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Consolidated Financial Results for the Three Months Ended March 31, 2026 [Japanese GAAP]



May 14, 2026

Company name: Core Concept Technologies Inc.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 4371
 URL: <https://www.cct-inc.co.jp>
 Representative: Takeshi Kaneko, Representative Director, President, CEO
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 Scheduled date of commencing dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

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

1. Consolidated Financial Results for the Three Months Ended March 31, 2026 (January 1, 2026 to March 31, 2026)

(1) Consolidated Operating Results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	5,438	7.9	599	0.1	615	4.3	139	(66.4)
March 31, 2025	5,039	13.6	598	6.5	590	4.8	416	3.6

Note: Comprehensive income Three months ended March 31, 2026: 139 million yen (-66.4%)
 Three months ended March 31, 2025: 416 million yen (3.6%)

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
March 31, 2026	8.73	8.43
March 31, 2025	24.92	23.95

(2) Consolidated Financial Position

	Total assets	Net assets	Equity capital ratio
	Million yen	Million yen	%
As of March 31, 2026	8,308	4,537	54.6
As of December 31, 2025	8,561	5,058	59.1

Reference: Equity As of March 31, 2026: 4,536 million yen
 As of December 31, 2025: 5,056 million yen

2. Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended December 31, 2025	Yen -	Yen 0.00	Yen -	Yen 19.00	Yen 19.00
Fiscal year ending December 31, 2026	-				
Fiscal year ending December 31, 2026 (Forecast)		0.00		21.00	21.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2026 (January 1, 2026 to December 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	Yen
Full year	23,000	10.2	2,430	10.4	2,450	11.2	1,330 (11.4)	82.53

Note: Revisions to the financial results forecast most recently announced: None

* Notes:

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (4) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):
 - As of March 31, 2026: 17,609,600 shares
 - As of December 31, 2025: 17,602,800 shares
 - 2) Total number of treasury shares at the end of the period:
 - As of March 31, 2026: 1,646,188 shares
 - As of December 31, 2025: 1,376,888 shares
 - 3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year):
 - Three months ended March 31, 2026: 16,014,434 shares
 - Three months ended March 31, 2025: 16,714,667 shares

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

* Proper use of earnings forecasts and other special matters

(Cautionary statement regarding forward-looking statements)

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions that the Company deems reasonable, and are not intended as a guarantee that they will be achieved by the Company. Actual results may differ significantly from these forecasts due to a wide range of factors. For the assumptions used as the basis for the earnings forecasts and precautions regarding their use, please refer to “1. Overview of Operating Results, etc. (3) Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the attachments.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Period Under Review

During the three months ended March 31, 2026, the Japanese economy recovered gradually, as the labor situation improved and wages increased with some signs of recovery in capital investment. On the other hand, the outlook remained uncertain due to further escalation of tensions in the Middle East and other factors.

The Group's main businesses are provision of DX support and IT personnel staffing support in Japan and its dependence on energy procurement and overseas supply chains is low, and therefore it believes that the impact of the Middle East situation on the Group's business and performance will be limited at this point. The Company will continue to closely monitor the situation and make timely disclosure as and when it has a clear grasp of the impact.

In the information service industry to which the Group belongs, with the scale of the system integration (SI) market expected to expand moderately over the medium to long term, the share attributable to the digital transformation (DX) market, in which the Group provides services, is expected to increase. The Group is focusing on the manufacturing, construction, and logistics industries. These industries are facing substantial business challenges, including responding to workforce shortages, passing on know-how from veteran employees, and engaging in decarbonization. Not only the digitalization of some operations up to now, but companywide DX investment is accelerating, mainly among large corporations, and this is driving market expansion.

Moreover, the IT industry is also experiencing an expansion in the scale of the business process outsourcing (BPO) market. Meanwhile, in a situation of tight supply and demand due to a shortage of IT engineers, the Group is leveraging "Ohgi," its database of small- and medium-sized IT enterprises and their employees, to respond swiftly to the IT staffing demands of its clients. Further, the Group brings another of its strengths to bear by using "Ohgi" to build a project system capable of receiving orders for a larger number of DX projects than the number of its employees.

Under these conditions, net sales in the area of DX support were 2,692,785 thousand yen (up 12.3% year on year), and net sales in the area of IT personnel staffing support were 2,745,297 thousand yen (up 3.9% year on year).

For the three months ended March 31, 2026, net sales were 5,438,082 thousand yen (up 7.9% year on year), operating profit was 599,686 thousand yen (up 0.1% year on year), ordinary profit was 615,343 thousand yen (up 4.3% year on year), and profit attributable to owners of parent was 139,865 thousand yen (down 66.4% year on year).

Profit attributable to owners of parent declined as the Company recorded 296,928 thousand yen in a loss related to trust-type stock options. This was because of the Company's decision to change the method of granting a portion of its third share acquisition rights to a method where beneficiaries are granted shares (the "share-grant" scheme) instead of acquisition rights (the "stock-option-grant" scheme). As the said loss is not tax deductible, there is no decrease in income taxes, and has therefore resulted in a higher effective tax rate for the three months ended March 31, 2026 compared to the same period a year ago.

Since the Group operates in a single segment of DX-related business, segment information is not presented.

(2) Overview of Financial Position for the Period Under Review

1) Status of financial position

(Assets)

Total assets as of March 31, 2026 decreased by 253,733 thousand yen from the end of the previous year to 8,308,045 thousand yen. This is mainly attributable to a decrease in cash and deposits of 632,590 thousand yen due to payment of income taxes, bonuses, and dividends, despite an increase in accounts receivable - trade, and contract assets of 221,095 thousand yen following an increase in net sales and an increase in investments and other assets of 54,268 thousand yen owing to leasehold deposits received.

(Liabilities)

Liabilities as of March 31, 2026 increased by 266,587 thousand yen from the end of the previous year to 3,770,357 thousand yen. This is mainly attributable to a decrease in income taxes payable of 257,081 thousand yen due to payment of taxes and a decrease in provision for bonuses of 135,755 thousand yen due to periodic and year-end bonus payments, despite an increase in accounts payable - trade of 54,417 thousand yen due to an increase in outsourcing expenses, an increase in short-term borrowings of 420,000 thousand yen to flexibly respond to fund demand, and an increase in other current liabilities of 207,142 thousand yen.

(Net assets)

Net assets as of March 31, 2026 decreased by 520,321 thousand yen from the end of the previous year to 4,537,687 thousand yen. This is mainly attributable to a decline in retained earnings by 168,439 thousand yen for payment of dividends of 308,292 thousand yen and the purchase of treasury shares of 352,391 thousand yen, despite an increase in retained earnings by 139,865 thousand yen from the posting of profit attributable to owners of parent. As a result, equity capital ratio stood at 54.6% (59.1% at the end of the previous year).

(3) Consolidated Financial Results Forecast and Other Forward-looking Information

The current financial results forecast remains unchanged from that announced on February 13, 2026.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of December 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	2,505,801	1,873,210
Accounts receivable - trade, and contract assets	3,485,455	3,706,551
Work in process	36,331	69,407
Other	410,798	515,212
Allowance for doubtful accounts	(8,295)	(8,674)
Total current assets	6,430,092	6,155,706
Non-current assets		
Property, plant and equipment	237,802	234,909
Intangible assets		
Goodwill	570,677	552,899
Customer-related intangible assets	217,804	211,125
Other	288,060	281,795
Total intangible assets	1,076,543	1,045,820
Investments and other assets	817,340	871,608
Total non-current assets	2,131,686	2,152,338
Total assets	8,561,779	8,308,045
Liabilities		
Current liabilities		
Accounts payable - trade	1,294,756	1,349,173
Short-term borrowings	180,000	600,000
Current portion of bonds payable	10,000	10,000
Current portion of long-term borrowings	2,856	2,856
Income taxes payable	457,796	200,714
Provision for bonuses	330,017	194,261
Reserve for quality assurance	14,811	9,048
Provision for loss on orders received	60,652	43,958
Other	942,958	1,150,100
Total current liabilities	3,293,847	3,560,113
Non-current liabilities		
Bonds payable	15,000	10,000
Long-term borrowings	34,288	33,574
Retirement benefit liability	24,000	25,250
Asset retirement obligations	57,489	57,508
Other	79,145	83,912
Total non-current liabilities	209,923	210,244
Total liabilities	3,503,770	3,770,357
Net assets		
Shareholders' equity		
Share capital	570,348	570,603
Capital surplus	534,630	534,885
Retained earnings	6,060,346	5,891,906
Treasury shares	(2,108,365)	(2,460,757)
Total shareholders' equity	5,056,958	4,536,637
Share acquisition rights	1,050	1,050
Total net assets	5,058,008	4,537,687
Total liabilities and net assets	8,561,779	8,308,045

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

For the three months ended March 31

(Thousand yen)

	For the three months ended March 31, 2025	For the three months ended March 31, 2026
Net sales	5,039,811	5,438,082
Cost of sales	3,669,525	3,982,660
Gross profit	1,370,285	1,455,422
Selling, general and administrative expenses	771,392	855,735
Operating profit	598,892	599,686
Non-operating income		
Interest income	888	2,394
Share of profit of entities accounted for using equity method	—	14,269
Subsidy income	10,384	12,815
Surrender value of insurance policies	8,000	—
Other	371	368
Total non-operating income	19,643	29,848
Non-operating expenses		
Interest expenses	1,719	1,408
Share of loss of entities accounted for using equity method	14,799	—
Loss on investments in investment partnerships	3,572	9,414
Commission expenses	8,278	3,335
Other	43	32
Total non-operating expenses	28,412	14,191
Ordinary profit	590,123	615,343
Extraordinary losses		
Loss on trust-type stock options	—	296,928
Total extraordinary losses	—	296,928
Profit before income taxes	590,123	318,415
Income taxes	173,556	178,550
Profit	416,567	139,865
Profit attributable to owners of parent	416,567	139,865

Quarterly Consolidated Statements of Comprehensive Income
For the three months ended March 31

(Thousand yen)

	For the three months ended March 31, 2025	For the three months ended March 31, 2026
Profit	416,567	139,865
Comprehensive income	416,567	139,865
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	416,567	139,865

(3) Notes to the Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in the event of significant changes in shareholders' equity)

Not applicable.

(Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements)

(Calculation of tax expenses)

Tax expenses are calculated by reasonably estimating the effective tax rate after applying tax effect accounting to profit before income taxes for the current fiscal year, including the three months ended March 31, 2025, and multiplying quarterly profit before income taxes by the estimated effective tax rate.

(Notes on segment information, etc.)

Segment information is not presented, as the Company operates in a single segment of DX-related business.

(Notes on statements of cash flows)

The Company has not prepared quarterly statements of cash flows for the three months ended March 31, 2026. Depreciation (including amortization concerning intangible assets excluding goodwill) and amortization of goodwill for the three months ended March 31 are as follows:

	Three months ended March 31, 2025	Three months ended March 31, 2026
Depreciation	38,226 thousand yen	37,120 thousand yen
Amortization of goodwill	17,778 thousand yen	17,778 thousand yen