

Note) This is an English translation of the Consolidated Financial Report prepared for the readers' convenience. Should there be any inconsistency between the translation and the original Japanese text, the latter shall prevail.



Consolidated Financial Report for the Third Quarter of Fiscal Year Ending March 31, 2026 [IFRS]

February 4, 2026

BIPROGY Inc.

Stock Listing:	Tokyo Stock Exchange, Prime Market
Stock Code:	8056
URL:	https://www.biprogy.com/e/
Representative:	Noboru Saito, Representative Director, President & CEO
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Scheduled Starting Date for Dividend Payment:	—
Earnings Supplementary Explanatory Documents:	yes
Earnings Results Briefing:	yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen.)

1. Consolidated Financial Results for FY2026 Q3 (from April 1, 2025 to December 31, 2025)

(1) Consolidated Results of Operations

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Comprehensive income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY2026 Q3	306,844	9.9	30,348	20.6	31,444	22.9	22,236	27.4	23,297	38.2
FY2025 Q3	279,265	7.9	25,166	4.3	25,585	4.5	17,456	(3.9)	16,863	(20.4)

(Note) Adjusted operating profit FY2026 Q3 : 30,838 Million Yen (27.0%) FY2025 Q3 : 24,288 Million Yen (2.7%)

Adjusted operating profit is the result obtained after deducting cost of sales and selling, general and administrative expenses from revenue.

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY2026 Q3	227.92	227.47
FY2025 Q3	176.11	175.70

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of owners' equity to gross assets
	Millions of Yen	Millions of Yen	Millions of Yen	%
FY2026 Q3	319,531	172,579	170,460	53.3%
FY2025	330,876	171,297	169,050	51.1%

2. Dividends

	Dividends Per Share				
	End of Q1	End of Q2	End of Q3	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2025	—	50.00	—	60.00	110.00
FY2026	—	60.00	—	—	—
FY2026 (Forecast)	—	—	—	60.00	120.00

(Note) Revisions to the latest forecast of dividends: No

3. Consolidated Earnings Forecast for FY2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
FY2026	427,000	5.7	42,600	9.0	42,600	9.8	29,000	7.5	298.66

(Note1) Revisions to the latest forecast of consolidated earnings: Yes

(Note2) Adjusted operating profit (Full Year) 42,900 Million Yen (11.7%)

Regarding revenue, operating profit, profit before tax, and profit attributable to owners of parent, there are no revisions since it was announced on November 5, 2025.

* Notes

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

Newly added: 1 company (BIPROGY and Translink Sustainability & Innovation Fund, L.P.)

(2) Changes in accounting policies and accounting estimates

1. Changes in accounting policies required by IFRS : No

2. Changes in accounting policies due to other reasons : No

3. Changes in accounting estimates : No

(3) Number of shares outstanding (common stock)

(shares)

1. Total number of issued shares at the end of the period
(including treasury shares)

FY2026 Q3	100,663,524	FY2025	100,663,524
FY2026 Q3	4,044,508	FY2025	2,481,445
FY2026 Q3	97,563,465	FY2025 Q3	99,120,320

2. Number of treasury shares at the end of the period

3. Average number of shares outstanding (during the period)

* Review of the Japanese-language originals of the attached Condensed Quarterly Financial Statements by certified public accountants or an audit firm : No

* Comments regarding appropriate usage of earnings forecast, and other special notes

The forward-looking statements such as earnings forecasts contained in this document are based on the information currently available to the Company and certain assumptions which are regarded as legitimate. The Company makes no warranty as to the achievability of what is described in the statements. Actual results may differ from these forecasts due to various factors.

(Appendix)

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1. 【Results of Business Operations and Financial Conditions】

(1) Summary of Business Operations

For the nine months of the fiscal year ending March 31, 2026, the Japanese economy continued to show signs of gradual recovery in an improving environment of employment and income.

We have continuously seen companies showing strong investment interests mainly in the field of digital transformation (DX) in the information services industry.

Investments in software products in the fiscal year under review are expected to increase compared with the previous fiscal year, according to the Tankan Survey by Bank of Japan (BOJ) in December.

On the other hand, in addition to the domestic economy facing downward risks under the effect of the U.S. trade policies, we are aware of risks of downward pressure exerted by continuing price increases upon the domestic personal consumption, eventually upon the entire economy in Japan.

Furthermore, it is necessary to be fully watchful about impacts from changes in the financial and capital market.

In this environment, we have been promoting efforts based upon the “Management Policies (2024-2026)”^{Note 1} with an eye on realizing the “Vision 2030” as we aim.

We have been working on the basic policies to: increase corporate value by establishing a sustainable business portfolio; optimize the allocation of management resources; and strengthen the Group’s management base. At the same time, we are enhancing business through core businesses (the existing revenue sources) in tandem with growth businesses (the new foundations of revenue).

We have defined five focus areas in the core business: Financial, Retail, Energy, Mobility, OT Infrastructure^{Note 2} where we can utilize our excellent customer base and our thorough operational and customer knowledge.

In the Financial focus area among the focus areas, we have seen a steady increase in the businesses of financial solutions, as exemplified by SurFIN[®], an overseas remittance workflow service. The solution enables a seamless migration to overseas remittance request formats that comply with ISO20022. It is conducive to solving issues such as individualization of administrative procedures for overseas duties and challenges involved in a transfer of skills and expertise & know-how accompanying re-assignment of the duties. Therefore, it has served more banks.

In the area of Retail, the Company aimed to make Catalina Marketing Japan K.K. (hereinafter referred to as “CMJ”) a subsidiary. It executed a stock purchase agreement with D Capital, Inc. that held 100% of the CMJ shares.

CMJ has been expanding AOUMI[™], a retail media network, in markets of grocery stores and drugstores. The company has been deploying a cross-sector marketing-support platform that enables collaboration among sei-katsu-sha, consumers, retailers and manufacturers.

BIPROGY will leverage its information technology and service development capabilities to boost CMJ’s growth in the retail media market. BIPROGY will also utilize data to accurately capture consumer and community needs, integrate CMJ’s capabilities with BIPROGY’s portfolio of store DX and marketing services, and accelerate the development of systems to enhance product assortments and marketing services, not only in retail, but also in collaboration with wholesalers and manufacturers.

We have set forth the three areas, Market Development, Business Development and Global Initiatives for growth businesses. This is in line with our aiming to establish new revenue bases and provide value.

Initiatives in the Market Development, one of the areas, are exemplified by the Data & AI Innovation Lab[™], DX support business. The Company launched the DI Consulting Service. The DI Consulting Service leverages data analyses for deeper understandings of target businesses. Business issues are identified through data-driven explorations by using key indicators. The service enables a consistent support from preparing DX strategies, designing use cases, creating systems with the sights set on serving businesses, and as a result, it creates a DX that leads to business results after going through demonstration experiments.

We have been promoting human resources strategy, technical strategy, investment strategy, and financial strategy, in collaboration with the business strategies as indicated in the Management Policies (2024-2026). We have been working on creating new value as well as proactively investing business resources in the areas of strength with an eye on strengthening market competitiveness.

We will evolve the value chains of our group in order to cope with changes in the circumstances at home and abroad and increase the value that we provide to customers.

(Notes)

1. For more information on Vision 2030, and the Management Policies (2024-2026), please refer to the Group's web page below.
https://www.biprogy.com/e/about/management_policy.html
2. OT is an abbreviation of Operational Technology. It refers to information system platform that supports design and manufacture processes mainly for factories and plants.
3. Names of companies or products herein described are trademarks or registered trademarks of their respective organizations.

For the nine months of the fiscal year ending March 31, 2026, customers continued to willingly make IT investment. Revenue growth in services and product sales both were enabled. It amounted to ¥306,844 million, an increase of ¥27,578 million or 9.9% compared with the same period of the previous fiscal year.

Operating profit increased ¥5,181 million or 20.6% compared with the same period of the previous fiscal year to ¥30,348 million.

This was attributed to a strong gross profit underpinned by the increase in revenue. The gross profit outweighed an increase in the SG&A expenses such as personnel expenses, strengthened investments with an eye on a future business increase, and posting expenses related to M&A.

Profit attributable to owners of parent was ¥22,236 million, up by ¥4,780 million or 27.4%, on a year-over-year basis.

Adjusted operating profit* that is used by the Company as an index for managing performance was ¥30,838 million, up by ¥6,550 million or 27.0% on a year-over-year basis.

(*) Adjusted operating profit is the result obtained after deducting costs of sales and selling, general and administrative expenses from revenue.

(2) Summary of Financial Conditions

① Summary of Assets, Liabilities and Equity

At the end of the nine-month period of the fiscal year under review, partly due to a decrease in trade receivables, total assets were ¥319,531 million, a decrease of ¥11,344 million compared with the end of the previous fiscal year.

Liabilities were ¥146,952 million, a ¥12,626 million decrease from the end of the previous fiscal year, partly due to a decrease in income taxes payable.

Equity was ¥172,579 million. Ratio of owners' equity to gross assets was 53.3%, up by 2.3 pts. from the end of the previous fiscal year.

② Summary of Cash Flows

Cash and cash equivalents at the end of the nine-month period of the fiscal year under review were ¥50,778 million, a decrease of ¥14,023 million compared with the end of the previous fiscal year. The cash flow situations and relevant factors are stated below.

(Cash flows from operating activities)

Net cash provided by operating activities totaled ¥34,013 million (an increase of ¥19,149 million in proceeds compared with the same quarter of the previous period).

This reflects proceeds of ¥31,444 million in profit before income taxes, the elements of increasing the proceeds and the elements of decreasing the proceeds.

The factors increasing proceeds include ¥13,565 million in depreciation and amortization (non-cash expenses) and a decrease in trade and other receivables ¥18,810 million.

The factors decreasing the proceeds include an increase in contract assets of ¥6,776 million, and a decrease of ¥5,047 million in trade and other payables.

(Cash flows from investing activities)

Net cash used in investing activities was ¥16,701 million (an increase of ¥8,208 million in expenditures compared with the previous period).

This includes: expenditures of ¥3,019 million as a result of purchasing property, plant and equipment such as computers for business activities, expenditures of ¥10,402 million due to the acquisitions of intangible assets such as the investments in software for outsourcing, and expenditures of ¥2,493 million for acquiring investment securities.

(Cash flows from financing activities)

Net cash used in the financing activities was ¥31,392 million (an increase of ¥1,367 million in expenditures compared with the previous period). This expenditure includes ¥9,675 million for purchase of treasury shares and dividends payment of ¥11,738 million.

(3) Comments on the Consolidated Earnings Forecasts and Other Forecasts

The Company has decided to revise the adjusted operating profit as indicated below with taking into account the performance results for the nine months of the fiscal year under review and the forecast for the fourth quarter of the fiscal year under review.

Regarding revenue, operating profit, profit before tax, and profit attributable to owners of parent, there are no revisions to the consolidated performance forecasts announced on November 5, 2025.

Revision of the Consolidated Performance Forecasts (from April 1, 2025 to March 31, 2026)

Adjusted operating profit (full year): ¥42,900 million (up by ¥900 million compared with the previous forecast)

2. Condensed Quarterly Consolidated Financial Statements and Material Notes

(1) Condensed Quarterly Consolidated Statements of Financial Position

(Millions of Yen)

	FY2025	FY2026 Q3
	(As of March 31, 2025)	(As of December 31, 2025)
Assets		
Current assets		
Cash and cash equivalents	64,801	50,778
Trade and other receivables	87,949	69,147
Contract assets	7,387	14,167
Inventories	15,842	13,743
Other financial assets	2,664	1,250
Other current assets	18,163	22,508
Total current assets	196,809	171,595
Non-current assets		
Property, plant and equipment	13,056	13,551
Right-of-use assets	20,647	23,135
Goodwill	2,539	3,252
Intangible assets	33,592	38,087
Investments accounted for using equity method	5,801	6,475
Other financial assets	32,548	36,955
Deferred tax assets	12,341	11,666
Retirement benefit asset	2,784	2,615
Other non-current assets	10,755	12,196
Total non-current assets	134,066	147,936
Total assets	330,876	319,531

(Millions of Yen)

	FY2025 (As of March 31, 2025)	FY2026 Q3 (As of December 31, 2025)
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	31,979	27,861
Contract liabilities	31,912	35,089
Borrowings	9,467	7,012
Lease liabilities	8,003	6,750
Other financial liabilities	2,917	4,848
Income taxes payable	8,759	2,166
Provisions	1,066	97
Other current liabilities	28,545	23,452
Total current liabilities	122,649	107,278
Non-current liabilities		
Borrowings	11,262	11,262
Lease liabilities	13,867	17,639
Other financial liabilities	308	191
Retirement benefit liability	7,380	6,307
Provisions	3,713	3,741
Deferred tax liabilities	396	530
Total non-current liabilities	36,929	39,673
Total liabilities	159,578	146,952
Equity		
Share capital	5,483	5,483
Capital surplus	13,972	13,505
Treasury shares	(5,247)	(14,723)
Other components of equity	3,734	4,632
Retained earnings	151,107	161,563
Total equity attributable to owners of parent	169,050	170,460
Non-controlling interests	2,247	2,118
Total equity	171,297	172,579
Total liabilities and equity	330,876	319,531

(2) Condensed Quarterly Consolidated Statements of Profit or Loss and Comprehensive Income

(Condensed Quarterly Consolidated Statements of Profit or Loss)

(Millions of Yen)

	FY2025 Q3 (Nine months ended December 31, 2024)	FY2026 Q3 (Nine months ended December 31, 2025)
Revenue	279,265	306,844
Cost of sales	206,609	224,936
Gross profit	72,655	81,907
Selling, general and administrative expenses	48,367	51,069
Share of profit (loss) of investments accounted for using equity method	601	1,125
Other income	321	155
Other expenses	44	1,772
Operating profit	25,166	30,348
Finance income	642	1,508
Finance costs	223	411
Profit before tax	25,585	31,444
Income tax expense	8,059	9,024
Profit	17,526	22,420
Profit attributable to		
Owners of parent	17,456	22,236
Non-controlling interests	70	183
Profit	17,526	22,420
Earnings per share		
Basic earnings per share (Yen)	176.11	227.92
Diluted earnings per share (Yen)	175.70	227.47

(Condensed Quarterly Consolidated Statements of Comprehensive Income)

(Millions of Yen)

	FY2025 Q3 (Nine months ended December 31, 2024)	FY2026 Q3 (Nine months ended December 31, 2025)
Profit	17,526	22,420
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(876)	913
Total of items that will not be reclassified to profit or loss	(876)	913
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	170	(40)
Share of other comprehensive income of investments accounted for using equity method	42	4
Total of items that may be reclassified to profit or loss	213	(35)
Other comprehensive income, net of tax	(662)	877
Comprehensive income	16,863	23,297
Comprehensive income attributable to		
Owners of parent	16,778	23,131
Non-controlling interests	85	166
Comprehensive income	16,863	23,297

(3) Condensed Quarterly Consolidated Statements of Changes in Equity
FY2025 Q3 (Nine months ended December 31, 2024)

(Millions of Yen)

	Equity attributable to owners of parent					
				Other components of equity		
	Share capital	Capital surplus	Treasury shares	Financial assets measured at fair value through other comprehensive income	Share acquisition rights	Share of other comprehensive income of investments accounted for using equity method
As of April 1, 2024	5,483	15,004	(13,226)	7,383	413	104
Profit						
Other comprehensive income				(876)		42
Comprehensive income	—	—	—	(876)	—	42
Dividends of surplus						
Purchase of treasury shares			(11,188)			
Disposal of treasury shares		(233)	276		(42)	
Cancellation of treasury shares		(19,033)	19,033			
Share-based payment transactions		86	43			
Obtaining of control of subsidiaries						
Changes in investments accounted for using equity method interests in their subsidiaries		(644)				
Transfer from retained earnings to capital surplus		18,566				
Transfer from other components of equity to retained earnings				(1,366)		
Other						
Total transactions with owners	—	(1,258)	8,165	(1,366)	(42)	—
As of December 31, 2024	5,483	13,746	(5,061)	5,140	370	147

	Equity attributable to owners of parent					
	Other components of equity					
	Exchange differences on translation of foreign operations	Total	Retained earnings	Total	Non-controlling interests	Total equity
As of April 1, 2024	655	8,556	150,605	166,423	1,890	168,314
Balance at beginning of period			17,456	17,456	70	17,526
Profit	155	(678)		(678)	15	(662)
Other comprehensive income	155	(678)	17,456	16,778	85	16,863
Dividends of surplus			(10,438)	(10,438)	(148)	(10,587)
Purchase of treasury shares				(11,188)		(11,188)
Disposal of treasury shares		(42)		0		0
Cancellation of treasury shares						—
Share-based payment transactions				129		129
Obtaining of control of subsidiaries					211	211
Changes in investments accounted for using equity method interests in their subsidiaries				(644)		(644)
Transfer from retained earnings to capital surplus			(18,566)			—
Transfer from other components of equity to retained earnings		(1,366)	1,366			—
Other			5	5		5
Other	—	(1,409)	(27,633)	(22,135)	62	(22,072)
As of December 31, 2024	811	6,469	140,428	161,065	2,038	163,104

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Treasury shares	Other components of equity		
				Financial assets measured at fair value through other comprehensive income	Share acquisition rights	Share of other comprehensive income of investments accounted for using equity method
As of April 1, 2025	5,483	13,972	(5,247)	2,199	345	209
Profit						
Other comprehensive income				913		4
Comprehensive income	—	—	—	913	—	4
Dividends of surplus						
Purchase of treasury shares			(9,675)			
Disposal of treasury shares		(20)	51		(30)	
Share-based payment transactions		81	146			
Obtaining of control of subsidiaries						
Changes in ownership interest in subsidiaries		(527)				
Transfer from other components of equity to retained earnings				33		
Total transactions with owners	—	(467)	(9,476)	33	(30)	—
As of December 31, 2025	5,483	13,505	(14,723)	3,147	314	213

	Equity attributable to owners of parent					
	Other components of equity				Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Total	Retained earnings	Total		
As of April 1, 2025	980	3,734	151,107	169,050	2,247	171,297
Profit			22,236	22,236	183	22,420
Other comprehensive income	(23)	894		894	(17)	877
Comprehensive income	(23)	894	22,236	23,131	166	23,297
Dividends of surplus			(11,746)	(11,746)	(148)	(11,894)
Purchase of treasury shares				(9,675)		(9,675)
Disposal of treasury shares		(30)		0		0
Share-based payment transactions				228		228
Obtaining of control of subsidiaries					8	8
Changes in ownership interest in subsidiaries				(527)	(155)	(683)
Transfer from other components of equity to retained earnings		33	(33)			—
Total transactions with owners	—	3	(11,780)	(21,721)	(294)	(22,016)
As of December 31, 2025	956	4,632	161,563	170,460	2,118	172,579

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Millions of Yen)

	FY2025 Q3 (Nine months ended December 31, 2024)	FY2026 Q3 (Nine months ended December 31, 2025)
Cash flows from operating activities		
Profit before tax	25,585	31,444
Depreciation and amortization	13,586	13,565
Impairment losses	28	1,506
Interest and dividend income	(466)	(780)
Interest expenses	127	348
Share of loss (profit) of investments accounted for using equity method	(601)	(1,125)
Decrease (increase) in trade and other receivables	18,178	18,810
Decrease (increase) in contract assets	(4,160)	(6,776)
Decrease (increase) in inventories	(8,823)	2,099
Increase (decrease) in trade and other payables	(9,211)	(5,047)
Increase (decrease) in contract liabilities	5,637	3,188
Increase or decrease in retirement benefit asset or liability	(837)	(903)
Other	(11,526)	(7,174)
Subtotal	27,515	49,156
Interest and dividends received	490	850
Interest paid	(117)	(326)
Income taxes paid	(13,024)	(15,667)
Net cash provided by (used in) operating activities	14,864	34,013
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,871)	(3,019)
Proceeds from sale of property, plant and equipment	2	3
Purchase of intangible assets	(7,811)	(10,402)
Purchase of investment securities	(1,699)	(2,493)
Proceeds from sale of investment securities	2,866	0
Payments for acquisition of subsidiaries	(510)	(865)
Purchase of investments accounted for using equity method	—	(105)
Proceeds from sale of investments accounted for using equity method	26	31
Other	504	150
Net cash provided by (used in) investing activities	(8,492)	(16,701)

(Millions of Yen)

	FY2025 Q3 (Nine months ended December 31, 2024)	FY2026 Q3 (Nine months ended December 31, 2025)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,600)	(2,474)
Repayments of long-term borrowings	(5)	(362)
Repayments of lease liabilities	(6,956)	(6,721)
Purchase of treasury shares	(11,188)	(9,675)
Payments for acquisition of interests in subsidiaries from non-controlling interests	—	(683)
Dividends paid	(10,425)	(11,738)
Dividends paid to non-controlling interests	(148)	(148)
Other	299	410
Net cash provided by (used in) financing activities	(30,024)	(31,392)
Effect of exchange rate changes on cash and cash equivalents	74	57
Net increase (decrease) in cash and cash equivalents	(23,578)	(14,023)
Cash and cash equivalents at beginning of period	59,263	64,801
Cash and cash equivalents at end of period	35,684	50,778

(5) Notes about Condensed Consolidated Financial Statements
 (Notes on Going Concern Assumption)
 None applicable

(Segment Information and Others)

(1) Overview of reportable segments

The reportable segments of the Company are those among the constituent units of the Company for which separate financial statements can be obtained and which are regularly examined by the Board of Directors for decisions on the allocation of management resources and for assessing business performance.

By fully harnessing the collective capabilities of the Group, the Company provides comprehensive IT solution services, from identifying customers' management issues to providing solutions to them.

The Company's operations therefore consist of segments composed of products and services that constitute our IT solution services.

We have five reportable segments: System Services, Support Services, Outsourcing, Software, and Hardware.

Details of the reportable segments are as follows:

- System Services: Software contract development business, system engineer services, and consulting
- Support Services: Software and hardware maintenance, installation support and related services
- Outsourcing: System operation by contract, and related services
- Software: Provision of software based on software license agreements
- Hardware: Provision of hardware partly based on equipment sales agreements

(2) Information about performance by reportable segment
 FY2025 Q3 (Nine months ended December 31, 2024)

	Reportable segment						Other (Note 1)	Total	Adjustment (Note 2)	(Million Yen) Amount recorded in the consolidated financial statements
	System Services	Support Services	Out sourcing	Software	Hardware	Total				
Revenue	93,477	42,843	62,387	28,209	43,925	270,845	8,420	279,265	—	279,265
Segment profits (Note 3)	31,909	14,316	13,416	3,692	7,323	70,659	1,996	72,655	(48,367)	24,288
Share of profit (loss) of investments accounted for using equity method										601
Other income										321
Other expense										44
Operating profit										25,166
Finance income										642
Finance costs										223
Profit before tax										25,585

(Note 1) The Other category is a business segment that is not included in the reportable segments. It includes network services, installation and corporate training.

(Note 2) The adjustment to segment profits represents selling, general and administrative expenses that have not been distributed to each segment.

(Note 3) Segment profits are represented by adjusted operating profit which is the result of deducting cost of sales and selling, general and administrative expenses from revenue.

FY2026 Q3 (Nine months ended December 31, 2025)

(Million Yen)

	Reportable segment						Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in the consolidated financial statements
	System Services	Support Services	Out sourcing	Software	Hardware	Total				
Revenue	100,481	44,170	67,732	33,603	51,881	297,868	8,975	306,844	—	306,844
Segment profits (Note 3)	35,521	13,903	15,560	5,119	9,594	79,698	2,208	81,907	(51,069)	30,838
Share of profit (loss) of investments accounted for using equity method										1,125
Other income										155
Other expense										1,772
Operating profit										30,348
Finance income										1,508
Finance costs										411
Profit before tax										31,444

(Note 1) The Other category is a business segment that is not included in the reportable segments. It includes network services, installation and corporate training.

(Note 2) The adjustment to segment profits represents selling, general and administrative expenses that have not been distributed to each segment.

(Note 3) Segment profits are represented by adjusted operating profit which is the result of deducting cost of sales and selling, general and administrative expenses from revenue.

(Significant Subsequent Events)

(Business Combination through Acquisition)

Pursuant to a resolution at the meeting of the board of directors held on November 28, 2025 on making Catalina Marketing Japan K.K. (hereinafter referred to as “CMJ”) as a subsidiary on a consolidated basis through acquiring all the issued shares of Yosemite 1 K.K. (hereinafter referred to as “Yosemite 1”) that held 100% of the issued shares of CMJ, the Company acquired the shares as of January 6, 2026.

Yosemite 1 absorbed and merged CMJ as of the same date. Yosemite 1 changed the trade name to “Catalina Marketing Japan K.K.”

Summary of Business Combination

① Name of the acquired company and the contents of its business operation

Name of the acquired companies: Catalina Marketing Japan K.K.

Contents of the business operations: Various types of marketing support predicated upon actual purchase data

② Main reason for the business combination

The Company intends to obtain new earnings opportunities and improve corporate value of the two companies through merging the store DX-related services that it deploys and CMJ solutions. The integration is expected to enable the Company to deploy services conducive to solving issues in the entirety of distribution industry, including demands forecasts, sales promotion optimization, automation of orders based upon demands and sales promotion plans.

③ Ratios of voting rights acquired

100.0%

④ Acquisition date

January 6, 2026

⑤ Legal framework for the business combination

Acquisition of shares for cash consideration

The initial accounting procedures concerning the business combination have not been finished yet at this point in time. Therefore, the Company has not disclosed information details such as fair value of acquired assets and assumed liabilities, goodwill, and acquisition-related expenses.

(Loans)

The Company has taken out the loan as described below, in relation to the business combination as described above.

(1) Lender: Sumitomo Mitsui Banking Corporation

(2) Loan amount: ¥30.0 billion

(3) Interest rate on loan: Floating Rate (Base Rate + Spread)

(4) Loan execution date: January 5, 2026

(5) Repayment due date: January 5, 2027

(6) Repayment method: Bullet repayment

(7) Presence or absence of collateral/guarantee: None

(8) Use of funds: Appropriation as funds for acquiring shares of Catalina Marketing Japan K.K. etc.

(9) Others: The loan is subject to the key borrowing conditions described below.

① The total equity indicated in the Consolidated Statements of Financial Position at the end of each fiscal year as well as the Semi-annual Consolidated Statements of Financial Position at the end of the second quarter shall be maintained at 75% of the total equity of the end of the latest fiscal year.

② The Company shall maintain a Short-term Rating of a-2 or higher, an Issuer Rating of BBB- or higher, and a Long-term Debt Rating of BBB- or higher.