

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.

May 15, 2026

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

Company name: NCD Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 4783
 URL: <https://www.ncd.co.jp/>
 Representative: Osamu Shimojo, President and Representative Director
 Inquiries: Yusuke Kato, Director and Senior Managing Executive Officer
 Telephone: +81-3-5437-1021
 Scheduled date of annual general meeting of shareholders: June 25, 2026
 Scheduled date to commence dividend payments: June 26, 2026
 Scheduled date to file annual securities report: June 19, 2026
 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 fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|-------------------|-----------------|------|------------------|-------|-----------------|-------|---|-------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Fiscal year ended | | | | | | | | |
| March 31, 2026 | 30,867 | 2.5 | 2,638 | (6.1) | 2,672 | (6.3) | 1,861 | (2.3) |
| March 31, 2025 | 30,106 | 18.1 | 2,809 | 32.8 | 2,852 | 33.3 | 1,905 | 37.3 |

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥1,785 million [(10.7)%]
 For the fiscal year ended March 31, 2025: ¥1,998 million [35.4%]

| | Basic earnings per share | Diluted earnings per share | Return on equity | Ratio of ordinary profit to total assets | Ratio of operating profit to net sales |
|-------------------|--------------------------|----------------------------|------------------|--|--|
| | Yen | Yen | % | % | % |
| Fiscal year ended | | | | | |
| March 31, 2026 | 227.73 | — | 22.9 | 16.2 | 8.5 |
| March 31, 2025 | 232.95 | — | 27.0 | 18.4 | 9.3 |

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2026: ¥— million
 For the fiscal year ended March 31, 2025: ¥— million

(2) Consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio | Net assets per share |
|----------------|-----------------|-----------------|-----------------------|----------------------|
| | Millions of yen | Millions of yen | % | Yen |
| As of | | | | |
| March 31, 2026 | 16,886 | 8,549 | 50.1 | 1,046.78 |
| March 31, 2025 | 16,095 | 7,854 | 48.4 | 951.77 |

Reference: Equity
 As of March 31, 2026: ¥8,466 million
 As of March 31, 2025: ¥7,785 million

(3) Consolidated cash flows

| | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at end of period |
|-------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
| Fiscal year ended | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| March 31, 2026 | 1,785 | (138) | (1,382) | 7,723 |
| March 31, 2025 | 2,270 | 361 | (947) | 7,455 |

2. Cash dividends

| | Annual dividends per share | | | | | Total cash dividends (Total) | Payout ratio (Consolidated) | Ratio of dividends to net assets (Consolidated) |
|--|----------------------------|--------------------|-------------------|-----------------|--------|------------------------------|-----------------------------|---|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total | | | |
| | Yen | Yen | Yen | Yen | Yen | Millions of yen | % | % |
| Fiscal year ended March 31, 2025 | — | 33.00 | — | 37.00 | 70.00 | 572 | 30.0 | 8.1 |
| Fiscal year ended March 31, 2026 | — | 60.00 | — | 60.00 | 120.00 | 976 | 52.7 | 12.0 |
| Fiscal year ending March 31, 2027 (Forecast) | — | 60.00 | | 60.00 | 120.00 | | 52.6 | |

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

(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 |
| Fiscal year ending March 31, 2027 | 32,000 | 3.7 | 2,750 | 4.2 | 2,780 | 4.0 | 1,830 | (1.7) | 228.09 |

*Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) 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
- (3) Number of issued shares (common stock)

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

| | |
|----------------------|------------------|
| As of March 31, 2026 | 8,300,000 shares |
| As of March 31, 2025 | 8,800,000 shares |

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

| | |
|----------------------|----------------|
| As of March 31, 2026 | 211,884 shares |
| As of March 31, 2025 | 619,838 shares |

- (iii) Average number of shares outstanding during the period

| | |
|----------------------------------|------------------|
| Fiscal year ended March 31, 2026 | 8,173,584 shares |
| Fiscal year ended March 31, 2025 | 8,180,181 shares |

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

| Fiscal year ended | Net sales | | Operating profit | | Ordinary profit | | Profit | |
|-------------------|-----------------|------|------------------|-------|-----------------|-------|-----------------|-------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| March 31, 2026 | 23,132 | 0.7 | 2,020 | (8.4) | 2,108 | (6.1) | 1,464 | (4.3) |
| March 31, 2025 | 22,962 | 10.1 | 2,205 | 28.9 | 2,244 | 30.2 | 1,530 | 35.2 |

| Fiscal year ended | Basic earnings per share | Diluted earnings per share |
|-------------------|--------------------------|----------------------------|
| | Yen | Yen |
| March 31, 2026 | 179.19 | — |
| March 31, 2025 | 187.13 | — |

(2) Non-consolidated financial position

| As of | Total assets | Net assets | Equity-to-asset ratio | Net assets per share |
|----------------|-----------------|-----------------|-----------------------|----------------------|
| | Millions of yen | Millions of yen | % | Yen |
| March 31, 2026 | 12,423 | 6,409 | 51.6 | 792.51 |
| March 31, 2025 | 12,209 | 5,991 | 49.1 | 732.38 |

Reference: Equity

As of March 31, 2026: ¥6,409 million

As of March 31, 2025: ¥5,991 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Appropriate use of earnings forecasts, and other special matters

The forward-looking statements, such as the financial forecast, provided in this material are based on information currently available to the Company and certain assumptions that the Company believes are reasonable, and are not intended as a guarantee that the Company will achieve the same. In addition, actual results, including financial performance, may significantly differ due to various factors.

* How to obtain supplementary materials for the financial results

The Company plans to hold a briefing for institutional investors and analysts on Tuesday, May 19, 2026. Supplementary materials for the financial results and the Medium-Term Management Plan to be distributed at this briefing will be posted on the Company's website today (May 15, 2026).

Table of Contents of Attachments

| | |
|---|----|
| 1. Summary of Business Results, etc..... | 2 |
| (1) Summary of Business Results for the Fiscal Year under Review | 2 |
| (2) Summary of Financial Position for the Fiscal Year under Review | 3 |
| (3) Summary of Cash Flows for the Fiscal Year under Review | 3 |
| (4) Future Outlook..... | 4 |
| (5) Basic Policy on Profit Allocation and Dividends for the Fiscal Year under Review and the Following Fiscal Year..... | 5 |
| 2. Basic Approach to the Selection of Accounting Standards | 5 |
| 3. Consolidated Financial Statements and Major Notes | 6 |
| (1) Consolidated Balance Sheet..... | 6 |
| (2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income | 8 |
| (3) Consolidated Statement of Changes in Equity | 10 |
| (4) Consolidated Statement of Cash Flows..... | 12 |
| (5) Notes to Consolidated Financial Statements | 13 |
| (Notes on Assumptions for Going Concerns) | 13 |
| (Notes on Significant Changes in the Amount of Shareholders' Equity) | 13 |
| (Segment Information, etc.)..... | 13 |
| (Information per Share) | 16 |
| (Significant Subsequent Events)..... | 16 |

1. Summary of Business Results, etc.

(1) Summary of Business Results for the Fiscal Year under Review

During the fiscal year under review (April 1, 2025 to March 31, 2026), the Japanese economy showed signs of a moderate recovery with the employment and income environment improving. On the other hand, the outlook remains uncertain due to the impact of rising prices, exchange rate fluctuations, U.S. trade policies, and developments in the Middle East.

In the information services industry, to which the Group belongs, IT investment has remained solid, with the increased application of generative AI also being advanced. Furthermore, there was a trend towards cloud migration and the opening up of legacy systems. On the other hand, personnel costs have been increasing due to rising external staffing expenses, wage hikes to secure talent, and others, and competition in the mid-career recruitment market has become increasingly severe. In this environment, the Group has responded to diversifying customer needs by developing advanced IT personnel, promoting mid-career recruitment of work-ready professionals, implementing PoC initiatives involving generative AI, utilizing near-shore operations, and focusing on the creation of synergies within the Group. The Group has also worked to expand the existing client base and acquire new clients by promoting IT full outsourcing and other measures, which provides comprehensive support for the IT lifecycles of the clients.

In the bicycle-parking industry, there has been steady demand for the unattended bicycle parking lots due to labor shortages, new bicycle parking facilities associated with urban redevelopment, and the replacement of aging equipment. In this environment, the Group has strived for order acquisition, leveraging its strengths such as the ECOPOOL monthly bicycle parking management system (which addresses labor shortages), consulting capabilities cultivated through extensive experience, and high-quality service. Moreover, as a measure to enhance profitability, the Group has promoted revising bicycle parking fees, accelerating initiatives aligned with municipal strategies, internalizing outsourced operations, and reducing costs through the utilization of IT. In the fee pricing, the Group has worked to realize efficient bicycle parking operations by utilizing various data accumulated through bicycle parking operations, such as seeking to establish the Group's own pricing model.

During the fiscal year under review, in the IT-related businesses (the System Development Business and the Support and Service Business), net sales increased despite negative factors including the completion of a large project. On the other hand, in the Parking System Business, net sales increased slightly following the acquisition of projects including equipment replacement and revenue from bicycle parking lot usage remained steady, despite reaction from the same period in the previous fiscal year when a large project was secured. On the profit side, while the Company implemented price revisions in both businesses, profit decreased year on year due to factors including the inability to fully offset the completion of highly profitable large-scale projects in the IT-related businesses, despite the delay in project intake at a subsidiary being largely recovered, as well as reduced equipment sales and one-off costs in the Parking System Business. Furthermore, as part of company-wide initiatives, the Group continued investments in actively promoting human capital management, including wage increases, and new service development in the final year of its Medium-Term Management Plan, "Vision 2026." As a result, profit decreased year on year.

As a result, net sales for the fiscal year under review were 30,867 million yen (up 2.5% year on year), operating profit was 2,638 million yen (down 6.1% year on year), ordinary profit was 2,672 million yen (down 6.3% year on year), and net profit attributable to owners of parent was 1,861 million yen (down 2.3% year on year).

Results by segment for the fiscal year under review are as follows.

Please note that starting from the fiscal year under review, the figures of segment profit have been changed such that corporate expenses (general and administrative expenses related to the parent company), which had previously been recorded as adjustments, are allocated to each segment. For details, please refer to (Segment Information, etc.) in 3. (5) Notes to Consolidated Financial Statements.

System Development Business

Although the Company secured new projects such as expansion of application maintenance for an insurance company, introduction of a cloud-based workflow system for a finance company, and the winning of application maintenance and defining of system requirements for overseas offices for a construction company, net sales were flat year on year due to the completion of multiple large-scale projects in the previous period and the Company's strategic withdrawal from some customers. On the profit side, while price negotiations with customers continued, costs increased due to employee wage increases for securing talent and

appropriate responses to labor cost transfer requests from subcontractors, as well as the impact of the completion of highly profitable large-scale projects, resulting in a year-on-year profit decrease. As a result, net sales were 12,729 million yen (up 0.2% year on year) and segment profit was 942 million yen (down 8.4% year on year).

Support and Service Business

A year-on-year increase in revenue was achieved by securing projects such as a support desk for a retailing company, and infrastructure development and operation for several insurance companies. On the profit side, profit increased mainly due to increased revenue, despite increased personnel costs and a rise in external staffing expenses, similar to the System Development Business. As a result, net sales were 9,961 million yen (up 5.9% year on year) and segment profit was 631 million yen (up 7.9% year on year).

Parking System Business

Revenue from bicycle parking lot usage remained steady, thanks in part to the effect of the revision of the fees. Equipment sales also increased slightly since the acquisition of projects including equipment replacement remained steady, despite reaction from the same period in the previous fiscal year when a large project was secured. On the profit side, although the profitability of self-operated bicycle parking lots has improved, a year-on-year profit decrease was recorded. This was due to costs for network line changes following the end of a telecom provider's service and investments in next-generation bicycle parking lot development. As a result, net sales were 8,128 million yen (up 1.9% year on year) and segment profit was 1,142 million yen (down 6.1% year on year).

(2) Summary of Financial Position for the Fiscal Year under Review

Assets, Liabilities and Net Assets

Total assets increased 790 million yen from the end of the previous fiscal year to 16,886 million yen. The main items of increase were cash and deposits of 268 million yen, contract assets of 257 million yen, accounts receivable - trade of 193 million yen, and construction in progress of 160 million yen. Liabilities increased 95 million yen from the end of the previous fiscal year to 8,336 million yen. The main items of increase were provision for share-based compensation - CL of 199 million yen, contract liabilities of 124 million yen, and net defined benefit liability of 119 million yen. On the other hand, the main items of decrease were income taxes payable of 196 million yen, lease liabilities - CL of 139 million yen, and provision for share-based compensation - NCL of 132 million yen. Net assets increased 695 million yen from the end of the previous fiscal year to 8,549 million yen, and the equity ratio increased from 48.4% at the end of the previous fiscal year to 50.1%.

(3) Summary of Cash Flows for the Fiscal Year under Review

Cash and cash equivalents in the fiscal year under review increased 268 million yen year on year to 7,723 million yen.

The status of each cash flow and their factors during the fiscal year under review are as follows.

(Net cash provided by (used in) operating activities)

Net cash provided by operating activities in the fiscal year under review amounted to 1,785 million yen (2,270 million yen in the same period of the previous fiscal year). The main inflows were profit before income taxes of 2,723 million yen, depreciation of 420 million yen, and increase in other current liabilities of 263 million yen. On the other hand, the main outflows were income taxes paid of 1,079 million yen, an increase in trade receivables of 416 million yen, and a decrease in consumption taxes payable of 111 million yen.

(Net cash provided by (used in) investing activities)

Net cash used in investing activities in the fiscal year under review amounted to 138 million yen (an inflow of 361 million yen in the same period of the previous fiscal year). The main outflow was purchase of property, plant and equipment of 275 million yen. On the other hand, the main inflows were proceeds from sale of property, plant and equipment of 119 million yen, and proceeds from sale of investment securities of 115 million yen.

(Net cash provided by (used in) financing activities)

Net cash used in financing activities in the fiscal year under review amounted to 1,382 million yen (947 million yen in the same period of the previous fiscal year). The main outflows were dividends paid of 779 million yen, repayments of lease liabilities of 306 million yen, and repurchase of own shares of 295 million yen.

(Reference) Trends in cash flow indicators

| | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2026 |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Equity ratio (%) | 40.4 | 42.6 | 48.4 | 50.1 |
| Equity ratio based on market value (%) | 49.5 | 102.0 | 125.3 | 126.4 |
| Ratio of interest-bearing debt to cash flow (%) | 297.6 | 67.8 | 71.0 | 79.6 |
| Interest coverage ratio (times) | 22.9 | 111.8 | 92.2 | 74.1 |

Equity ratio: owner's equity / total assets

Equity ratio based on market value: market capitalization / total assets

Ratio of interest-bearing debt to cash flow: ((interest-bearing debt at beginning of period + interest-bearing debt at end of period) / 2) / operating cash flow

Interest coverage ratio: operating cash flow / interest payments

(Notes) 1 All calculations are based on consolidated financial figures.

2 Market capitalization is calculated by multiplying the closing stock price at the end of the fiscal year by the number of shares outstanding (less treasury stock) at the end of the fiscal year.

3 Cash flow is the net cash provided by operating activities in the consolidated statements of cash flows. Interest-bearing liabilities are all liabilities on the consolidated balance sheets for which interest is paid. For interest payments, the amount of interest paid in the consolidated statements of cash flows is used.

(4) Future Outlook

The Group announced its Medium-Term Management Plan "Vision 2029" for three years from the fiscal year ending March 31, 2027 to the fiscal year ending March 31, 2029. This plan sets consolidated net sales of 36 billion yen and operating profit of 3.5 billion yen as the financial targets for the fiscal year ending March 31, 2029. For details, please refer to "NCD Group Medium-Term Management Plan Vision 2029" announced today, May 15.

Looking at the business environment surrounding the Group, in the IT-related businesses, amid continued DX investment to improve operational efficiency and strengthen competitiveness, initiatives for the application of AI and demand for the establishment of data infrastructures have expanded and demand for renewal of existing systems including cloud shift or migration has also remained at a high level, resulting in continued steady IT investments. On the other hand, personnel costs have been increasing due to rising external staffing expenses, wage hikes to secure talent, and others, and competition in the mid-career recruitment market has become increasingly severe. In this environment, the Group is focusing on developing advanced IT personnel and recruiting mid-career work-ready professionals. The Group will also seek to acquire more orders for upstream process projects by enhancing its consulting function, including contribution to the improvement of productivity and competitiveness of client companies, through the active utilization of advanced IT such as the application of AI. In addition, the Group will work to acquire new clients and expand the existing client base by strengthening the sales system and realizing more synergies within the Group.

In the Parking System Business, sales have remained steady thanks to the unattended bicycle parking lots due to labor shortages and demand for replacement of aging equipment. On the other hand, attention needs to be paid to risks of postponed or suspended urban redevelopment plans due to surging construction material prices or other factors. While the number of bicycle parking lot users has remained stable, the bicycle use environment is changing significantly due to the advent of electric scooters and other various mobility modes and the amendment of the Road Traffic Act in April 2026, which has brought more attention to bicycle traffic space. In this environment, the Group will continue to work on the expansion of sales of the ECOPOOL monthly bicycle

parking management system (which addresses labor shortages), the revision of bicycle parking lot fees, and the optimization of management and operations through the utilization of IT. The Group will also develop next-generation bicycle parking systems to handle increasingly diversified mobility modes and further improve convenience, aiming to realize a society in which everyone can move around with peace of mind.

Through planned investments in human capital, next-generation bicycle parking lot development, promotion of DX, new business ventures and other measures as strategic investments associated with the promotion of Vision 2029, consolidated financial results for the full year ending March 31, 2027 are expected to be as shown in the table below.

(Forecast of consolidated financial results for the fiscal year ending March 31, 2027)

(Millions of yen)

| | Fiscal year ending March 31, 2027 Forecast |
|---|---|
| Net sales | 32,000 |
| Operating profit | 2,750 |
| Ordinary profit | 2,780 |
| Profit attributable to owners of parent | 1,830 |

The above forecast is based on currently available information. Actual results may differ significantly due to a variety of factors. If it becomes necessary to revise the forecast, the information will be promptly disclosed.

(5) Basic Policy on Profit Allocation and Dividends for the Fiscal Year under Review and the Following Fiscal Year

The Company positions the return of profits to shareholders as one of the most important management issues, and stipulates the basic policy as paying stable and continuous dividends with a consolidated dividend payout ratio of 50% or more as a guideline, comprehensively taking into consideration the consolidated results of operations, the level of retained earnings necessary for future business development, and others. Based on this basic policy, the Company has decided to pay a year-end ordinary dividend of 60 yen per share for the fiscal year ended March 31, 2026. As a result, the annual dividend per share for the fiscal year ended March 31, 2026 will be 120 yen, together with the interim dividend of 60 yen that has already been paid.

In addition, the Company will, in principle, not reduce dividends and will adopt a progressive dividend policy under which dividends will be maintained or increased, and will pay stable and continuous dividends with a consolidated dividend payout ratio of 50% or more as a guideline. Furthermore, with regard to the repurchase of its own shares, the Company will consider the implementation in a flexible manner as one of its measures for returning profits to shareholders while taking into consideration its financial condition and market trends. As a result, for the fiscal year ended March 31, 2027, the Company plans to pay an ordinary dividend of 120 yen per share (interim dividend of 60 yen and year-end dividend of 60 yen).

2. Basic Approach to the Selection of Accounting Standards

Since most of the Group's stakeholders are domestic shareholders, creditors, business partners, etc., and there is little need to raise funds from overseas, Japanese GAAP is applied for accounting standards.

The Company intends to make appropriate decisions regarding the application of International Financial Reporting Standards (IFRS), while keeping an eye on future developments.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheet

(Thousands of yen)

| | As of March 31, 2025 | As of March 31, 2026 |
|---|----------------------|----------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 7,567,225 | 7,835,993 |
| Notes receivable - trade | 36,157 | 1,124 |
| Accounts receivable - trade | 4,032,809 | 4,226,205 |
| Contract assets | 26,898 | 284,831 |
| Lease receivables and investments in leases | 95,935 | 327 |
| Merchandise and finished goods | 160,077 | 125,636 |
| Work in process | 157,549 | 159,613 |
| Other | 509,624 | 617,931 |
| Total current assets | 12,586,277 | 13,251,664 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 382,035 | 377,854 |
| Vehicles, net | 2,057 | 1,082 |
| Tools, furniture and fixtures, net | 120,355 | 105,427 |
| Land | 166,823 | 166,823 |
| Leased assets, net | 616,025 | 534,411 |
| Construction in progress | 5,762 | 165,791 |
| Total property, plant and equipment | 1,293,059 | 1,351,391 |
| Intangible assets | | |
| Goodwill | 73,164 | 31,356 |
| Other | 197,519 | 218,173 |
| Total intangible assets | 270,684 | 249,529 |
| Investments and other assets | | |
| Investment securities | 235,728 | 207,998 |
| Deferred tax assets | 1,274,493 | 1,365,547 |
| Other | 435,562 | 460,414 |
| Total investments and other assets | 1,945,785 | 2,033,961 |
| Total non-current assets | 3,509,528 | 3,634,882 |
| Total assets | 16,095,806 | 16,886,547 |

(Thousands of yen)

| | As of March 31, 2025 | As of March 31, 2026 |
|--|----------------------|----------------------|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 1,069,642 | 1,115,857 |
| Short-term borrowings | 799,868 | 799,868 |
| Lease liabilities | 389,918 | 250,850 |
| Income taxes payable | 657,014 | 460,957 |
| Contract liabilities | 278,638 | 402,865 |
| Provision for bonuses | 1,256,183 | 1,247,360 |
| Provision for share-based payments | — | 199,995 |
| Provision for loss on orders received | 1,869 | 1,205 |
| Asset retirement obligations | 2,313 | — |
| Other | 1,285,971 | 1,431,995 |
| Total current liabilities | 5,741,420 | 5,910,955 |
| Non-current liabilities | | |
| Lease liabilities | 395,838 | 302,750 |
| Provision for retirement benefits for directors (and other officers) | 185,001 | 201,629 |
| Provision for share-based payments | 132,600 | — |
| Retirement benefit liability | 1,416,756 | 1,535,794 |
| Asset retirement obligations | 332,769 | 350,233 |
| Other | 37,383 | 35,458 |
| Total non-current liabilities | 2,500,348 | 2,425,866 |
| Total liabilities | 8,241,768 | 8,336,822 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 438,750 | 438,750 |
| Capital surplus | 1,019,556 | 819,991 |
| Retained earnings | 6,365,152 | 7,433,090 |
| Treasury shares | (229,315) | (325,643) |
| Total shareholders' equity | 7,594,142 | 8,366,188 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 117,949 | 119,136 |
| Foreign currency translation adjustment | 8,255 | 11,782 |
| Remeasurements of defined benefit plans | 65,346 | (30,615) |
| Total accumulated other comprehensive income | 191,551 | 100,303 |
| Non-controlling interests | 68,343 | 83,232 |
| Total net assets | 7,854,038 | 8,549,724 |
| Total liabilities and net assets | 16,095,806 | 16,886,547 |

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

Consolidated Statement of Income

(Thousands of yen)

| | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2026 |
|---|-------------------------------------|-------------------------------------|
| Net sales | 30,106,683 | 30,867,394 |
| Cost of sales | 23,541,682 | 24,123,313 |
| Gross profit | 6,565,001 | 6,744,080 |
| Selling, general and administrative expenses | 3,755,393 | 4,105,149 |
| Operating profit | 2,809,608 | 2,638,931 |
| Non-operating income | | |
| Interest income | 4,306 | 10,992 |
| Dividend income | 7,382 | 9,139 |
| Subsidy income | 10,826 | 17,675 |
| Rental income from buildings | 14,879 | 8,791 |
| Insurance claim and dividend income | 21,839 | 7,066 |
| Other | 12,445 | 11,847 |
| Total non-operating income | 71,679 | 65,512 |
| Non-operating expenses | | |
| Interest expenses | 23,751 | 23,991 |
| Other | 5,095 | 7,551 |
| Total non-operating expenses | 28,847 | 31,543 |
| Ordinary profit | 2,852,440 | 2,672,900 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 8,183 | — |
| Gain on sale of investment securities | 57,157 | 89,286 |
| Subsidy income | — | 12,000 |
| Total extraordinary income | 65,341 | 101,286 |
| Extraordinary loss | | |
| Impairment losses | 63,984 | 13,604 |
| Loss on transition of retirement benefit plan | — | 25,478 |
| Loss on tax purpose reduction entry of non-current assets | — | 12,000 |
| Other | 1,582 | — |
| Total extraordinary loss | 65,567 | 51,083 |
| Profit before income taxes | 2,852,214 | 2,723,103 |
| Income taxes - current | 981,761 | 890,637 |
| Income taxes - deferred | (46,596) | (43,837) |
| Total income taxes | 935,164 | 846,799 |
| Profit | 1,917,049 | 1,876,303 |
| Profit attributable to non-controlling interests | 11,473 | 14,889 |
| Profit attributable to owners of parent | 1,905,576 | 1,861,413 |

Consolidated Statement of Comprehensive Income

(Thousands of yen)

| | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2026 |
|--|-------------------------------------|-------------------------------------|
| Profit | 1,917,049 | 1,876,303 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 27,427 | 1,187 |
| Foreign currency translation adjustment | 4,570 | 3,526 |
| Remeasurements of defined benefit plans, net of tax | 49,489 | (95,961) |
| Total other comprehensive income | 81,487 | (91,248) |
| Comprehensive income | 1,998,536 | 1,785,055 |
| (Breakdown) | | |
| Comprehensive income attributable to owners of parent | 1,987,063 | 1,770,165 |
| Comprehensive income attributable to non-controlling interests | 11,473 | 14,889 |

(3) Consolidated Statement of Changes in Equity

Previous fiscal year (From April 1, 2024 to March 31, 2025)

(Thousands of yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at the beginning of the current period | 438,750 | 1,019,556 | 5,007,649 | (229,170) | 6,236,785 |
| Changes during period | | | | | |
| Dividends of surplus | | | (548,073) | | (548,073) |
| Profit attributable to owners of parent | | | 1,905,576 | | 1,905,576 |
| Purchase of treasury shares | | | | (145) | (145) |
| Cancellation of treasury shares | | | | | — |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | — | — | 1,357,502 | (145) | 1,357,357 |
| Balance at the end of the current period | 438,750 | 1,019,556 | 6,365,152 | (229,315) | 7,594,142 |

| | Accumulated other comprehensive income | | | | Non-controlling interests | Total net assets |
|--|---|---|---|---|---------------------------|------------------|
| | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Other comprehensive income Cumulative total | | |
| Balance at the beginning of the current period | 90,522 | 3,685 | 15,857 | 110,064 | 56,869 | 6,403,720 |
| Changes during period | | | | | | |
| Dividends of surplus | | | | | | (548,073) |
| Profit attributable to owners of parent | | | | | | 1,905,576 |
| Purchase of treasury shares | | | | | | (145) |
| Cancellation of treasury shares | | | | | | — |
| Net changes in items other than shareholders' equity | 27,427 | 4,570 | 49,489 | 81,487 | 11,473 | 92,960 |
| Total changes during period | 27,427 | 4,570 | 49,489 | 81,487 | 11,473 | 1,450,318 |
| Balance at the end of the current period | 117,949 | 8,255 | 65,346 | 191,551 | 68,343 | 7,854,038 |

Fiscal year under review (From April 1, 2025 to March 31, 2026)

(Thousands of yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at the beginning of the current period | 438,750 | 1,019,556 | 6,365,152 | (229,315) | 7,594,142 |
| Changes during period | | | | | |
| Dividends of surplus | | | (793,475) | | (793,475) |
| Profit attributable to owners of parent | | | 1,861,413 | | 1,861,413 |
| Purchase of treasury shares | | | | (295,892) | (295,892) |
| Cancellation of treasury shares | | (199,565) | | 199,565 | — |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | — | (199,565) | 1,067,938 | (96,327) | 772,045 |
| Balance at the end of the current period | 438,750 | 819,991 | 7,433,090 | (325,643) | 8,366,188 |

| | Accumulated other comprehensive income | | | | Non-controlling interests | Total net assets |
|--|---|---|---|---|---------------------------|------------------|
| | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Other comprehensive income Cumulative total | | |
| Balance at the beginning of the current period | 117,949 | 8,255 | 65,346 | 191,551 | 68,343 | 7,854,038 |
| Changes during period | | | | | | |
| Dividends of surplus | | | | | | (793,475) |
| Profit attributable to owners of parent | | | | | | 1,861,413 |
| Purchase of treasury shares | | | | | | (295,892) |
| Cancellation of treasury shares | | | | | | — |
| Net changes in items other than shareholders' equity | 1,187 | 3,526 | (95,961) | (91,248) | 14,889 | (76,358) |
| Total changes during period | 1,187 | 3,526 | (95,961) | (91,248) | 14,889 | 695,686 |
| Balance at the end of the current period | 119,136 | 11,782 | (30,615) | 100,303 | 83,232 | 8,549,724 |

(4) Consolidated Statement of Cash Flows

(Thousands of yen)

| | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2026 |
|---|-------------------------------------|-------------------------------------|
| Cash flows from operating activities | | |
| Profit before income taxes | 2,852,214 | 2,723,103 |
| Depreciation | 405,908 | 420,088 |
| Impairment losses | 63,984 | 13,604 |
| Loss (gain) on sale of investment securities | (57,157) | (89,286) |
| Increase (decrease) in provision for bonuses | 162,133 | (8,823) |
| Increase (decrease) in provision for loss on orders received | (519) | (663) |
| Increase (decrease) in retirement benefit liability | 28,038 | (46,530) |
| Increase (decrease) in provision for retirement benefits for directors (and other officers) | (21,194) | 16,628 |
| Increase (decrease) in provision for share-based payments | 71,649 | 67,394 |
| Interest and dividend income | (11,689) | (20,131) |
| Subsidy income | (10,826) | (29,675) |
| Interest expenses | 23,751 | 23,991 |
| Decrease (increase) in trade receivables | (313,540) | (416,147) |
| Decrease (increase) in inventories | 97,851 | 32,355 |
| Increase (decrease) in trade payables | (40,803) | 40,230 |
| Increase (decrease) in accrued consumption taxes | 18,338 | (111,303) |
| Decrease (increase) in other current assets | (16,618) | (75,818) |
| Increase (decrease) in other current liabilities | (70,734) | 263,937 |
| Other | 35,571 | 50,359 |
| Subtotal | 3,216,357 | 2,853,315 |
| Interest and dividends received | 11,689 | 18,506 |
| Interest paid | (24,618) | (24,088) |
| Subsidies received | 10,826 | 17,675 |
| Income taxes paid | (944,037) | (1,079,446) |
| Net cash provided by (used in) operating activities | 2,270,216 | 1,785,961 |
| Cash flows from investing activities | | |
| Payments into time deposits | (135,000) | (122,000) |
| Proceeds from withdrawal of time deposits | 168,000 | 122,000 |
| Purchase of property, plant and equipment | (238,603) | (275,301) |
| Proceeds from sale of property, plant and equipment | 347,533 | 119,565 |
| Purchase of intangible assets | (65,388) | (99,327) |
| Proceeds from sale of investment securities | 68,552 | 115,115 |
| Proceeds from redemption of investment securities | 200,000 | — |
| Other | 15,926 | 1,501 |
| Net cash provided by (used in) investing activities | 361,019 | (138,446) |
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | (33,332) | — |
| Repayments of long-term borrowings | (75,734) | — |
| Repayments of lease liabilities | (299,723) | (306,831) |
| Dividends paid | (538,816) | (779,371) |
| Purchase of treasury shares | (145) | (295,892) |
| Net cash provided by (used in) financing activities | (947,750) | (1,382,096) |
| Effect of exchange rate change on cash and cash equivalents | 4,088 | 3,349 |
| Net increase (decrease) in cash and cash equivalents | 1,687,574 | 268,768 |
| Beginning balance of cash and cash equivalents | 5,767,650 | 7,455,225 |
| Ending balance of cash and cash equivalents | 7,455,225 | 7,723,993 |

(5) Notes to Consolidated Financial Statements

(Notes on Assumptions for Going Concerns)

Not applicable.

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

(Repurchase of Treasury Shares)

The Company repurchased 92,000 shares of common stock from February 9, 2026 to March 31, 2026, through market purchase at the Tokyo Stock Exchange pursuant to Article 459, Paragraph 1 of the Companies Act and Article 39 of the Articles of Incorporation of the Company, as resolved at the Board of Directors meeting held on February 6, 2026. As a result, the number of treasury shares in the fiscal year under review increased 295,892 thousand yen, including an increase due to repurchase of shares less than one unit.

(Cancellation of Treasury Shares)

The Company cancelled 500,000 treasury shares on February 13, 2026, pursuant to Article 178 of the Companies Act, as resolved at the Board of Directors meeting held on February 6, 2026. As a result, capital surplus decreased 199,565 thousand yen and treasury shares decreased 199,565 thousand yen.

Consequently, capital surplus was 819,991 thousand yen, retained earnings were 7,433,090 thousand yen, and treasury shares were 325,643 thousand yen as of the end of the fiscal year under review.

(Segment Information, etc.)

(Segment Information)

1 Overview of reportable segments

The Company's reportable segments are components of the Company for which separate financial information is available and are subject to periodic review by the Board of Directors for the purpose of determining the allocation of resources and evaluating performance.

The Company has established business departments by product and service. Each department formulates comprehensive strategies for the products and services it handles and develops business activities.

Accordingly, the Company is composed of product and service segments based on business departments, and has three reportable segments: "System Development Business," "Support and Service Business," and "Parking System Business."

The System Development Business provides system development and maintenance services, including consulting, system integration services, package solution services, and application system operation and maintenance. The Support and Services Business provides technical support services, help desk services, outsourcing services, and system management and operation. The Parking System Business sells and operates bicycle parking management systems, provides consulting services related to these systems, and sells related products.

2 Calculation method of net sales, profit or loss, assets, liabilities and other items by reportable segment

The accounting methods used for the reported business segments are the same as those used for the preparation of the consolidated financial statements.

Profit by reportable segment is based on operating profit. Intersegment revenues and transfers are based on prevailing market prices.

(Change in the Method of Calculating Profit or Loss of Reportable Segments)

Starting from the fiscal year under review, the method of calculating financial results by segment was partially changed to disclose segment results more appropriately. Corporate expenses (general and administrative expenses related to the parent company), which had been included in adjustments, are divided into corporate expenses and expenses for new business creation, the corporate expenses are allocated to each reportable segment, and the expenses for new business creation are included in "Other."

The Company determined that it was appropriate to make such change in the fiscal year under review in order to more appropriately present profitability of reportable segments, due in part to the announcement of the new Medium-Term Management Plan "Vision 2029."

Please note that the segment information for the previous fiscal year disclosed here was created in accordance with the measurement method after the change.

3 Amount of net sales, profit or loss, assets, liabilities and other items by reportable segment

Previous fiscal year (From April 1, 2024 to March 31, 2025)

(Thousands of yen)

| | Reportable segments | | | | Other (Note) 1 | Total | Adjustment (Note) 2 | Amount recorded in consolidated financial statements (Note) 3 |
|--|-----------------------------------|------------------------------------|-------------------------------|------------|-------------------|------------|------------------------|--|
| | System Development Business | Support and Service Business | Parking System Business | Total | | | | |
| Net sales | | | | | | | | |
| Revenue from contracts with customers | 12,699,516 | 9,409,949 | 7,956,612 | 30,066,078 | 22,107 | 30,088,185 | — | 30,088,185 |
| Other revenue | — | — | 18,497 | 18,497 | — | 18,497 | — | 18,497 |
| Sales to external customers | 12,699,516 | 9,409,949 | 7,975,110 | 30,084,576 | 22,107 | 30,106,683 | — | 30,106,683 |
| Intersegment sales and transfers | 7,624 | — | — | 7,624 | — | 7,624 | (7,624) | — |
| Total | 12,707,141 | 9,409,949 | 7,975,110 | 30,092,200 | 22,107 | 30,114,308 | (7,624) | 30,106,683 |
| Segment profit (loss) | 1,028,763 | 585,100 | 1,217,396 | 2,831,260 | (21,652) | 2,809,608 | — | 2,809,608 |
| Other Items | | | | | | | | |
| Depreciation | 40,148 | 121,042 | 244,662 | 405,853 | 54 | 405,908 | — | 405,908 |
| Amortization of goodwill | 15,540 | 26,268 | — | 41,808 | — | 41,808 | — | 41,808 |
| Impairment losses | 16,294 | 8,851 | 38,839 | 63,984 | — | 63,984 | — | 63,984 |

(Notes) 1 "Other" is a business segment not included in the reportable segments.

2 Segment profit (loss) in "Other" includes expenses for new business creation of 31,150 thousand yen.

Depreciation is allocated to each segment, but segment assets and liabilities are omitted because they are not used to determine the allocation of resources or to evaluate performance.

3 Segment profit (loss) is equal to operating profit in the consolidated statement of income.

Fiscal year under review (From April 1, 2025 to March 31, 2026)

(Thousands of yen)

| | Reportable segments | | | | Other (Note) 1 | Total | Adjustment (Note) 2 | Amount recorded in consolidated financial statements (Note) 3 |
|--|-----------------------------------|------------------------------------|-------------------------------|------------|-------------------|------------|------------------------|--|
| | System Development Business | Support and Service Business | Parking System Business | Total | | | | |
| Net sales | | | | | | | | |
| Revenue from contracts with customers | 12,729,259 | 9,961,364 | 8,109,695 | 30,800,319 | 48,322 | 30,848,641 | — | 30,848,641 |
| Other revenue | — | — | 18,752 | 18,752 | — | 18,752 | — | 18,752 |
| Sales to external customers | 12,729,259 | 9,961,364 | 8,128,447 | 30,819,071 | 48,322 | 30,867,394 | — | 30,867,394 |
| Intersegment sales and transfers | 16,355 | 5,537 | — | 21,893 | — | 21,893 | (21,893) | — |
| Total | 12,745,615 | 9,966,902 | 8,128,447 | 30,840,965 | 48,322 | 30,889,287 | (21,893) | 30,867,394 |
| Segment profit (loss) | 942,707 | 631,194 | 1,142,537 | 2,716,439 | (77,508) | 2,638,931 | — | 2,638,931 |
| Other Items | | | | | | | | |
| Depreciation | 33,717 | 119,474 | 266,786 | 419,978 | 110 | 420,088 | — | 420,088 |
| Amortization of goodwill | 15,540 | 26,268 | — | 41,808 | — | 41,808 | — | 41,808 |
| Impairment losses | — | — | 13,604 | 13,604 | — | 13,604 | — | 13,604 |

(Notes) 1 "Other" is a business segment not included in the reportable segments.

2 Adjustments to segment profit (loss) in "Other" include expenses for new business creation of 91,811 thousand yen.

Depreciation is allocated to each segment, but segment assets and liabilities are omitted because they are not used to determine the allocation of resources or to evaluate performance.

3 Segment profit (loss) is equal to operating profit in the consolidated statement of income.

(Information per Share)

| | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2026 |
|--------------------------|----------------------------------|----------------------------------|
| Net assets per share | 951.77 yen | 1,046.78 yen |
| Basic earnings per share | 232.95 yen | 227.73 yen |

(Notes) 1 Diluted earnings per share is not stated because there are no latent shares.

2 Basis for calculation of basic earnings per share is as follows.

| | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2026 |
|--|----------------------------------|----------------------------------|
| Basic earnings per share | | |
| Profit attributable to owners of parent (thousand yen) | 1,905,576 | 1,861,413 |
| Amount not attributable to common shareholders (thousand yen) | — | — |
| Profit attributable to owners of parent related to common stock (thousand yen) | 1,905,576 | 1,861,413 |
| Average number of shares of common stock during the period (thousand shares) | 8,180 | 8,173 |

3 Basis for calculation of net assets per share is as follows

| | As of March 31, 2025 | As of March 31, 2026 |
|---|----------------------|----------------------|
| Total net assets (thousand yen) | 7,854,038 | 8,549,724 |
| Amount deducted from total net assets (thousand yen) | 68,343 | 83,232 |
| (Of which: Non-controlling interests (thousand yen)) | (68,343) | (83,232) |
| Net assets related to common stock at the end of the period (thousand yen) | 7,785,694 | 8,466,491 |
| Number of shares of common stock used in the calculation of net assets per share at the end of the period (thousand shares) | 8,180 | 8,088 |

(Significant Subsequent Events)

(Repurchase of Treasury Shares)

The Company has completed the repurchase of its treasury shares pursuant to Article 459, Paragraph 1 of the Companies Act and Article 39 of the Articles of Incorporation of the Company that was resolved at the Board of Directors meeting held on February 6, 2026.

For details, please refer to "Notice Concerning Status and Completion of Repurchase of Own Shares" released on May 1, 2026.

(Cancellation of Treasury Shares)

The Company has resolved at the Board of Directors meeting held on May 15, 2026 to cancel its treasury shares pursuant to the provisions of Article 178 of the Companies Act.

For details, please refer to "Notice Concerning Cancellation of Treasury Shares " released today.

(Introduction of Stock-Delivering ESOP for the Company's Employees and Disposal of Treasury Shares)

The Company has resolved at the Board of Directors meeting held on May 15, 2026 to introduce an incentive plan for employees and to dispose of treasury shares as the incentive plan for employees.

For details, please refer to "Notice Concerning Introduction of Employee Incentive Plan" and "Notice Concerning Disposal of Treasury Shares for Employee Incentive Plan" released today.