



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

July 31, 2025

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 |
| Contact: | Motoko Takizawa, Manager, Corporate Communications (TEL +81-3-5546-4111) |
| 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 Q1(from April 1, 2025 to June 30, 2025)

(1) Consolidated Results of Operations

(Percentage below represents increase (decrease) from previous year)

| | 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 Q1 | 96,844 | 9.6 | 8,569 | 30.3 | 8,523 | 19.5 | 5,827 | 19.1 | 6,276 | 14.5 |
| FY2025 Q1 | 88,352 | 10.6 | 6,578 | 12.8 | 7,129 | 10.8 | 4,892 | 12.1 | 5,481 | (20.6) |

(Note) Adjusted operating profit FY2026 Q1 : 7,841 Million Yen (23.9%) FY2025 Q1 : 6,326 Million Yen (9.7%)

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 Q1 | 59.42 | 59.30 |
| FY2025 Q1 | 48.66 | 48.54 |

(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 Q1 | 313,406 | 168,930 | 166,986 | 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 | — | | | | |
| FY2026 (Forecast) | | 60.00 | — | 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)

(Percentage below represents increase (decrease) from previous year)

| | 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 | 420,000 | 4.0 | 42,600 | 9.0 | 42,600 | 9.8 | 29,000 | 7.5 | 298.66 |

(Note1) Revisions to the latest forecast of consolidated earnings: No

(Note2) Adjusted operating profit (Full Year) 42,000 Million Yen (9.3%)

* 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 Q1 | 100,663,524 | FY2025 | 100,663,524 |
| FY2026 Q1 | 2,782,413 | FY2025 | 2,481,445 |
| FY2026 Q1 | 98,075,415 | FY2025 Q1 | 100,563,520 |

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 first quarter 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 June.

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 an 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 been working on deploying solutions for bank branch offices with an eye on helping financial institutions strengthen customer contact points and improve customer engagement.

We provided a financial institution that operates approx.6,000 branch offices across the nation with a new branch office system created on the basis of BANK_FIT-NE[®]^{Note 3}, next-generation system for bank branch offices and SmileBranch[®]^{Note 4}, business support system for bank branch offices. As a result, we enabled the financial institutions to optimize operations and enhance convenience for end-users.

In the area of mobility, we began to provide a major railway company with a telecommunication equipment recovery support system on the basis of generative AI. The generative AI-driven system specifies problem causes and provides recommendable restoration work contents based on similar events in the past. The system enables the railway company to reduce a recovery duration, and furthermore reduce business workloads and stabilize the quality about recovery instructions.

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.

We refurbished and organized systematically our managed services and began to provide “GASSAITM”^{Note 5}, a new brand of managed services as a part of initiatives for market development. GASSAI will enable companies to be prepared for risks from operating IT systems partly in coping with cyberattacks and disasters through improving convenience and flexibility about IT operations at companies by taking in advanced technologies such as AI for data usage. We will continuously help companies increase their business value through providing our managed services that will enable safe, comfortable and efficient IT operations in a system environment becoming more complex and sophisticated.

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. See the page of our website as indicated below about “BANK_FIT-NE”, next-generation system for bank branch offices.
<https://www.biprogy.com/solution/service/bankfit.html> (in Japanese only)

4. See the page of our website as indicated below about “SmileBranch”, business support system for bank branch offices.
<https://www.biprogy.com/solution/service/smilebranch.html> (in Japanese only)
5. See the page of our website as indicated below about “GASSAI”, our managed services.
<https://www.uniadex.co.jp/service/solution/gassai.html> (in Japanese only)
6. Names of companies or products herein described are trademarks or registered trademarks of their respective organizations.

For the first quarter of the fiscal year ending March 31, 2026, customers continuously showed strong interests in IT investment. Revenue growth in services and product sales both were enabled. It amounted to ¥96,844 million, an increase of ¥8,492 million or 9.6% compared with the same period of the previous fiscal year.

Operating profit increased ¥1,990 million or 30.3% compared with the same quarter of the previous fiscal year to ¥8,569 million. This was attributed to gross profit growth enabled based on the increase in revenue absorbing an increase in the SG&A expenses ascribable to an increase in personnel costs and enhanced investments with an eye on future business increases.

Profit attributable to owners of parent increased to ¥5,827 million, up ¥934 million or 19.1% compared with the same period of the previous fiscal year

Adjusted operating profit* that is used by the Company as an index for managing performance was ¥7,841 million, up by ¥1,514 million or 23.9% 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 first three-month period of the fiscal year under review, partly due to a decrease in trade receivables, total assets were ¥313,406 million, a decrease of ¥17,469 million compared with the end of the previous fiscal year.

Liabilities were ¥144,475 million, a ¥15,103 million decrease from the end of the previous fiscal year, partly due to a decrease in trade payables.

Equity was ¥168,930 million. Ratio of owners' equity to gross assets was 53.3%, up by 2.2 pts. from the end of the previous fiscal year.

② Summary of Cash Flows

Cash and cash equivalents at the end of the first three-month period of the fiscal year under review were ¥68,743 million, an increase of ¥3,942 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 ¥21,702 million (an increase of ¥9,213 million in proceeds compared with the same quarter of the previous period).

This reflects proceeds of ¥8,523 million in profit before income taxes, the elements of increasing the proceeds and the elements of decreasing the proceeds. The factors increasing proceeds include ¥4,506 million in depreciation and amortization, non-cash expenses, and a decrease of ¥27,461 million in trade and other receivables. The factors decreasing the proceeds include a decrease of ¥4,142 million in trade and other payables.

(Cash flows from investing activities)

Net cash used in investing activities was ¥4,956 million (an increase of ¥1,740 million in expenditures compared with the previous period).

This includes: expenditures of ¥1,010 million as a result of purchasing property, plant and equipment such as computers for business activities, and expenditures of ¥3,759 million due to the acquisitions of intangible assets such as the investments in software for outsourcing.

(Cash flows from financing activities)

Net cash used in the financing activities was ¥12,714 million (an increase of ¥5,053 million in expenditures from the previous period). This expenditure includes ¥2,310 million repayments for lease liabilities and dividends payment of ¥5,835 million.

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

The performance forecast on a consolidated basis has not been revised since it was announced on April 30, 2025.

2. Condensed Quarterly Consolidated Financial Statements and Material Notes

(1) Condensed Quarterly Consolidated Statements of Financial Position

(Millions of Yen)

| | FY2025 | FY2026 Q1 |
|---|------------------------|-----------------------|
| | (As of March 31, 2025) | (As of June 30, 2025) |
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 64,801 | 68,743 |
| Trade and other receivables | 87,949 | 60,430 |
| Contract assets | 7,387 | 8,167 |
| Inventories | 15,842 | 13,935 |
| Other financial assets | 2,664 | 2,656 |
| Other current assets | 18,163 | 21,741 |
| Total current assets | 196,809 | 175,675 |
| Non-current assets | | |
| Property, plant and equipment | 13,056 | 13,247 |
| Right-of-use assets | 20,647 | 19,499 |
| Goodwill | 2,539 | 2,455 |
| Intangible assets | 33,592 | 36,124 |
| Investments accounted for using equity method | 5,801 | 6,456 |
| Other financial assets | 32,548 | 33,601 |
| Deferred tax assets | 12,341 | 11,865 |
| Retirement benefit asset | 2,784 | 2,588 |
| Other non-current assets | 10,755 | 11,890 |
| Total non-current assets | 134,066 | 137,730 |
| Total assets | 330,876 | 313,406 |

(Millions of Yen)

| | FY2025 | FY2026 Q1 |
|--|------------------------|-----------------------|
| | (As of March 31, 2025) | (As of June 30, 2025) |
| Liabilities and equity | | |
| Liabilities | | |
| Current liabilities | | |
| Trade and other payables | 31,979 | 27,790 |
| Contract liabilities | 31,912 | 38,446 |
| Borrowings | 9,467 | 7,362 |
| Lease liabilities | 8,003 | 7,508 |
| Other financial liabilities | 2,917 | 5,636 |
| Income taxes payable | 8,759 | 2,320 |
| Provisions | 1,066 | 1,012 |
| Other current liabilities | 28,545 | 18,779 |
| Total current liabilities | 122,649 | 108,856 |
| Non-current liabilities | | |
| Borrowings | 11,262 | 11,262 |
| Lease liabilities | 13,867 | 13,201 |
| Other financial liabilities | 308 | 207 |
| Retirement benefit liability | 7,380 | 6,872 |
| Provisions | 3,713 | 3,721 |
| Deferred tax liabilities | 396 | 354 |
| Total non-current liabilities | 36,929 | 35,618 |
| Total liabilities | 159,578 | 144,475 |
| Equity | | |
| Share capital | 5,483 | 5,483 |
| Capital surplus | 13,972 | 13,391 |
| Treasury shares | (5,247) | (7,105) |
| Other components of equity | 3,734 | 4,184 |
| Retained earnings | 151,107 | 151,032 |
| Total equity attributable to owners of parent | 169,050 | 166,986 |
| Non-controlling interests | 2,247 | 1,944 |
| Total equity | 171,297 | 168,930 |
| Total liabilities and equity | 330,876 | 313,406 |

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

(Condensed Quarterly Consolidated Statements of Profit or Loss)

(Millions of Yen)

| | FY2025 Q1 (Three months ended June 30, 2024) | FY2026 Q1 (Three months ended June 30, 2025) |
|--|--|--|
| Revenue | 88,352 | 96,844 |
| Cost of sales | 66,715 | 73,056 |
| Gross profit | 21,636 | 23,788 |
| Selling, general and administrative expenses | 15,310 | 15,947 |
| Share of profit (loss) of investments accounted for using equity method | 214 | 780 |
| Other income | 67 | 24 |
| Other expenses | 30 | 77 |
| Operating profit | 6,578 | 8,569 |
| Finance income | 600 | 264 |
| Finance costs | 48 | 310 |
| Profit before tax | 7,129 | 8,523 |
| Income tax expense | 2,245 | 2,684 |
| Profit | 4,883 | 5,838 |
| Profit attributable to | | |
| Owners of parent | 4,892 | 5,827 |
| Non-controlling interests | (9) | 10 |
| Profit | 4,883 | 5,838 |
| Earnings per share | | |
| Basic earnings per share (Yen) | 48.66 | 59.42 |
| Diluted earnings per share (Yen) | 48.54 | 59.30 |

(Condensed Quarterly Consolidated Statements of Comprehensive Income)

(Millions of Yen)

| | FY2025 Q1 (Three months ended June 30, 2024) | FY2026 Q1 (Three months ended June 30, 2025) |
|---|--|--|
| Profit | 4,883 | 5,838 |
| 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 | 362 | 732 |
| Total of items that will not be reclassified to profit or loss | 362 | 732 |
| Items that may be reclassified to profit or loss | | |
| Exchange differences on translation of foreign operations | 150 | (191) |
| Share of other comprehensive income of investments accounted for using equity method | 84 | (102) |
| Total of items that may be reclassified to profit or loss | 235 | (294) |
| Other comprehensive income, net of tax | 597 | 437 |
| Comprehensive income | 5,481 | 6,276 |
| Comprehensive income attributable to | | |
| Owners of parent | 5,484 | 6,284 |
| Non-controlling interests | (2) | (7) |
| Comprehensive income | 5,481 | 6,276 |

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

FY2025 Q1 (Three months ended June 30, 2024)

(Millions of Yen)

| | 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, 2024 | 5,483 | 15,004 | (13,226) | 7,383 | 413 | 104 |
| Profit | | | | | | |
| Other comprehensive income | | | | 362 | | 84 |
| Comprehensive income | — | — | — | 362 | — | 84 |
| Dividends of surplus | | | | | | |
| Purchase of treasury shares | | | (0) | | | |
| Disposal of treasury shares | | 0 | 7 | | (8) | |
| Obtaining of control of subsidiaries | | | | | | |
| Transfer from other components of equity to retained earnings | | | | 42 | | |
| Other | | | | | | |
| Total transactions with owners | — | 0 | 7 | 42 | (8) | — |
| As of June 30, 2024 | 5,483 | 15,005 | (13,219) | 7,788 | 405 | 189 |

| | 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, 2024 | 655 | 8,556 | 150,605 | 166,423 | 1,890 | 168,314 |
| Profit | | | 4,892 | 4,892 | (9) | 4,883 |
| Other comprehensive income | 144 | 591 | | 591 | 6 | 597 |
| Comprehensive income | 144 | 591 | 4,892 | 5,484 | (2) | 5,481 |
| Dividends of surplus | | | (5,530) | (5,530) | (148) | (5,679) |
| Purchase of treasury shares | | | | (0) | | (0) |
| Disposal of treasury shares | | (8) | | 0 | | 0 |
| Obtaining of control of subsidiaries | | | | | 67 | 67 |
| Transfer from other components of equity to retained earnings | | 42 | (42) | | | — |
| Other | | | 5 | 5 | | 5 |
| Total transactions with owners | — | 34 | (5,568) | (5,525) | (81) | (5,607) |
| As of June 30, 2024 | 799 | 9,182 | 149,930 | 166,381 | 1,806 | 168,188 |

(Millions of Yen)

| | 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 | | | | 732 | | (102) |
| Comprehensive income | — | — | — | 732 | — | (102) |
| Dividends of surplus | | | | | | |
| Purchase of treasury shares | | | (1,941) | | | |
| Disposal of treasury shares | | (7) | 11 | | (4) | |
| Share-based payment transactions | | (53) | 71 | | | |
| Obtaining of control of subsidiaries | | | | | | |
| Changes in ownership interest in subsidiaries | | | | | | |
| Transfer from retained earnings to capital surplus | | | | | | |
| Transfer from other components of equity to retained earnings | | | | (1) | | |
| Total transactions with owners | — | (581) | (1,858) | (1) | (4) | — |
| As of June 30, 2025 | 5,483 | 13,391 | (7,105) | 2,930 | 340 | 106 |

| | 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 | | | 5,827 | 5,827 | 10 | 5,838 |
| Other comprehensive income | (173) | 456 | | 456 | (18) | 437 |
| Comprehensive income | (173) | 456 | 5,827 | 6,284 | (7) | 6,276 |
| Dividends of surplus | | | (5,897) | (5,897) | (148) | (6,045) |
| Purchase of treasury shares | | | | (1,941) | | (1,941) |
| Disposal of treasury shares | | (4) | | 0 | | 0 |
| Share-based payment transactions | | | | 17 | | 17 |
| Obtaining of control of subsidiaries | | | | | 8 | 8 |
| Changes in ownership interest in subsidiaries | | | | (527) | (155) | (683) |
| Transfer from retained earnings to capital surplus | | | (7) | | | — |
| Transfer from other components of equity to retained earnings | | (1) | 1 | | | — |
| Total transactions with owners | — | (6) | (5,902) | (8,348) | (294) | (8,643) |
| As of June 30, 2025 | 806 | 4,184 | 151,032 | 166,986 | 1,944 | 168,930 |

(4) Condensed Quarterly Consolidated Statements of Cash Flows

| | (Millions of Yen) | |
|---|---------------------------------------|---------------------------------------|
| | FY2025 Q1 | FY2026 Q1 |
| | (Three months ended June 30, 2024) | (Three months ended June 30, 2025) |
| Cash flows from operating activities | | |
| Profit before tax | 7,129 | 8,523 |
| Depreciation and amortization | 4,617 | 4,506 |
| Impairment losses | 28 | 20 |
| Interest and dividend income | (228) | (264) |
| Interest expenses | 39 | 97 |
| Share of loss (profit) of investments accounted for using equity method | (214) | (780) |
| Decrease (increase) in trade and other receivables | 29,686 | 27,461 |
| Decrease (increase) in contract assets | (1,911) | (786) |
| Decrease (increase) in inventories | (2,948) | 1,907 |
| Increase (decrease) in trade and other payables | (10,281) | (4,142) |
| Increase (decrease) in contract liabilities | 7,058 | 6,597 |
| Increase or decrease in retirement benefit asset or liability | (276) | (310) |
| Other | (13,110) | (12,833) |
| Subtotal | 19,588 | 29,996 |
| Interest and dividends received | 253 | 266 |
| Interest paid | (28) | (82) |
| Income taxes paid | (7,324) | (8,478) |
| Net cash provided by (used in) operating activities | 12,488 | 21,702 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (703) | (1,010) |
| Proceeds from sale of property, plant and equipment | 1 | 3 |
| Purchase of intangible assets | (2,047) | (3,759) |
| Purchase of investment securities | (399) | (226) |
| Payments for acquisition of subsidiaries | (140) | — |
| Proceeds from sale of investments accounted for using equity method | — | 12 |
| Other | 72 | 24 |
| Net cash provided by (used in) investing activities | (3,215) | (4,956) |

(Millions of Yen)

| | FY2025 Q1 (Three months ended June 30, 2024) | FY2026 Q1 (Three months ended June 30, 2025) |
|--|--|--|
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | — | (2,100) |
| Repayments of lease liabilities | (2,343) | (2,310) |
| Purchase of treasury shares | (0) | (1,941) |
| Payments for acquisition of interests in subsidiaries from non-controlling interests | — | (683) |
| Dividends paid | (5,468) | (5,835) |
| Dividends paid to non-controlling interests | (148) | (148) |
| Other | 299 | 304 |
| Net cash provided by (used in) financing activities | (7,661) | (12,714) |
| Effect of exchange rate changes on cash and cash equivalents | 86 | (88) |
| Net increase (decrease) in cash and cash equivalents | 1,698 | 3,942 |
| Cash and cash equivalents at beginning of period | 59,263 | 64,801 |
| Cash and cash equivalents at end of period | 60,961 | 68,743 |

(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 Q1 (Three months ended June 30, 2024)

| | 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 | 28,438 | 13,686 | 21,432 | 9,629 | 12,537 | 85,723 | 2,628 | 88,352 | — | 88,352 |
| Segment profits (Note 3) | 9,362 | 4,541 | 4,014 | 762 | 2,356 | 21,036 | 600 | 21,636 | (15,310) | 6,326 |
| Share of profit (loss) of investments accounted for using equity method | | | | | | | | | | 214 |
| Other income | | | | | | | | | | 67 |
| Other expense | | | | | | | | | | 30 |
| Operating profit | | | | | | | | | | 6,578 |
| Finance income | | | | | | | | | | 600 |
| Finance costs | | | | | | | | | | 48 |
| Profit before tax | | | | | | | | | | 7,129 |

(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 Q1(Three months ended June 30, 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 | 30,087 | 14,242 | 23,169 | 11,593 | 14,966 | 94,058 | 2,786 | 96,844 | — | 96,844 |
| Segment profits (Note 3) | 10,618 | 4,464 | 4,199 | 1,063 | 2,746 | 23,092 | 695 | 23,788 | (15,947) | 7,841 |
| Share of profit (loss) of investments accounted for using equity method | | | | | | | | | | 780 |
| Other income | | | | | | | | | | 24 |
| Other expense | | | | | | | | | | 77 |
| Operating profit | | | | | | | | | | 8,569 |
| Finance income | | | | | | | | | | 264 |
| Finance costs | | | | | | | | | | 310 |
| Profit before tax | | | | | | | | | | 8,523 |

(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.