Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

July 31, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 (Japanese standard)

Company name: INES Corporation
Listing: Tokyo Stock Exchange
Securities code: 9742
URL: https://www.ines.co.jp/en/
Representative: Shuji Hattori, President and Representative Director
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Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: No
Holding of financial results briefing: No

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

1. Consolidated financial results for the three months ended June 30, 2026 (April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Figures in percentages denote year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	8,692	12.7	(78)	–	(60)	–	(80)	–
June 30, 2025	7,712	(8.6)	(878)	–	(861)	–	(618)	–

Note: Comprehensive income For the three months ended June 30, 2026: ¥74 million [–%]
For the three months ended June 30, 2025: ¥(585) million [–%]

	Profit per share	Fully diluted profit per share
Three months ended	Yen	Yen
June 30, 2026	(3.85)	–
June 30, 2025	(29.74)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	48,743	36,540	75.0
March 31, 2026	49,361	36,966	74.9

Reference: Shareholders' equity
As of June 30, 2026: ¥36,540 million
As of March 31, 2026: ¥36,966 million

2. Dividends

	Dividends per share				
	End of Q1	End of Q2	End of Q3	Fiscal year end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	–	25.00	–	25.00	50.00
Fiscal year ending March 31, 2027	–				
Fiscal year ending March 31, 2027 (Forecast)		–	–	–	55.00

Note: Revisions to the forecast of cash dividends most recently announced: No

3. Forecasts for consolidated financial results for the fiscal year ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(Figures in percentages denote year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	40,000	9.2	2,500	–	2,500	–	1,700	–	81.64

Note: Revisions to the earnings forecasts most recently announced: No

*** Notes**

(1) Significant changes in the scope of consolidation during the period: No

(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 restatement
   (i) Changes in accounting policies associated with the revision of accounting standards, etc.: No
   (ii) Changes in accounting policies other than (i): No
   (iii) Changes in accounting estimates: No
   (iv) Restatement: No

(4) Number of issued shares (common shares)

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

As of June 30, 2026	20,900,000 shares
As of March 31, 2026	20,900,000 shares

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

As of June 30, 2026	77,593 shares
As of March 31, 2026	87,301 shares

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

Three months ended June 30, 2026	20,817,563 shares
Three months ended June 30, 2025	20,806,790 shares

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or audit corporations: No

* Explanation regarding the proper use of results forecasts and other important notes
(Disclaimer regarding forward-looking statements)

Forward-looking statements such as results forecasts provided in this document are prepared based on currently available information and assumptions that are deemed reasonable, but the Company does not intend to guarantee their achievement. Actual results may differ significantly from the above forecasts for various reasons.

Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheets

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	8,487	16,141
Notes and accounts receivable - trade, and contract assets	12,574	4,866
Securities	100	–
Work in process	282	553
Raw materials and supplies	81	86
Prepaid expenses	572	969
Other	132	108
Allowance for doubtful accounts	(13)	(6)
Total current assets	22,217	22,721
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,064	6,067
Accumulated depreciation	(953)	(1,031)
Buildings and structures, net	5,110	5,035
Tools, furniture and fixtures	3,995	3,923
Accumulated depreciation	(3,087)	(3,066)
Tools, furniture and fixtures, net	907	856
Land	5,299	5,299
Total property, plant and equipment	11,318	11,192
Intangible assets		
Software	3,346	3,079
Other	22	22
Total intangible assets	3,369	3,102
Investments and other assets		
Investment securities	7,824	7,080
Long-term prepaid expenses	381	352
Deferred tax assets	3,126	3,221
Other	1,122	1,073
Total investments and other assets	12,455	11,727
Total non-current assets	27,143	26,021
Total assets	49,361	48,743

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	2,612	1,599
Current portion of long-term borrowings	833	833
Accrued expenses	815	774
Income taxes payable	91	141
Accrued consumption taxes	108	154
Advances received	184	693
Provision for bonuses	947	1,411
Provision for bonuses for directors (and other officers)	114	26
Provision for loss on orders received	488	340
Asset retirement obligations	8	9
Other	726	930
Total current liabilities	6,930	6,914
Non-current liabilities		
Long-term borrowings	2,916	2,707
Provision for retirement benefits for directors (and other officers)	23	22
Retirement benefit liability	1,622	1,669
Asset retirement obligations	143	143
Other	759	744
Total non-current liabilities	5,464	5,288
Total liabilities	12,395	12,203
Net assets		
Shareholders’ equity		
Share capital	15,000	15,000
Capital surplus	10,108	10,116
Retained earnings	10,847	10,247
Treasury shares	(106)	(94)
Total shareholders’ equity	35,849	35,269
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	343	516
Remeasurements of defined benefit plans	773	754
Total accumulated other comprehensive income	1,116	1,271
Total net assets	36,966	36,540
Total liabilities and net assets	49,361	48,743

(2) Quarterly consolidated statement of income and consolidated statement of comprehensive income

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales	7,712	8,692
Cost of sales	6,946	7,162
Gross profit	766	1,529
Selling, general and administrative expenses	1,645	1,608
Operating loss	(878)	(78)
Non-operating income		
Interest income	10	4
Dividend income	14	18
Other	12	12
Total non-operating income	37	35
Non-operating expenses		
Interest expenses	16	15
Other	3	1
Total non-operating expenses	20	17
Ordinary loss	(861)	(60)
Extraordinary income		
Gain on sale of membership	2	8
Total extraordinary income	2	8
Extraordinary losses		
Loss on retirement of non-current assets	–	0
Total extraordinary losses	–	0
Loss before income taxes	(858)	(52)
Income taxes	(239)	27
Loss	(618)	(80)
Loss attributable to owners of parent	(618)	(80)

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Loss	(618)	(80)
Other comprehensive income		
Valuation difference on available-for-sale securities	27	173
Remeasurements of defined benefit plans, net of tax	5	(19)
Total other comprehensive income	33	154
Comprehensive income	(585)	74
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(585)	74

(3) Quarterly consolidated statement of cash flow

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Cash flows from operating activities		
Loss before income taxes	(858)	(52)
Depreciation	421	722
Increase (decrease) in provision for bonuses	550	464
Increase (decrease) in provision for bonuses for directors (and other officers)	(79)	(87)
Increase (decrease) in provision for loss on orders received	–	(148)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(13)	(0)
Increase (decrease) in retirement benefit liability	(79)	5
Loss on retirement of non-current assets	–	0
Loss (gain) on sale of membership	(2)	(8)
Decrease (increase) in trade receivables	11,620	8,216
Decrease (increase) in inventories	(239)	(276)
Decrease (increase) in other assets	(428)	(43)
Increase (decrease) in trade payables	(813)	(1,269)
Increase (decrease) in other liabilities	(428)	355
Other, net	(61)	(28)
Subtotal	9,587	7,847
Income taxes refund	0	2
Income taxes paid	(128)	(156)
Net cash provided by (used in) operating activities	9,459	7,694
Cash flows from investing activities		
Purchase of property, plant and equipment	(195)	(211)
Proceeds from sale of property, plant and equipment	24	–
Purchase of intangible assets	(611)	(239)
Purchase of long-term prepaid expenses	(16)	(22)
Purchase of investment securities	(0)	(7)
Proceeds from redemption of investment securities	1,000	1,100
Proceeds from sale of membership	5	13
Payments of leasehold and guarantee deposits	(11)	(0)
Proceeds from refund of leasehold and guarantee deposits	84	37
Payments for asset retirement obligations	(10)	–
Other, net	7	0
Net cash provided by (used in) investing activities	276	670
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(3,000)	–
Repayments of long-term borrowings	(208)	(208)
Repayments of lease liabilities	(0)	(0)
Purchase of treasury shares	(0)	(0)
Dividends paid	(595)	(501)
Net cash provided by (used in) financing activities	(3,804)	(710)
Net increase (decrease) in cash and cash equivalents	5,931	7,654
Cash and cash equivalents at beginning of period	7,991	8,273
Cash and cash equivalents at end of period	13,923	15,927