



Consolidated Financial Report for the Second Quarter (Semi-annual) of Fiscal Year Ending March 31, 2026 [IFRS]

November 5, 2025

BIPROGY Inc.

Stock Listing:	Tokyo Stock Exchange, Prime Market
Stock Code:	8056
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Scheduled Submission Date for Semi-annual Securities Report	November 14, 2025
Scheduled Starting Date for Dividend Payment:	December 2, 2025
Earnings Supplementary Explanatory Documents:	yes
Earnings Results Briefing:	yes (for institutional investors, analysts and the press)

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

1. Consolidated Financial Results for the second quarter (semi-annual) FY2026 (from April 1, 2025 to September 30, 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	%
First half of FY2026	205,132	10.3	21,350	19.0	21,634	25.5	15,323	30.2	16,554	52.7
First half of FY2025	186,032	7.5	17,945	7.9	17,236	(1.2)	11,769	(8.2)	10,844	(30.5)

(Note) Adjusted operating profit First half of FY2026 : 20,642 Million Yen (19.4%) First half of FY2025 : 17,294 Million Yen (4.6%)

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
First half of FY2026	156.60	156.29
First half of FY2025	118.25	117.97

(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	%
First half of FY2026	326,321	176,320	174,279	53.4%
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) 42,000 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)

First half of FY2026	100,663,524	FY2025	100,663,524
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2. Number of treasury shares at the end of the period

First half of FY2026	3,240,649	FY2025	2,481,445
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3. Average number of shares outstanding (during the period)

First half of FY2026	97,849,208	First half of FY2025	99,530,501
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* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* 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 six-month period 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 September.

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 seen BankVision[®] full-banking system providing more banks with a public cloud-based services in an open environment.

We have been working on BankVision 2.0 with an eye on increasing furthermore value of BankVision. We released BankVision Service GW Plus and CXLinkage[®] in August 2025. The modules are conducive to improving the optimization and acceleration of BankVision system development through enabling BankVision to expose APIs furthermore easily and readily. The functions will enable banks to build an API economy and improve the productivity of system development as well as the convenience for customers through seamless coordination between the inside of them and external services. We will continuously work on initiatives to furthermore improve value of BankVision partly through using generative AI.

In the area of retail, we have seen strong sales of AIMSTAR[®], marketing AI SaaS developed and provided by GROWTH VERSE Co., Ltd. The Company entered into a capital and business tie-up with the provider in March 2025.

AIMSTAR will help retailers analyze data mainly about customer behaviors and purchase histories, and identify highly potential customers through the use of AI models. Retailers can expect to provide a comfortable and highly satisfactory shopping experience and at the same time maintain sales and improve profitability without compromising efforts for improving cost-effectiveness. We will continuously work on optimizing their communications with customers through full use of data and AI with an eye on providing services of higher quality.

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.

In the market development, part of the three areas, we launched Data & AI Innovation Lab[™]^{Note 3} in July 2025, a DX support solution conducive to companies attempting to accelerate business improvement cycles for a sustained business growth by embedding data and AI in business processes.

This solution serves customers through analyzing business issues and preparing improvement proposal plans with our consultants well-versed in their business sectors.

We help companies achieve a sustained business growth through accelerating business improvement cycles driven by AI embedded in businesses as indicated in scenario templates of each business sector.

The Company entered into a capital and business alliance with EAGLYS Inc. known for technologies of high-quality data development in August 2025.

The Company has embedded in Data & AI Innovation Lab the advanced data development technologies of EAGLYS Inc.’s that support AI agents development. As a result, Data & AI Innovation Lab enables a DX support that companies can transform knowledge and expertise accumulated in them into usable forms through AI for maximizing the use.

Our initiatives in the area of business development are exemplified by our working on a social implementation attempt of reproducing the experience offered at the Osaka Healthcare Pavillion of Expo 2025 Osaka, Kansai, in collaboration with a major railway company and a major advertising agency.

We plan to continuously avail ourselves of body measurement pods currently installed at railway station premises

through which we provide services of measuring health data mainly across areas: cardiovascular, musculoskeletal, hair, skin, and brain.

Also, we aim at deploying the services at office buildings and convenience stores as well as providing furthermore personalized experiences based upon combinations of healthcare data and behavioral data. Thus, we will continuously provide a scheme for having health data easily on a daily basis and receiving personalized healthcare services after the Expo 2025.

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 "Data & AI Innovation Lab".
https://www.biprogy.com/solution/service/data_ai.html (in Japanese only)
4. Names of companies or products herein described are trademarks or registered trademarks of their respective organizations.

For the first six months of the fiscal year ending March 31, 2026, customers continuously showed strong interest in IT investment. Revenue growth in services and product sales both remained strong. It amounted to ¥205,132 million, an increase of ¥19,100 million or 10.3% compared with the same period of the previous fiscal year.

Operating profit increased ¥3,404 million or 19.0% compared with the same period of the previous fiscal year to ¥21,350 million.

This was attributed to gross profit growth enabled based on the increase in revenue. It even absorbed 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 ¥15,323 million, up ¥3,553 million or 30.2% 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 ¥20,642 million, up by ¥3,347 million or 19.4% 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 six-month period of the fiscal year under review, partly due to a decrease in trade receivables, total assets were ¥326,321 million, a decrease of ¥4,554 million compared with the end of the previous fiscal year.

Liabilities were ¥150,001 million, a ¥9,576 million decrease from the end of the previous fiscal year, partly due to a decrease in income taxes payable.

Equity was ¥176,320 million. Ratio of owners' equity to gross assets was 53.4%, 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 first six-month period of the fiscal year under review were ¥54,330 million, a decrease of ¥10,470 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 ¥ 20,668 million (an increase of ¥8,899 million in proceeds compared with the same period of the previous fiscal year).

This reflects proceeds of ¥21,634 million in profit before income taxes, the elements of increasing the proceeds and the elements of decreasing the proceeds.

The factors increasing proceeds include ¥9,049 million in depreciation and amortization, non-cash expenses, and a decrease of ¥11,699 million in trade and other receivables.

The factors decreasing the proceeds include an increase of ¥3,439 million in contract assets.

(Cash flows from investing activities)

Net cash used in investing activities was ¥12,552 million (an increase of ¥5,476 million in expenditures compared with the same period of the previous fiscal year).

This includes: expenditures of ¥2,088 million as a result of purchasing property, plant and equipment such as computers for business activities, expenditures of ¥7,492 million due to the acquisitions of intangible assets such as the investments in software for outsourcing, and expenditures of ¥2,182 million due to acquisitions of investment securities.

(Cash flows from financing activities)

Net cash used in the financing activities was ¥18,544 million (a decrease of ¥4,285 million in expenditures from the same period of the previous fiscal year). This expenditure includes ¥4,632 million repayments for lease liabilities, purchase of treasury shares of ¥5,023 million and dividends payment of ¥5,895 million.

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

The Company revised the performance forecast on a consolidated basis announced on April 30, 2025 as indicated below, on the basis of the performance situations for the first six-month period of the fiscal year under review and the current environment around orders.

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

	Revenue	Operating Profit	Profit before Tax	Profit attributable to Owners of Parent	Basic Earnings per Share
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Previous Forecast (A)	420,000	42,600	42,600	29,000	298.66
Revised Forecast (B)	427,000	42,600	42,600	29,000	298.66
Change Amount (B-A)	7,000	—	—	—	—
Change (%)	1.7	—	—	—	—

(Reasons for the Performance Forecast Revision)

The Company revised the revenue forecast upward, taking into account the revenue of the first six months of the fiscal year under review and the environment about orders.

The Company has not revised the forecasts of profit and earnings since it announced on April 30, 2025, based on the deliberations about the current situations of profitability and risk factors.

2. Condensed Semi-annual Consolidated Financial Statements and Material Notes

(1) Condensed Semi-annual Consolidated Statements of Financial Position

(Millions of Yen)

	FY2025	Semi-annual Consolidated Accounting Period of FY2026
	(As of March 31, 2025)	(As of September 30, 2025)
Assets		
Current assets		
Cash and cash equivalents	64,801	54,330
Trade and other receivables	87,949	76,236
Contract assets	7,387	10,823
Inventories	15,842	16,730
Other financial assets	2,664	2,698
Other current assets	18,163	22,339
Total current assets	196,809	183,159
Non-current assets		
Property, plant and equipment	13,056	13,517
Right-of-use assets	20,647	18,631
Goodwill	2,539	3,337
Intangible assets	33,592	38,004
Investments accounted for using equity method	5,801	6,834
Other financial assets	32,548	36,453
Deferred tax assets	12,341	11,330
Retirement benefit asset	2,784	2,601
Other non-current assets	10,755	12,450
Total non-current assets	134,066	143,162
Total assets	330,876	326,321

(Millions of Yen)

	FY2025	Semi-annual Consolidated Accounting Period of FY2026
	(As of March 31, 2025)	(As of September 30, 2025)
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	31,979	32,238
Contract liabilities	31,912	35,847
Borrowings	9,467	7,098
Lease liabilities	8,003	6,937
Other financial liabilities	2,917	2,486
Income taxes payable	8,759	5,517
Provisions	1,066	1,005
Other current liabilities	28,545	23,553
Total current liabilities	122,649	114,684
Non-current liabilities		
Borrowings	11,262	11,525
Lease liabilities	13,867	12,873
Other financial liabilities	308	198
Retirement benefit liability	7,380	6,586
Provisions	3,713	3,731
Deferred tax liabilities	396	401
Total non-current liabilities	36,929	35,317
Total liabilities	159,578	150,001
Equity		
Share capital	5,483	5,483
Capital surplus	13,972	13,493
Treasury shares	(5,247)	(10,082)
Other components of equity	3,734	4,886
Retained earnings	151,107	160,499
Total equity attributable to owners of parent	169,050	174,279
Non-controlling interests	2,247	2,040
Total equity	171,297	176,320
Total liabilities and equity	330,876	326,321

(2) Condensed Semi-annual Consolidated Statements of Profit or Loss and Comprehensive Income

(Condensed Semi-annual Consolidated Statements of Profit or Loss)

(Millions of Yen)

	Semi-annual Consolidated Accounting Period of FY2025 (Six months ended September 30, 2024)	Semi-annual Consolidated Accounting Period of FY2026 (Six months ended September 30, 2025)
Revenue	186,032	205,132
Cost of sales	137,333	151,396
Gross profit	48,698	53,736
Selling, general and administrative expenses	31,404	33,094
Share of profit (loss) of investments accounted for using equity method	457	981
Other income	237	60
Other expenses	43	333
Operating profit	17,945	21,350
Finance income	256	496
Finance costs	965	212
Profit before tax	17,236	21,634
Income tax expense	5,429	6,209
Profit	11,806	15,425
Profit attributable to		
Owners of parent	11,769	15,323
Non-controlling interests	37	101
Profit	11,806	15,425
Earnings per share		
Basic earnings per share (Yen)	118.25	156.60
Diluted earnings per share (Yen)	117.97	156.29

(Condensed Semi-annual Consolidated Statements of Comprehensive Income)

(Millions of Yen)

	Semi-annual Consolidated Accounting Period of FY2025 (Six months ended September 30, 2024)	Semi-annual Consolidated Accounting Period of FY2026 (Six months ended September 30, 2025)
Profit	11,806	15,425
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	(1,378)	1,266
Total of items that will not be reclassified to profit or loss	(1,378)	1,266
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	319	(108)
Share of other comprehensive income of investments accounted for using equity method	95	(27)
Total of items that may be reclassified to profit or loss	415	(136)
Other comprehensive income, net of tax	(962)	1,129
Comprehensive income	10,844	16,554
Comprehensive income attributable to		
Owners of parent	10,785	16,466
Non-controlling interests	58	88
Comprehensive income	10,844	16,554

(3) Condensed Semi-annual Consolidated Statements of Changes in Equity

Semi-annual Consolidated Accounting Period of FY2025 (Six months ended September 30, 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				(1,378)		95
Comprehensive income	—	—	—	(1,378)	—	95
Dividends of surplus						
Purchase of treasury shares			(11,187)			
Disposal of treasury shares		(7)	40		(33)	
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		18,838				
Transfer from other components of equity to retained earnings				108		
Other						
Total transactions with owners	—	(759)	7,929	108	(33)	—
As of September 30, 2024	5,483	14,244	(5,297)	6,113	379	200

	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
Profit			11,769	11,769	37	11,806
Other comprehensive income	297	(984)		(984)	21	(962)
Comprehensive income	297	(984)	11,769	10,785	58	10,844
Dividends of surplus			(5,530)	(5,530)	(148)	(5,679)
Purchase of treasury shares				(11,187)		(11,187)
Disposal of treasury shares		(33)		0		0
Cancellation of treasury shares						—
Share-based payment transactions				129		129
Obtaining of control of subsidiaries					153	153
Changes in investments accounted for using equity method interests in their subsidiaries				(644)		(644)
Transfer from retained earnings to capital surplus			(18,838)			—
Transfer from other components of equity to retained earnings		108	(108)			—
Other			5	5		5
Total transactions with owners	—	74	(24,472)	(17,227)	4	(17,222)
As of September 30, 2024	953	7,647	137,903	159,981	1,954	161,935

	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				1,266		(27)
Comprehensive income	—	—	—	1,266	—	(27)
Dividends of surplus						
Purchase of treasury shares			(5,023)			
Disposal of treasury shares		(15)	40		(25)	
Share-based payment transactions		63	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	—	(479)	(4,835)	33	(25)	—
As of September 30, 2025	5,483	13,493	(10,082)	3,499	320	181

	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			15,323	15,323	101	15,425
Other comprehensive income	(95)	1,143		1,143	(13)	1,129
Comprehensive income	(95)	1,143	15,323	16,466	88	16,554
Dividends of surplus			(5,897)	(5,897)	(148)	(6,045)
Purchase of treasury shares				(5,023)		(5,023)
Disposal of treasury shares		(25)		0		0
Share-based payment transactions				210		210
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	—	8	(5,931)	(11,237)	(294)	(11,532)
As of September 30, 2025	884	4,886	160,499	174,279	2,040	176,320

(4) Condensed Semi-annual Consolidated Statements of Cash Flows

(Millions of Yen)

	Semi-annual Consolidated Accounting Period of FY2025 (Six months ended September 30, 2024)	Semi-annual Consolidated Accounting Period of FY2026 (Six months ended September 30, 2025)
Cash flows from operating activities		
Profit before tax	17,236	21,634
Depreciation and amortization	9,064	9,049
Impairment losses	28	226
Interest and dividend income	(248)	(312)
Interest expenses	94	190
Share of loss (profit) of investments accounted for using equity method	(457)	(981)
Decrease (increase) in trade and other receivables	16,657	11,699
Decrease (increase) in contract assets	(1,585)	(3,439)
Decrease (increase) in inventories	(5,637)	(887)
Increase (decrease) in trade and other payables	(9,264)	265
Increase (decrease) in contract liabilities	6,186	3,977
Increase or decrease in retirement benefit asset or liability	(560)	(609)
Other	(12,556)	(11,715)
Subtotal	18,957	29,096
Interest and dividends received	272	312
Interest paid	(97)	(190)
Income taxes paid	(7,364)	(8,550)
Net cash provided by (used in) operating activities	11,768	20,668
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,158)	(2,088)
Proceeds from sale of property, plant and equipment	2	3
Purchase of intangible assets	(4,813)	(7,492)
Purchase of investment securities	(1,124)	(2,182)
Proceeds from sale of investment securities	4	0
Payments for acquisition of subsidiaries	(510)	(828)
Purchase of investments accounted for using equity method	—	(102)
Proceeds from sale of investments accounted for using equity method	—	12
Other	524	126
Net cash provided by (used in) investing activities	(7,076)	(12,552)

(Millions of Yen)

	Semi-annual Consolidated Accounting Period of FY2025 (Six months ended September 30, 2024)	Semi-annual Consolidated Accounting Period of FY2026 (Six months ended September 30, 2025)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,600)	(2,452)
Repayments of long-term borrowings	(3)	(12)
Repayments of lease liabilities	(4,660)	(4,632)
Purchase of treasury shares	(11,187)	(5,023)
Payments for acquisition of interests in subsidiaries from non-controlling interests	—	(683)
Dividends paid	(5,528)	(5,895)
Dividends paid to non-controlling interests	(148)	(148)
Other	299	304
Net cash provided by (used in) financing activities	(22,830)	(18,544)
Effect of exchange rate changes on cash and cash equivalents	167	(40)
Net increase (decrease) in cash and cash equivalents	(17,971)	(10,470)
Cash and cash equivalents at beginning of period	59,263	64,801
Cash and cash equivalents at end of period	41,291	54,330

(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

Semi-annual Consolidated Accounting Period of FY2025 (Six months ended September 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	60,603	28,291	42,727	20,058	28,630	180,312	5,719	186,032	—	186,032
Segment profits (Note 3)	20,706	9,540	9,114	2,860	5,059	47,281	1,416	48,698	(31,404)	17,294
Share of profit (loss) of investments accounted for using equity method										457
Other income										237
Other expense										43
Operating profit										17,945
Finance income										256
Finance costs										965
Profit before tax										17,236

(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.

Semi-annual Consolidated Accounting Period of FY2026 (Six months ended September 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	65,242	29,287	45,593	22,711	36,275	199,110	6,021	205,132	—	205,132
Segment profits (Note 3)	23,367	9,082	10,042	3,010	6,667	52,170	1,565	53,736	(33,094)	20,642
Share of profit (loss) of investments accounted for using equity method										981
Other income										60
Other expense										333
Operating profit										21,350
Finance income										496
Finance costs										212
Profit before tax										21,634

(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)

(Acquisition of Treasury Shares)

The Company acquired treasury shares pursuant to the resolution at the meeting of the Board of Directors held on March 27, 2025.

The Company acquired treasury shares after the end day of the first six-month period of the fiscal year ending March 2026, as described below.

(1) Contents of the Resolution by the Board of Directors of the Company on March 27, 2025

- ① Class of shares to be acquired: Common stock
- ② Total number of shares to be acquired: 2,500,000 shares (maximum) (Percentage of total number of shares issued (excluding treasury shares): 2.5%)
- ③ Total amount of share acquisition cost: ¥10,000,000,000 (maximum)
- ④ Period of acquisition: From May 1, 2025 to February 27, 2026
- ⑤ Method of acquisition: Market buying on Tokyo Stock Exchange

(2) Situations of the Acquisition of Treasury shares (as of the end of October 2025)

- ① Class of shares to be acquired: Common stock
- ② Total number of shares acquired: 264,500 shares
- ③ Total amount of share acquisition cost: ¥1,580,833,700
- ④ Period of acquisition: From October 1, 2025 to October 31, 2025
- ⑤ Method of acquisition: Market buying on Tokyo Stock Exchange