CUBE SYSTEM

3Q FY March 2026

# Supplementary Materials for Financial Results

Securities code: 2335

Feb.4, 2026

# Executive Summary

- **Business Environment** : Demand for system development for DX promotion and cloud migration is high, and IT investment is expanding.
  We are investing in development organization and facilities to address the challenges of building a project organization.
- **Net Sales** : The SIer* Business remained stable, the End-User Business decreased slightly, the Service-Providing Business increased significantly.
  Orders received did not increase due to the impact of unprofitable projects in prior quarters and generally stayed at the same level as the previous fiscal year.
- **Operating Profit** : Significantly increased, driven by improved profit margin in the SIer Business and the End-User Business, as well as a reduction in personnel expenses resulting from a change in the discount rate applied to retirement benefit obligations.

3Q FY March 2026 Actual

| Net sales | Operating profit | Profit attributable to owners of parent |
|---|---|---|
| 137.5 100 million yen | 11.3 100 million yen | 10.7 100 million yen |

- **Earnings Forecast** : No changes.

*System integrator: a company that conducts system integration. Abbreviated as "SIer." A general term for companies that plan, design, develop, operate, and provide other solutions for the IT operation systems of customers including companies and the government.

# CONTENTS

3Q FY March 2026

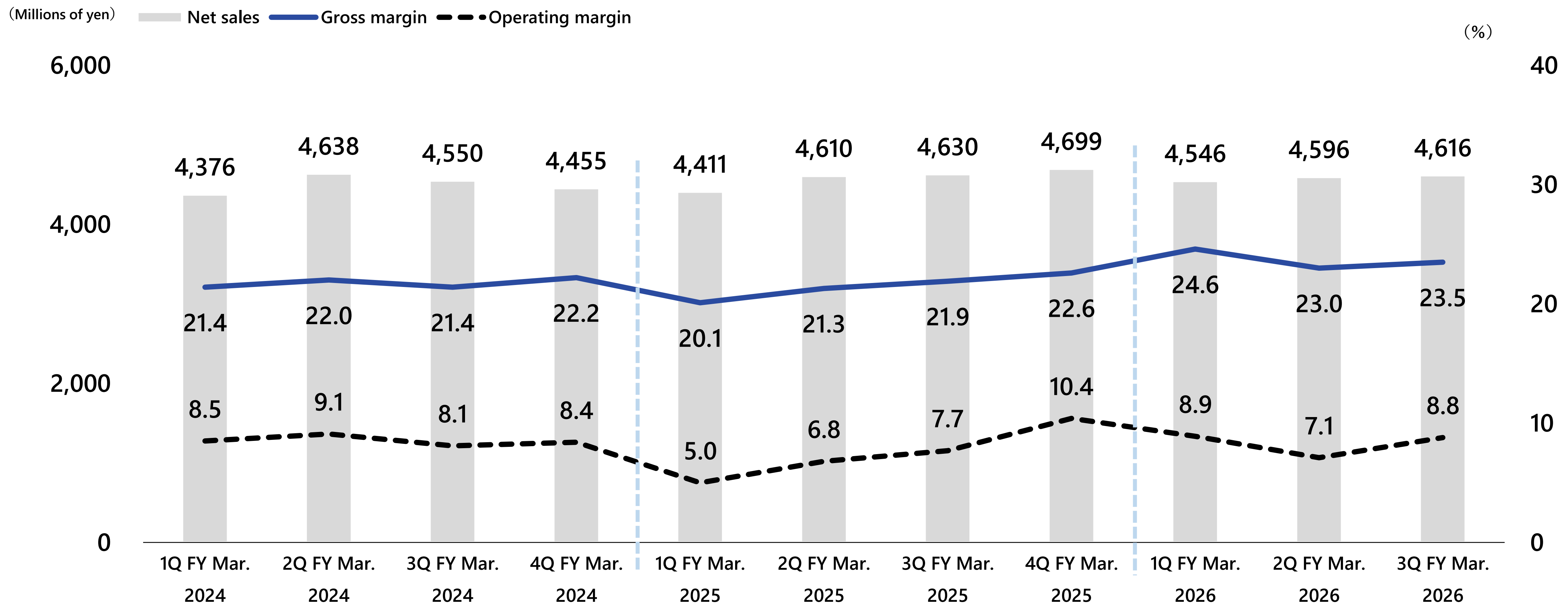
# 1 Overview of Financial Results

# 1 - 1 | Overview of Consolidated Statements of Income

- **Business Environment** : IT investment continues to expand because of demand for DX against a backdrop of higher value-added services, migration to the cloud of mission-critical systems, and demand for AI utilization aimed at revitalizing businesses and operations, as well as increased demand for cybersecurity measures.
We are investing in development organization and facilities to address the challenges of building a project organization.
- **Net Sales** : The SIer Business remained stable, the End-User Business decreased slightly and the Service-Providing Business increased significantly.
Orders received did not increase due to the negative impact of unprofitable projects in prior quarters and generally stayed at the same level as the previous fiscal year.
- **Operating Profit** : Significantly increased, driven by improved profit margin in the SIer Business and the End-User Business, as well as a reduction in personnel expenses resulting from a change in the discount rate applied to retirement benefit obligations.
- **Net Profit** : Increased because of gain on sale of investment securities.

| (Millions of yen) | 3Q FY Mar. 2025 (Actual) | 3Q FY Mar. 2026 (Actual) | YoY |
|---|---|---|---|
| Net sales | 13,652 | 13,759 | +0.8% |
| Operating profit | 890 | 1,136 | +27.7% |
| Margin | 6.5% | 8.3% | – |
| Ordinary profit | 894 | 1,159 | +29.7% |
| Margin | 6.5% | 8.4% | – |
| Profit attributable to owners of parent | 904 | 1,077 | +19.0% |
| Margin | 6.6% | 7.8% | – |

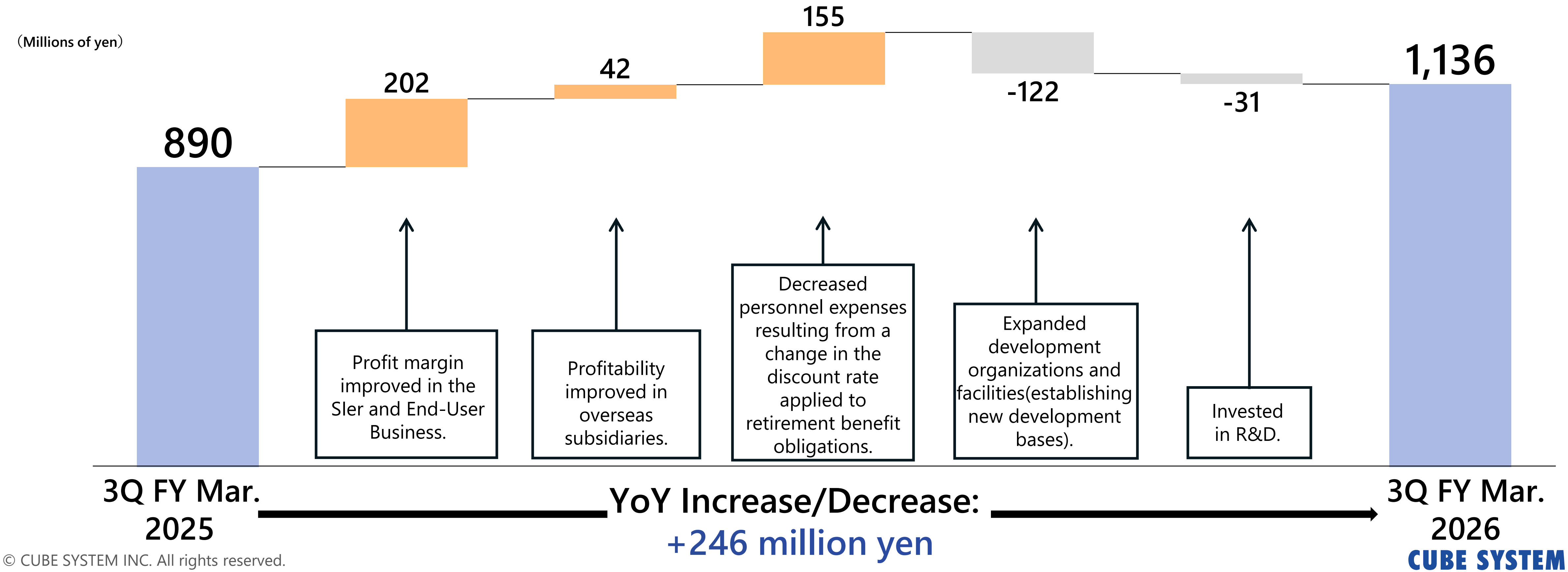
■ Net sales increased by 20 million yen compared to the previous quarter.
The operating profit margin remained steady.



# 1 - 3 | Factors Leading to Changes in Operating Profit (Compared to the Previous Fiscal Year)

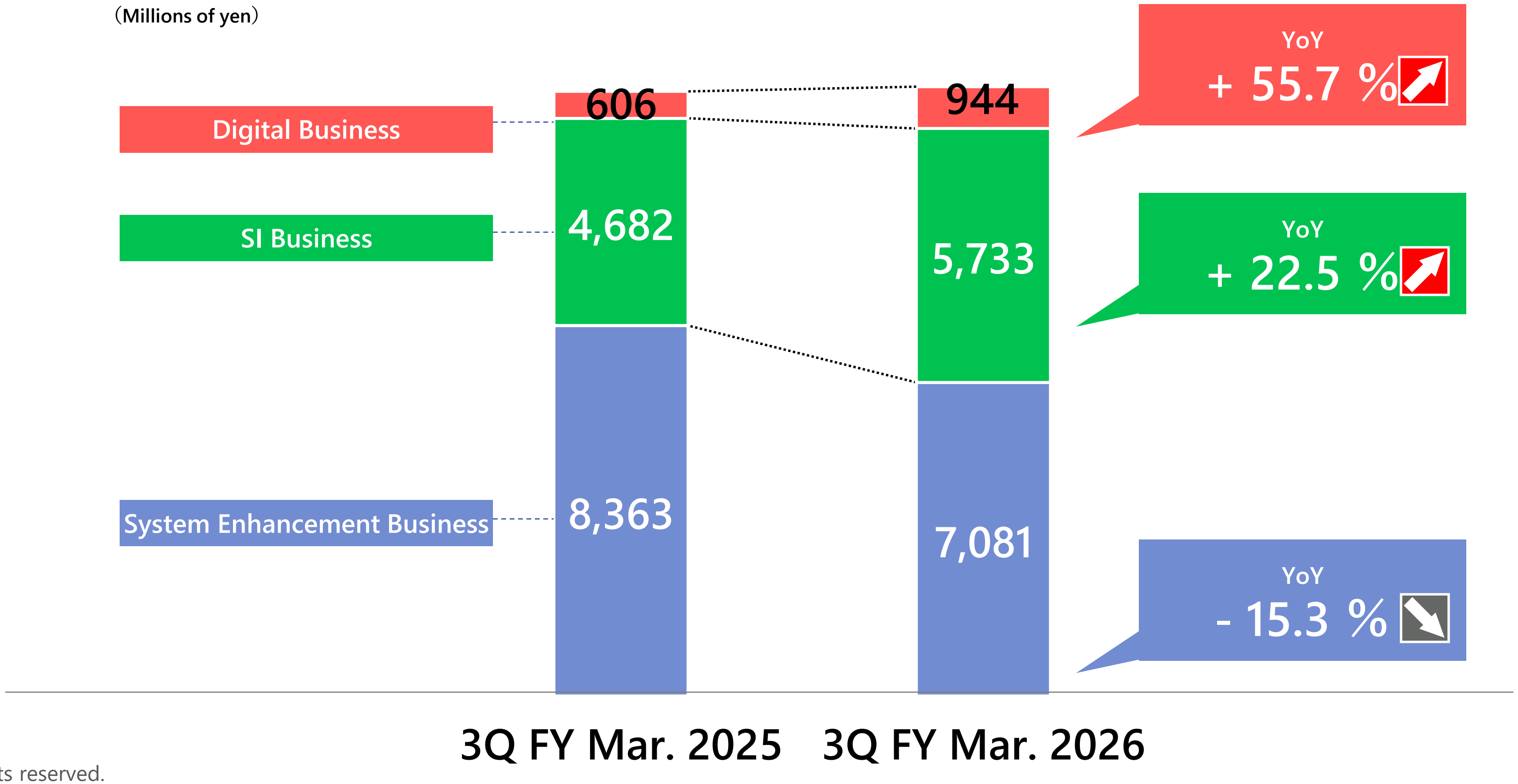
- **Positive Factors** : Profitability improved in the SIer Business, the End-User Business and overseas subsidiaries, while personnel expenses decreased resulting from a change in the discount rate applied to retirement benefit obligations.
- **Negative Factors** : Expanded development organization and facilities through the establishment of new development bases (Shinagawa Innovation Hub), invested in R&D* aimed at creating new businesses and promoting the internal deployment of new technologies.

* "R&D Initiatives" are presented on page 23.



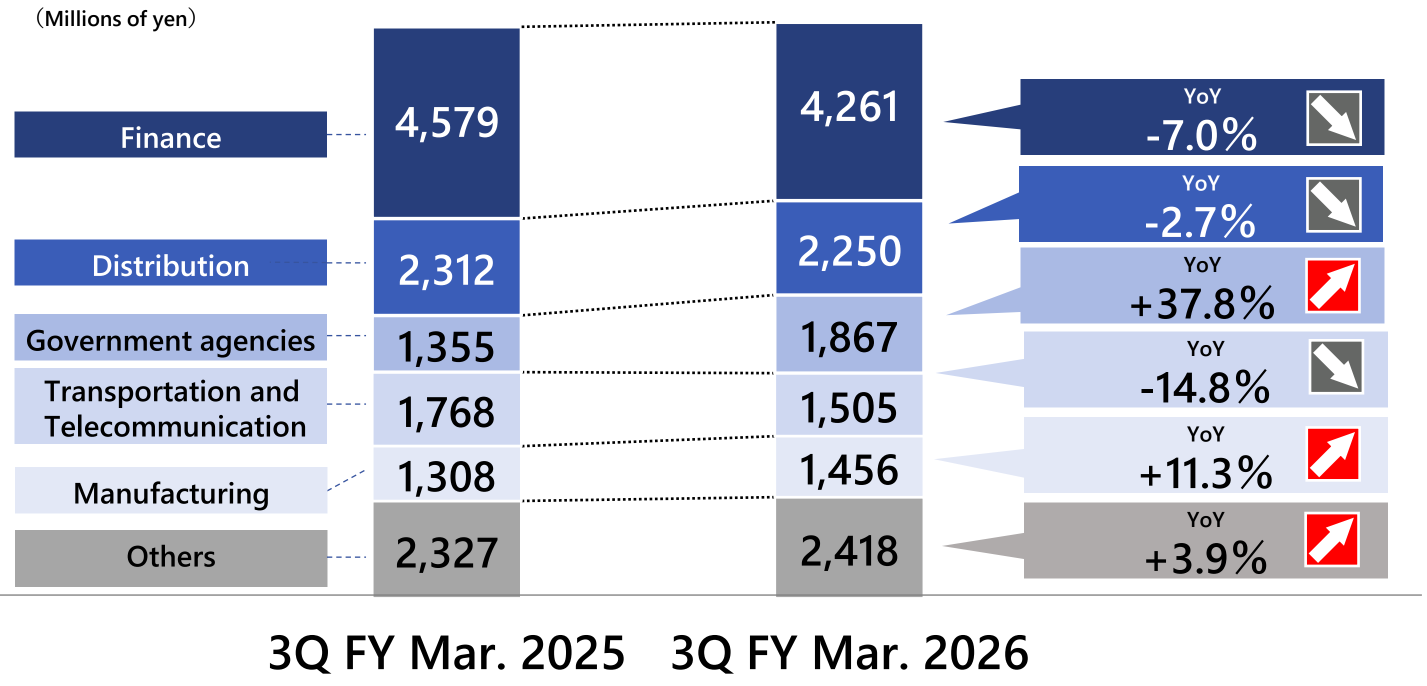
# 1 - 4 | Trends in Net Sales by Business Model

- **Digital Business**: Grew steadily in consulting and advanced technology support projects such as AI.
- **SI Business**: Expanded through expansion of modernization projects and acquisition of new projects.
- **System Enhancement Business**: Decreased due to review of low-profit projects and shifting to the SI Business areas.



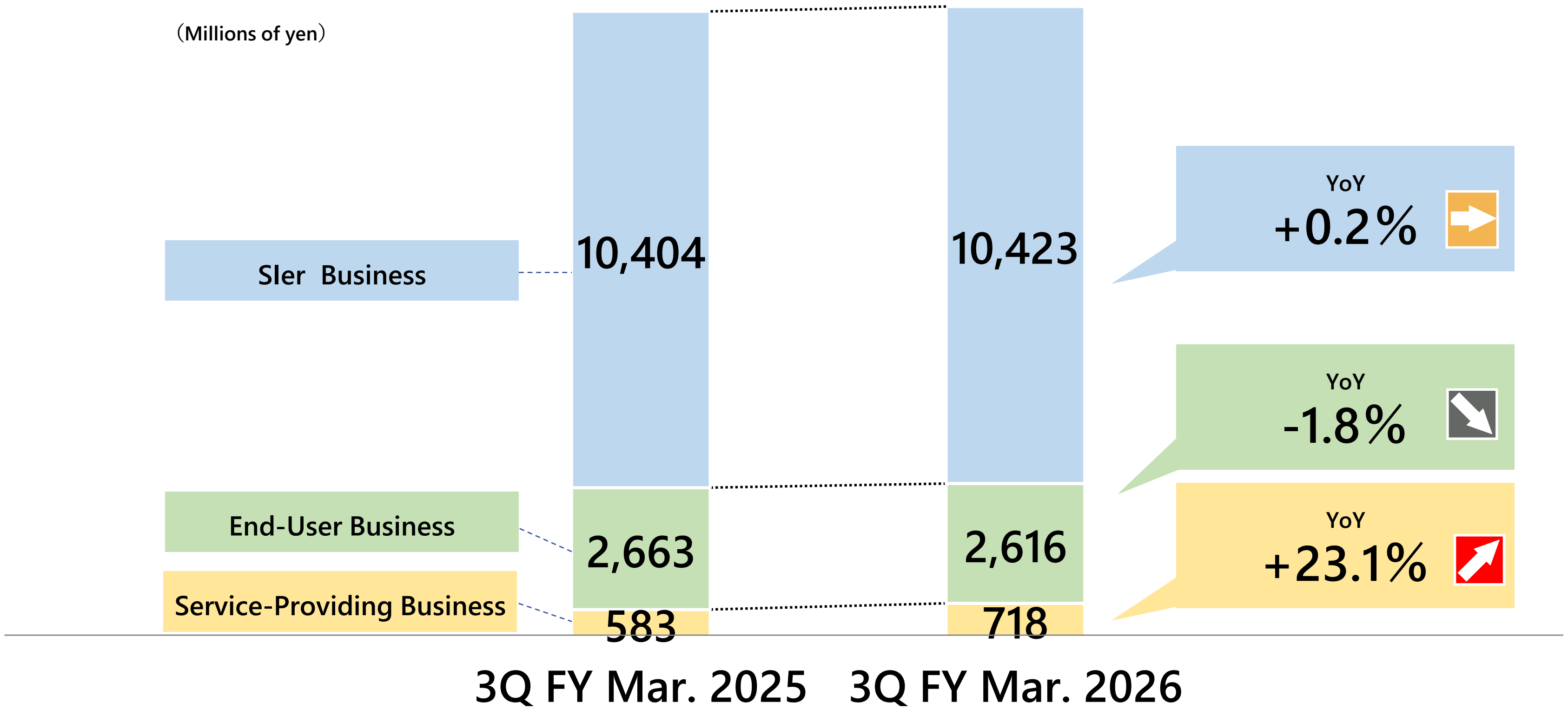
# 1 - 5 | Trends in Net Sales by Industry

- **Finance** : Decreased due to a decline in projects for megabanks and the withdrawal from low-profit projects.
- **Distribution** : Decreased owing to a reduction in the scale of certain large-scale projects, despite an expansion in projects for GMS.
- **Government agencies** : Increased significantly in projects for the central government agencies and administrative agencies.
- **Transportation and Telecommunication** : Decreased in projects for logistics companies and telecommunications carriers.
- **Manufacturing** : Expanded solution proposals to new customers and projects for automobile manufacturers.
- **Others** : Grew in projects for the energy-related and education-related industries.

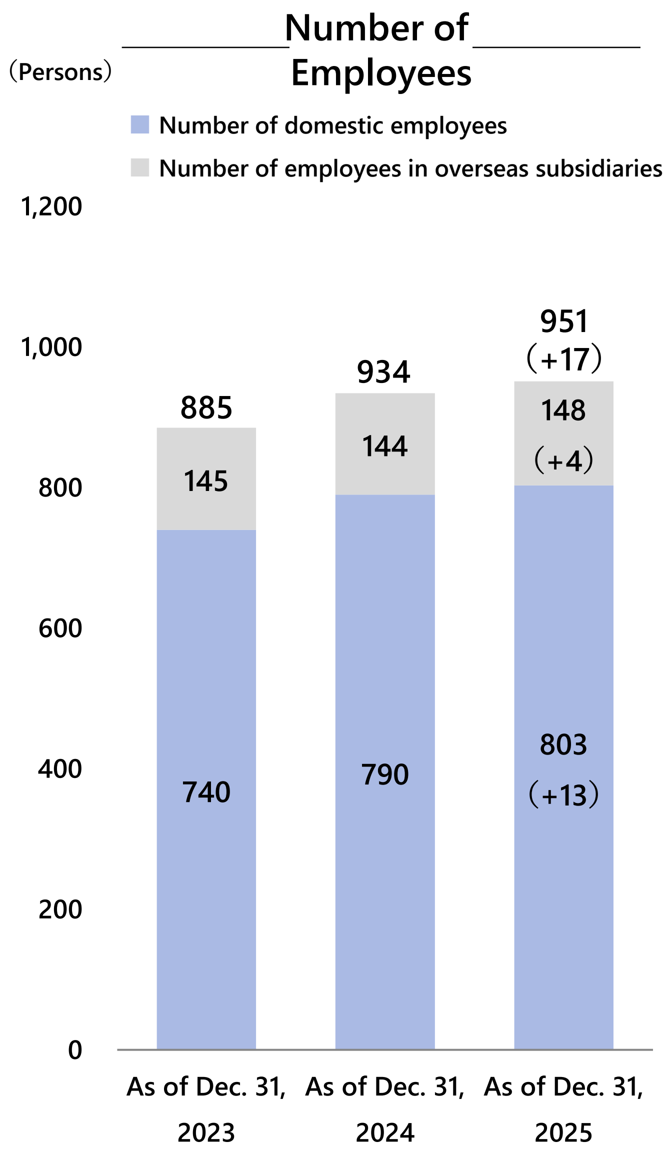


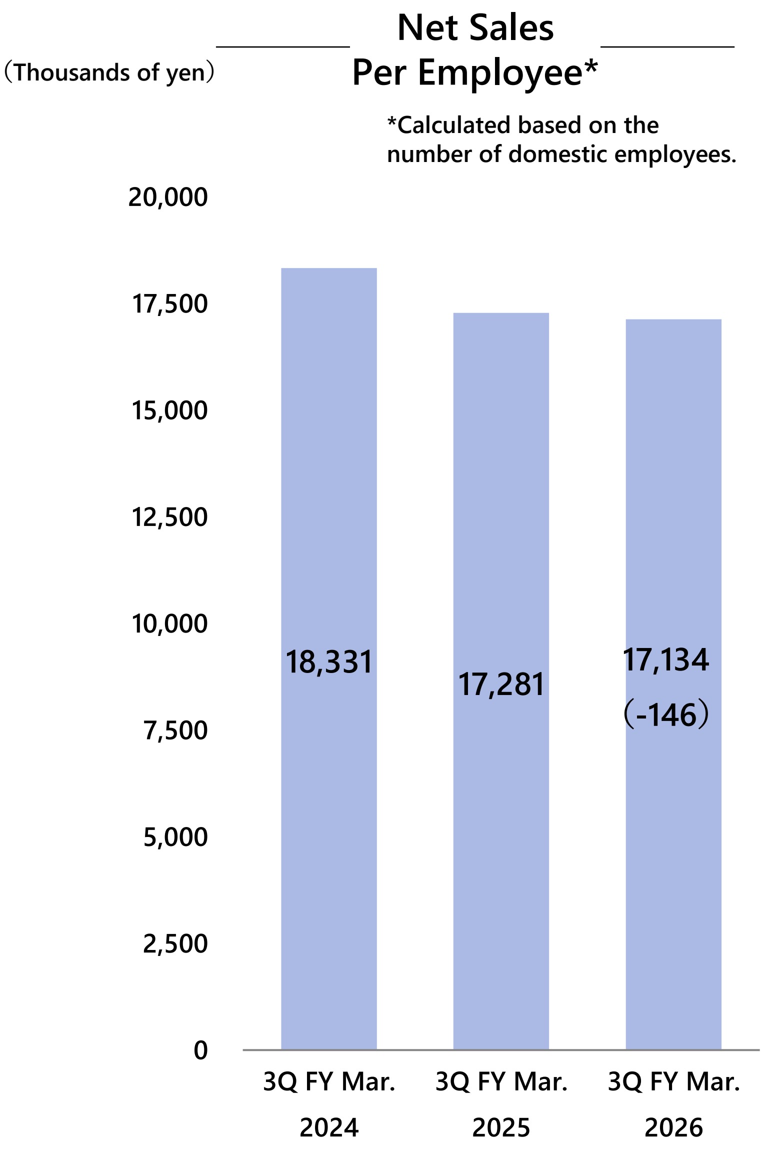
# 1 - 6 Trends in Net Sales by Business Style

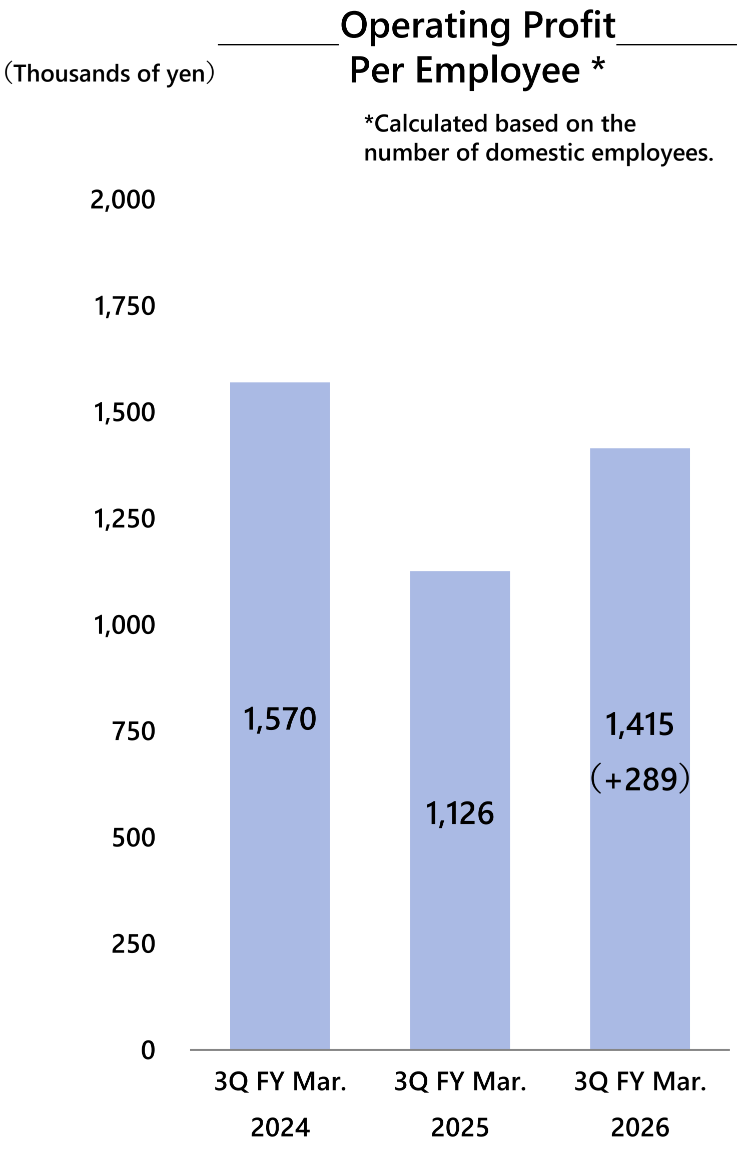
- **SIer Business**: Remained stable due to the reduction of individual client projects, despite an expansionary trend in major customers.
- **End-User Business**: Slightly decreased, despite expanded derivative development for existing distribution customers, due to fewer projects from the other customers.
- **Service-Providing Business**: Expanded orders received through collaboration with solution vendors.



# 1 - 7 | Index Per Employee



FY March 2026

# 2 Earnings Forecast

# 2 - 1 Overview of Earnings Forecast

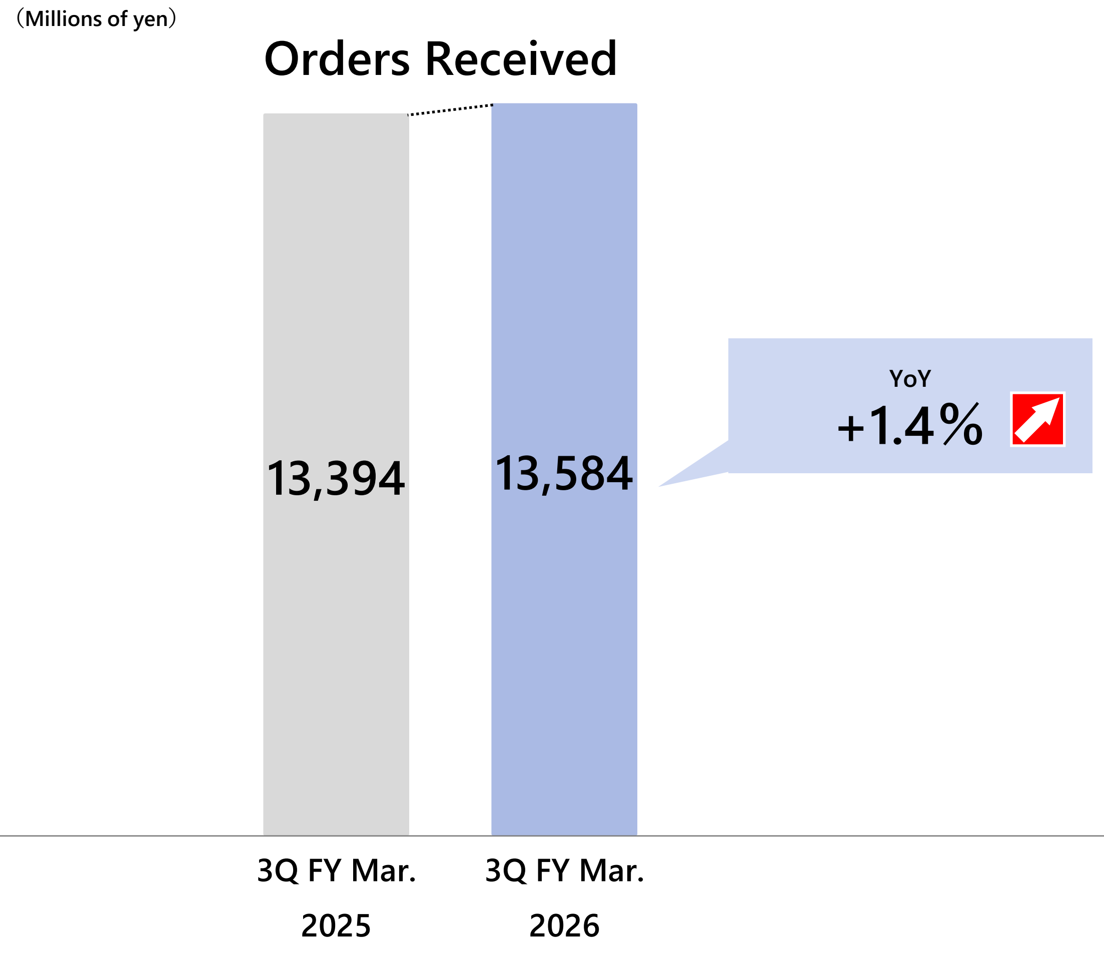
- **Business Environment** : Demand for IT investment is expected to address issues such as AI utilization and cybersecurity measures, while the outlook remains uncertain due to domestic and international policy trends, the global surge in resource and raw material prices, inflation, among other factors.
- **Earnings Forecast** : No changes.

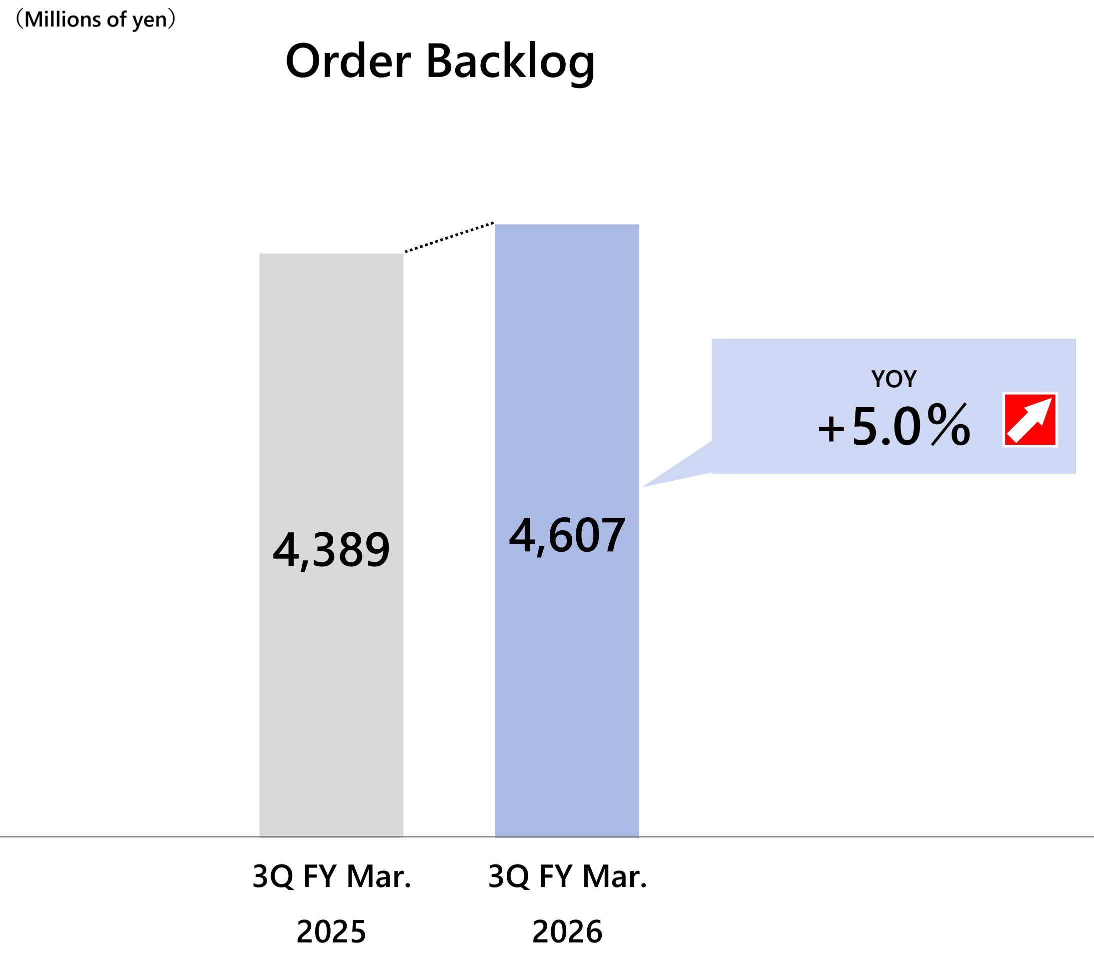
| (Millions of yen) | FY Mar. 2026 (Forecasts)* | 3Q FY Mar. 2026 (Actual) | Progress rate toward Forecasts |
|---|---|---|---|
| Net sales | 19,500 | 13,759 | 70.6% |
| Operating profit | 1,750 | 1,136 | 65.0% |
| Margin | 9.0% | 8.3% | – |
| Ordinary profit | 1,760 | 1,159 | 65.9% |
| Margin | 9.0% | 8.4% | – |
| Profit attributable to owners of parent | 1,220 | 1,077 | 88.3% |
| Margin | 6.3% | 7.8% | – |

*The numbers for full year forecast are announced on May 8, 2025.

# 2 - 2 | Orders Received and Order Backlog

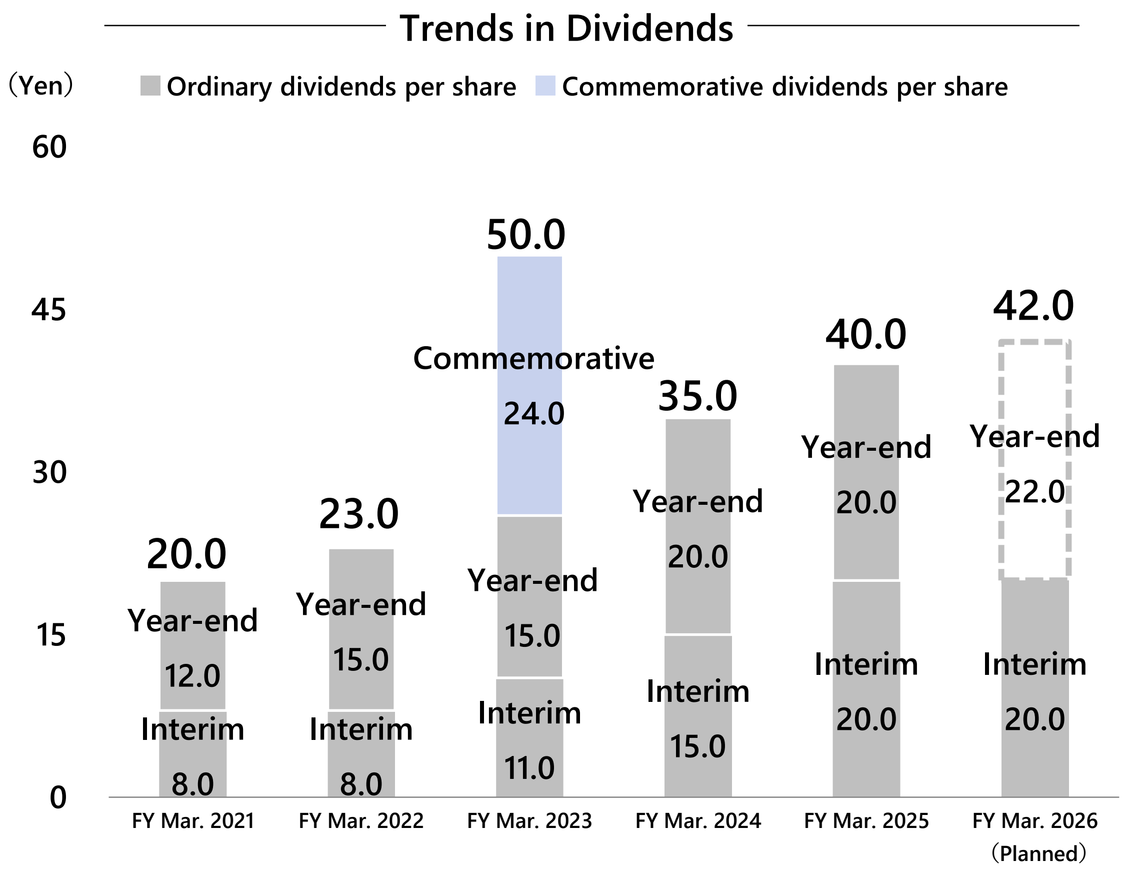
- On the back of demand for system development, orders received and order backlog increased by 1.4% and 5.0%, respectively. Orders received in the Service-Providing Business remained steady by capturing demand for cloud migration and other needs.

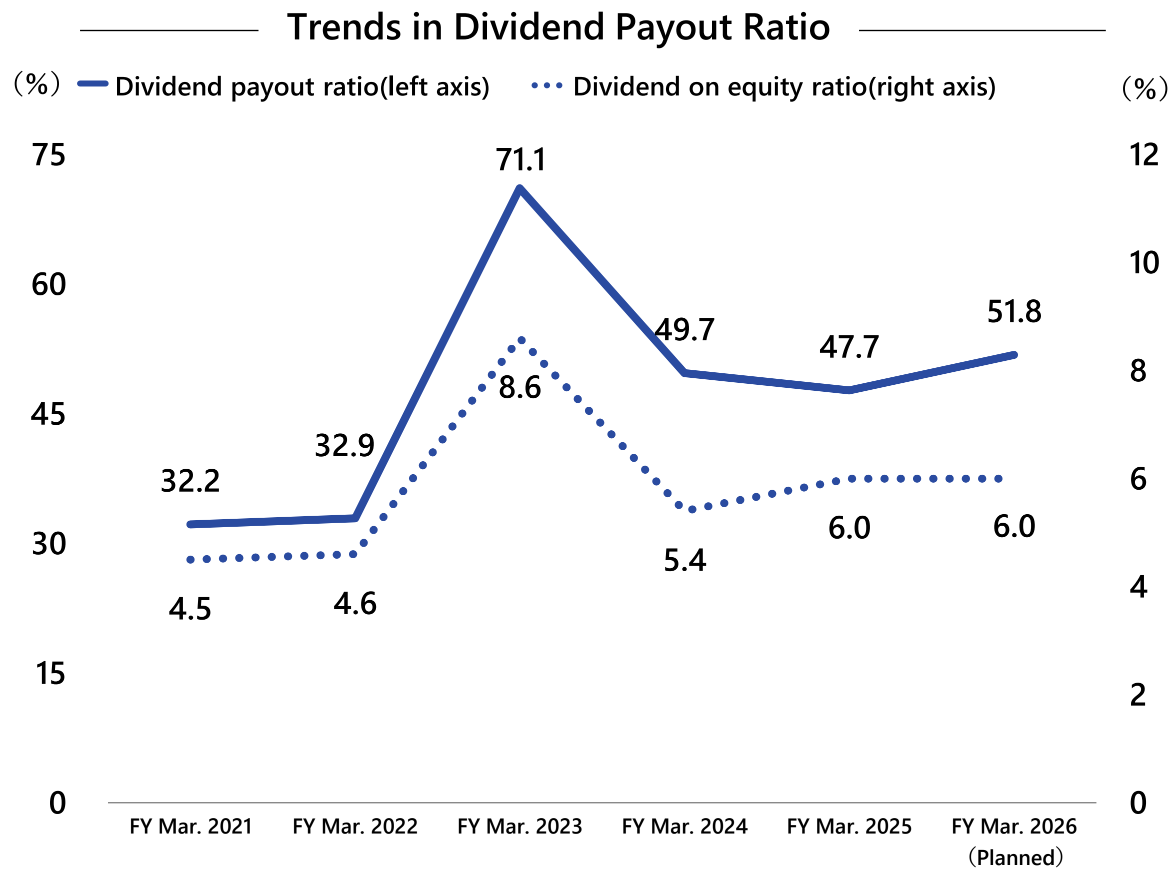


# 2 - 3 | Trends in Dividends and Dividend Payout Ratio

## ■ Maintained stable dividends with a target consolidated dividend payout ratio of 50%.



# 3 Appendix

# 3 - 1 Five Year Summary

| | 3Q FY Mar. 2022 | 3Q FY Mar. 2023 | 3Q FY Mar. 2024 | 3Q FY Mar. 2025 | 3Q FY Mar. 2026 |
|---|---|---|---|---|---|
| Net sales (Millions of yen) | 12,041 | 11,972 | 13,565 | 13,652 | **13,759** |
| Cost of sales (Millions of yen) | 9,461 | 9,404 | 10,631 | 10,768 | **10,497** |
| Gross profit (Millions of yen) | 2,580 | 2,568 | 2,934 | 2,884 | **3,261** |
| Gross margin (%) | 21.4 | 21.5 | 21.6 | 21.1 | **23.7** |
| Selling, general and administrative expenses (Millions of yen) | 1,458 | 1,617 | 1,772 | 1,994 | **2,125** |
| Operating profit (Millions of yen) | 1,122 | 951 | 1,161 | 890 | **1,136** |
| Operating margin (%) | 9.3 | 7.9 | 8.6 | 6.5 | **8.3** |
| Ordinary profit (Millions of yen) | 1,133 | 953 | 1,169 | 894 | **1,159** |
| Ordinary margin (%) | 9.4 | 8.0 | 8.6 | 6.5 | **8.4** |
| Profit attributable to owners of parent (Millions of yen) | 755 | 628 | 758 | 904 | **1,077** |
| Profit margin attributable to owners of parent (%) | 6.3 | 5.2 | 5.6 | 6.6 | **7.8** |

# 3 - 2 Trends in Transition by Accounting Period

| | 1Q FY Mar. 2024 | 2Q FY Mar. 2024 | 3Q FY Mar. 2024 | 4Q FY Mar. 2024 | 1Q FY Mar. 2025 | 2Q FY Mar. 2025 | 3Q FY Mar. 2025 | 4Q FY Mar. 2025 | 1Q FY Mar. 2026 | 2Q FY Mar. 2026 | 3Q FY Mar. 2026 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Net sales (Millions of yen) | 4,376 | 4,638 | 4,550 | 4,455 | 4,411 | 4,610 | 4,630 | 4,699 | 4,546 | 4,596 | **4,616** |
| Cost of sales (Millions of yen) | 3,438 | 3,616 | 3,575 | 3,468 | 3,525 | 3,627 | 3,615 | 3,635 | 3,425 | 3,538 | **3,533** |
| Gross profit (Millions of yen) | 938 | 1,021 | 974 | 987 | 886 | 983 | 1,014 | 1,063 | 1,120 | 1,058 | **1,083** |
| Gross margin (%) | 21.4 | 22.0 | 21.4 | 22.2 | 20.1 | 21.3 | 21.9 | 22.6 | 24.6 | 23.0 | **23.5** |
| Selling, general and administrative expenses (Millions of yen) | 568 | 597 | 606 | 613 | 665 | 670 | 657 | 572 | 717 | 730 | **677** |
| Operating profit (Millions of yen) | 369 | 424 | 367 | 374 | 220 | 312 | 356 | 490 | 402 | 327 | **406** |
| Operating margin (%) | 8.5 | 9.1 | 8.1 | 8.4 | 5.0 | 6.8 | 7.7 | 10.4 | 8.9 | 7.1 | **8.8** |
| Ordinary profit (Millions of yen) | 371 | 416 | 380 | 421 | 226 | 301 | 365 | 499 | 412 | 326 | **421** |
| Ordinary margin (%) | 8.5 | 9.0 | 8.4 | 9.5 | 5.1 | 6.5 | 7.9 | 10.6 | 9.1 | 7.1 | **9.1** |
| Profit attributable to owners of parent (Millions of yen) | 232 | 268 | 257 | 308 | 157 | 504 | 242 | 356 | 200 | 354 | **522** |
| Profit margin attributable to owners of parent (%) | 5.3 | 5.8 | 5.7 | 6.9 | 3.6 | 10.9 | 5.2 | 7.6 | 4.4 | 7.7 | **11.3** |

# 3 - 3 Trends in Net Sales and Operating Profit

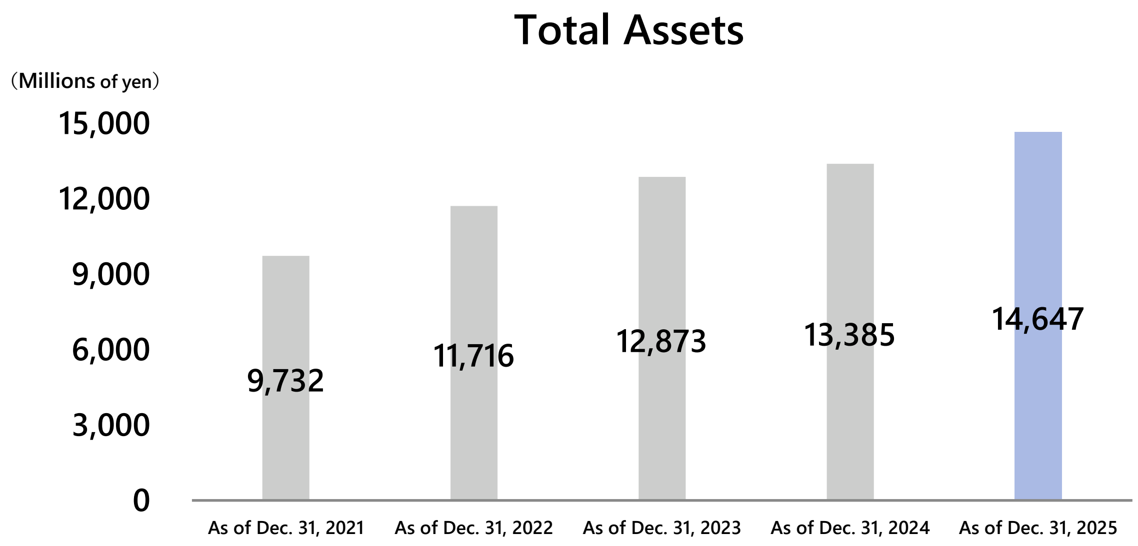
| | 3Q FY Mar. 2025 Net sales (Millions of yen) | 3Q FY Mar. 2026 Net sales (Millions of yen) | Composition (%) | YoY (%) | 3Q FY Mar. 2025 Operating profit (Millions of yen) | 3Q FY Mar. 2026 Operating profit (Millions of yen) | YoY (%) | 3Q FY Mar. 2025 Operating margin (%) | 3Q FY Mar. 2026 Operating margin (%) | YoY (pt) |
|---|---|---|---|---|---|---|---|---|---|---|
| Digital Business | 606 | **944** | 6.8 | +55.7 | 19 | **74** | +292.3 | 3.1 | **7.9** | +4.8 |
| SI Business | 4,682 | **5,733** | 41.7 | +22.5 | 322 | **430** | +33.7 | 6.9 | **7.5** | +0.6 |
| System Enhancement Business | 8,363 | **7,081** | 51.5 | -15.3 | 548 | **631** | +15.1 | 6.6 | **8.9** | +2.3 |
| Finance | 4,579 | **4,261** | 31.0 | -7.0 | 342 | **323** | -5.5 | 7.5 | **7.6** | +0.1 |
| Distribution | 2,312 | **2,250** | 16.3 | -2.7 | 97 | **270** | +176.8 | 4.2 | **12.0** | +7.8 |
| Government agencies | 1,355 | **1,867** | 13.6 | +37.8 | 125 | **101** | -19.1 | 9.3 | **5.5** | -3.8 |
| Transportation and Telecommunication | 1,768 | **1,505** | 10.9 | -14.8 | 209 | **232** | +11.0 | 11.8 | **15.4** | +3.6 |
| Manufacturing | 1,308 | **1,456** | 10.6 | +11.3 | 85 | **84** | -0.6 | 6.5 | **5.8** | -0.7 |
| Others | 2,327 | **2,418** | 17.6 | +3.9 | 29 | **124** | +316.2 | 1.3 | **5.1** | +3.8 |
| SIer Business | 10,404 | **10,423** | 75.8 | +0.2 | 681 | **776** | +14.0 | 6.5 | **7.4** | +0.9 |
| End-User Business | 2,663 | **2,616** | 19.0 | -1.8 | 172 | **405** | +134.7 | 6.5 | **15.5** | +9.0 |
| Service-Providing Business | 583 | **718** | 5.2 | +23.1 | 36 | **-45** | – | 6.2 | **-6.3** | – |
| **Total** | 13,652 | **13,759** | 100.0 | +0.8 | 890 | **1,136** | +27.7 | 6.5 | **8.3** | +1.8 |

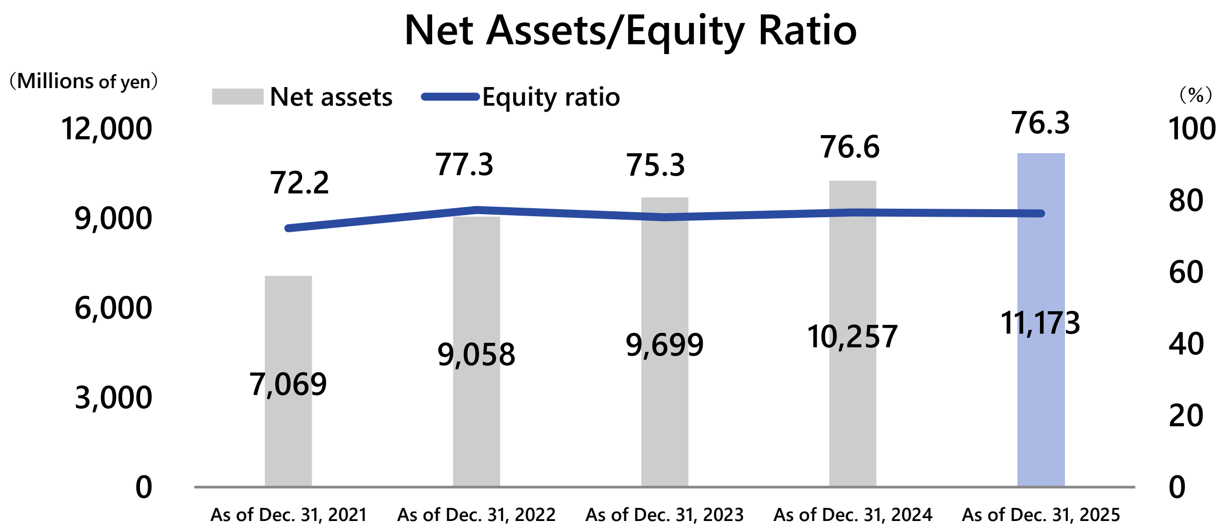
# 3 - 4 Trends in Orders Received and Order Backlog

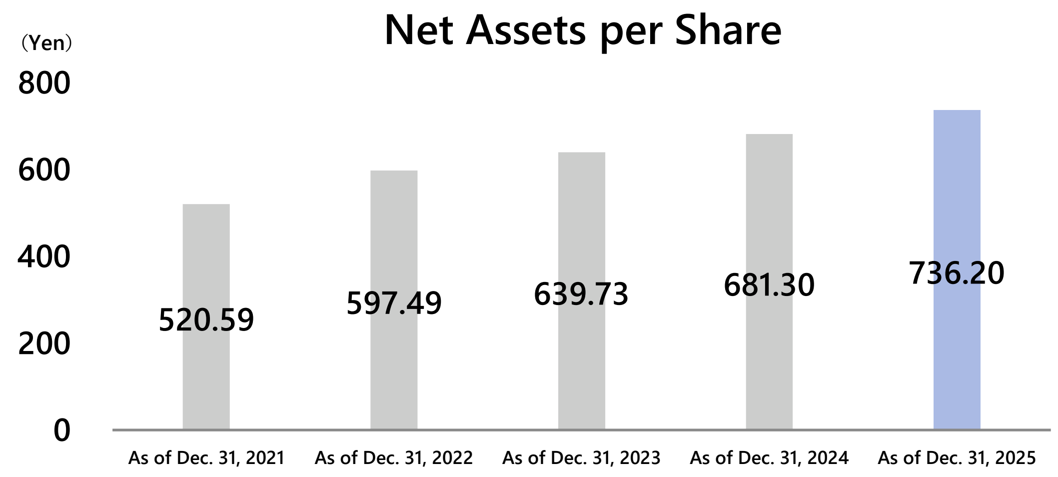
| | 3Q FY Mar. 2025 Orders received (Millions of yen) | 3Q FY Mar. 2026 Orders received (Millions of yen) | Increase/Decrease (Millions of yen) | YoY (%) |
|---|---|---|---|---|
| Digital Business | 593 | **955** | +361 | +61.0 |
| SI Business | 4,758 | **5,955** | +1,197 | +25.2 |
| System Enhancement Business | 8,042 | **6,673** | -1,369 | -17.0 |
| Finance | 4,342 | **4,218** | -124 | -2.9 |
| Distribution | 2,263 | **2,314** | +50 | +2.2 |
| Government agencies | 1,409 | **1,887** | +478 | +34.0 |
| Transportation and Telecommunication | 1,714 | **1,485** | -229 | -13.4 |
| Manufacturing | 1,348 | **1,475** | +127 | +9.4 |
| Others | 2,315 | **2,203** | -111 | -4.8 |
| SIer Business | 10,427 | **10,892** | +465 | +4.5 |
| End-User Business | 2,477 | **2,169** | -308 | -12.4 |
| Service-Providing Business | 489 | **522** | +33 | +6.8 |
| **Total** | 13,394 | **13,584** | +190 | +1.4 |

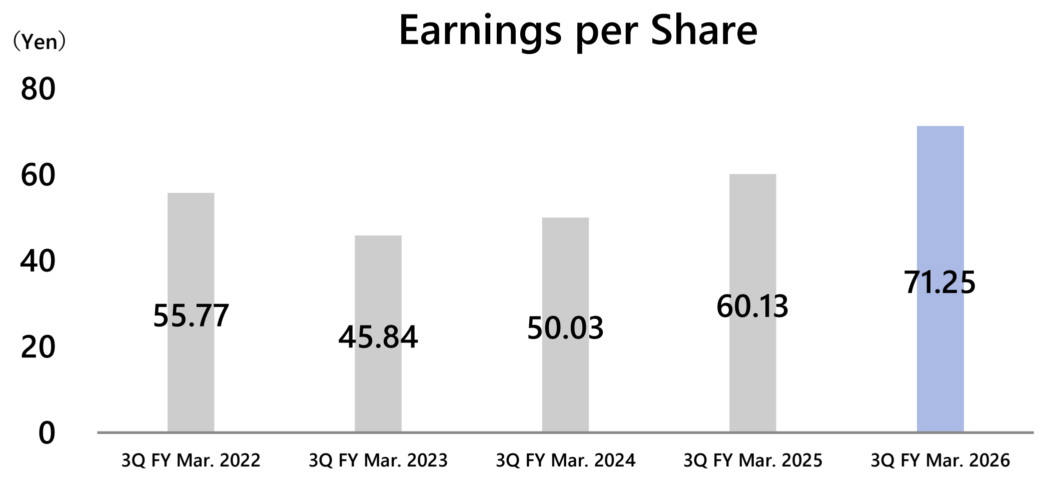
| | 3Q FY Mar. 2025 Order backlog (Millions of yen) | 3Q FY Mar. 2026 Order backlog (Millions of yen) | Increase/Decrease (Millions of yen) | YoY (%) |
|---|---|---|---|---|
| Digital Business | 211 | **357** | +146 | +69.2 |
| SI Business | 1,415 | **1,992** | +577 | +40.8 |
| System Enhancement Business | 2,762 | **2,257** | -505 | -18.3 |
| Finance | 1,313 | **1,461** | +148 | +11.3 |
| Distribution | 759 | **834** | +74 | +9.8 |
| Government agencies | 537 | **578** | +41 | +7.6 |
| Transportation and Telecommunication | 530 | **488** | -42 | -8.0 |
| Manufacturing | 445 | **485** | +40 | +9.0 |
| Others | 803 | **760** | -43 | -5.4 |
| SIer Business | 3,342 | **3,475** | +132 | +4.0 |
| End-User Business | 906 | **914** | +7 | +0.8 |
| Service-Providing Business | 139 | **218** | +78 | +56.1 |
| **Total** | 4,389 | **4,607** | +218 | **+5.0** |

# 3 - 5 Other Performance Indicators

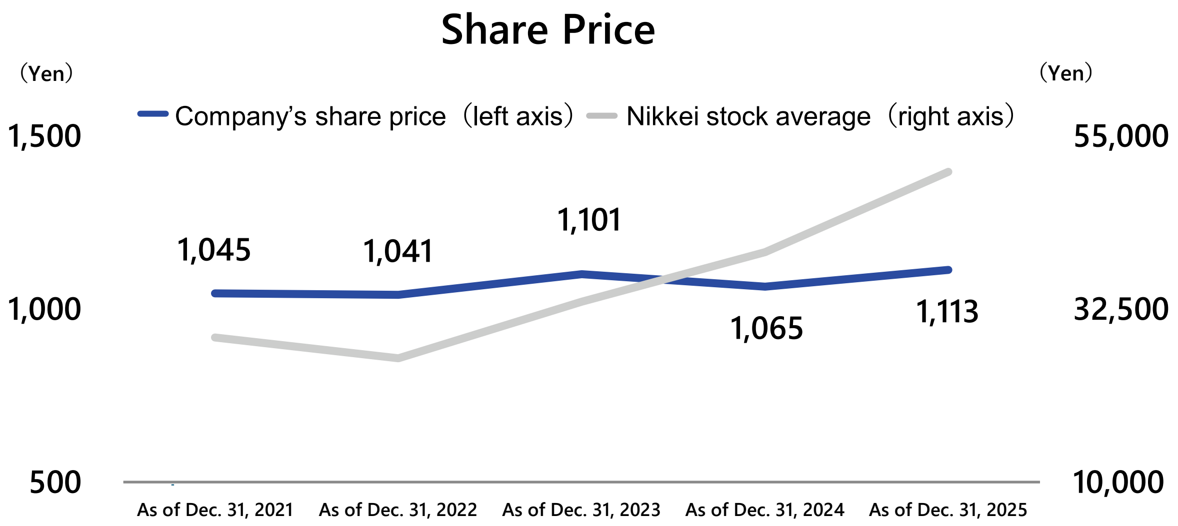


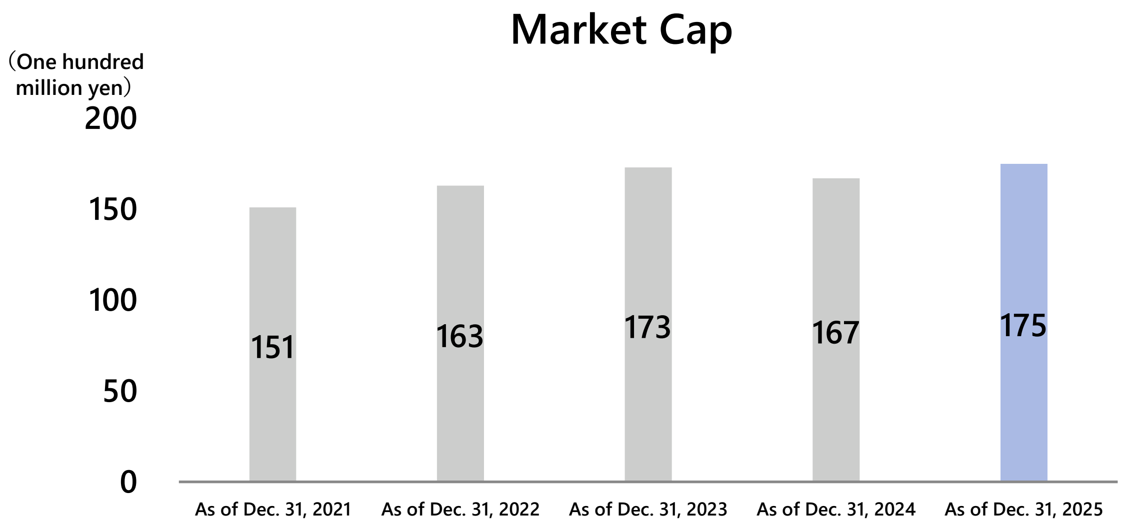



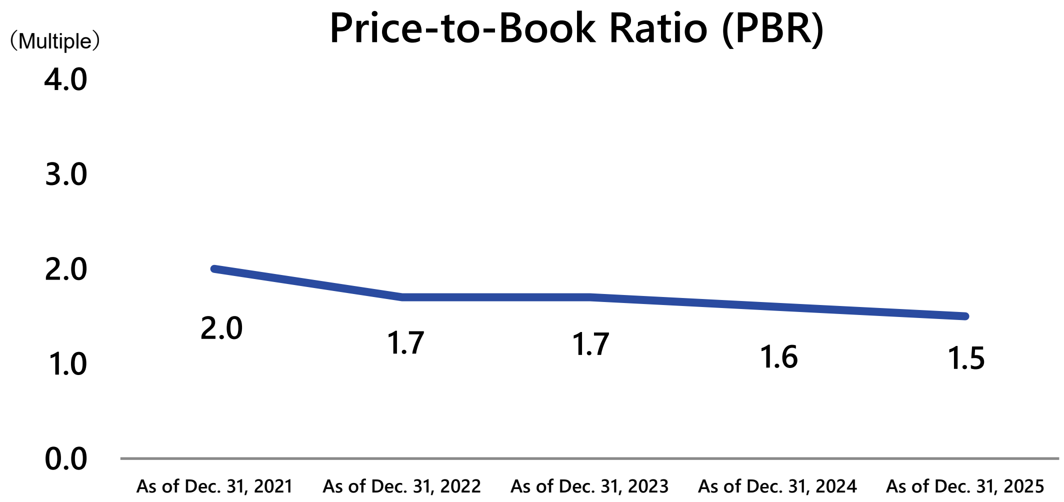



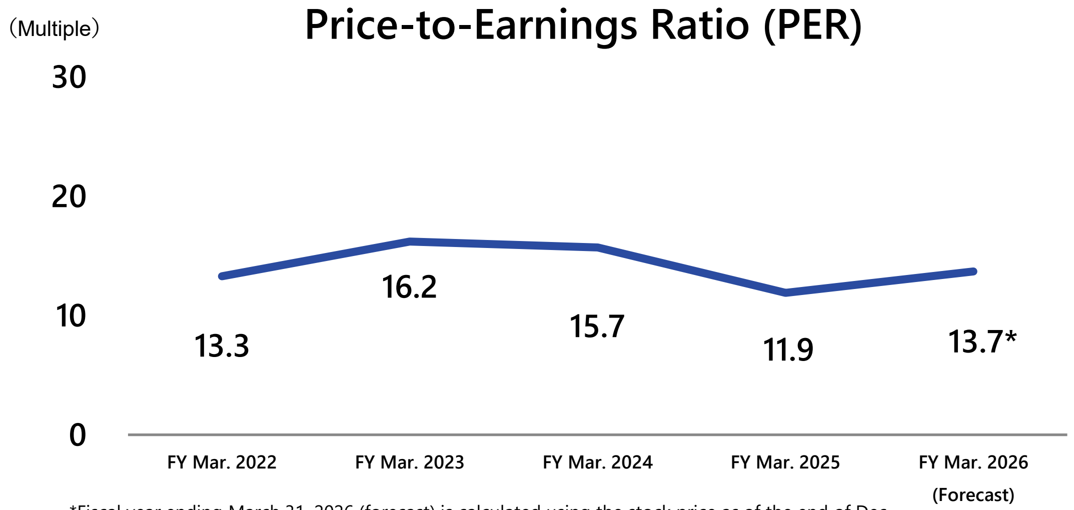



# 3 - 5 | Other Performance Indicators




*Fiscal year ending March 31, 2026 (forecast) is calculated using the stock price as of the end of Dec. and earnings per share in the full-year earnings forecast.

# ■ Planned to launch two solution services from spring 2026 onward.

## Talent management — H・CUBiC Human Capital Analysis Service (HCA Service)

- A service that expands employees' potential by integrating and analyzing diverse internal data, such as work experience, skills and qualifications accumulated within the company.
- It supports optimal talent allocation tailored to business characteristics and project requirement, followed by helping maximize human capital value by improving productivity and uncovering hidden potential.

Human Resources Coordinator
Project Manager

Expanding employee potential
**HCA Service***

Productivity improvement
New discoveries

### Adopt a multi-agent system

By coordinating multiple AI agents, highly accurate responses can be provided even for complex conditions and queries.

Plan → Search → Determination → Answer

### Recommends appropriate talent using vector search

Recommends the most suitable talent by understanding the meaning of text and comments, in addition, taking into account even complex contexts that are difficult to analyze.

*HCA Service : Service name to analyze human capital(Human Capital Analysis).
Please refer to the press release dated October 23, 2024, titled "H・CUBiC Services concept to provide multifaceted support for human capital management"

## For retailers — AI automated ordering system

- This system combines an automated ordering system by use of AI machine learning.
- Because it learns ordering trends, there is no need to set parameters such as minimum order quantities and standard inventory levels.

Stores
Ordering terminal
PC

Demand Forecast x Machine Learning
**AI automated ordering support system**

**Existing systems**
Analysis, inventory management, management accounting, purchasing, etc.

- No parameter setting required
- Automatic optimization through learning from operational data
- Number of orders placed according to product characteristics
- Flexible customization feature

Cost reduction for ordering
Prevent losses in sales opportunities
Reduction of disposal losses

# 3 - 7 | Corporate Information and History

## Corporate Information

| | |
|---|---|
| **Company name** | CUBE SYSTEM INC. |
| **Established** | July 5, 1972 |
| **Head office** | Osaki Wiz Tower, 2-11-1 Osaki, Shinagawa-ku, Tokyo |
| **Share capital** | 1.4 billion yen |
| **Representative** | Representative Director Masahiro Nakanishi |
| **Securities market** | Tokyo Stock Exchange Prime Market |
| **Net sales** | 18.3 billion yen（FY March 2025 consolidated） |
| **Total number of employees** | 992（as of April 1, 2025 consolidated） |
| **Company website** | [https://www.cubesystem.co.jp/en/](https://www.cubesystem.co.jp/en/) |

## History

| | |
|---|---|
| **July 1972** | Customer Engineers Co., Ltd. founded |
| **April 1985** | Osaka Sales Office* established *now West Japan Solution Div. |
| **October 1990** | Changed the company name to "CUBE SYSTEM INC." |
| **October 2002** | Listed on Jasdaq (OTC) |
| **March 2014** | Designated to the First Section of the Tokyo Stock Exchange |
| **May 2019** | Nagoya Office established |
| **April 2022** | Transferred to the Prime Market of the Tokyo Stock Exchange |
| **December 2022** | Concluded a capital and business alliance agreement with Nomura Research Institute, Ltd. |
| **September 2023** | Fukuoka Office established |
| **September 2025** | Shinagawa Innovation Hub (S.I.H) established |

CUBE SYSTEM

https://www.cubesystem.co.jp/en/