



Translation

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Consolidated Financial Results for the Six Months Ended August 31, 2026 (Under Japanese GAAP)

October 15, 2026

Company name TerraSky Co., Ltd. Stock exchange listings: Tokyo Prime
Securities code 3915 URL <http://www.terrasky.co.jp>
Representative Representative Director Executive Hideya Sato
President and CEO
Inquiries Director Executive Managing Officer Koichiro Tsukada (Tel)03-5255-3410
and CFO
Semi-annual statement filing Dividend payable date
date (as planned) October 15, 2026 —
(as planned)
Supplemental material of results : Yes
Convening briefing of results : Yes

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

1. Consolidated financial results for the six months ended August 31, 2026 (from March 1, 2026 to August 31, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended August 31, 2026	16,365	22.9	1,361	117.3	1,433	104.1	880	116.3
August 31, 2025	13,317	11.6	626	2.7	702	3.7	407	10.6

Note: Comprehensive income For the six months ended August 31, 2026 1,343 Millions of yen (216.8%) For the six months ended August 31, 2025 424 Millions of yen (—%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended August 31, 2026	68.22	—
August 31, 2025	31.54	—

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of August 31, 2026	23,953	16,301	57.4
February 28, 2026	22,212	14,967	56.5

Reference:Owner's equity As of August 31, 2026 13,756Millions of yen As of February 28, 2026 12,558Millions of yen

2. Cash dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2026	—	0.00	—	16.00	16.00
Fiscal year ending February 28, 2027	—	0.00			
Fiscal year ending February 28, 2027 (Forecast)			—	17.00	17.00

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

3. Consolidated financial forecast for the fiscal year ending February 28, 2027 (from March 1, 2026 to February 28, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Fiscal year ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
February 28, 2027	34,349	22.4	2,541	62.9	2,628	52.2	1,526	(2.9)	118.21

Note:Revisions to the earnings forecasts most recently announced : None

* Notes

(1) Significant changes in the scope of consolidation during the period : None

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements : Yes

(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)

① Number of issued and outstanding shares at the period end (including treasury stock)

② Number of treasury stock at the period end

③ Average number of shares

As of August 31, 2026	12,918,380 shares	As of February 28, 2026	12,918,380 shares
As of August 31, 2026	9,503 shares	As of February 28, 2026	9,503 shares
Six months ended August 31, 2026	12,908,877 shares	Six months ended August 31, 2025	12,909,377 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of February 28, 2026	As of August 31, 2026
Assets		
Current assets		
Cash and deposits	8,265,447	8,940,216
Accounts receivable - trade, and contract assets	5,055,820	5,350,339
Prepaid expenses	2,220,957	2,260,138
Other	21,858	163,229
Allowance for doubtful accounts	(9,844)	(51,310)
Total current assets	15,554,238	16,662,614
Non-current assets		
Property, plant and equipment	432,472	384,610
Intangible assets		
Software	1,368,873	1,338,938
Goodwill	313,444	279,250
Other	29,523	98,116
Total intangible assets	1,711,840	1,716,305
Investments and other assets		
Investment securities	3,614,961	4,315,740
Deferred tax assets	60,856	60,517
Leasehold and guarantee deposits	825,606	802,997
Other	12,468	10,804
Total investments and other assets	4,513,893	5,190,059
Total non-current assets	6,658,206	7,290,974
Total assets	22,212,445	23,953,588
Liabilities		
Current liabilities		
Accounts payable - trade	1,894,660	1,949,556
Short-term borrowings	200,000	200,000
Income taxes payable	418,715	540,508
Contract liabilities	2,481,600	2,752,205
Provision for loss on orders received	8,392	5,688
Other	1,422,747	1,221,675
Total current liabilities	6,426,116	6,669,633
Non-current liabilities		
Deferred tax liabilities	800,858	965,370
Other	18,466	17,581
Total non-current liabilities	819,324	982,951
Total liabilities	7,245,441	7,652,584
Net assets		
Shareholders' equity		
Share capital	1,256,892	1,256,892
Capital surplus	1,958,377	2,104,763
Retained earnings	7,372,491	8,046,542
Treasury shares	(851)	(1,010)
Total shareholders' equity	10,586,910	11,407,188
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,996,087	2,368,396
Foreign currency translation adjustment	(24,527)	(19,028)
Total accumulated other comprehensive income	1,971,560	2,349,368
Share acquisition rights	9,650	10,669
Non-controlling interests	2,398,882	2,533,777
Total net assets	14,967,003	16,301,003
Total liabilities and net assets	22,212,445	23,953,588

Consolidated statements of income

(Thousands of yen)

	Six months ended August 31, 2025	Six months ended August 31, 2026
Net sales	13,317,408	16,365,753
Cost of sales	9,834,296	11,832,434
Gross profit	3,483,112	4,533,318
Selling, general and administrative expenses	2,856,751	3,171,974
Operating profit	626,360	1,361,344
Non-operating income		
Interest income	5,839	11,543
Commission income	13,016	11,353
Dividend income	11,834	41,723
Subsidy income	12,519	3,445
Subsidy income	—	19,307
Foreign exchange gains	8,967	—
Share of profit of entities accounted for using equity method	24,541	—
Other	5,747	5,746
Total non-operating income	82,466	93,118
Non-operating expenses		
Interest expenses	863	1,274
Loss on investments in investment partnerships	3,186	4,112
Foreign exchange losses	—	15,243
Loss on retirement of non-current assets	2,744	—
Loss on sale of non-current assets	—	732
Total non-operating expenses	6,793	21,361
Ordinary profit	702,032	1,433,100
Extraordinary income		
Gain on sale of investment securities	64,156	—
Total extraordinary income	64,156	—
Profit before income taxes	766,188	1,433,100
Income taxes	306,168	467,284
Profit	460,020	965,816
Profit attributable to non-controlling interests	52,884	85,224
Profit attributable to owners of parent	407,136	880,592

Consolidated statements of comprehensive income

(Thousands of yen)

	Six months ended August 31, 2025	Six months ended August 31, 2026
Profit	460,020	965,816
Other comprehensive income		
Valuation difference on available-for-sale securities	(43,043)	372,308
Foreign currency translation adjustment	7,112	5,499
Total other comprehensive income	(35,930)	377,807
Comprehensive income	424,089	1,343,624
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	375,122	1,276,561
Comprehensive income attributable to non-controlling interests	48,967	67,063

Consolidated statements of cash flows

(Thousands of yen)

	Six months ended August 31, 2025	Six months ended August 31, 2026
Cash flows from operating activities		
Profit before income taxes	766,188	1,433,100
Depreciation	317,586	449,146
Amortization of goodwill	7,790	34,193
Share-based payment expenses	4,429	1,018
Interest income	(5,839)	(11,543)
Dividend income	(11,834)	(41,723)
Interest expenses	863	1,274
Subsidy income	—	(19,307)
Share of loss (profit) of entities accounted for using equity method	(24,541)	—
Loss (gain) on sale of investment securities	(64,156)	—
Decrease (increase) in accounts receivable - trade, and contract assets	38,610	(294,519)
Increase (decrease) in allowance for doubtful accounts	—	41,466
Decrease (increase) in prepaid expenses	(155,303)	(39,280)
Increase (decrease) in trade payables	(126,530)	62,698
Increase (decrease) in contract liabilities	295,999	270,777
Increase (decrease) in deposits received	146,707	(21,656)
Increase (decrease) in accounts payable - other, and accrued expenses	97,009	(157,365)
Increase (decrease) in accrued consumption taxes	(173,257)	(85,429)
Increase (decrease) in long-term accounts payable - other	(968)	(968)
Other, net	(9,750)	(57,769)
Subtotal	1,103,002	1,564,113
Interest and dividends received	17,672	53,265
Interest paid	(863)	(1,274)
Income taxes paid	(422,152)	(345,861)
Subsidies received	—	50,431
Subsidy income	12,519	3,445
Net cash provided by (used in) operating activities	710,179	1,324,119
Cash flows from investing activities		
Purchase of property, plant and equipment	(85,787)	(38,166)
Purchase of intangible assets	(370,201)	(427,750)
Purchase of investment securities	(22,571)	(182,317)
Proceeds from sale of investment securities	162,032	—
Purchase of golf club membership	—	(5,967)
Payments of leasehold and guarantee deposits	(314,167)	(1,966)
Proceeds from refund of leasehold and guarantee deposits	816	174
Other, net	206	523
Net cash provided by (used in) investing activities	(629,672)	(655,469)

Consolidated statements of cash flows (Continued)

(Thousands of yen)

	Six months ended August 31, 2025	Six months ended August 31, 2026
Cash flows from financing activities		
Repayments of long-term borrowings	(5,958)	—
Proceeds from issuance of share acquisition rights	5,414	—
Proceeds from share issuance to non-controlling shareholders	—	254,002
Purchase of treasury shares of subsidiaries	—	(158)
Dividends paid	—	(205,538)
Dividends paid to non-controlling interests	—	(26,724)
Distributions to non-controlling interests in consolidated investment funds	(13,685)	(20,932)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(126,332)	—
Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation	226,172	6,634
Net cash provided by (used in) financing activities	85,611	7,282
Effect of exchange rate change on cash and cash equivalents	(2,376)	(1,162)
Net increase (decrease) in cash and cash equivalents	163,741	674,769
Cash and cash equivalents at beginning of period	6,512,437	8,265,447
Cash and cash equivalents at end of period	6,676,178	8,940,216