Note: This document has been translated from 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.

November 10, 2026

Consolidated Financial Results for the Nine Months Ended September 30, 2026 (Under Japanese GAAP)

Company name: ibis inc.
Listing: Tokyo Stock Exchange
Securities code: 9343
URL: https://www.ibis.ne.jp/
Representative: Eiji Kamiya President and Chief Executive Officer
Inquiries: Eiji Kawamura Director in charge of Administration Division, Chief Financial Officer
Telephone: +81-52-587-5007

Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors, securities analysts, and individual investors)

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

1. Consolidated financial results for the nine months ended September 30, 2026 (from January 1, 2026 to September 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	4,574	25.7	1,002	17.3	1,018	18.5	701	21.9
September 30, 2025	3,638	-	854	-	859	-	575	-

Note: Comprehensive income For the nine months ended September 30, 2026: ¥ 701 million [21.9%]
For the nine months ended September 30, 2025: ¥ 575 million [-%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
September 30, 2026	38.02	36.26
September 30, 2025	31.45	29.90

(Notes) 1. As quarterly consolidated financial statements have been prepared from the first quarter of the fiscal year ended December 31, 2025, the year-on-year change for the nine months ended September 30, 2025 is not presented.

2. In the fiscal year ended December 31, 2025, the provisional accounting treatment related to a business combination was finalized, and the figures for the nine months ended September 30, 2025 reflect the finalized accounting treatment.

3. The Company implemented a five-for-one stock split of its common shares effective October 1, 2025. Basic earnings per share and diluted earnings per share presented are calculated assuming that the stock split was implemented at the beginning of the fiscal year ended December 31, 2025.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2026	4,682	3,420	72.1
December 31, 2025	4,187	2,899	67.8

Reference: Equity

As of September 30, 2026: ¥ 3,377 million

As of December 31, 2025: ¥ 2,838 million

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 December 31, 2025	-	0.00	-	10.00	10.00
Fiscal year ending December 31, 2026	-	0.00	-		
Fiscal year ending December 31, 2026 (Forecast)				12.00	12.00

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

3. Consolidated financial result forecasts for the fiscal year ending December 31, 2026 (from 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
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	5,454	9.0	1,355	12.8	1,362	12.1	940	10.8	50.96

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

*** Notes**

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

Newly included: - companies

Excluded: 1 company (Zeroichi Start Co., Ltd.)

(Note) Zeroichi Start Co., Ltd. was excluded from the scope of consolidation because it was dissolved through an absorption-type merger with the Company as the surviving company, effective April 1, 2026.

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of September 30, 2026	18,487,115 shares
As of December 31, 2025	18,416,095 shares

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

As of September 30, 2026	330 shares
As of December 31, 2025	330 shares

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

Nine months ended September 30, 2026	18,452,840 shares
Nine months ended September 30, 2025	18,299,890 shares

(Note) The Company implemented a five-for-one stock split of its common shares effective October 1, 2025. The average number of shares outstanding during the period (cumulative from the beginning of the fiscal year) is calculated assuming that the stock split was implemented at the beginning of the fiscal year ended December 31, 2025.

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

* Proper use of earnings forecasts, and other special matters

The financial results forecast and other forward-looking statements in this document are based on information available to ibis inc. (the “Company”) as of the date of this document and certain assumptions it considers reasonable. The Company does not promise that these will be achieved. Actual results may differ significantly from these forecasts due to various factors. Please refer to page 6 of the attached document “1. Qualitative Information on Quarterly Financial Results (3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Information” for the conditions that serve as the basis for the performance forecast and notes regarding the use of the performance forecast.

*Table of Contents of Attachments

1. Qualitative Information on Quarterly Financial Results....2
(1) Overview of Operating Results....2
(2) Overview of Financial Position....6
(3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Information....6

2. Quarterly Consolidated Financial Statements and Primary Notes....7
(1) Quarterly Consolidated Balance Sheet....7
(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income....8
(3) Notes to Quarterly Consolidated Financial Statements....9
(Notes on the Going Concern Assumption)....9
(Notes on Significant Changes in the Amount of Shareholders' Equity)....9
(Changes in the Scope of Consolidation or the Scope of Application of the Equity Method)....9
(Segment Information, etc.)....9
(Notes to Quarterly Consolidated Statement of Cash Flows)....10
(Business Combinations, etc.)....10
(Revenue Recognition)....12
(Significant Subsequent Events)....12

1. Qualitative Information on Quarterly Financial Results

(1) Overview of Operating Results

During the first nine months of the current fiscal year, the Japanese economy continued a gradual recovery, supported by improvements in the employment and income environment, including wage increases exceeding 5% for the third consecutive year. On the other hand, the recovery in personal consumption lacked strength, as uncertainty over the price outlook remained due to rising crude oil prices amid heightened tensions in the Middle East and exchange rate fluctuations. In addition, the outlook remains uncertain, reflecting the Bank of Japan's gradual interest rate hikes, U.S. trade policy, the slowdown of the Chinese economy, and geopolitical risks such as the prolonged situation in Russia-Ukraine.

Under these circumstances, the Group promoted its business operations across three segments—"Mobile," "Solutions," and "AI Singing Voice Synthesis"—leveraging its strengths in advanced technological capabilities, swift decision-making, and improved operational efficiency through the use of AI. By combining its proprietary product business with a global user base, its solutions business with stable domestic demand, and expansion into new areas utilizing AI technologies, the Group aims to achieve sustainable growth.

In the "Mobile" segment, the Group continued the development and operation of the "ibisPaint" series, a mobile painting app used in over 200 countries and regions worldwide, with approximately 40 million monthly active users (MAU) and cumulative downloads exceeding 570 million. Reflecting its user base—approximately 90% overseas and primarily under the age of 25—the Group continued to enhance AI-powered creative support features and improve the user interface to enhance usability. In addition, efforts were made to strengthen the revenue base, including promoting subscription conversions, expanding to multi-device usage including a PC version, and enhancing features for professional users.

In the "Solutions" segment, the Group provided web application development for internet-enabled devices and cloud implementation support to domestic corporate clients, addressing growing demand for digital transformation (DX) and AI transformation (AX). The Group continued to recruit and develop highly skilled IT engineers, while also working to improve development efficiency through the use of AI-driven development technologies. In addition, the Group absorbed Zeroichi Start Co., Ltd., which had become a wholly owned subsidiary in November 2025, through an absorption-type merger effective April 1, 2026, thereby strengthening its development structure and expanding its business foundation in the domestic market. Through these initiatives, the Group aims to establish a stable and highly reproducible next-generation SI (system integration) business model.

In the "AI Singing Voice Synthesis" segment, the Group expanded its business centered on the AI singing voice synthesis application "VoiSona," leveraging world-class technology from Techno-Speech, Inc., a venture originating from Nagoya Institute of Technology. Efforts included expanding voice libraries featuring well-known Japanese and international artists, extending into the mobile domain, and establishing an app-based monetization model to provide a new music creation experience leveraging AI technologies. As the creator base continues to grow, the Group is also building a foundation to support next-generation creative activities.

As a result, for the first nine months of the current fiscal year, the Group recorded net sales of 4,574,521 thousand yen (up 25.7% year on year), operating profit of 1,002,995 thousand yen (up 17.3%), ordinary profit of 1,018,461 thousand yen (up 18.5%), and profit attributable to owners of parent of 701,489 thousand yen (up 21.9%), continuing net sales growth exceeding 20% and achieving double-digit growth across all profit items. It should be noted that Techno-Speech, Inc. began to be consolidated from the second quarter consolidated accounting period of the previous fiscal year, and Zeroichi Start Co., Ltd. began to be consolidated from the first quarter consolidated accounting period of the current fiscal year, and the contribution of both also resulted in the increase in both net sales and profit.

The performance by business segment is as follows:

< Mobile Segment >

During the first nine months of the current fiscal year, the mobile painting app "ibisPaint" series, the Group's flagship product, continued to expand its global user base. The app surpassed 500 million cumulative downloads on September 10, 2025, and reached 571.66 million downloads as of the end of September 2026 (up 13.5% year on year). The app is used in over 200 countries and regions worldwide, and its large user base of approximately 40 million MAUs continues to support the growth of the Group's mobile business.

The app has been continuously improved, with multiple updates released from Ver. 13.1.18 to Ver. 14.1.2, and the Group held a seasonal/trend-themed material contest (the 49th) as part of its efforts to encourage user creative activity. In the major update “Ver. 14.0.0” released on March 31, 2026, the Group released a number of new features that significantly enhance the creative environment, including features supporting workflows close to those used in printing, publishing, and professional production, such as CMYK output and two-tone monochrome output, as well as “Brush Categories” and “Color Palette Grouping.” Furthermore, on September 7, 2026, less than six months later, the Group released the next major update, “Ver. 14.1.0,” which includes features particularly requested by users, such as the “3D Material Function” and the “Animation Audio Track,” which allows users to add audio to animations, thereby expanding the scope of creation to video content. In each of these updates, many of the key new features are offered to premium members, contributing to an increase in the number of subscriptions. In addition, improved development efficiency through the use of coding AI enabled these major updates to be delivered in a short period, and the Group introduced the usage-based billing model “Smart Credit,” applying it to advanced features such as the “Relief (High Quality)” filter added in Ver. 14.1.0, thereby creating new revenue opportunities. The Group also strengthened promotional content, including the distribution of new-feature introduction videos via its official YouTube channel, thereby promoting continued user engagement.

Furthermore, in addition to existing subscription promotion measures, the Group continued the new advertising investment model introduced in late December 2025 to increase the number of “ibisPaint” subscriptions. As a result, the net increase in subscriptions for the app during the current third quarter consolidated cumulative period reached 127,852, exceeding the net increase of 119,298 recorded in the previous third quarter consolidated cumulative period. In addition, effective August 5, 2026, the Group revised the prices of “ibisPaint” for new contracts, mainly in Japan, the United States, and other countries with high GDP.

In addition, the Group is expanding the application of its technologies beyond the creative domain through its corporate AI cloud service “ibisWorks.” Its core product, the AI meeting minutes service “ibisScribe,” was selected and recognized in the “Meeting Minutes AI Category” at “AI PRODUCTS NEXT AI TREND 2026” held on February 4, 2026, demonstrating that the Group’s advanced AI technologies have received external recognition. The “ibisWorks” services are also being steadily adopted through proposal activities to corporate clients. Furthermore, on September 14, 2026, the Group launched “ibisContacts,” an AI business card management service and a new addition to the “ibisWorks” lineup, which uses AI to digitize business cards in batches simply by recording a video of them, enabling the information to be shared and managed within a company as client information.

As a result, sales in the Mobile segment increased 26.5% year on year to 2,602,537 thousand yen, a record high for a third quarter consolidated cumulative period. Sales by geographic area (Japan and overseas) are as follows:

		Previous third quarter consolidated cumulative period (January 1, 2025–September 30, 2025)		Current third quarter consolidated cumulative period (January 1, 2026–September 30, 2026)		
		Amount (thousand yen)	Composition (%)	Amount (thousand yen)	Composition (%)	Year-on-year change (%)
Subscription Billing	Domestic Sales	234,536	28.0	309,354	22.3	31.9
	Overseas Sales	602,323	72.0	1,074,850	77.7	78.5
	Total	836,859	100.0	1,384,204	100.0	65.4
One-time Purchase App	Domestic Sales	47,048	23.7	44,037	19.7	(6.4)
	Overseas Sales	151,741	76.3	179,088	80.3	18.0
	Total	198,789	100.0	223,126	100.0	12.2
In-app Advertising	Domestic Sales	207,544	20.4	177,680	18.5	(14.4)
	Overseas Sales	809,803	79.6	782,399	81.5	(3.4)
	Total	1,017,348	100.0	960,080	100.0	(5.6)
Total (including others)	Domestic Sales	492,022	23.9	539,664	20.7	9.7
	Overseas Sales	1,564,642	76.1	2,062,873	79.3	31.8
	Total	2,056,665	100.0	2,602,537	100.0	26.5

By sales category, the following trends were observed:

・Subscription Billing

Driven by in-app subscription promotion measures and the addition of new features for “ibisPaint,” sales increased significantly to 1,384,204 thousand yen (up 65.4% year on year). Domestic sales rose 31.9% year on year, and overseas sales in particular showed strong growth of 78.5%. As a result, the number of subscriptions reached 525,492 (up 49.6% year on year), making clear that subscription billing has become the core of the Group’s revenue.

・One-time Purchase App

Although the shift toward subscription billing continued, the Group accurately captured the needs of certain users who are resistant to subscriptions, and sales amounted to 223,126 thousand yen (up 12.2% year on year). While domestic sales decreased year on year, overseas sales grew steadily, resulting in an overall increase in sales for one-time purchase apps.

・In-app Advertising

Usage among free users remained steady, and DAU (daily active users) remained at a high level. However, eCPM (advertising unit price) declined due to fluctuations in the advertising market and adjustments to the delivery algorithm, and sales amounted to 960,080 thousand yen (down 5.6% year on year). Although overseas sales declined only slightly year on year, a larger decline in domestic sales resulted in an overall decrease in sales for in-app advertising.

Having continued effective advertising investment since shifting to organic growth from the fiscal year ended December 2024, segment profit amounted to 1,300,820 thousand yen (up 22.0% year on year). As planned, subscription billing sales exceeded in-app advertising sales from the first quarter consolidated cumulative period of the current fiscal year, and the revenue structure has evolved into a more stable form.

< Solutions Segment >

During the first nine months of the current fiscal year, the environment surrounding corporate web application development entered a major transition period, driven by the rapid spread of generative AI, and needs for system development leveraging AI have been growing. Amid these circumstances, the Group strengthened its efforts to acquire contract development projects through direct transactions with end-user companies, while also working to develop new sales channels. In addition, backed by improved productivity through AI-driven development, the Group worked to strengthen its capacity to handle higher value-added projects.

In the contract development business, the Group worked to improve its capacity to handle upstream processes and high value-added projects, while advancing appropriate staffing according to the skill levels of IT engineers and improving the development structure. As a result, this contributed to improvements in project unit prices and profitability. In addition, the Group continues to leverage AI to enhance its business operations, improving operational efficiency while upskilling IT engineers through in-house study sessions and e-learning programs. This has established a structure capable of advancing multiple projects in parallel, contributing to improved productivity. The Group is also working to further improve development speed through the use of AI-driven development, seeking to achieve both reduced development man-hours and quality assurance. Going forward, in order to secure projects commensurate with the improvement in development productivity, the Group will position the strengthening of its sales structure as one of its top priorities and proceed with active recruitment and the diversification of sales methods.

In the IT engineer dispatch business, acceptance by multiple corporate clients continued throughout the current third quarter consolidated cumulative period. The use of AI by IT engineers has also progressed smoothly, and the Group is working to improve its responsiveness to client needs while advancing initiatives to increase the proportion of contract development.

Furthermore, the Group absorbed its wholly owned subsidiary Zeroichi Start Co., Ltd. through a merger effective April 1, 2026. While incorporating the subsidiary’s business consulting expertise and SEO know-how, the Group rapidly advanced the development of its AI-driven development structure. By further accumulating operational know-how in AI-driven development through actual projects and continuing to improve development precision, the Group will accelerate its transition toward its goal of a “next-generation SIer-type business model” and continue to build a business foundation with higher reproducibility and profitability.

As a result, sales in the Solutions segment amounted to 1,875,971 thousand yen (up 24.3% year on year), significantly exceeding the same period of the previous fiscal year, reflecting the shift from IT engineer dispatch to contract development and the addition of the contract development business of Zeroichi Start Co., Ltd., which was absorbed through a merger effective April 1, 2026. The results of Zeroichi Start Co., Ltd. have been included in the consolidated accounts from the first quarter consolidated accounting period of the current fiscal year. By sales category, the results were as follows:

・Contract Development

Sales amounted to 792,090 thousand yen (up 117.4% year on year). Along with advancing the structure to handle upstream processes and high value-added projects, the strengthening of development capabilities focused on web application development proved effective, resulting in a significant year-on-year increase and record-high sales for a third quarter consolidated cumulative period. Improved productivity through the use of AI tools also contributed, and contract development strongly drove the growth of this segment. The Group will continue to build a structure that leads to strengthened project handling capability and revenue base going forward.

・IT Engineer Dispatch

Sales amounted to 1,079,920 thousand yen (down 5.7% year on year). Although sales declined due to the promotion of measures to increase the proportion of contract development, acceptance by multiple corporate clients continued.

In terms of profit, the gross profit margin for the current third quarter consolidated cumulative period exceeded that of the same period of the previous fiscal year, due to factors such as the higher proportion of contract development. On the other hand, the gross profit margin for the current third quarter consolidated accounting period (July 1 to September 30, 2026) declined due to a pullback following a large, highly profitable contract development project recorded in the second quarter consolidated accounting period, a temporary decline in the utilization rate of some engineers, and increased costs associated with the expansion of the development structure. In addition, selling, general and administrative expenses increased due to goodwill amortization of 34,922 thousand yen (amortization period of seven years) recognized in connection with the M&A of Zeroichi Start Co., Ltd., as well as one-time expenses associated with the merger and the strengthening of the sales structure for business expansion. This goodwill represents a provisional amount prior to purchase price allocation (PPA) as of the current period. The allocation to intangible assets and the amortization schedule will be finalized upon completion of the PPA process and will be disclosed appropriately at that time. As a result, segment profit amounted to 212,653 thousand yen (up 1.4% year on year).

< AI Singing Voice Synthesis Segment >

During the first nine months of the current fiscal year, Techno-Speech, Inc. promoted business activities using AI voice synthesis and AI singing voice synthesis technologies, focusing on its VoiSona business for BtoC and contract development business for BtoB. Although the AI singing voice synthesis market is expected to continue expanding both in Japan and overseas, driven by the growing creator population and the expansion of video platforms, the segment's results fell short of the initial plan.

As a result, sales in the AI Singing Voice Synthesis segment amounted to 96,012 thousand yen. By sales category, the results were as follows:

・VoiSona (BtoC)

Sales amounted to 74,023 thousand yen. The Group newly released "NurseRobot_TypeT" (talk), "Futaba Kominato" (song), "ichica" (song), "ray" (song/talk), "Hitsuji Mio" (song), "MECHASUZUKA" (song), "Ruri" (talk), "Bennett Fantasia" (song), and "Ui" (talk), and made continuous functional improvements, including expanding its overseas user base by making "Chis-A," a cross-lingual singing voice, available free of charge, adding multilingual display to the PC version of the song application, and adding a trial function to the iOS version. As a result, the number of accounts grew at a pace exceeding the plan and sales of talk voices increased; however, in-app purchase sales of VoiSona, mainly for song voices, did not reach the level assumed in the plan, and commissioned voice library production also fell short of the plan, partly because production progressed more slowly than initially expected. Going forward, the Group aims to monetize new mobile user segments through the "iOS-exclusive voice libraries," launched on October 6, 2026, which allow users to complete everything from purchase to use within the iPhone/iPad app. The Group is also developing an Android version that supports in-app purchases.

・Contract Development (BtoB)

Sales amounted to 21,989 thousand yen. Licensing to various software, services, games, and other products continued, and licensing revenue exceeded the plan. On the other hand, contract development as a whole fell short of the plan, as the start of voice production projects was pushed back to the next fiscal year or later due to changes in clients' product development schedules, and planned production projects were put on hold due to revisions of clients' product plans. Going forward, the Group will work to acquire licensing and production projects for games and other applications, while advancing research and development to improve the accuracy of voice synthesis and singing voice synthesis.

Amortization of technology-related assets and goodwill amounted to 45,332 thousand yen, resulting in a segment loss of 62,493 thousand yen.
Year on year comparisons are not provided as the profit and loss of Techno-Speech, Inc. were not included in the consolidated results for the first quarter of the previous fiscal year.

(2) Overview of Financial Position

(Assets)

Total assets at the end of the current third quarter consolidated accounting period amounted to 4,682,061 thousand yen (up 11.8% from the end of the previous term). This was mainly due to cash and deposits of 2,548,633 thousand yen (up 22.3% from the end of the previous term) and accounts receivable and contract assets of 649,596 thousand yen (up 2.7% from the end of the previous term).

(Liabilities)

Total liabilities at the end of the current third quarter consolidated accounting period amounted to 1,261,700 thousand yen (down 2.1% from the end of the previous term). This was mainly due to income taxes payable of 141,061 thousand yen (down 39.0% from the end of the previous term) and provision for bonuses of 75,064 thousand yen (down 42.2% from the end of the previous term).

(Net assets)

Total net assets at the end of the current third quarter consolidated accounting period amounted to 3,420,360 thousand yen (up 18.0% from the end of the previous term). The main components were retained earnings of 2,536,244 thousand yen (up 25.6% from the end of the previous term) and capital of 421,983 thousand yen (up 2.6% from the end of the previous term).

(3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Information

The consolidated earnings forecast for the fiscal year ending December 31, 2026 remains unchanged from that announced on February 10, 2026 in the “Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 (Under Japanese GAAP).”

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

(Thousands of yen)

	As of December 31, 2025	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	2,083,187	2,548,633
Accounts receivable - trade, and contract assets	632,427	649,596
Merchandise and finished goods	1,890	1,785
Supplies	152	172
Other	130,537	153,337
Allowance for doubtful accounts	(1,960)	(1,937)
Total current assets	2,846,236	3,351,587
Non-current assets		
Property, plant and equipment	22,328	38,377
Intangible assets		
Software	227,022	274,802
Goodwill	616,431	546,650
Technology related assets	185,031	174,558
Other	1,050	915
Total intangible assets	1,029,535	996,926
Investments and other assets	289,577	295,170
Total non-current assets	1,341,442	1,330,473
Total assets	4,187,678	4,682,061
Liabilities		
Current liabilities		
Accounts payable	14,105	5,436
Current portion of long-term borrowings	25,392	11,200
Income taxes payable	231,340	141,061
Provision for bonuses	129,855	75,064
Other	713,400	895,621
Total current liabilities	1,114,093	1,128,383
Non-current liabilities		
Long-term borrowings	43,830	-
Provision for retirement benefits for directors	60,136	66,897
Other	70,300	66,420
Total non-current liabilities	174,266	133,317
Total liabilities	1,288,359	1,261,700
Net assets		
Shareholders' equity		
Share capital	411,163	421,983
Capital surplus	408,764	419,585
Retained earnings	2,018,912	2,536,244
Treasury shares	(275)	(275)
Total shareholders' equity	2,838,564	3,377,537
Share acquisition rights	60,755	42,823
Total net assets	2,899,319	3,420,360
Total liabilities and net assets	4,187,678	4,682,061

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income

Quarterly Consolidated Statement of Income for the Nine-Month Period

(Thousands of yen)

	For the nine months ended September 30, 2025	For the nine months ended September 30, 2026
Net sales	3,638,603	4,574,521
Cost of sales	1,439,366	1,725,846
Gross profit	2,199,236	2,848,675
Selling, general and administrative expenses	1,344,380	1,845,679
Operating profit	854,856	1,002,995
Non-operating income		
Interest income	1,349	3,834
Foreign exchange gains	-	6,105
Refund of defined contribution pension	1,472	2,093
Received incentive	3,152	1,380
Other	1,274	2,432
Total non-operating income	7,249	15,847
Non-operating expenses		
Interest expenses	352	324
Foreign exchange losses	2,044	-
Other	121	57
Total non-operating expenses	2,519	381
Ordinary profit	859,586	1,018,461
Extraordinary income		
Gain on reversal of share acquisition rights	2,863	21,940
Total extraordinary income	2,863	21,940
Extraordinary losses		
Loss on sale of non-current assets	-	394
Loss on retirement of non-current assets	0	1,019
Total extraordinary losses	0	1,414
Profit before income taxes	862,449	1,038,986
Income taxes - current	255,520	328,680
Income taxes - deferred	31,354	8,816
Total income taxes	286,875	337,496
Quarterly profit	575,574	701,489
Quarterly profit attributable to owners of parent	575,574	701,489

Quarterly Consolidated Statement of Comprehensive Income for the Nine-Month Period

(Thousands of yen)

	For the nine months ended September 30, 2025	For the nine months ended September 30, 2026
Quarterly profit	575,574	701,489
Quarterly comprehensive income	575,574	701,489
Quarterly comprehensive income attributable to		
Quarterly comprehensive income attributable to owners of parent	575,574	701,489

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on the Going Concern Assumption)

Not applicable.

(Notes on Significant Changes in the Amount of Shareholders' Equity)

Not applicable.

(Changes in the Scope of Consolidation or the Scope of Application of the Equity Method)

During the current third quarter consolidated cumulative period, Zeroichi Start Co., Ltd., which had been a consolidated subsidiary of the Group, was dissolved through an absorption-type merger with the Company as the surviving company, and was therefore excluded from the scope of consolidation.

(Segment Information, etc.)

Previous third quarter consolidated cumulative period (from January 1, 2025 to September 30, 2025)

1. Information related to Sales and the amount of profit or loss by reportable segment

(Thousands of yen)

	Reportable Segment				Adjustments (Note 2)	Amount Recorded in the Quarterly Consolidated Statement of Income (Note 3)
	Mobile	Solutions	AI Singing Voice Synthesis (Note 1)	Total		
Net sales						
Sales to External Customers	2,056,665	1,509,828	72,109	3,638,603	-	3,638,603
Inter-segment Sales or Transfers	-	-	-	-	-	-
Total	2,056,665	1,509,828	72,109	3,638,603	-	3,638,603
Segment profit or loss	1,066,539	209,779	(53,022)	1,223,296	(368,440)	854,856

Notes:

1. The loss of the AI Singing Voice Synthesis segment of (53,022) thousand yen includes goodwill amortization of (23,239) thousand yen and technology-related asset amortization of (6,982) thousand yen.
2. The adjustment to segment profit or loss of (368,440) thousand yen consists of company-wide expenses not allocated to any reportable segment, mainly general and administrative expenses not attributable to reportable segments.
3. Segment profit or loss is reconciled to operating profit in the quarterly consolidated statement of income.

2. Matters related to changes in reportable segments

During the previous third quarter consolidated cumulative period, the Company acquired all shares of Techno-Speech, Inc., making it a wholly owned subsidiary. Accordingly, the AI Singing Voice Synthesis segment has been added as a reportable segment.

3. Information on impairment losses on non-current assets or goodwill, etc. by reportable segment

(Significant Changes in the Amount of Goodwill)

During the previous third quarter consolidated cumulative period, the Company acquired all shares of Techno-Speech, Inc., making it a wholly owned subsidiary. As a result, goodwill arose in the AI Singing Voice Synthesis segment.

The increase in goodwill resulting from this event was 325,352 thousand yen.

This amount of goodwill reflects a significant review of the initial allocation of acquisition cost resulting from the finalization of the provisional accounting treatment related to the business combination.

Current third quarter consolidated cumulative period (from January 1, 2026 to September 30, 2026)

1. Information related to Sales and the amount of profit or loss by reportable segment

(Thousands of yen)

	Reportable Segment				Adjustments (Note 3)	Amount Recorded in the Quarterly Consolidated Statement of Income (Note 4)
	Mobile	Solutions (Note 1)	AI Singing Voice Synthesis (Note 2)	Total		
Net sales						
Sales to External Customers	2,602,537	1,875,971	96,012	4,574,521	-	4,574,521
Inter-segment Sales or Transfers	-	-	-	-	-	-
Total	2,602,537	1,875,971	96,012	4,574,521	-	4,574,521
Segment profit or loss	1,300,820	212,653	(62,493)	1,450,980	(447,985)	1,002,995

Notes:

1. The profit of the Solutions segment of 212,653 thousand yen includes goodwill amortization of (34,922) thousand yen.
2. The loss of the AI Singing Voice Synthesis segment of (62,493) thousand yen includes goodwill amortization of (34,859) thousand yen and technology-related asset amortization of (10,473) thousand yen.
3. The adjustment to segment profit or loss of (447,985) thousand yen consists of company-wide expenses not allocated to any reportable segment, mainly general and administrative expenses not attributable to reportable segments.
4. Segment profit or loss is reconciled to operating profit in the quarterly consolidated statement of income.
5. Reflecting the significant review of the initial allocation of acquisition cost described in "(Business Combinations, etc.)" "(Significant Review of the Initial Allocation of Acquisition Cost in Comparative Information)," the segment information for the previous third quarter consolidated cumulative period has been restated to reflect this review.

(Notes to Quarterly Consolidated Statement of Cash Flows)

The quarterly consolidated statement of cash flows for the current third quarter consolidated cumulative period has not been prepared. Depreciation (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the third quarter consolidated cumulative period are as follows.

	Previous third quarter consolidated cumulative period (from January 1, 2025 to September 30, 2025)	Current third quarter consolidated cumulative period (from January 1, 2026 to September 30, 2026)
Depreciation	85,817 thousand yen	118,366 thousand yen
Amortization of goodwill	23,239 thousand yen	69,781 thousand yen

(Business Combinations, etc.)

Transactions under Common Control, etc. (Absorption-type Merger of a Wholly Owned Subsidiary)

Based on a resolution of the Board of Directors meeting held on February 10, 2026, the Company implemented an absorption-type merger of Zeroichi Start Co., Ltd., a wholly owned subsidiary of the Company, effective April 1, 2026.

1. Overview of the Business Combination

(1) Name of Acquired Company and Its Business Description

Name of the Acquired Company: Zeroichi Start Co., Ltd.

Business Description: No-code low-code system development business

(2) Business Combination Date

April 1, 2026

(3) Legal Form of the Business Combination

Absorption-type merger with the Company as the surviving company and Zeroichi Start Co., Ltd. as the dissolved company

(4) Other Matters Related to the Outline of the Transaction

① Purpose of the Merger

The Company decided to merge the subsidiary in order to maximize synergies and further accelerate the structure toward the Company's goal of becoming a system integration company, and to increase revenue by incorporating and leveraging the strengths of Zeroichi Start Co., Ltd., a wholly owned subsidiary—(1) business consulting expertise, (2) operational know-how in highly productive no-code tools, and (3) SEO (search engine optimization) know-how—into the Company's Solutions business.

② Details of Allotment in Relation to Merger

Since the Company holds all of the shares of Zeroichi Start Co., Ltd., there was no issuance of new shares or payment of merger consideration in connection with the merger.

2. Summary of Accounting Implemented

The transaction was treated as a transaction under common control, in accordance with the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, January 16, 2019) and the "Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, January 16, 2019).

(Significant Review of the Initial Allocation of Acquisition Cost in Comparative Information)

With respect to the business combination with Techno-Speech, Inc. that took place on January 31, 2025 (deemed acquisition date: March 31, 2025), the Company had applied provisional accounting treatment in the previous third quarter consolidated cumulative period, which was finalized at the end of the previous consolidated fiscal year.

Reflecting the finalization of this provisional accounting treatment, the comparative information included in the quarterly consolidated financial statements for the current third quarter consolidated cumulative period reflects a significant review of the initial allocation of acquisition cost.

As a result, in the quarterly consolidated statement of income for the previous third quarter consolidated cumulative period, amortization of technology-related assets increased by 6,982 thousand yen, amortization of goodwill decreased by 14,417 thousand yen, and income taxes – deferred decreased by 2,463 thousand yen. In connection with these changes, operating profit, ordinary profit, and profit before income taxes each increased by 7,435 thousand yen, and quarterly profit and quarterly profit attributable to owners of parent each increased by 9,898 thousand yen.

(Revenue Recognition)

Information on the disaggregation of revenue arising from contracts with customers

Previous third quarter consolidated cumulative period (from January 1, 2025 to September 30, 2025)

(Thousands of yen)

	Reportable Segment			Total
	Mobile	Solutions	AI Singing Voice Synthesis	
In-app Advertising	1,017,348	-	-	1,017,348
Subscription Billing	836,859	-	-	836,859
One-time Purchase App	198,789	-	-	198,789
IT Engineer Dispatch	-	1,145,438	-	1,145,438
Contract Development	-	364,390	12,429	376,819
VoiSona	-	-	59,679	59,679
Other	3,666	-	-	3,666
Revenue from contracts with customers	2,056,665	1,509,828	72,109	3,638,603
Other revenue	-	-	-	-
Sales to external customers	2,056,665	1,509,828	72,109	3,638,603

Current third quarter consolidated cumulative period (from January 1, 2026 to September 30, 2026)

(Thousands of yen)

	Reportable Segment			Total
	Mobile	Solutions	AI Singing Voice Synthesis	
In-app Advertising	960,080	-	-	960,080
Subscription Billing	1,384,204	-	-	1,384,204
One-time Purchase App	223,126	-	-	223,126
IT Engineer Dispatch	-	1,079,920	-	1,079,920
Contract Development	-	792,090	21,989	814,079
VoiSona	-	-	74,023	74,023
Other	35,127	3,960	-	39,087
Revenue from contracts with customers	2,602,537	1,875,971	96,012	4,574,521
Other revenue	-	-	-	-
Sales to external customers	2,602,537	1,875,971	96,012	4,574,521

(Significant Subsequent Events)

Not applicable.