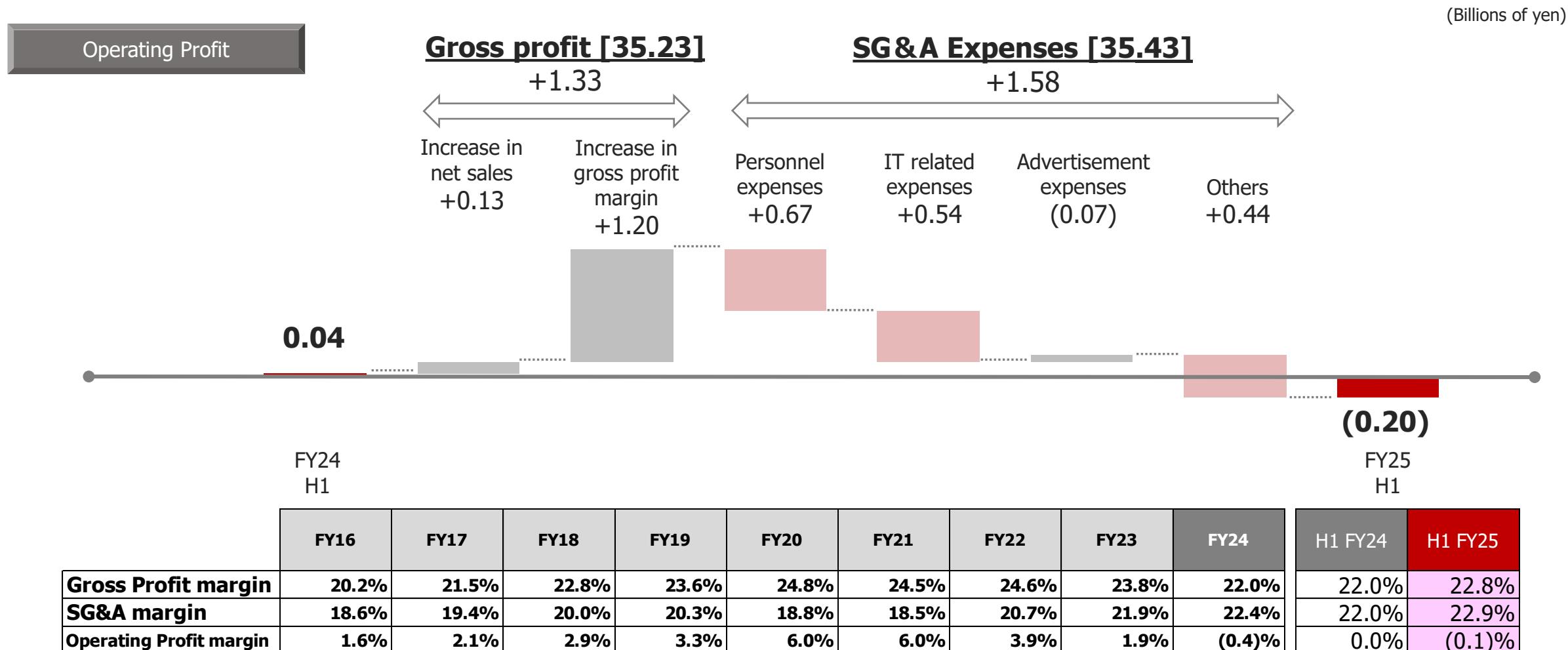
- Net sales increased in all segments except BPO Solutions, resulting in increased consolidated net sales.
- Gross profit increased in all segments except Career Solutions. Gross profit margin rose by 0.8pt year-on-year.
- Ordinary profit increased by ¥625 million compared to the previous period, driven by sponsorship income and merchandise sales related to Expo 2025 Osaka, Kansai, Japan.
- Temporary expenses of ¥969 million related to pavilion operations were recorded as extraordinary losses as Expo exhibit-related expenses.

(Millions of yen)	FY24	FY25	Increase /Decrease
	H1	H1	(%)
Net sales	153,934 100.0	154,527 100.0	+592 +0.4%
Cost of sales	120,040 78.0	119,299 77.2	(740) (0.6)%
Gross profit	33,894 22.0	35,227 22.8	+1,332 +3.9%
SG&A expenses	33,850 22.0	35,431 22.9	+1,581 +4.7%
Operating profit	44 0.0	(204) (0.1)	(248) —
Ordinary profit	189 0.1	815 0.5	+625 +330.4%
Loss attributable to owners of parent	(3,762) (2.4)	(620) (0.4)	+3,141 —
Gross profit margin	22.0%	22.8%	+0.8pt
Operating profit margin	0.0%	(0.1)%	(0.1)pt



Operating Profit

- Gross profit margin improved (+0.8pt).
- Personnel expenses increased due to higher retirement benefit expenses.
- IT infrastructure usage fees have been revised, resulting in an increase in IT-related expenses.



Non-operating/Extraordinary profit (loss)

- **Non-operating profit: Recorded sponsorship money income and merchandise sales from Expo 2025 Osaka, Kansai, Japan.**
- **Extraordinary losses: Recorded ¥969 million in temporary expenses related to pavilion operations, etc., as an extraordinary losses as Expo exhibit-related expenses.**

(Millions of yen)	FY24 H1	FY25 H1	Increase/ Decrease	YoY	(Millions of yen)	FY24 H1	FY25 H1	Increase/ Decrease	YoY
Operating profit (loss)	44	(204)	(248)	—	Extraordinary income	61	11	(49)	(81.8)%
Non-operating income	465	1,717	+1,252	+269.3%	Gain on change in equity	4	5	+0	+13.0%
Interest income	35	177	+142	+403.1%	Gain on sale of non-current assets	56	1	(55)	(98.2)%
Share of profit of entities accounted for using equity method	42	98	+55	+128.2%	Gain on sale of investment securities	—	4	+4	—
Sponsorship money income	86	542	+456	+529.7%	Extraordinary losses	2,605	1,180	(1,425)	(54.7)%
Subsidy income	54	27	(27)	(50.2)%	Loss on sale and retirement of non-current assets	34	48	+14	+42.6%
Expo product sales income	—	531	+531	—	Impairment losses	—	161	+161	—
Other	246	341	+95	+38.7%	Expo exhibit-related expenses	2,571	969	(1,601)	(62.3)%
Non-operating expenses	319	698	+378	+118.4%	Profit before income taxes	(2,355)	(353)	+2,001	—
Interest expenses	175	183	+8	+4.9%	Income taxes-current	1,006	912	(93)	(9.3)%
Commitment fees	15	165	+149	+955.8%	Income taxes-deferred	124	(803)	(927)	—
Expo cost of product sales	—	269	+269	—	Income taxes	1,130	109	(1,021)	(90.3)%
Other	129	80	(48)	(37.6)%	Profit attributable to non-controlling interests	276	157	(119)	(43.0)%
Ordinary profit	189	815	+625	+330.4%	Loss attributable to owners of parent	(3,762)	(620)	+3,141	—

Consolidated Results by Segment

(Millions of yen)

Segment		Net sales				Operating profit (loss)				Operating profit margin		
		FY24 H1	FY25 H1	Increase/Decrease	YoY	FY24 H1	FY25 H1	Increase/Decrease	YoY	FY24 H1	FY25 H1	Increase/Decrease
①	BPO Solutions (Contracting, Outsourcing)	67,709	66,180	(1,528)	(2.3)%	5,468	5,352	(116)	(2.1)%	4.0%	4.0%	(0.0)pt
	Expert Solutions (Temporary Staffing)	68,176	68,914	+737	+1.1%							
	Career Solutions (Placement/ Recruiting, Outplacement)	7,008	7,071	+62	+0.9%							
HR Solutions		142,894	142,166	(728)	(0.5)%	2,403	2,131	(271)	(11.3)%	34.3%	30.1%	(4.2)pt
④	Global Solutions (Overseas Human Resource Services)	5,463	5,724	+261	+4.8%	7,871	7,484	(387)	(4.9)%	5.5%	5.3%	(0.2)pt
	Life Solutions (Childcare support, Life support, etc.)	4,160	4,624	+463	+11.2%	131	116	(14)	(10.8)%	2.4%	2.0%	(0.4)pt
⑤	Regional Revitalization and Tourism Solutions	3,494	4,360	+866	+24.8%	74	192	+118	+160.7%	1.8%	4.2%	+2.4pt
⑥	Eliminations and Corporate	(2,077)	(2,349)	(271)	—	(915)	(531)	+383	—	(26.2)%	(12.2)%	+14.0pt
⑦	Total	153,934	154,527	+592	+0.4%	(7,117)	(7,466)	(349)	—	—	—	—
		44	(204)	(248)	—	0.0%	(0.1)%	(0.1)pt	—	—	—	—

Balance Sheets

Major Item of Increase/Decrease	May 31, 2025	Nov 31, 2025	(Billions of yen)	
			Increase/ Decrease	
Assets	265.0	237.1	(27.9)	
Current assets	188.9	150.1	(38.8)	
Cash and deposits	124.8	88.4	(36.4)	
Notes and accounts receivable-trade, and contract assets	41.3	45.1	+3.8	
Securities	14.5	9.0	(5.5)	
Non-current assets	76.0	86.9	+10.9	
Property, plant and equipment	47.1	55.6	+8.5	
Intangible assets	7.6	8.8	+1.2	
Investments and other assets	21.2	22.5	+1.2	
Liabilities	123.9	102.3	(21.6)	
Current liabilities	87.7	59.0	(28.7)	
Accounts payable-trade	2.8	1.4	(1.4)	
Short-term borrowings	6.0	5.8	(0.3)	
Accrued expenses	18.6	18.0	(0.5)	
Deposits received	38.7	14.3	(24.4)	
Non-current liabilities	36.2	43.3	+7.1	
Long-term borrowings	23.7	32.1	+8.4	
Net assets	141.1	134.9	(6.3)	
Shareholders' equity	134.2	128.3	(5.8)	
Capital surplus	16.0	16.0	(0.0)	
Retained earnings	115.8	112.2	(3.6)	
Treasury shares	(2.6)	(4.8)	(2.3)	
Total accumulated other comprehensive income	0.8	0.7	(0.0)	
Share acquisition rights	0.0	0.0	±0.0	
Non-controlling interests	6.2	5.8	(0.4)	
Equity ratio	50.9%	54.4%	+3.5pt	
Equity ratio (Excluding deposits received for contracted projects)	58.7%	57.2%	(1.5pt)	

Major Item of Increase/Decrease

[Cash and deposits]

- Decreased due to acquisition of fixed assets, payment of dividends, and payment of corporate taxes.
- Decreased in temporary deposits received related to contracted projects.

As of Nov 30, 2025 (FY25) ¥ 11.4 billion
 As of May 31, 2025 (FY24) ¥ 35.3 billion

[Property, plant and equipment]

Acquisition of assets related to Regional Revitalization projects.

[Deposits received]

Decreased in temporary deposits received to contracted projects.
 ¥ (24.0) billion YoY

[Retained earnings]

- Loss attributable to owners of parent ¥ (0.6) billion
- Payment of dividends ¥ (3.0) billion

[Treasury shares]

Increase in treasury shares due to acquisition of share
 (implementation period: January 15, 2025 to November 13, 2025)

[Equity ratio]

57.2% ((1.5pt)) after deducting "deposits received" related to contracted projects.

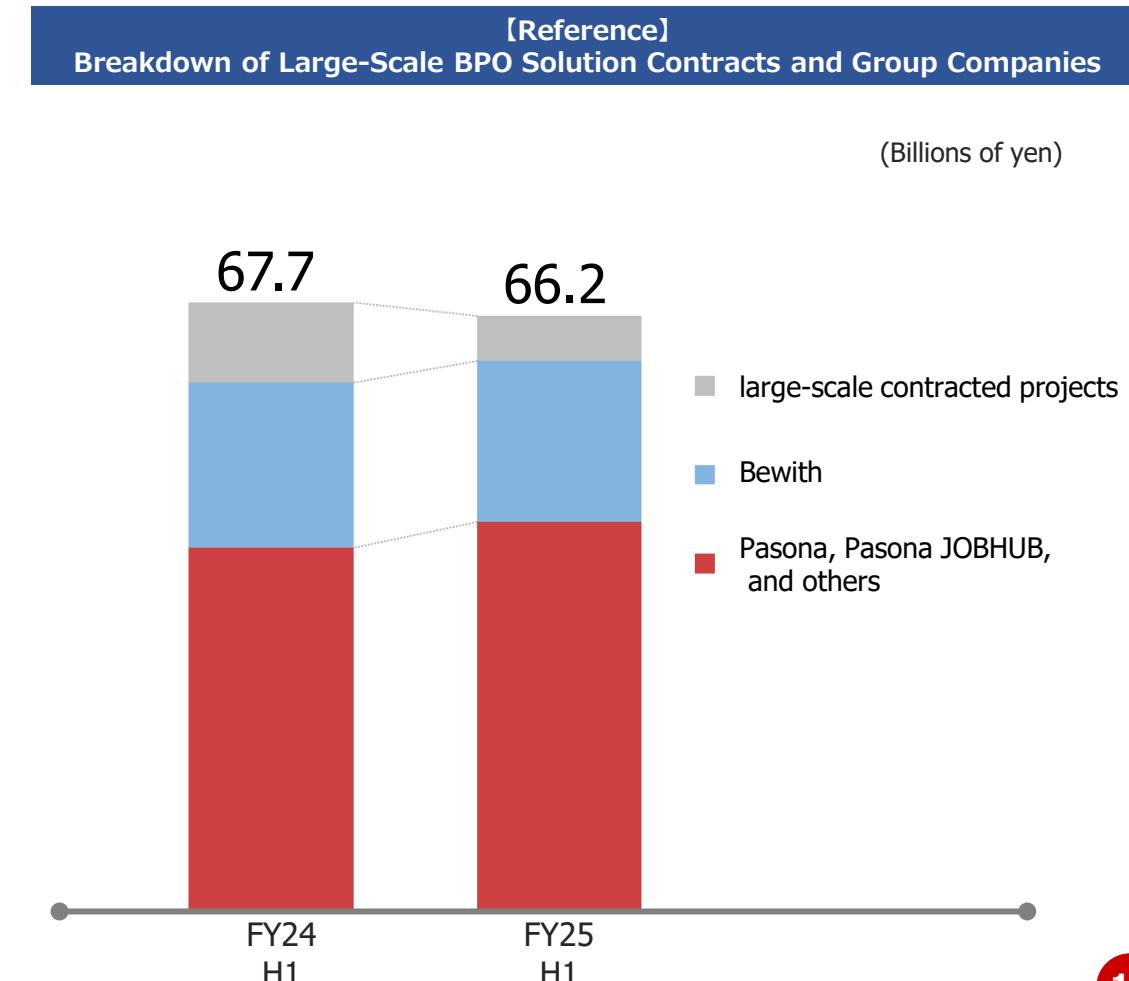
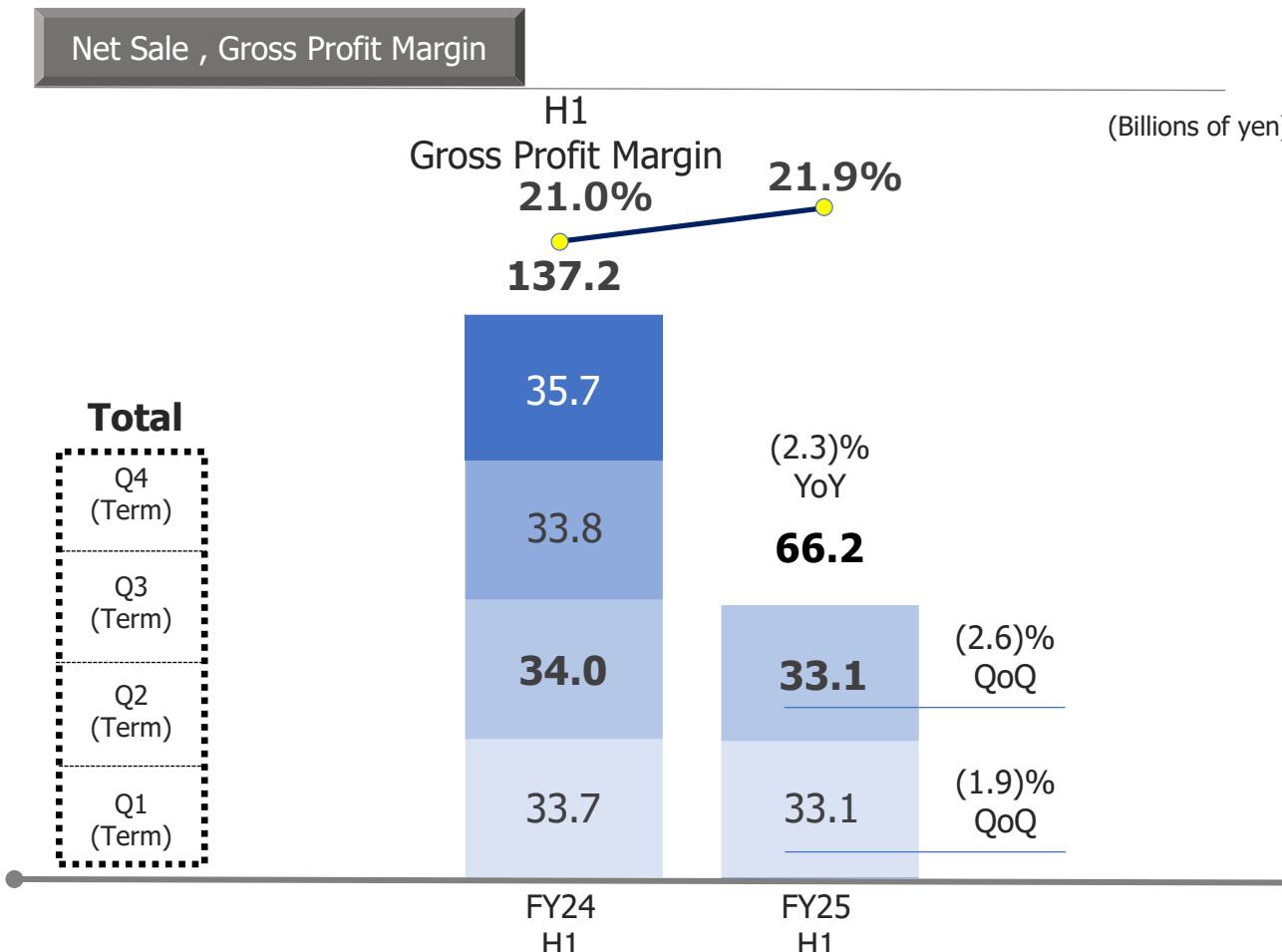
Cash Flows

Major Item of Increase/Decrease	H1 FY24	H1 FY25	(Billions of yen) Increase/ Decrease	Major Item of Increase/Decrease
Cash flows from operating activities	(1.8)	(6.6)	(4.8)	
Profit (loss) before income taxes	(2.4)	(0.4)	+2.0	【Profit before depreciation and amortization】 ¥ 1.3 billion (¥ +2.2billion YoY)
Depreciation	1.3	1.4	+0.1	
Impairment loss	0.0	0.2	+0.2	
Amortization of goodwill	0.2	0.1	(0.1)	
Decrease (increase) in accounts receivable - trade, and contract assets	(4.0)	(3.8)	+0.2	
Increase (decrease) in trade payables	(1.0)	(2.1)	(1.1)	
Income taxes refund (paid)	0.3	(1.4)	(1.7)	
Cash flows from investment activities	(31.6)	(10.1)	+21.4	【Proceeds from redemption of securities】 Redemption of securities acquired for short-term fund management
Decrease (increase) in time deposits	(7.5)	(2.5)	+5.0	
Purchase of securities	(8.5)	(8.0)	+0.5	
Proceeds from redemption of securities	—	13.5	+13.5	
Purchase of property, plant and equipment	(10.5)	(10.1)	+0.4	【Purchase of property, plant and equipment】 Acquisition of assets associated with Regional revitalization projects, etc.
Purchase of intangible assets	(1.6)	(2.1)	(0.5)	
Cash flows from financing activities	(8.6)	1.8	+10.4	
Increase (decrease) in short-term borrowings	(0.2)	0.0	+0.2	
Proceeds from long-term borrowings	—	11.0	+11.0	【Proceeds from long-term borrowings】 Funding through Positive Impact Finance
Repayments of long-term borrowings	(4.5)	(2.9)	+1.7	
Purchase of treasury shares	(0.0)	(2.5)	(2.5)	
Dividends paid	(3.0)	(3.0)	+0.1	
Dividends paid to non-controlling interests	(0.4)	(0.6)	(0.2)	
Net increase (decrease) in cash and cash equivalents	(42.1)	(14.9)	+27.2	【Purchase of treasury shares】 Acquisition of share (Implementation Period: January 15, 2025 to November 13, 2025)
Cash and cash equivalents at beginning of period	137.0	78.7	(58.4)	
Cash and cash equivalents at the end of period	94.9	63.7	(31.2)	
Free cash flows	(33.4)	(16.8)	+16.6	※Cash flow does not include the cash balance and increase/decrease in cash corresponding to "deposits" from customers for projects entrusted to the Company.

Segment information

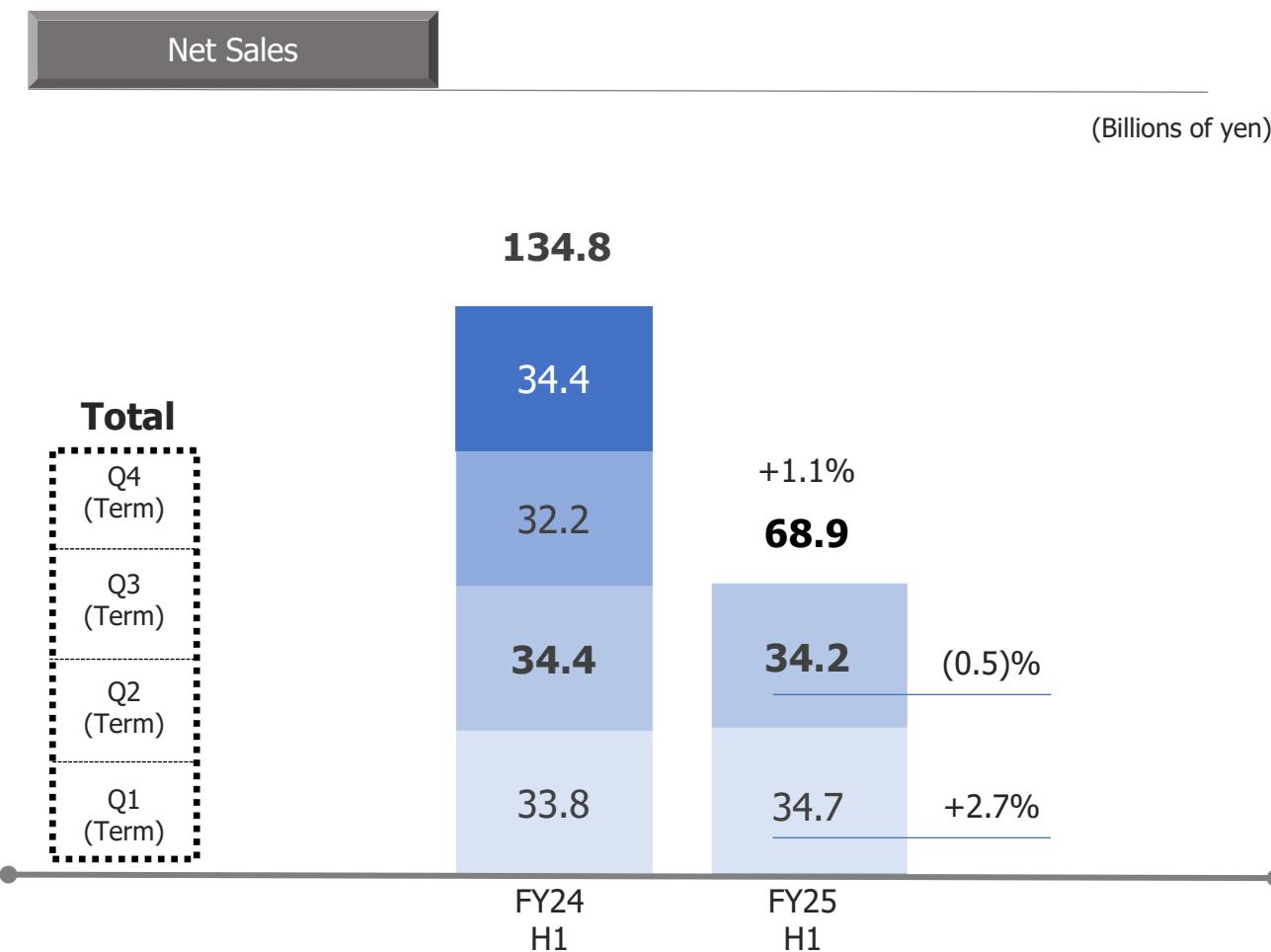
① BPO Solutions (Contracting, Outsourcing)

- Continued sales decline due to the peak-out effect of large-scale contracted projects
- Gross profit margin: 21.9% (+0.9pt)
- Expansion of the ProShare business (renamed from "KOMON Consulting")

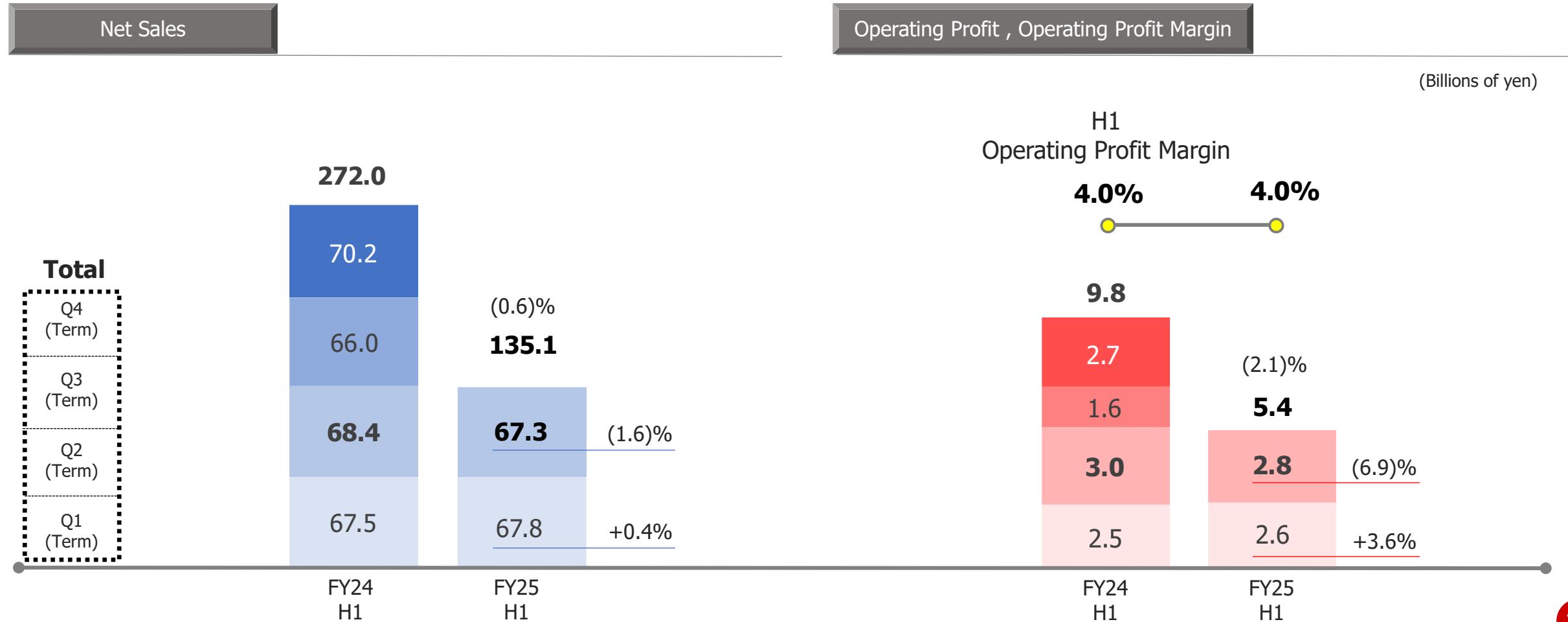


② Expert Solutions (Temporary staffing)

- Net sales increased despite temporary staffing levels matching the previous year's period, driven by factors such as higher unit prices.
- The number of registrants has increased by double digits compared to the same period last year due to improved convenience during new registrations.



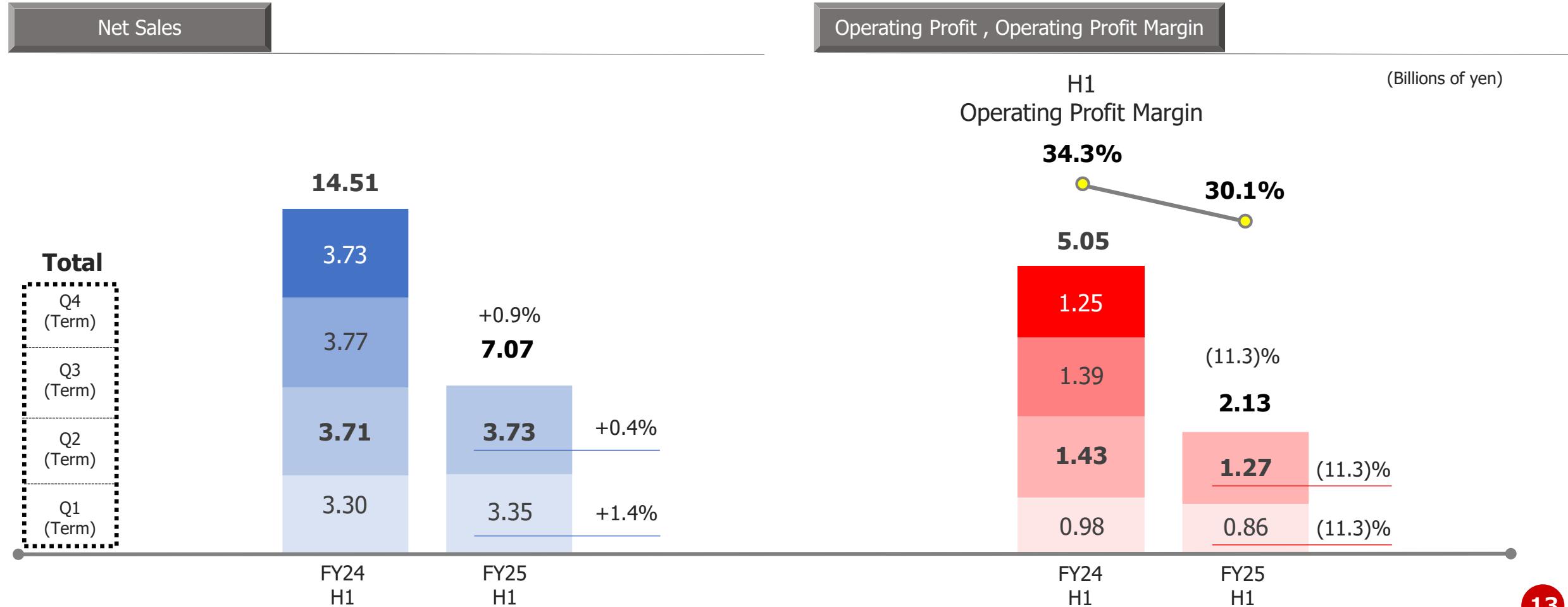
- Gross profit margin improved for both BPO Solutions and Expert Solutions.
- Operating profit decreased slightly due to an increase in SG&A expenses, including IT-related costs.



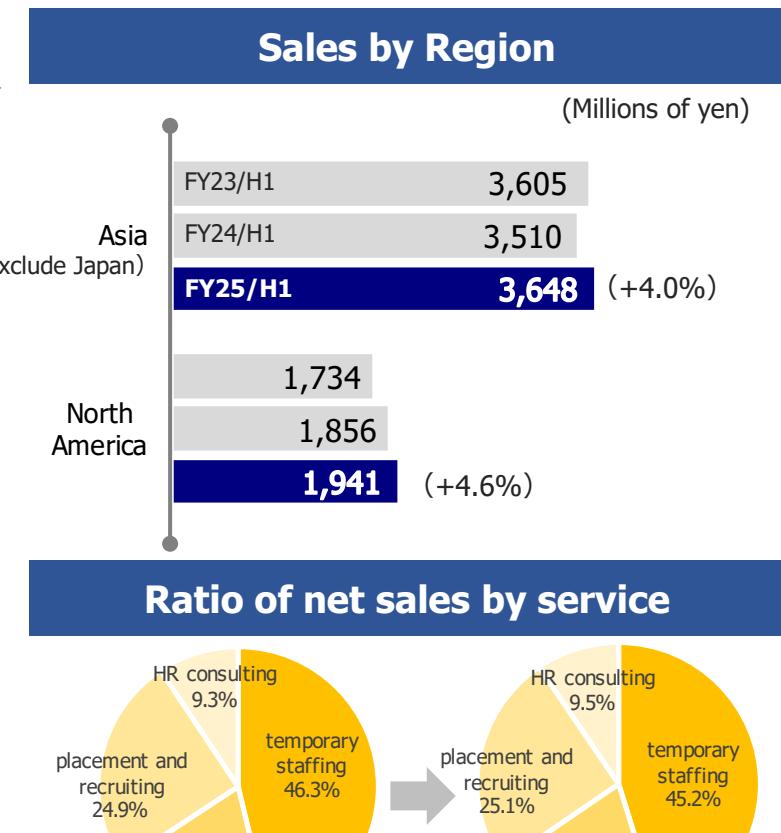
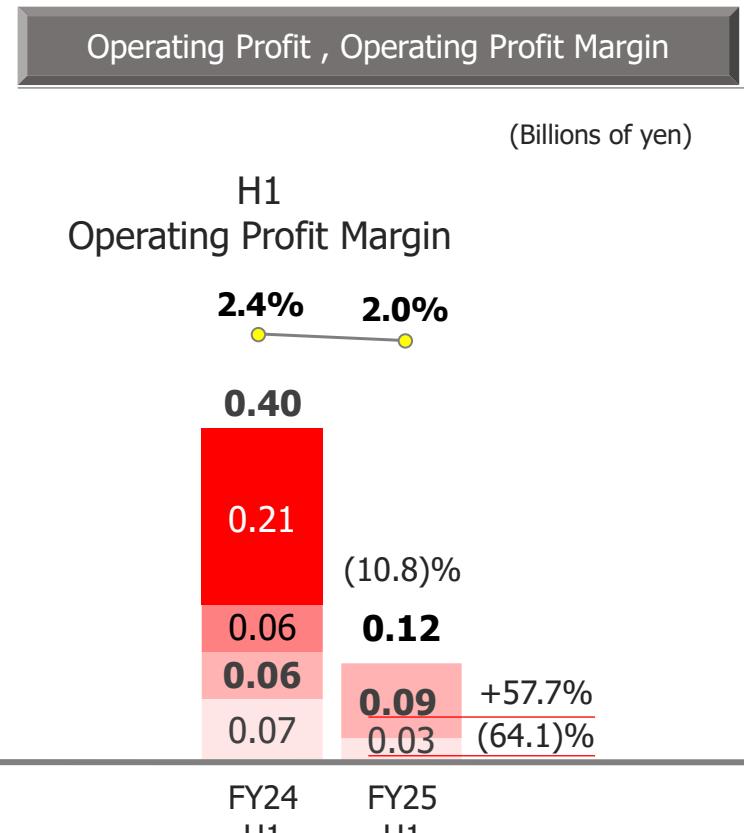
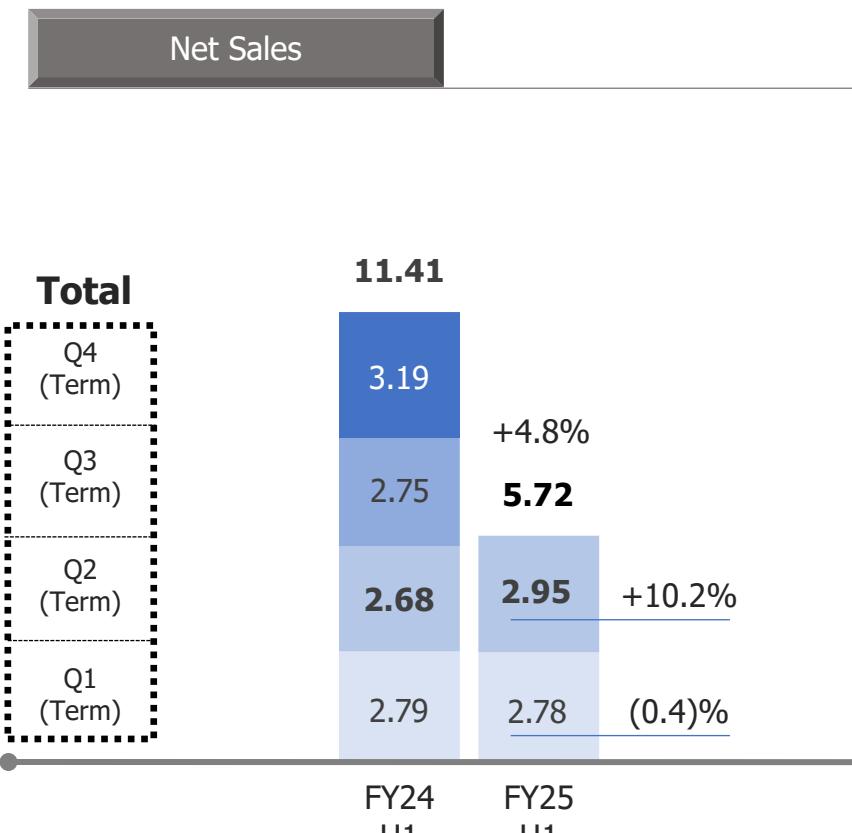
③Career Solutions (Placement/Recruiting , Outplacement)

P A S O N A

- **[Placement/Recruiting]** Unit price of average referral fee increased. Productivity temporarily declined due to internal system replacement.
- **[Outplacement]** Demand continues from companies advancing business restructuring. Negotiations for the second half and beyond are progressing, and we are strengthening our service capabilities to meet this sustained demand.

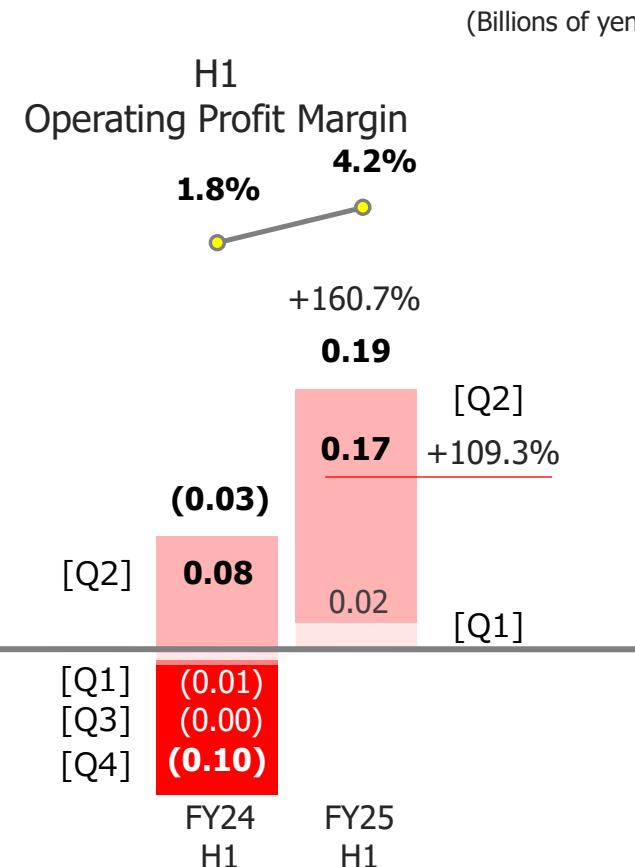
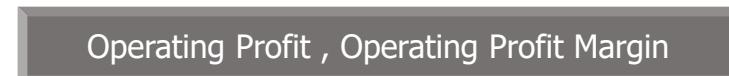
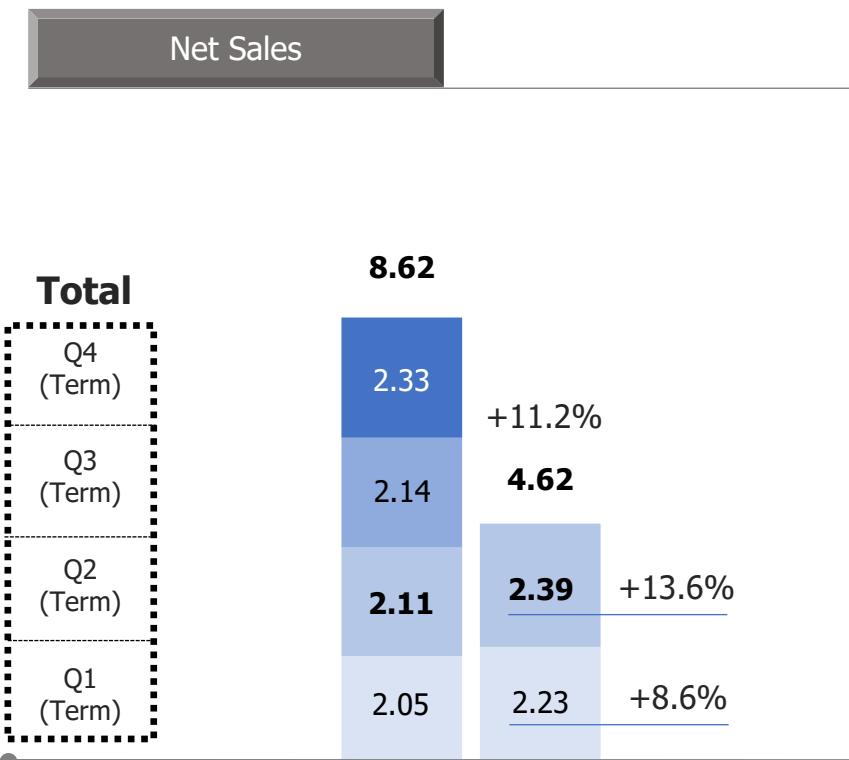


- **[North America]** In the United States, BPO services for accounting and payroll processing, as well as recruitment services, are expanding.
- **[Asia]** In Taiwan, recruitment and BPO services are expanding, primarily in the semiconductor manufacturing sector.
- **Operating profit declined due to an increase in Personnel expenses related to sales and new business initiatives.**



⑤Life Solutions (Childcare support, Life support, etc.)

- Sales increased due to expanded operations of new after-school clubs and similar programs. Strengthened income and expenditure management for each facility.**
- The scale of contracted childcare support services, such as housekeeping assistance, expanded, primarily in urban areas.**

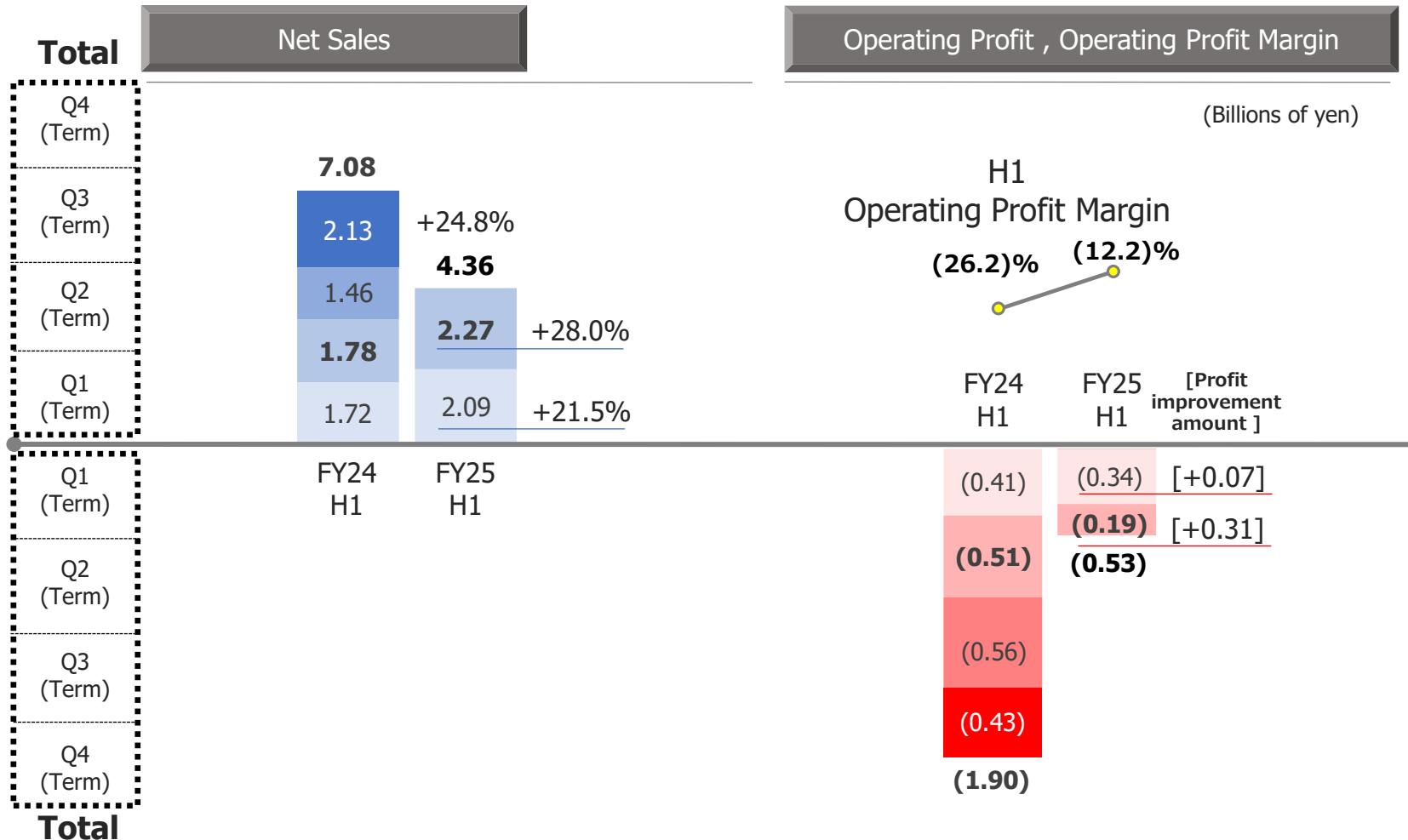


Facilities	May 2024	Nov 2024	May 2025	Nov 2025
Pasona Foster	105	104	97	97
Childcare facilities	47	47	44	44
After-school children's clubs	58	57	53	53
Pasona Life Care	19	18	17	17
Nursing care facilities	19	18	17	17

※As of Nov.30, 2025

⑥ Regional Revitalization and Tourism Solutions

- Facility attendance increased due to limited-time events (Demon Slayer: Kimetsu no Yaiba) and attractions popular overseas.
 - Character rooms at GRAND CHARIOT lodging facility are also popular.
 - Operating profit improved as a result of controlling selling, general, and administrative expenses through measures such as optimizing personnel allocation and streamlining promotional costs.



Topics

Awaji Island "Hatake no Resort San San Villa" opens as a residential facility to experience the charms of "living with agriculture. (August, 2025)

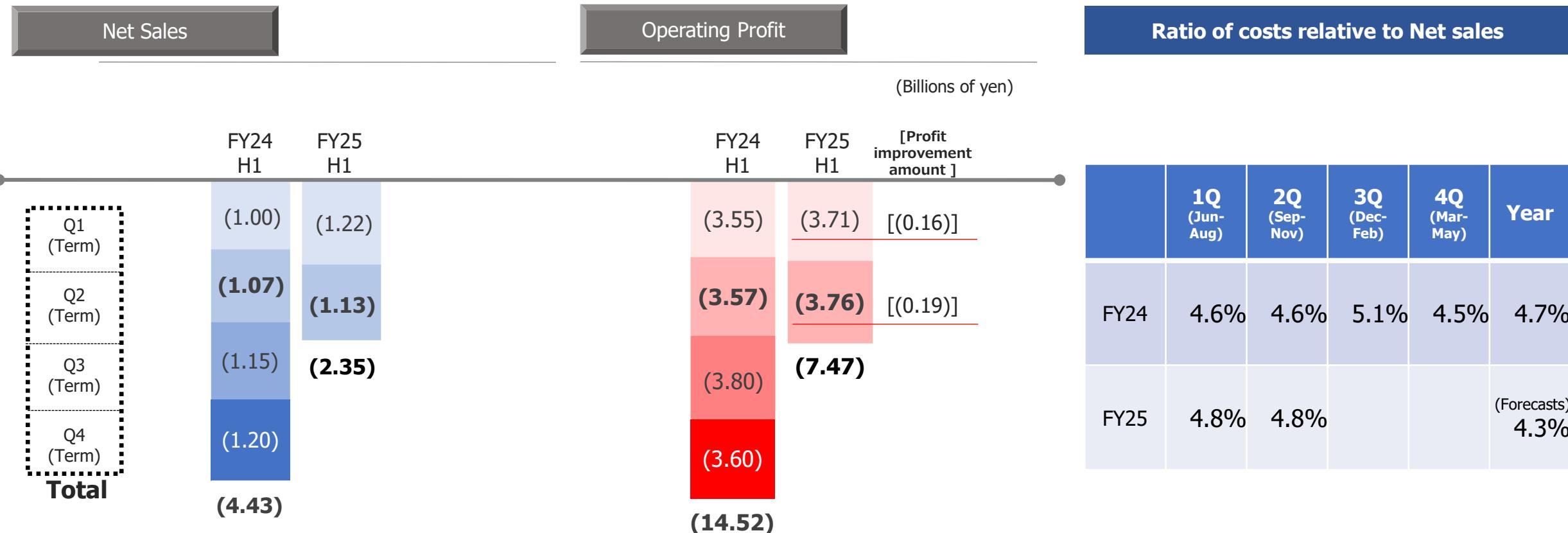


Opening of "Senshin Waho," a modern Japanese wellness stay for healing and conditioning. (July, 2025)



⑦ Eliminations and Corporate

- **IT-related expenses increased due to revision of usage fees for the IT infrastructure deployed across the group.**
- **To achieve the “PASONA GROUP VISION 2030”, we will advance efforts to optimize personnel allocation and review cost distribution, thereby strengthening cost control.**



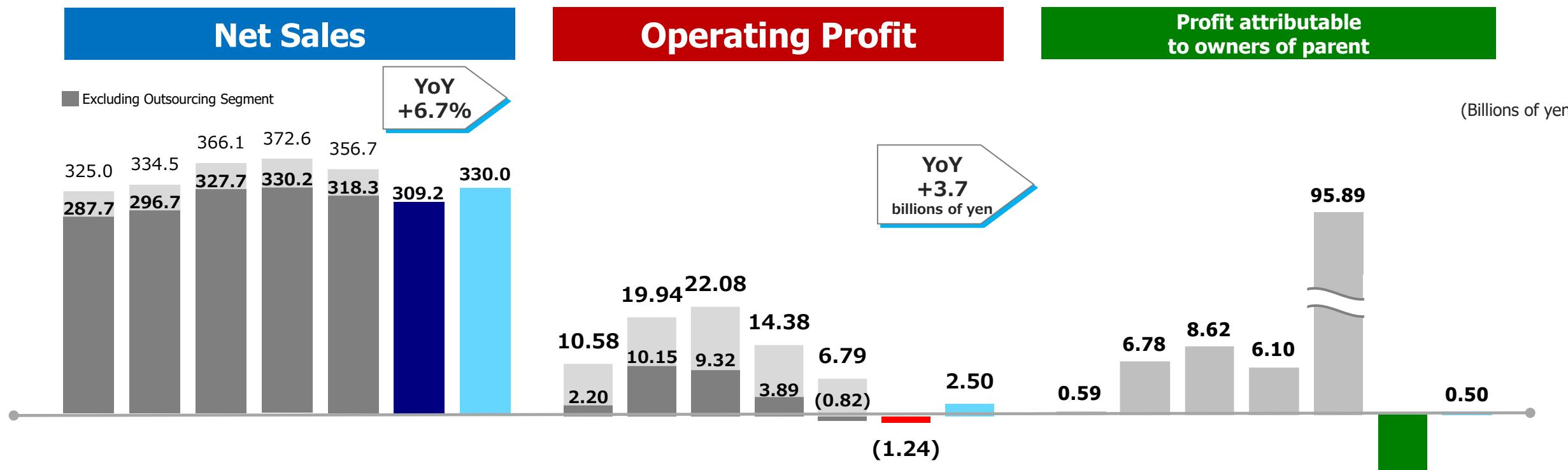
FY2025 Forecasts

FY2025 Consolidated Forecasts

(Disclosed on July 15, 2025)



P A S O N A



FY19 FY20 FY21 FY22 FY23 FY24 **FY25 Forecast** FY19 FY20 FY21 FY22 FY23 FY24 **FY25 Forecast** FY19 FY20 FY21 FY22 FY23 FY24 **FY25 Forecast**

(Millions of yen)

	FY19	FY20	FY21	FY22	FY23	FY24	FY25 Forecast	vs FY24 Increase/Decrease	YoY
Net sales	324,984	334,540	366,096	372,579	356,733	309,240	330,000	+20,759	+6.7%
Operating profit	10,577	19,940	22,083	14,377	6,794	(1,237)	2,500	+3,737	-
Ordinary profit	10,236	20,379	22,496	15,366	7,152	(460)	2,800	+3,260	-
Profit attributable to owners of parent	594	6,784	8,621	6,099	95,891	(8,658)	500	+9,158	-

FY2025 Consolidated Forecasts by Segment

(Disclosed on July 15, 2025)



(Millions of yen)

New Segment		Net sales				Operating profit (loss)				Operating profit margin		
		FY24	FY25 Forecast	Increase/Decrease	YoY	FY24	FY25 Forecast	Increase/Decrease	YoY	FY24	FY25 Forecast	Increase/Decrease
①	BPO Solutions (Contracting, Outsourcing)	137,236	136,000	(1,236)	(0.9)%	9,759	10,800	+1,040	+10.7%	3.6%	3.8%	+0.2pt
②	Expert Solutions (Temporary Staffing)	134,807	148,500	+13,692	+10.2%	5,048	5,300	+251	+5.0%	34.8%	32.7%	(2.1)pt
③	Career Solutions (Placement/ Recruiting, Outplacement)	14,507	16,200	+1,692	+11.7%	14,808	16,100	+1,291	+8.7%	5.2%	5.4%	+0.2pt
HR Solutions		286,552	300,700	+14,147	+4.9%	401	700	+298	+74.5%	3.5%	5.1%	+1.6pt
④	Global Solutions (Overseas Human Resource Services)	11,407	13,700	+2,292	+20.1%	(26)	400	+426	-	(0.3)%	4.2%	+4.5pt
⑤	Life Solutions (Childcare support, Life support, etc.)	8,623	9,500	+876	+10.2%	(1,900)	(500)	+1,400	-	(26.8)%	(5.0)%	+21.8pt
⑥	Regional Revitalization and Tourism Solutions	7,083	10,000	+2,916	+41.2%	(14,519)	(14,200)	+319	-	-	-	-
⑦	Eliminations and Corporate	(4,425)	(3,900)	+525	-							
Total		309,240	330,000	+20,759	+6.7%	(1,237)	2,500	+3,737	-	(0.4)%	0.8%	+1.2pt