May 12, 2026

# Consolidated Financial Results for the Nine Months Ended March 31, 2026 (Under IFRS)

Company name: Open Up Group Inc.
Listing: Tokyo Stock Exchange
Securities code: 2154
URL: https://www.openupgroup.co.jp/
Representative: Yutaka Nishida, Chairman and Representative Director, CEO
Inquiries: Hiroshi Sato, Director, CFO
Telephone: +81-3-3539-1330
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

## 1. Consolidated financial results for the nine months ended March 31, 2026 (from July 1, 2025 to March 31, 2026)

### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

| | Revenue | | Business profit | | Operating profit | | Profit before tax | | Profit | | Profit attributable to owners of parent | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Nine months ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| March 31, 2026 | 125,269 | -14.7 | 13,473 | 9.4 | 13,679 | 6.0 | 13,822 | 8.1 | 9,725 | 11.2 | 9,713 | 11.2 |
| March 31, 2025 | 146,806 | 15.9 | 12,313 | 11.3 | 12,909 | 10.8 | 12,787 | 8.9 | 8,748 | 6.0 | 8,735 | 6.3 |

| | Total comprehensive income | | Basic earnings per share | Diluted earnings per share |
|---|---|---|---|---|
| Nine months ended | Millions of yen | % | Yen | Yen |
| March 31, 2026 | 9,817 | 24.5 | 113.96 | 113.87 |
| March 31, 2025 | 7,884 | -7.4 | 100.55 | 100.51 |

Note: Business profit is the Company's own profit indicator which is "gross profit" minus "selling, general and administrative expenses" and which excludes the impact of extraordinary items (Employment adjustment subsidy, Impairment loss, etc.) recorded under "Other income" and "Other expenses."

### (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 |
|---|---|---|---|---|
| As of | Millions of yen | Millions of yen | Millions of yen | % |
| March 31, 2026 | 121,991 | 77,983 | 77,931 | 63.9 |
| June 30, 2025 | 122,702 | 78,867 | 78,835 | 64.2 |

## 2. Cash dividends

| | Annual dividends per share | | | | |
|---|---|---|---|---|---|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended June 30, 2025 | - | 30.00 | - | 45.00 | 75.00 |
| Fiscal year ending June 30, 2026 | - | 35.00 | - | | |
| Fiscal year ending June 30, 2026 (Forecast) | | | | 50.00 | 85.00 |

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Forecast of consolidated business results for the fiscal year ending June 2026 (July 1, 2025 through June 30, 2026)

(% change from the previous corresponding period)

| | Revenue | | Business profit | | 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 | % | Millions of yen | % | Yen |
| Full year | 171,000 | -9.0 | 16,245 | 3.9 | 16,500 | 1.6 | 16,500 | 2.0 | 11,800 | -6.0 | 135.76 |

Note 1: Revisions to the forecast of business results most recently announced: None
Note 2: Business profit is the Company's own profit indicator which is “gross profit” minus “selling, general and administrative expenses” and which excludes the impact of extraordinary items (Employment adjustment subsidy, Impairment loss, etc.) recorded under “Other income” and “Other expenses.”

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 3 companies (Eisebu Holdings Co., Ltd., Eisebu Plus Corporation, EATECH-K Co., Ltd.)

(2) Changes in accounting policies and changes in accounting estimates
- (i) Changes in accounting policies required by IFRS: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

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

| | |
|---|---|
| As of March 31, 2026 | 90,822,812 shares |
| As of June 30, 2025 | 91,812,102 shares |

(ii) Number of treasury shares at the end of the period

| | |
|---|---|
| As of March 31, 2026 | 5,876,030 shares |
| As of June 30, 2025 | 4,895,592 shares |

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

| | |
|---|---|
| Nine Months ended March 31, 2026 | 85,233,718 shares |
| Nine months ended March 31, 2025 | 86,873,002 shares |

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters
The forward-looking statements regarding future performance in this material are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable at the time this report was prepared. Therefore, the Company does not make promises about the achievements. Actual results may differ significantly from the forecasts due to various factors.

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1. Overview of Operating Results

(1) Explanation of Operating Results

Revenue for the first nine months of the consolidated fiscal year under review decreased 14.7% year on year, to 125,269 million yen.

This is attributed to a decrease in sales that resulted from the sale of the UK operations executed as part of business portfolio optimization in the previous fiscal year, which was only partially more than offset by the contributions of IR Inc., which became a consolidated subsidiary in October 2024 in the previous fiscal year.

The gross profit decreased to 34,753 million yen, a 4.4% decline compared to the same period last year, primarily due to the sale of our UK operations. However, the gross profit margin improved by 3.0 percentage points year on year, reaching 27.7%.

Despite increases in personnel costs and expenses related to productivity improvement in initiatives within selling, general, and administrative expenses, the Company restrained recruiting-related expenses and promoted efficient cost management. As a result, operating profit amounted to 13,679 million yen, representing a 6.0% increase year on year. Consequently, profit attributable to owners of the parent totaled 9,713 million yen, representing a 11.2% increase year on year.

The Company has restructured the Machinery, Electronics and IT Software Segment into two distinct segments. Effective this fiscal year, its business segments include the Machinery and Electronics Segment and the IT Segment.

Accordingly, comparisons with the first nine months of the previous consolidated fiscal year have been made based on figures reclassified to reflect the new segment structure.

[Machinery and Electronics Segment] (Temporary staffing, contracting and outsourcing services related to the development, design, operation, and maintenance in the machinery and electrical sectors)

During the first nine months of the consolidated fiscal year under review, demand in the semiconductor-related sector showed a recovery trend, particularly in advanced fields, driven by expanding investments in AI. However, a mixed landscape persisted, with some areas seeing selective or restrained investment. In addition, there continued to be solid demand in the defense, aerospace, and planet sectors on the back of government policies and international conditions. On the other hand, in the automotive sector, although demand remained firm in the next-generation model development-related area and upstream processes, demand for human resources is expected to remain flat or slightly weak in the current fiscal year , reflecting structural reforms and the development investment reviews being conducted by some automobile manufacturers, as well as the impact of tariffs and growing geopolitical risks.

In this context, the Company strengthened its recruitment of experienced professionals while also hiring inexperienced candidates, which resulted in a steady increase in the number of engineers on staff. In addition, in October 2025, the Company acquired shares of Eisebu Holdings Co., Ltd., and included the company and its subsidiaries, Eisebu Plus Corporation and EATECH-K Co., Ltd., in the scope of consolidation. This resulted in an increase in the number of employees, which led to revenue growth.

As a result, revenue and segment profit increased 10.3% and 6.6% year on year, to 49,281 million yen and 6,275 million yen, respectively, in the first nine months under review.

[IT Segment] (Temporary staffing, contracting and outsourcing services related to the design, construction, operation, and maintenance of IT infrastructure and IT development)

During the first nine months of the consolidated fiscal year under review, demand for digital transformation (DX) and corporate IT investments remained solid, but in some areas, there was caution regarding investment decisions. In addition, as a result of the expanded use of generative AI, moves to streamline development, operation and maintenance and do these tasks internally have increased, which has created a business environment where competitiveness depends more heavily on high value-added technology sectors and customer-issue solving capabilities.

Amid these conditions, the impact of organizational integration in the previous fiscal year continued to weigh on productivity in certain areas, resulting in a decline in the number of working engineers. On the profitability front, while the Company promoted efficient cost management mainly by restricting recruitment, it was impacted by the increased personnel expenses and other factors.

As a result, revenue decreased 0.3%, to 30,690 million yen and segment profit increased 6.7% year on year, to 3,112 million yen in the first nine months under review.

[Construction Segment] (Temporary staffing business supplying construction managing engineers and CAD operators to the construction industry)

In the construction sector, amid persistent structural challenges such as the aging workforce and the shortage of young talent, measures to apply overtime work limits have entered the phase of entrenchment and needs to review on-site operations and secure human resources have remained firm.

In the first nine months of the consolidated fiscal year under review, IR Inc., which became a consolidated subsidiary in October 2024, contributed to an increase in revenue.

Meanwhile, in the existing businesses, a productivity decline was seen in certain areas as a result of organizational integration, leading to decrease in the number of employees. With challenges remaining in the improvement of the quality of recruitment skills and the reduction of the turnover rate, the Company continued to implement measures to facilitate structural improvement.

On the profitability front, the Company continued to efficiently manage cost by decreasing the number of hires in recruitment, controlling cost per hire and implementing other measures.

As a result, revenue and segment profit increased 3.0% and 2.9% year on year, to 43,656 million yen and 6,048 million yen, respectively, in the first nine months under review.

[Overseas Segment] (Temporary staffing and contracting for engineering and manufacturing sectors and human resource services, such as paid job introduction, outside of Japan)

In the third quarter of the previous fiscal year, the Company sold the UK business to concentrate on its portfolio in the engineering sector. In the first nine months of the consolidated fiscal year under review, we endeavored to achieve growth and earn profits in China and other Asian countries.

As a result, revenue and segment profit decreased 98.1% and 75.5% year on year, to 523 million yen and 217 million yen, respectively, in the first nine months under review.

[Others]

SAMURAI, Inc. and SAMURAI Career, Inc. operate an online programming learning service and personnel referral business. Open Up With Inc., the Group’s special subsidiary that employs people with disabilities, provides services within the Group.

During the first nine months of the consolidated fiscal year under review, the online programming learning service is continuing to adopt the policy of focusing on profitability in the current fiscal year. However, demand for programming lessons slowed, and the number of students taking the Group's lessons saw sluggish growth. Consequently, revenue was lower than the same period of the previous fiscal year.

As a result, revenue, including intersegment transactions, decreased 3.4% year on year, to 2,203 million yen, and segment loss came to 97 million yen (compared with a segment profit of 104 million yen in the same period of the previous fiscal year).

(2) Summary of Financial Position

(Assets)

Assets totaled 121,991 million yen at the end of the first nine months under review after a decrease of 710 million yen (0.6%) from the end of the previous fiscal year. Major changes included decreases of 3,845 million yen in cash and cash equivalents and 815 million yen in right-of-use assets and increases of 2,562 million yen in intangible assets and 1,210 million yen in goodwill.

(Liabilities)

Liabilities at the end of the first nine months under review totaled 44,008 million yen, an increase of 173 million yen (0.4%) from the end of the previous fiscal year. This was mainly due to an increase of 5,003 million yen in bonds and borrowings in non-current liabilities and decreases of 2,213 million yen in accrued personal expenses, 1,061 million yen in income taxes payable, 817 million yen in trade and other payables, and 644 million yen in other financial liabilities in current liabilities.

(Equity)

Equity at the end of the first nine months under review totaled 77,983 million yen, a decrease of 883 million yen (1.1%) from the end of the previous fiscal year. This change was primarily driven by a 2,151 million yen in treasury shares resulting from an increase of 3,983 million yen in acquisition and 1,832 million yen in disposals and other factors, a 1,637 million yen decrease in capital surplus mainly due to the cancellation of treasury shares, and a 2,825 million yen increasing in retained earnings. The latter resulted from the recording of 9,713 million yen in profit attributable to owners of parent, which was partially offset by 6,897 million yen in dividend payments.

(3) Explanation of Cash Flows

Cash and cash equivalents (“cash”) at the end of the first nine months decreased 3,845 million yen from the end of the previous fiscal year, to 16,507 million yen. The primary factors are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was 9,724 million yen (compared with net cash provided of 6,579 million yen in the same period of the previous year). This was primarily because cash inflows, including profit before tax of 13,822 million yen, depreciation and amortization of 1,747million yen, which is a non-cash expense, and a decrease of 1,720 million yen in prepaid expenses, exceeded cash outflows, including income taxes paid of 4,722 million yen and a decrease of 2,406 million yen in accrued personnel expenses.

(Cash flow from investing activities)

Net cash used in investing activities was 2,803 million yen (compared with net cash used of 5,219 million yen in the same period of the previous year). This was largely due to 2,332 million yen for the purchase of shares of subsidiaries resulting in a change in the scope of consolidation, 346 million yen used for the purchase of intangible assets and 262 million yen used for the purchase of property, plant and equipment.

(Cash flow from financing activities)

Net cash used in financing activities was 10,804 million yen (compared with net cash used of 8,266 million yen in the same period of the previous year). This mainly reflected outflows, including 6,884 million yen for the dividends paid, 4,342 million yen for the repayment of lease liabilities, and 3,983 million yen for the purchase of treasury shares, which exceeded an inflow of 4,974 million yen from issuance of bonds.

(4) Summary of Information on Future Forecasts, including the Forecast of Consolidated Results

The Company has made no change to the consolidated business forecasts announced on August 8, 2025.

## 2. Condensed Quarterly Consolidated Financial Statements and Notes on Important Matters

### (1) Condensed Quarterly Consolidated Statement of Financial Position

(Millions of yen)

| | Previous fiscal year (June 30, 2025) | Current Third Quarter (March 31, 2026) |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 20,353 | 16,507 |
| Trade and other receivables | 20,515 | 21,069 |
| Other financial assets | 1,792 | 1,796 |
| Other current assets | 4,678 | 4,319 |
| Total current assets | 47,339 | 43,693 |
| Non-current assets | | |
| Property, plant and equipment | 1,965 | 2,048 |
| Right-of-use assets | 3,320 | 2,504 |
| Goodwill | 58,156 | 59,367 |
| Intangible assets | 1,085 | 3,648 |
| Investments accounted for using equity method | 1,159 | 1,435 |
| Other financial assets | 3,876 | 3,647 |
| Deferred tax assets | 4,924 | 4,666 |
| Other non-current assets | 873 | 980 |
| Total non-current assets | 75,362 | 78,298 |
| Total assets | 122,702 | 121,991 |

(Millions of yen)

| | Previous fiscal year (June 30, 2025) | Current Third Quarter (March 31, 2026) |
|---|---|---|
| Liabilities and equities | | |
| Liabilities | | |
| Current liabilities | | |
| Trade and other payables | 2,511 | 1,694 |
| Borrowings | 5,030 | 5,000 |
| Accrued personnel expenses | 15,322 | 13,108 |
| Income taxes payable | 2,916 | 1,855 |
| Other financial liabilities | 5,956 | 5,311 |
| Provisions | 1 | - |
| Other current liabilities | 7,039 | 6,678 |
| Total current liabilities | 38,778 | 33,649 |
| Non-current liabilities | | |
| Bonds and borrowings | - | 5,003 |
| Other financial liabilities | 2,702 | 2,214 |
| Provisions | 691 | 714 |
| Deferred tax liabilities | - | 765 |
| Other non-current liabilities | 1,661 | 1,659 |
| Total non-current liabilities | 5,055 | 10,358 |
| Total liabilities | 43,834 | 44,008 |
| Equity | | |
| Share capital | 4,815 | 4,821 |
| Capital surplus | 82,776 | 81,138 |
| Retained earnings | -613 | 2,212 |
| Treasury shares | -8,073 | -10,225 |
| Other components of equity | -69 | -15 |
| Total equity attributable to owners of parent | 78,835 | 77,931 |
| Non-controlling interests | 32 | 52 |
| Total equity | 78,867 | 77,983 |
| Total liabilities and equity | 122,702 | 121,991 |

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

(Condensed quarterly consolidated statement of profit or loss)

(Millions of yen)

| | Previous Third Quarter (July 1, 2024 - March 31, 2025) | Current Third Quarter (July 1, 2025 - March 31, 2026) |
|---|---|---|
| Revenue | 146,806 | 125,269 |
| Cost of sales | 110,439 | 90,515 |
| Gross profit | 36,366 | 34,753 |
| Selling, general and administrative expense | 24,053 | 21,280 |
| Other revenue | 608 | 212 |
| Other expense | 11 | 5 |
| Operating profit | 12,909 | 13,679 |
| Share of profit of entities accounted for using equity method | 113 | 171 |
| Financial revenue | 49 | 116 |
| Financial expenses | 285 | 145 |
| Profit before tax | 12,787 | 13,822 |
| Income tax expense | 4,039 | 4,097 |
| Profit | 8,748 | 9,725 |
| | | |
| Profit attributable to | | |
| Owners of parent | 8,735 | 9,713 |
| Non-controlling interests | 13 | 11 |
| Profit | 8,748 | 9,725 |
| | | |
| Profit per share | | |
| Basic earnings per share (Yen) | 100.55 | 113.96 |
| Diluted earnings per share (Yen) | 100.51 | 113.87 |

(Condensed quarterly consolidated statement of comprehensive income)

(Millions of yen)

| | Previous Third Quarter (July 1, 2024 - March 31, 2025) | Current Third Quarter (July 1, 2025 - March 31, 2026) |
|---|---|---|
| Profit | 8,748 | 9,725 |
| Other comprehensive income | | |
| Balances related to items that will not be reclassified to profit or loss | | |
| Financial assets at fair value through other comprehensive income | -48 | -18 |
| Remeasurements of defined benefit plans | 0 | 1 |
| Total items that will not be reclassified to profit or loss | -48 | -16 |
| Items that may be reclassified to profit or loss | | |
| Exchange differences on translation of foreign operations | -728 | -6 |
| Share of other comprehensive income of investments accounted for using equity method | -87 | 114 |
| Total items that may be reclassified to profit or loss | -815 | 108 |
| Total other comprehensive income, net of tax | -864 | 91 |
| Comprehensive income | 7,884 | 9,817 |
| Comprehensive income attributable to | | |
| Owners of parent | 7,880 | 9,797 |
| Non-controlling interests | 4 | 19 |
| Comprehensive income | 7,884 | 9,817 |

(3) Condensed Quarterly Statement of Changes in Equity

Previous Third Quarter (July 1, 2024-March 31, 2025)

(Millions of yen)

| | Equity attributable to owners of parent | | | | | |
|---|---|---|---|---|---|---|
| | | | | | Other components of equity | |
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Share acquisition rights | Exchange differences on translation of foreign operations |
| Balance as of July 1, 2024 | 4,795 | 82,716 | -7,004 | -8,176 | 41 | 823 |
| Profit | | | 8,735 | | | |
| Other comprehensive income | | | | | | -806 |
| Total comprehensive income | - | - | 8,735 | - | - | -806 |
| Issuance of new shares | 20 | 20 | | | -7 | |
| Dividends of surplus | | | -6,529 | | | |
| Purchase of treasury shares | | -0 | | -1 | | |
| Disposal of treasury shares | | 11 | | 104 | | |
| Change in scope of consolidation | | | | | | |
| Share-based payment transactions | | 150 | | | -10 | |
| Forfeiture of share acquisition rights | | 0 | | | -0 | |
| Changes in written put option liabilities related to non-controlling interests, etc. | | | 359 | | | |
| Purchase of shares of consolidated subsidiaries | | -230 | | | | |
| Transfer from other components of equity to retained earnings | | | 1 | | | |
| Total transactions with owners | 20 | -47 | -6,168 | 103 | -19 | - |
| Total changes | 20 | -47 | 2,567 | 103 | -19 | -806 |
| Balance as of March 31, 2025 | 4,815 | 82,668 | -4,437 | -8,073 | 21 | 17 |

| | Equity attributable to owners of parent | | | | | |
|---|---|---|---|---|---|---|
| | Other components of equity | | | | | |
| | Financial assets at fair value through other comprehensive income | Remeasurements of defined benefit plans | Total | Total | Non-controlling interests | Total |
| Balance as of July 1, 2024 | 2 | - | 867 | 73,198 | 148 | 73,347 |
| Profit | | | | 8,735 | 13 | 8,748 |
| Other comprehensive income | -48 | 0 | -855 | -855 | -9 | -864 |
| Total comprehensive income | -48 | 0 | -855 | 7,880 | 4 | 7,884 |
| Issuance of new shares | | | -7 | 32 | | 32 |
| Dividends of surplus | | | - | -6,529 | -7 | -6,536 |
| Purchase of treasury shares | | | - | -1 | | -1 |
| Disposal of treasury shares | | | - | 116 | | 116 |
| Change in scope of consolidation | | | - | - | 10 | 10 |
| Share-based payment transactions | | | -10 | 139 | | 139 |
| Forfeiture of share acquisition rights | | | -0 | - | | - |
| Changes in written put option liabilities related to non-controlling interests, etc. | | | - | 359 | | 359 |
| Purchase of shares of consolidated subsidiaries | | | - | -230 | -125 | -355 |
| Transfer from other components of equity to retained earnings | -1 | -0 | -1 | - | | - |
| Total transactions with owners | -1 | -0 | -21 | -6,114 | -121 | -6,235 |
| Total changes | -50 | - | -876 | 1,766 | -117 | 1,648 |
| Balance as of March 31, 2025 | -47 | - | -9 | 74,964 | 31 | 74,996 |

Current Third Quarter (July 1, 2025-March 31, 2026)

(Millions of yen)

| | Equity attributable to owners of parent | | | | | |
|---|---|---|---|---|---|---|
| | | | | | Other components of equity | |
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Share acquisition rights | Exchange differences on translation of foreign operations |
| Balance as of July 1, 2025 | 4,815 | 82,776 | -613 | -8,073 | 20 | -45 |
| Profit | | | 9,713 | | | |
| Other comprehensive income | | | | | | 100 |
| Total comprehensive income | - | - | 9,713 | - | - | 100 |
| Issuance of new shares | 5 | 5 | | | -9 | |
| Dividends of surplus | | | -6,897 | | | |
| Purchase of treasury shares | | -11 | | -3,983 | | |
| Disposal of treasury shares | | 0 | | 79 | | |
| Cancellation of treasury shares | | -1,752 | | 1,752 | | |
| Share-based payment transactions | | 109 | | | | |
| Forfeiture of share acquisition rights | | 10 | | | -10 | |
| Transfer from other components of equity to retained earnings | | | 9 | | | |
| Total transactions with owners | 5 | -1,637 | -6,887 | -2,151 | -20 | - |
| Total changes | 5 | -1,637 | 2,825 | -2,151 | -20 | 100 |
| Balance as of March 31, 2026 | 4,821 | 81,138 | 2,212 | -10,225 | 0 | 54 |

| | Equity attributable to owners of parent | | | | | |
|---|---|---|---|---|---|---|
| | Other components of equity | | | | | |
| | Financial assets at fair value through other comprehensive income | Remeasurements of defined benefit plans | Total | Total | Non-controlling interests | Total |
| Balance as of July 1, 2025 | -44 | - | -69 | 78,835 | 32 | 78,867 |
| Profit | | | | 9,713 | 11 | 9,725 |
| Other comprehensive income | -18 | 1 | 83 | 83 | 8 | 91 |
| Total comprehensive income | -18 | 1 | 83 | 9,797 | 19 | 9,817 |
| Issuance of new shares | | | -9 | 1 | | 1 |
| Dividends of surplus | | | - | -6,897 | | -6,897 |
| Purchase of treasury shares | | | - | -3,994 | | -3,994 |
| Disposal of treasury shares | | | - | 80 | | 80 |
| Cancellation of treasury shares | | | - | - | | - |
| Share-based payment transactions | | | - | 109 | | 109 |
| Forfeiture of share acquisition rights | | | -10 | - | | - |
| Transfer from other components of equity to retained earnings | -8 | -1 | -9 | - | | - |
| Total transactions with owners | -8 | -1 | -29 | -10,701 | - | -10,701 |
| Total changes | -26 | - | 53 | -903 | 19 | -883 |
| Balance as of March 31, 2026 | -70 | - | -15 | 77,931 | 52 | 77,983 |

(4) Condensed Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

| | Previous Third Quarter (July 1, 2024 - March 31, 2025) | Current Third Quarter (July 1, 2025 - March 31, 2026) |
|---|---|---|
| Cash flows from operating activities | | |
| Profit before tax | 12,787 | 13,822 |
| Depreciation and amortization expense | 1,831 | 1,747 |
| Interest and dividend income | -49 | -71 |
| Interest expenses | 154 | 145 |
| Share of loss (profit) of entities accounted for using equity method | -113 | -171 |
| Decrease (increase) in trade and other receivables | 822 | -523 |
| Increase (decrease) in trade and other payables | -885 | -808 |
| Increase (decrease) in accrued personnel expenses | -2,567 | -2,406 |
| Decrease (increase) in prepaid expenses | 1,416 | 1,720 |
| Decrease (increase) in lease receivables | 1,286 | 1,498 |
| Increase (decrease) in accrued consumption taxes | -1,832 | -512 |
| Other | -432 | 37 |
| Subtotal | 12,416 | 14,478 |
| Interest and dividends received | 50 | 82 |
| Interest paid | -154 | -113 |
| Income taxes paid | -5,732 | -4,722 |
| Net cash provided by (used in) operating activities | 6,579 | 9,724 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | -547 | -262 |
| Purchase of intangible assets | -171 | -346 |
| Proceeds from collection of long-term loans receivable | 1,564 | 70 |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation | -5,696 | -2,332 |
| Payments for sale of shares of subsidiaries resulting in change in scope of consolidation | -105 | - |
| Proceeds from sales of investment securities | 8 | - |
| Proceeds from sale and redemption of investments | - | 44 |
| Other | -271 | 24 |
| Net cash provided by (used in) investing activities | -5,219 | -2,803 |
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | 4,509 | - |
| Repayments of long-term borrowings | -1,995 | -569 |
| Proceeds from issuance of bonds | - | 4,974 |
| Repayments of lease obligations | -3,923 | -4,342 |
| Dividends paid | -6,521 | -6,884 |
| Purchase of treasury shares | -1 | -3,983 |
| Payments for acquisition of interests in subsidiaries from non-controlling interests | -359 | - |
| Other | 24 | 1 |
| Net cash provided by (used in) financing activities | -8,266 | -10,804 |
| Effect of exchange rate change on cash and cash equivalents | -68 | 37 |
| Net increase (decrease) in cash and cash equivalents | -6,974 | -3,845 |
| Cash and cash equivalents at beginning of period | 21,506 | 20,353 |
| Cash and cash equivalents at end of period | 14,531 | 16,507 |

(5) Notes on Condensed Quarterly Consolidated Financial Statements

(Notes on the Premise of a Going Concern)

Not applicable.

(Segment Information)

(1) Overview of reportable segments

The business segments of the Group are the units for which separate financial information can be obtained among the constituent units of the Group and for which the Board of Directors regularly carries out examinations to determine the allocation of management resources and assess business performance.

The Group offers staffing services while also undertaking other services comprehensively on a contract or entrustment basis, both domestically and internationally, with a focus on the technology development departments of manufacturing companies and other clients including Japanese construction companies. Considering this, the reportable segments do not reflect the integration of the business segments.

The Company has revised resource allocation decision-making and performance management structure to better align with operational realities. Specifically, we have split the previous Machinery, Electronics and IT segment into two distinct segments: Machinery and Electronics Segment and IT Segment. Consequently, the Company's reporting segments began to reflect this change at the beginning of the first nine months of the consolidated fiscal year under review.

Furthermore, the segment information for the first nine months of the previous fiscal year has also been presented based on the new classification method.

Details of each segment are as follows.

Machinery and Electronics Segment ... Temporary staffing, contracting and outsourcing services related to the development, design, operation, and maintenance in the machinery and electrical sectors

IT Segment ... Temporary staffing, contracting and outsourcing services related to the design, construction, operation, and maintenance of IT infrastructure and IT development

Construction Segment ... Dispatch services for construction management engineers and CAD operators for clients in the construction industry

Overseas Segment ... Temporary staffing, contracting and placement business for the engineering and manufacturing sectors internationally

(2) Information regarding reportable segments

Accounting policies for reportable segments are generally the same as those stated in “Accounting policies in preparing the condensed consolidated financial statements.”

The profit for the reportable segment is the amount of operating profit adjusted based on the share of profit (loss) of investments accounted for using equity method. Also, inter-segment sales and transfers are valued at market prices.

First nine months ended March 31, 2025 (July 1, 2024 to March 31, 2025)

(Unit: Million yen)

| | Reportable Segments | | | | | Other (Note 1) | Total | Adjustment (Note 2) | Consolidated |
|---|---|---|---|---|---|---|---|---|---|
| | Machinery and Electronics Segment | IT Segment | Construction Segment | Overseas Segment | Total | | | | |
| Revenue | | | | | | | | | |
| Revenue from external customers | 44,682 | 30,794 | 42,389 | 27,604 | 145,471 | 1,335 | 146,806 | - | 146,806 |
| Intersegment revenue | 7 | 23 | — | 131 | 162 | 945 | 1,108 | -1,108 | — |
| Total | 44,689 | 30,818 | 42,389 | 27,735 | 145,633 | 2,281 | 147,914 | -1,108 | 146,806 |
| Segment profit or loss (Note 3) | 5,885 | 2,916 | 5,876 | 888 | 15,567 | 104 | 15,672 | -2,648 | 13,023 |
| Finance income | | | | | | | | | 49 |
| Finance costs | | | | | | | | | 285 |
| Profit before tax | | | | | | | | | 12,787 |

Note: 1. “Other” includes business segments that have not been included in the reportable segments, including the business promoting the employment of people with disabilities, the online programming learning service business and a personnel referral business.

2. The adjustment of -2,648 million yen for segment profit includes corporate expenses that are not allocated to any reportable segments of 4,131 million yen and an inter-segment elimination of -1,482 million yen. Corporate expenses are primarily the Company's operating expenses that are not attributable to specific reporting segments.

3. 113 million yen has been recorded in the Overseas segment as the share of profit (loss) of investments accounted for using equity method, which is included in segment profit.

4. During the first nine months under review, the Company acquired all shares of Ophiuchus Invesco Co., Ltd., which owned IR Inc., and Ophiuchus Invesco Co., Ltd. was newly included in the scope of consolidation. As a result, the amount of assets of the Construction Segment increased by 9,086 million yen from the end of the previous fiscal year.

5. During the first nine months under review, the Company acquired all shares of Ophiuchus Invesco Co., Ltd., which owned IR Inc., and Ophiuchus Invesco Co., Ltd. was newly included in the scope of consolidation. As a result, the amount of goodwill of the Construction Segment increased by 7,214 million yen.

6. During the first nine months under review, the Company transferred its shares in BeNEXT UK Holdings Limited, and BeNEXT UK Holdings Limited (currently GAP PERSONNEL INVESTMENTS LIMITED) was excluded from the scope of consolidation. As a result, the amount of assets of the Overseas Segment decreased by 8,164 million yen from the end of the previous fiscal year.

First nine months ended March 31, 2026 (July 1, 2025 to March 31, 2026)

(Unit: Million yen)

| | Reportable Segments | | | | | Other (Note 1) | Total | Adjustment (Note 2) | Consolidated |
|---|---|---|---|---|---|---|---|---|---|
| | Machinery and Electronics Segment | IT Segment | Construction Segment | Overseas Segment | Total | | | | |
| Revenue | | | | | | | | | |
| Revenue from external customers | 49,281 | 30,690 | 43,656 | 523 | 124,152 | 1,116 | 125,269 | - | 125,269 |
| Intersegment revenue | 5 | 17 | 0 | 16 | 39 | 1,087 | 1,127 | -1,127 | — |
| Total | 49,286 | 30,708 | 43,656 | 540 | 124,192 | 2,203 | 126,396 | -1,127 | 125,269 |
| Segment profit or loss (Note 3) | 6,275 | 3,112 | 6,048 | 217 | 15,654 | -97 | 15,556 | -1,705 | 13,851 |
| Finance income | | | | | | | | | 116 |
| Finance costs | | | | | | | | | 145 |
| Profit before tax | | | | | | | | | 13,822 |

Note: 1. “Other” includes business segments that have not been included in the reportable segments, including the business promoting the employment of people with disabilities, the online programming learning service business and a personnel referral business.

2. The adjustment of -1,705 million yen for segment profit includes corporate expenses that are not allocated to any reportable segments of 3,338 million yen and an inter-segment elimination of -1,633 million yen. Corporate expenses are primarily the Company's operating expenses that are not attributable to specific reporting segments.

3. 171 million yen has been recorded in the Overseas segment as the share of profit (loss) of investments accounted for using equity method, which is included in segment profit.

4. During the first nine months of the consolidated fiscal year under review, the Company acquired all shares of Eisebu Holdings Co., Ltd., which owns Eisebu Plus Corporation and EATECH-K Co., Ltd., and Eisebu Holdings Co., Ltd. was newly included in the scope of consolidation. As a result, the amount of assets in the "Machinery and Electronics Segment" has increased by 4,603 million yen compared to the end of the previous consolidated fiscal year

5. During the first nine months of the consolidated fiscal year under review, the Company acquired all shares of Eisebu Holdings Co., Ltd., which owns Eisebu Plus Corporation and EATECH-K Co., Ltd., and Eisebu Holdings Co., Ltd. was newly included in the scope of consolidation. As a result, the amount of goodwill in the "Machinery and Electronics Segment" has increased by 1,208 million yen.