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Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under IFRS)



April 27, 2026

Company name: NS Solutions Corporation
 Listing: Tokyo Stock Exchange, Nagoya Stock Exchange, and Fukuoka Stock Exchange
 Securities code: 2327
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 Scheduled date of Annual General Meeting of Shareholders: June 19, 2026
 Scheduled date of commencing dividend payments: June 2, 2026
 Scheduled date of filing annual securities report: June 15, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	381,340	12.7	44,242	14.9	45,286	15.9	30,832	14.0
March 31, 2025	338,301	8.9	38,497	10.0	39,076	10.3	27,049	11.6

	Total comprehensive income		Basic earnings per share	Diluted earnings per share	Return on equity attributable to owners of parent
Fiscal year ended	Million yen	%	Yen	Yen	%
March 31, 2026	33,565	(21.1)	168.50	—	11.4
March 31, 2025	42,553	(4.5)	147.84	—	10.9

	Ratio of profit before tax to total assets	Ratio of operating profit to revenue
Fiscal year ended	%	%
March 31, 2026	10.8	11.6
March 31, 2025	9.8	11.4

(Reference) Share of profit (loss) of investments accounted for using equity method

For the fiscal year ended March 31, 2026: 31 million yen

For the fiscal year ended March 31, 2025: (21) million yen

(Note) The Company carried out a 2-for-1 stock split of common stock as of July 1, 2024. Basic earnings per share were calculated assuming the stock split had taken place at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
As of	Million yen	Million yen	Million yen	%	Yen
March 31, 2026	417,584	288,808	279,203	66.9	1,525.86
March 31, 2025	421,302	269,815	261,173	62.0	1,427.38

(Note) The Company carried out a 2-for-1 stock split of common stock as of July 1, 2024. Equity attributable to owners of parent per share were calculated assuming the stock split had taken place at the beginning of the previous fiscal year.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2026	(3,409)	(59,380)	(21,620)	108,798
March 31, 2025	37,207	70,249	(18,805)	192,931

2. Cash Dividends

	Annual dividends					Total cash dividends	Dividend payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2025	—	36.50	—	37.50	74.00	13,540	50.1	5.4
Fiscal year ended March 31, 2026	—	40.00	—	45.00	85.00	15,553	50.4	5.8
Fiscal year ending March 31, 2027 (Forecast)	—	43.50	—	43.50	87.00		50.4	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(% indicates changes from the previous corresponding period.)

	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
First half	198,000	11.0	20,500	12.2	20,900	10.9	12,600	4.9	68.86
Full year	417,000	9.4	47,500	7.4	48,300	6.7	31,600	2.5	172.70

*** Notes:**

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

Newly included: 6 companies (INFOCOM CORPORATION and its subsidiaries)

Excluded: None

(Note) For further details, please see *Business combination, etc. under 3 Consolidated Financial Statements and Primary Notes (5) Notes to Consolidated Financial Statements* on page 15 of the attached document.

(2) Changes in accounting policies and changes in accounting estimates

1) Changes in accounting policies required by IFRS: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

(3) Total number of issued shares (common stock)

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

As of March 31, 2026: 183,002,000 shares

As of March 31, 2025: 183,002,000 shares

2) Total number of treasury shares at the end of the period:

As of March 31, 2026: 20,595 shares

As of March 31, 2025: 27,793 shares

3) Average number of shares outstanding during the period:

Fiscal year ended March 31, 2026: 182,979,275 shares

Fiscal year ended March 31, 2025: 182,972,357 shares

(Note) The Company carried out a 2-for-1 stock split of common stock as of July 1, 2024. The numbers of shares presented above were calculated assuming the stock split had taken place at the beginning of the previous fiscal year.

* This consolidated financial results report is exempt from the audit procedures conducted by certified public accountants or an audit corporation.

* Explanation of the proper use of financial results forecast and other notes

- The forecasts stated above are based on information available as of the date of publication of this document. Actual results may differ from these forecasts due to a wide range of factors hereafter.

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1. Overview of Financial Results

(1) Operating Results

The Japanese economy continued its moderate recovery during the fiscal year ended March 31, 2026. However, uncertainty remains regarding the potential impact on corporate earnings, as close attention needed to be paid to the impact on the domestic economy of such factors as instability in the global situation centered in the Middle East, continued foreign exchange risks and rising prices. In the business environment surrounding NS Solutions Corporation (hereinafter, the “Company,” and the Company and its subsidiaries are collectively referred to as the “Group”), demand for digital transformation (DX) aimed at strong competitiveness, higher added value and business growth remained strong, while our customers expanded investments in their systems.

The Group has launched the 2025–2027 Mid-term Business Plan (published in February 2025) to realize the NSSOL 2030 Vision announced in April 2024. Based on the plan, the Group has been engaged in business activities focusing on four fundamental transformations—transforming our SI business model, transforming our customer approach, transforming the technology and R&D, and transforming in-house operations and management.

1) Transforming our SI business model

The Group is advancing various initiatives to promote a TAM-type* model. As a result, the TAM-type revenue ratio reached 38% (up 33% year on year) for the fiscal year ended March 31, 2026, compared to the target of 75% for the fiscal year ending March 31, 2028.

Particularly in the Asset Driven (A-type) model, we are actively promoting investment in solution development incorporating advanced technologies such as AI. We continued to receive many customer inquiries, mainly for “PPMP” (Process-manufacturing Production Management Package) for the manufacturing industry, “ConSeek TM,” a service providing comprehensive support for financial operations, the cloud solution “CloudHarbor,” and “Delifit AI,” which features AI-based demand forecasting and optimization capabilities. We also are successively launching new solutions into the market, such as “COCOTRA,” a solution for inbound travel operations, and “NSSIRIUS,” a cybersecurity service.

In addition, regarding the Multi Company Platform (M-type) model, we launched an agricultural product distribution platform based on the “NS Eclipa” e-commerce (EC) platform, and also launched a platform business used by multiple companies across industries.

(* NSSOL’s new business model comprises three revenue models:

- SI Transformation (T-type): Achieving high productivity through the use of innovative technologies
- Asset Driven (A-type): Converting our strengths into assets
- Multi Company Platform (M-type): Providing a platform for multiple companies to use jointly)

2) Transforming our customer approach

We launched “Corepeak,” an offering brand that supports the digital transformation of enterprises from the perspectives of customer’s management issues and social agenda, as a core initiative of transforming our customer approach.

Corepeak provides end-to-end support from conceptualization through implementation by combining Transformation Scenario*¹ based on our practical knowledge with Offering Block*² (groups of problem-solving assets) designed to address increasingly complex and sophisticated corporate transformation themes. Through this approach, Corepeak helps customers continue their transformation on their own.

*1 Transformation Scenario: Reference guides for transformation that organize complex issue structures and present paths from management challenges to implementation.

*2 Offering Block: Solutions and know-how that had previously been provided individually are reorganized into implementable units to ensure that envisioned scenarios can be executed steadily.

3) Transforming the technology and R&D

We are promoting to apply AI across the entire development process, with the target of a 20% improvement in development productivity by the fiscal year ending March 31, 2028. We have established “Nestorium,” our proprietary integrated development and operations platform equipped with various development support tools such as generative AI and automation technologies, as the Company-wide standard IT service platform. In addition, by utilizing “NS Devia,” an AI-driven development platform, we are working to significantly improve development productivity.

4) Transforming in-house operations and management

We are promoting the organizational integration of administrative common departments, establishing business foundations by renewing internal systems, and accelerating the application of generative AI centered on the AI Utilization Promotion Center, with the target of a 20% improvement in in-house operations by the fiscal year ending March 31, 2028. We are striving to further improve operational productivity through the standardization and efficiency of operations, and to further sophisticate corporate and business management.

In addition to these four fundamental transformations, we are also actively pursuing M&A, and capital and business alliances with domestic and overseas companies as part of our global and external growth strategies.

During the current fiscal year, we acquired all shares of INFOCOM CORPORATION, which operates business for the process manufacturing industry and the GRANDIT business, an ERP system for medium-sized companies, as well as PT.WCS ABYAKTA NAWASENA (Abysena) in Indonesia, a provider of IT services related to ERP packages, making them wholly owned subsidiaries.

Regarding capital and business alliances, we have entered into partnerships to strengthen functions and enhance the value we provide, such as with Intelligent Force Co., Ltd., a company recognized for its consulting capabilities, and with Delivery Consulting Inc., a firm known for its expertise in data utilization. We are also actively pursuing alliances to expand our business domains, including the establishment of the Crypto Asset Index Council jointly with N.Avenue Inc., an information services company for Web 3.0 and digital assets, as well as a capital and business alliance and participation in joint system development with cBioinformatics, Inc., which aims to commercialize a whole-genome testing service.

In addition, in January 2026, we established the India Utilization Promotion Team to incorporate India’s abundant IT resource capabilities into our business and to accelerate the consideration of alliances with Indian vendors.

As a result of these efforts, revenue for the fiscal year ended March 31, 2026 amounted to 381,340 million yen, an increase of 43,038 million yen compared to 338,301 million yen for the previous fiscal year. This was due to favorable conditions in all fields, particularly in the higher sales to the manufacturing, Nippon Steel Group field and the retail field, as well as the consolidation of INFOCOM CORPORATION. Operating profit came in at 44,242 million yen, an increase of 5,744 million yen compared to 38,497 million yen for the previous fiscal year. This was due to increased gross profit resulting from higher revenue and improved gross profit margin, despite increased selling, general and administrative expenses resulting from the accelerated execution of various measures under the Mid-term Business Plan.

An overview of the fiscal year ended March 31, 2026 by service field (Business Solutions and Consulting &

Digital Service) is as follows. From the fiscal year ended March 31, 2026, due to organizational restructuring, certain fields have been reclassified from Business Solutions to Consulting & Digital Service.

The figures for the fiscal year ended March 31, 2025 disclosed in this document reflect this change.

Business Solutions

Revenue for the fiscal year ended March 31, 2026 amounted to 286,506 million yen, an increase of 43,042 million yen compared to 243,464 million yen for the previous fiscal year.

Manufacturing, Nippon Steel Group field

Revenue from this field increased year on year due to solid performance of the manufacturing field, and projects related to new facilities for Nippon Steel Corporation.

Retail and Platform field

Revenue from this field increased year on year due to solid performance of the retail and travel fields.

Financial Services field

Revenue from this field increased year on year. Software product sales declined, following strong performance in the previous year, but this was offset by the promotion of the A-type business.

Consulting & Digital Service

Revenue for the fiscal year ended March 31, 2026 amounted to 94,833 million yen, remaining at the same level as the previous fiscal year (94,837 million yen).

(2) Financial Position

Total assets as of March 31, 2026 amounted to 417,584 million yen, a decrease of 3,718 million yen compared to 421,302 million yen at the end of the previous fiscal year. This was mainly due to a decrease of 84,133 million yen in cash and cash equivalents, partly offset by increases of 28,899 million yen in goodwill and 28,540 million yen in intangible assets.

Total liabilities as of March 31, 2026 amounted to 128,775 million yen, a decrease of 22,711 million yen compared to 151,487 million yen at the end of the previous fiscal year. This was mainly due to a decrease of 28,493 million yen in income taxes payable.

Total equity as of March 31, 2026 amounted to 288,808 million yen, an increase of 18,993 million yen compared to 269,815 million yen at the end of the previous fiscal year. The breakdown mainly includes 32,168 million yen of profit and 14,180 million yen of dividends paid. As a result, the ratio of equity attributable to owners of parent to total assets was 66.9%.

(3) Cash Flows

The balance of cash and cash equivalents as of March 31, 2026 was 108,798 million yen. Net decrease in cash and cash equivalents for the fiscal year ended March 31, 2026 was 84,133 million yen, compared to a net increase of 88,956 million yen for the previous fiscal year. Cash flows by activity type are as follows.

i) Cash flows from operating activities

Cash flows from operating activities for the fiscal year ended March 31, 2025 resulted in a cash inflow of 37,207 million yen. This is mainly attributable to 39,076 million yen of profit before tax and 12,134 million yen of depreciation and amortization, a 1,045 million yen increase in trade and other receivables, a 4,541

million yen increase in contract assets, and a 6,818 million yen increase in inventories, a 13,391 million yen increase in trade and other payables, and income taxes paid of 14,044 million yen. On the other hand, cash flows from operating activities for the fiscal year ended March 31, 2026 resulted in a cash outflow of 3,409 million yen. This is mainly attributable to 45,286 million yen of profit before tax and 13,889 million yen of depreciation and amortization, a 810 million yen increase in trade and other receivables, a 7,644 million yen increase in contract assets, and a 621 million yen increase in inventories, a 1,687 million yen decrease in trade and other payables, a 2,210 million yen increase in bonus payable, payment of settlement of 5,000 million yen, and income taxes paid of 49,246 million yen. The negative cash flows from operating activities for the fiscal year ended March 31, 2026 were primarily due to a temporary increase in income taxes paid following the sale of investment securities in the previous fiscal year.

ii) Cash flows from investing activities

Cash flows from investing activities for the fiscal year ended March 31, 2025 resulted in a cash inflow of 70,249 million yen. This is mainly attributable to 3,513 million yen of purchase of property, plant and equipment, and intangible assets, 5,534 million yen of purchase of other financial assets, and 78,523 million yen of proceeds from sale and redemption of other financial assets. On the other hand, cash flows from investing activities for the fiscal year ended March 31, 2026 resulted in a cash outflow of 59,380 million yen. This is mainly attributable to 54,423 million yen of payments for acquisition of shares of affiliated companies resulting in change in scope of consolidation and 5,365 million yen of purchase of property, plant and equipment, and intangible assets.

iii) Cash flows from financing activities

Cash flows from financing activities for the fiscal year ended March 31, 2025 resulted in a cash outflow of 18,805 million yen. This is mainly attributable to 7,568 million yen of repayments of lease liabilities and 10,795 million yen of dividends paid. On the other hand, cash flows from financing activities for the fiscal year ended March 31, 2026 resulted in a cash outflow of 21,620 million yen. This is mainly attributable to 14,180 million yen of dividends paid and 6,974 million yen of repayments of lease liabilities.

Information on capital resources and liquidity of funds

i) Basic policy

The Group believes that it is important to continuously maintain and strengthen its competitiveness and increase its corporate value into the future.

Therefore, we seek to maintain sufficient internal reserves to prepare for capital requirements for business growth and business risks such as wide-area disasters. The capital requirements include those for initiatives to achieve further profitability through business model transformation, focus on IT megatrends to achieve higher-than-market growth, make aggressive growth investments, pursue external growth through M&A, and enhance governance and shareholder value. At the same time, regarding profit distribution, our basic policy is to implement appropriate and stable distribution of dividends to shareholders.

We aim for a consolidated dividend payout ratio of 50%, with a focus on returning profits to shareholders in line with consolidated performance.

ii) Capital requirements and financing

Major capital requirements of the Group include operating expenses such as material costs, outsourcing costs, labor costs, overhead costs, and selling, general and administrative expenses, as well as capital expenditures and investments for external growth. Those capital requirements are satisfied by own funds.

As for working capital on hand, the Company concentrates surplus funds from subsidiaries in the Company for centralized management by implementing the cash management system (CMS) and also having certain of its domestic subsidiaries implement the same system. Note that the Company's CMS is administered by Nippon Steel Corporation with 94,402 million yen deposited in the system as of March 31, 2026 being presented as part of cash and cash equivalents.

For unexpected capital requirements, the Company has overdraft arrangements with major banks and Nippon Steel Corporation, its parent company, to prepare for liquidity risks.

(4) Outlook for the Fiscal Year Ending March 31, 2027

Although demand for IT investment in Japan is expected to remain strong, uncertainty surrounding both domestic and global economies is increasing, due to destabilization of the global situation, particularly in the Middle East, and overseas political and economic conditions such as U.S. tariff trends.

Under this business environment and based on the market environment by service and client industry sector, we have forecast consolidated revenue of 417,000 million yen and consolidated operating profit of 47,500 million yen for the fiscal year ending March 31, 2027.

Please be aware that earnings forecasts and other forward-looking statements do not constitute a guarantee of the Group's future performance, as they are subject to change due to unforeseeable changes in economic conditions and other factors.

(5) Basic Policy for Profit Distribution and Dividends for the Current and Next Fiscal Years

The Company believes in the importance of maintaining and strengthening its competitiveness into the future and enhancing its corporate value. Regarding the allocation of profit, the Company's basic policy is to ensure appropriate and stable dividends to shareholders and the retention of internal reserves for business growth and to prepare for business risks, with the aim of a consolidated dividend payout ratio of 50%.

The Company sets forth in its Articles of Incorporation regarding the frequency of dividends of surplus that March 31, September 30, and other dates stipulated by the Board of Directors will be the record dates and, regarding the decision-making body for dividends, that the Board of Directors may set forth matters provided in each item of Article 459, Paragraph 1 of the Companies Act concerning the repurchase of company shares, decreases in the amount of reserves, and the distribution of surplus.

For the distribution of surplus with a record date of the last day of the fiscal year under review (March 31, 2026), the Company will issue a dividend of 45.0 yen per share, an increase of 5 yen on its most recent dividend forecast. As a dividend of 40.0 yen per share was issued for the distribution of surplus with a record date of September 30, 2025, the annual total dividend will be 85.0 yen. This is an increase of 11 yen compared with the previous fiscal year (FY2024).

Regarding dividends, the Company plans to issue a total annual dividend of 87.0 yen per share for the distribution of surplus in the next fiscal year.

2. Basic Approach to Selection of Accounting Standards

The Group has adopted International Financial Reporting Standards (IFRS) to improve the international comparability of financial information in the capital markets.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Statements of Financial Position

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and cash equivalents	192,931	108,798
Trade and other receivables	70,210	73,515
Contract assets	22,719	31,341
Inventories	32,083	32,973
Other financial assets	2,796	9,946
Other current assets	4,082	18,443
Total current assets	324,824	275,018
Non-current assets		
Property, plant and equipment	15,568	16,235
Right-of-use assets	29,148	25,178
Goodwill	2,923	31,823
Intangible assets	4,039	32,580
Investments accounted for using equity method	191	223
Other financial assets	29,315	24,515
Retirement benefit asset	—	566
Deferred tax assets	15,165	11,134
Other non-current assets	125	306
Total non-current assets	96,477	142,565
Total assets	421,302	417,584

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Trade and other payables	30,690	31,517
Contract liabilities	27,504	30,878
Lease liabilities	6,061	6,209
Other financial liabilities	732	740
Income taxes payable	31,864	3,370
Provisions	4,004	1,362
Other current liabilities	18,317	19,258
Total current liabilities	119,175	93,338
Non-current liabilities		
Lease liabilities	23,158	18,940
Other financial liabilities	–	102
Retirement benefit liability	4,938	4,784
Provisions	2,869	3,051
Deferred tax liabilities	–	7,232
Other non-current liabilities	1,346	1,325
Total non-current liabilities	32,312	35,437
Total liabilities	151,487	128,775
Equity		
Share capital	12,952	12,952
Capital surplus	3,642	3,653
Retained earnings	242,900	260,216
Treasury shares	(63)	(47)
Other components of equity	1,741	2,427
Total equity attributable to owners of parent	261,173	279,203
Non-controlling interests	8,641	9,605
Total equity	269,815	288,808
Total liabilities and equity	421,302	417,584

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

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Revenue	338,301	381,340
Cost of sales	(256,594)	(279,537)
Gross profit	81,707	101,802
Selling, general and administrative expenses	(41,071)	(58,057)
Share of profit (loss) of investments accounted for using equity method	(21)	31
Other income	394	738
Other expenses	(2,510)	(273)
Operating profit	38,497	44,242
Finance income	1,022	1,313
Finance costs	(444)	(269)
Profit before tax	39,076	45,286
Income tax expense	(10,998)	(13,117)
Profit	28,077	32,168
Profit attributable to		
Owners of parent	27,049	30,832
Non-controlling interests	1,027	1,336
Earnings (loss) per share		
Basic earnings per share (yen)	147.84	168.50

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	28,077	32,168
Other comprehensive income, net of tax effect		
Items that will not be reclassified to profit or loss		
Remeasurement of net defined benefit liability (asset)	332	715
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	13,682	380
Total of items that will not be reclassified to profit or loss	14,015	1,096
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	460	301
Total of items that may be reclassified to profit or loss	460	301
Total other comprehensive income, net of tax effect	14,475	1,397
Comprehensive income	42,553	33,565
Comprehensive income attributable to		
Owners of parent	41,481	32,182
Non-controlling interests	1,071	1,383

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	Remeasurement of net defined benefit liability (asset)
Balance at beginning of period	12,952	9,953	174,625	(32)	38,611	—
Profit	—	—	27,049	—	—	—
Other comprehensive income	—	—	—	—	13,682	294
Comprehensive income	—	—	27,049	—	13,682	294
Dividends of surplus	—	—	(10,795)	—	—	—
Purchase of treasury shares	—	—	—	(62)	—	—
Share-based payment transactions	—	9	—	31	—	—
Transfer from other components of equity to retained earnings	—	—	52,020	—	(51,726)	(294)
Change by business combination	—	(6,320)	—	—	—	—
Change in scope of consolidation	—	—	—	—	—	—
Total transactions with owners	—	(6,311)	41,225	(30)	(51,726)	(294)
Balance at end of period	12,952	3,642	242,900	(63)	568	—

	Equity attributable to owners of parent			Non-controlling interests	Total equity
	Other components of equity		Total		
	Exchange differences on translation of foreign operations	Total			
Balance at beginning of period	719	39,330	236,829	7,954	244,783
Profit	–	–	27,049	1,027	28,077
Other comprehensive income	454	14,431	14,431	44	14,475
Comprehensive income	454	14,431	41,481	1,071	42,553
Dividends of surplus	–	–	(10,795)	(374)	(11,170)
Purchase of treasury shares	–	–	(62)	–	(62)
Share-based payment transactions	–	–	40	–	40
Transfer from other components of equity to retained earnings	–	(52,020)	–	–	–
Change by business combination	–	–	(6,320)	–	(6,320)
Change in scope of consolidation	–	–	–	(9)	(9)
Total transactions with owners	–	(52,020)	(17,137)	(384)	(17,522)
Balance at end of period	1,173	1,741	261,173	8,641	269,815

Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	Remeasurement of net defined benefit liability (asset)
Balance at beginning of period	12,952	3,642	242,900	(63)	568	–
Profit	–	–	30,832	–	–	–
Other comprehensive income	–	–	–	–	380	676
Comprehensive income	–	–	30,832	–	380	676
Dividends of surplus	–	–	(14,180)	–	–	–
Purchase of treasury shares	–	–	–	–	–	–
Share-based payment transactions	–	11	–	16	–	–
Transfer from other components of equity to retained earnings	–	–	665	–	11	(676)
Change by business combination	–	–	–	–	–	–
Change in scope of consolidation	–	–	–	–	–	–
Total transactions with owners	–	11	(13,515)	16	11	(676)
Balance at end of period	12,952	3,653	260,216	(47)	960	–

	Equity attributable to owners of parent			Non-controlling interests	Total equity
	Other components of equity		Total		
	Exchange differences on translation of foreign operations	Total			
Balance at beginning of period	1,173	1,741	261,173	8,641	269,815
Profit	–	–	30,832	1,336	32,168
Other comprehensive income	293	1,350	1,350	47	1,397
Comprehensive income	293	1,350	32,182	1,383	33,565
Dividends of surplus	–	–	(14,180)	(410)	(14,590)
Purchase of treasury shares	–	–	–	–	–
Share-based payment transactions	–	–	27	–	27
Transfer from other components of equity to retained earnings	–	(665)	–	–	–
Change by business combination	–	–	–	–	–
Change in scope of consolidation	–	–	–	(9)	(9)
Total transactions with owners	–	(665)	(14,152)	(419)	(14,572)
Balance at end of period	1,467	2,427	279,203	9,605	288,808

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before tax	39,076	45,286
Depreciation and amortization	12,134	13,889
Impairment losses	11	–
Interest income	(844)	(1,030)
Dividend income	(178)	(79)
Interest expenses	216	192
Share of loss (profit) of investments accounted for using equity method	21	(31)
Decrease (increase) in trade and other receivables	(1,045)	(810)
Decrease (increase) in contract assets	(4,541)	(7,644)
Decrease (increase) in inventories	(6,818)	(621)
Increase (decrease) in trade and other payables	13,391	(1,687)
Increase (decrease) in provision for loss on litigation	2,260	–
Increase (decrease) in bonus payable	160	2,210
Increase (decrease) in consumption tax payable etc.	(2,014)	817
Other	(1,406)	(602)
Subtotal	50,422	49,887
Interest received	867	1,075
Dividends received	178	79
Interest paid	(216)	(206)
Payment of settlement	–	(5,000)
Income taxes paid	(14,044)	(49,246)
Net cash provided by (used in) operating activities	37,207	(3,409)
Cash flows from investing activities		
Payments into time deposits	(508)	(517)
Proceeds from withdrawal of time deposits	325	411
Purchase of property, plant and equipment, and intangible assets	(3,513)	(5,365)
Purchase of other financial assets	(5,534)	(2,033)
Proceeds from sale and redemption of other financial assets	78,523	2,291
Payments for acquisition of shares of affiliated companies resulting in change in scope of consolidation	–	(54,423)
Proceeds from acquisition of shares of affiliated companies resulting in change in scope of consolidation	1,314	–
Other	(358)	257
Net cash provided by (used in) investing activities	70,249	(59,380)
Cash flows from financing activities		
Repayments of lease liabilities	(7,568)	(6,974)
Dividends paid	(10,795)	(14,180)
Dividends paid to non-controlling interests	(374)	(410)
Purchase of treasury shares	(62)	–
Other	(4)	(55)
Net cash provided by (used in) financing activities	(18,805)	(21,620)
Effect of exchange rate changes on cash and cash equivalents	304	276
Net increase (decrease) in cash and cash equivalents	88,956	(84,133)
Cash and cash equivalents at beginning of period	103,975	192,931
Cash and cash equivalents at end of period	192,931	108,798

(5) Notes to Consolidated Financial Statements

Going concern assumption

Not applicable.

Segment information

This information is omitted because the Group operates in a single segment of the information services business.

Per share information

The basis for determining basic earnings per share attributable to common shareholders of the Company is as follows.

Diluted earnings per share are not presented since there are no dilutive potential shares.

(Millions of yen, unless otherwise stated)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Basis for determining basic earnings per share		
Profit attributable to owners of parent	27,049	30,832
Profit not attributable to common shareholders of parent	—	—
Profit used to calculate basic earnings per share	27,049	30,832
Average number of common shares outstanding during the period (Shares)	182,972,357	182,979,275
Basic earnings per share (Yen)	147.84	168.50

(Note) The Company carried out a 2-for-1 stock split of common stock as of July 1, 2024. Basic earnings per share were calculated assuming the stock split had taken place at the beginning of the previous fiscal year.

Business combination, etc.

The Company has entered into a share transfer agreement on April 23, 2025, pursuant to a resolution of the Board of Directors' meeting held on March 31, 2025, for the purpose of acquiring all of the issued shares of INFOCOM CORPORATION ("INFOCOM") and making it a subsidiary. In accordance with the agreement, the Company acquired all of the issued shares of INFOCOM on July 1, 2025, and INFOCOM became a consolidated subsidiary of the Company.

Prior to the share acquisition, and pursuant to the share transfer agreement, INFOCOM issued a dividend in kind to INFOCOM HOLDINGS CORPORATION (currently "Amutus Corporation") in the form of all the issued shares of Amutus Corporation (including its associates), which was a wholly-owned subsidiary of INFOCOM and operates the online business (provision of electronic comic distribution service "Mecha Comic") (hereinafter, the "advance restructuring"). In accordance with the advance restructuring, INFOCOM has operated solely in the IT services business since the date of the share acquisition.

1. Outline of the business combination

(1) Name of the acquired company and details of business

Name of the acquired company	:	INFOCOM CORPORATION
Details of business	:	Provision of IT services, including planning, development, operation, and management of information systems for companies, medical institutions, pharmaceutical companies, public institutions, etc.

(2) Reasons for business combination

The Company has provided high-quality IT services ranging from consulting to development, construction, and operation to customers in a wide variety of industries, including process manufacturers such as NIPPON STEEL CORPORATION; customers in assembly manufacturing, distribution and services, finance, and telecommunications; and government agencies, by combining its extensive business expertise and advanced technical capabilities. Promoting in-house development and collaboration and co-creation with companies that possess competitive assets are essential to the launch and expansion of asset-driven businesses. The NSSOL 2030 Vision sets forth our goal of becoming a "Social Value Producer with Digital" that creates value on its own and takes the initiative in solving social and corporate issues. To achieve this goal, we are determined to expand our business fields and transform our business model.

INFOCOM has extensive business expertise in IT services for customers including process manufacturers and trading companies, and provides system integration services to major corporations. As the original developer of GRANDIT, an ERP system for medium-sized companies, INFOCOM offers its own services and products that address social issues such as healthcare, crisis management, and business continuity planning (BCP), and is actively developing own assets and turning them into businesses.

With the addition of INFOCOM to our Group, we believe we can further accelerate growth by making use of the strengths and know-how the two companies have accumulated so far and thereby complementing each other.

Specifically, we will (1) strengthen service capabilities for customers of both companies and expand SI businesses in the process manufacturing field by combining the business expertise and

technological capabilities of both companies in the same field; (2) expand our asset-driven business for medium-sized companies by leveraging the sales channels and development and implementation resources of our regional companies, with GRANDIT at the core; and (3) engage in cross-selling and joint development of services and products that address social issues, starting with healthcare. In addition, by sharing our human resource recruitment and development measures and research and development outcomes, we will strengthen INFOCOM's business foundation to further accelerate the aforementioned initiatives.

Going forward, the Company and INFOCOM will work together to achieve the NSSOL 2030 Vision.

(3) Date of acquisition

July 1, 2025

(4) Method used to obtain control of the acquiree

Share acquisition with cash as consideration

(5) Percentage of voting equity interests

100%

2. Consideration for acquisition

55,088 million yen

3. Details and amount of major acquisition related costs

Advisory fees and commissions: 821 million yen

(Note) Of this amount, 116 million yen was recorded in selling, general and administrative expenses in the consolidated statement of profit or loss for the fiscal year ended March 31, 2025, and 704 million yen in the consolidated statement of profit or loss for the fiscal year ended March 31, 2026.

4. Fair value of assets acquired and liabilities assumed, non-controlling interests, and goodwill at the date of business combination

	(Millions of yen)
Fair value of consideration paid (cash)	55,088
Fair value of assets acquired and liabilities assumed	
Current assets (Note 1)	7,369
Property, plant and equipment	1,422
Intangible assets (Note 2)	28,691
Other non-current assets	5,105
Total assets	42,589
Current liabilities	(5,853)
Non-current liabilities	(10,002)
Total liabilities	(15,855)
Fair value of assets acquired and liabilities assumed, net	26,733
Non-controlling interests (Note 3)	(78)
Goodwill (Note 4)	28,432

- Notes: 1. The fair value of the acquired trade and other receivables is 3,110 million yen. The contractual amounts receivable are 3,121 million yen, and no significant uncollectible amounts are expected.
2. Intangible assets include identifiable customer-related assets of 26,963 million yen.
3. Non-controlling interests relate to INFOCOM's subsidiaries and are measured at the proportionate share of the subsidiaries' identifiable net assets at the date of business combination.
4. Goodwill mainly represents expected synergies with existing businesses and excess earning power arising from the acquisition. No amount of goodwill is expected to be deductible for tax purposes.
5. During the fiscal year ended March 31, 2026, the amounts of goodwill arising from the business combination, as well as the assets acquired and liabilities assumed at the business combination date, were subject to provisional accounting treatment. This was because the said amount were under review, and the allocation of the acquisition consideration were yet to be finalized. However, as of March 31, 2026, it has been finalized. There are no changes in amounts resulting from the finalization of the provisional accounting treatment.

5. Breakdown of cash flows from acquisition

(Millions of yen)

Breakdown	Fiscal year ended March 31, 2026
Cash and cash equivalents paid for acquisition	55,088
Cash and cash equivalents held by the acquired company at the time of acquisition	(2,086)
Payments for acquisition of shares of affiliated companies resulting in change in scope of consolidation	53,001

6. Profit or loss information after the acquisition date relating to the business combination

The performance of INFOCOM included in the consolidated statement of profit or loss since the acquisition date is as follows:

(Millions of yen)

	Fiscal year ended March 31, 2026
Revenue	22,634
Profit	1,490

7. Pro forma information

The following pro forma information presents the Group's consolidated results for the fiscal year ended March 31, 2026, as if the acquisition of INFOCOM had occurred at the beginning of the current fiscal year.

(Millions of yen)

	Fiscal year ended March 31, 2026
Revenue	387,754
Profit	32,477

Significant subsequent events

Not applicable.

4. Status of Production, Orders Received, and Sales

While the Group operates in a single segment of the information services, its activities can be disaggregated by service field, and the following are the results of production, orders received, and sales by service field for the fiscal year ended March 31, 2026.

(1) Production

(Millions of yen)

Service field name	Production amount	YoY change
Business Solutions	285,718	17.7%
Consulting & Digital Service	96,575	(5.6%)
Total	382,294	10.8%

(Note) The above amounts are based on selling prices.

(2) Orders received

(Millions of yen)

Service field name	Orders received	YoY change	Order backlog	YoY change
Business Solutions	303,744	20.9%	113,329	17.9%
Consulting & Digital Service	103,551	(0.9%)	85,634	11.3%
Total	407,295	14.5%	198,963	15.0%

(3) Sales

(Millions of yen)

Service field name	Sales amount	YoY change
Business Solutions	286,506	17.7%
Consulting & Digital Service	94,833	(0.0%)
Total	381,340	12.7%

The following are the sales amounts by major customer and the percentage of total sales for the last two fiscal years.

(Millions of yen)

Customer	Fiscal year ended March 31, 2025		Fiscal year ended March 31, 2026	
	Sales amount	% of total	Sales amount	% of total
Nippon Steel Corporation	65,303	19.3	70,555	18.5