[Notes of caution]

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Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (under IFRS)

May 14, 2026

Company name CHANGE Holdings, Inc — Stock exchange listings: Tokyo Prime
Securities code 3962 URL https://www.changeholdings.co.jp/
Representative (Title) Representative Director and President (Name)Hiroshi Fukudome
Inquiries (Title) Director, Executive Officer and CFO (Name)Yutaka Yamada Tel 03-6435-7347
Date of general shareholders' meeting (as planned) June 25, 2026 — Dividend payable date (as planned) June 10, 2026
Annual securities report filing date (as planned) June 24, 2026
Supplemental material of annual results : Yes
Convening briefing of annual results : Yes (For institutional investors, personal 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.)

	Sales		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	52,827	13.9	11,225	(16.4)	11,020	(12.9)	7,180	(9.7)	6,937	(7.1)	7,435	(6.4)
March 31, 2025	46,387	25.3	13,420	81.8	12,650	74.5	7,949	81.7	7,470	75.3	7,947	85.8

	Basic earnings per share	Diluted earnings per share	Profit to equity attributable to owners of parent ratio	Profit before tax to total assets ratio	Operating profit to sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	99.71	99.69	15.8	10.5	21.2
March 31, 2025	106.61	106.39	18.5	12.7	28.9

(Reference)Investment accounted for using equity method: For the fiscal year ended March 31, 2026: 192 millions of yen; For the fiscal year ended March 31, 2025: 191 millions of yen

(Note) In the second quarter of the fiscal year ended March 31, 2026, the provisional accounting treatment for business combinations was finalized, and the figures for the fiscal year ended March 31, 2025 reflect the finalized provisional accounting treatment.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Equity attributable to owners of parent to total assets ratio	Equity attributable to owners of parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2026	105,605	54,781	46,755	44.3	671.98
March 31, 2025	104,861	49,611	41,191	39.3	592.02

(Note) In the second quarter of the fiscal year ended March 31, 2026, the provisional accounting treatment for business combinations was finalized, and the figures for the fiscal year ended March 31, 2025 reflect the finalized provisional accounting treatment.

(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	7,253	(2,844)	(8,415)	26,181
March 31, 2025	7,836	(14,081)	1,324	30,185

2. Cash dividends

	Dividend per share					Total dividend paid	Payout ratio (consolidated)	Ratio of total amount of dividends to equity attributable to owner of parent (consolidated)
	First quarter	Second quarter	Third quarter	Year end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	0.00	-	20.90	20.90	1,454	19.4	3.7

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	Dividend per share					Total dividend paid	Payout ratio (consolidated)	Ratio of total amount of dividends to equity attributable to owner of parent (consolidated)
	First quarter	Second quarter	Third quarter	Year end	Annual			
Fiscal year ended March 31, 2026	-	0.00	-	23.00	23.00	1,600	23.1	3.6
Fiscal year ending March 31, 2027 (Forecast)	-	0.00	-	26.00	26.00		24.0	

(Note) The dividend payout ratio for fiscal year ending 2027 is based on the upper limit as the earnings forecast for the same year is presented in a range. The dividend payout ratio based on the lower limit is 26.2%.

3. Consolidated financial forecast for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Sales		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	57,823 – 59,000	9.5 – 11.7	11,500 – 12,500	2.4 – 11.4	10,773 – 11,773	(2.2) – 6.8	7,019 – 7,671	(2.2) – 6.8	6,690 – 7,311	(3.6) – 5.4	99.33 – 108.55

* Notes

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

Newly included: 5 companies (Company name) Grivity, Inc., Thirdly, Inc., G-Gravity Co., Ltd., PERF, Inc., Onwords, Inc.

Excluded: 1 company (Company name) Orb, Inc.

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS : None

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

(iii) Changes in accounting estimates : None

(3) Number of issued shares (ordinary shares)

① Number of issued and outstanding shares at the end of fiscal year (including treasury share)	As of March 31, 2026	73,852,362 shares	As of March 31, 2025	73,852,362 shares
② Number of treasury share at the end of fiscal year	As of March 31, 2026	4,273,415 shares	As of March 31, 2025	4,273,415 shares
③ Average number of shares	Fiscal year ended March 31, 2026	69,578,947 shares	Fiscal year ended March 31, 2025	70,074,522 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.)

	Operating revenues		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	11,494	28.9	7,204	5.3	5,737	20.0	5,592	80.6
March 31, 2025	8,916	(30.0)	6,839	(39.4)	4,782	(56.9)	3,096	-

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	80.37	80.36
March 31, 2025	44.18	44.09

(Note) Non-consolidated operating results are calculated based on J-GAAP.

(2) Non-consolidated financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	72,352	40,523	56.0	582.37
March 31, 2025	71,148	36,215	50.9	520.45

(Reference) Owner's equity As of March 31, 2026 40,520Millions of yen As of March 31, 2025 36.212Millions of yen

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* The Tanshin (summary of financial results) has not been subject to an audit by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The earnings forecast and other forward-looking statements contained in this report are prepared based on information currently available to the Company and on certain assumptions deemed to be reasonable, but they are not promised by the Company regarding future performance. Actual results may differ significantly from these forecasts due to several factors. For future forecasts and assumptions, please refer to "1. Overview of operating results (1) Overview of operating results for the current fiscal year, (ii) Outlook for the next fiscal year" on page 6 hereof.

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1. Overview of operating results

(1) Overview of operating results for the current fiscal year

The provisional accounting treatment for the business combination with fundbook, inc. in December 2024 was applied during the previous consolidated fiscal year. However, this provisional treatment was finalized in the current consolidated fiscal year, so the finally revised amount due to the finalization of the provisional accounting treatment was used hereunder for comparison and analysis with the previous consolidated fiscal year.

(i) Business Results for the current fiscal year

In the future, Japan is projected to become an unprecedented super-aged society, with approximately 1 out of 2.4 citizens being 65 years of age or older by 2070. While population concentration in Tokyo continues, local governments are facing challenges of severe fiscal conditions and population decline, and, despite decreasing their employee numbers, their workload is on the rise. Therefore, it is essential for them to improve operational efficiency through digital transformation (hereinafter referred to as "DX") to support public services. Furthermore, with the inauguration of the new Takaichi Administration, new policy directions have been indicated, including the "crisis management investment" that strategically invests in risks and social issues across various fields such as defense, cybersecurity, and food security, as well as the "regional future strategy" to unlock the potential of local areas, and investments and initiatives for the next phase of growth are gaining momentum in Japan.

Under these circumstances, the Group has been developing businesses such as digitization of business models and business processes and support for the development of digital human resources in order to dramatically improve productivity in Japan through the equation of "People multiplied by Technology" and to make Japan a sustainable society under the vision of "Change Productivity" and the mission of "Change People, Change Business, Change Japan" even though it is facing with a decreasing population. Since the inception, we have been providing solutions to the digitization needs of many customers.

Specifically, our business consists of two pillars: the NEW-IT Transformation Business, which handles digital human resource development support, business process innovation and digitalization, M&A brokerage, and cybersecurity; and the Publitech Business, which is committed to promoting regional revitalization through our hometown tax donation platform and digitalization services for local governments.

Under our Mid-term Business Plan named "Digitize & Digitalize Japan (Phase 3)," we utilize various digital technologies to promote the revitalization and collaboration of various players including local governments, regional financial institutions, regional companies, media, and universities and educational institutions, aiming to establish our own model for regional revitalization while working to enhance corporate value through solving various regional issues. Additionally, we have transitioned to a company with the Audit and Supervisory Committee to further strengthen corporate governance and are working to reinforce our management foundation.

Operating results for the current consolidated fiscal year are as follows:

Regarding the NEW-IT Transformation Business, we are deepening collaboration among Group companies to enhance synergies within the Group, while continuing growth investments centered on M&A and capital and business alliances. In the private-sector DX and M&A brokerage area, the BPO business is advancing productivity improvement through AI utilization, M&A brokerage is strengthening deal origination through alliances with major financial institutions, and the DX tools area including robotics and beacons is progressing steadily with customer acquisition. In the cybersecurity area, initiatives to strengthen sales channels and service lines, primarily through partnerships, are progressing steadily. Interest in cybersecurity has heightened further due to a series of incidents at major domestic companies, and we are promoting our business to capture this demand. In the previous consolidated fiscal year, we recorded a one-time gain on revaluation of shares of 1,569 million yen due to the conversion of Digital Growth Academia, INC. into our equity method affiliate.

Regarding the Publitech Business, we are promoting regional revitalization through initiatives for local government DX and regional economic circulation. In the regional revitalization area, despite the ban for points rewards for hometown tax donation from October 2025, donation amounts for hometown tax donation remained as steady as the previous consolidated fiscal year. In inbound tourism area, Onwords, Inc. became our consolidated subsidiary, and in carbon credits area, we have concluded contracts with forestry cooperatives in Tohoku and Northern Kanto regions and acquired a cumulative 350,000 tons of J-Credits, and business is progressing smoothly. Furthermore, in April 2026, Field X Co., Ltd., which operates the professional volleyball team named "Fragolad Kagoshima," became our consolidated subsidiary, and we launched the regional IP co-creation business that positions sports as a hub for regional economic revitalization. In the public-sector DX area, LoGo Chat and LoGo Form, our SaaS business for local governments, continued to receive high ratings from users and increased contract numbers, with LoGo Chat surpassing 1,550 local governments using both paid and free versions, and LoGo Form likewise surpassing 800 local governments. Additionally, in services for government agencies, a new focus area, initiatives for future expansion are spreading, including providing broad DX support for the Japan Ground Self-Defense Force.

As a result, revenue for the current consolidated fiscal year was 52,827 million yen (up 13.9% from the previous fiscal year), operating profit was 11,225 million yen (down 16.4%), profit before tax was 11,020 million yen (down 12.9%), and profit attributable to owners of the parent was 6,937 million yen (down 7.1%).

Segment results are as follows:

(a)NEW-IT Transformation Business

Regarding the NEW-IT Transformation Business, we are deepening collaboration among Group companies to enhance synergies within the Group, while continuing growth investments centered on M&A and capital and business alliances. In the private-sector DX and M&A brokerage area, the BPO business is advancing productivity improvement through AI utilization, M&A brokerage is strengthening deal origination through alliances with major financial institutions, and the DX tools area including robotics and beacons is progressing steadily with customer acquisition. In the cybersecurity area, initiatives to strengthen sales channels and service lines, primarily through partnerships, are progressing steadily. Interest in cybersecurity has heightened further due to a series of incidents at major domestic companies, and we are promoting our business to capture this demand. In the previous consolidated fiscal year, we recorded a one-time gain on revaluation of shares of 1,569 million yen due to the conversion of Digital Growth Academia, INC. into our equity method affiliate.

Consequently, revenue in the NEW-IT Transformation Business for the current consolidated fiscal year was 23,841 million yen (up

14.6% from the previous consolidated fiscal year), and segment profit was 3,257 million yen (down 45.6%).

(b) Publitech Business

Regarding the Publitech Business, we are promoting regional revitalization through initiatives for local government DX and regional economic circulation. In the regional revitalization area, despite the ban for points rewards for hometown tax donation from October 2025, donation amounts for hometown tax donation remained as steady as the previous consolidated fiscal year. In inbound tourism area, Onwords, Inc. became our consolidated subsidiary, and in carbon credits area, we have concluded contracts with forestry cooperatives in Tohoku and Northern Kanto Regions and acquired a cumulative 350,000 tons of J-Credits, and business is progressing smoothly. Furthermore, in April 2026, Field X Co., Ltd., which operates the professional volleyball team named "Fragolad Kagoshima," became our consolidated subsidiary, and we launched the regional IP co-creation business that positions sports as a hub for regional economic revitalization. In the public-sector DX area, LoGo Chat and LoGo Form, our SaaS business for local governments, continued to receive high ratings from users and increased contract numbers, with LoGo Chat surpassing 1,550 local governments using both paid and free versions, and LoGo Form likewise surpassing 800 local governments. Additionally, in services for government agencies, a new focus area, initiatives for future expansion are spreading, including providing broad DX support for the Japan Ground Self-Defense Force.

As a result, revenue in the Publitech Business for the current consolidated accounting year was 29,591 million yen (up 13.1% from the previous consolidated fiscal year) and segment profit was 14,156 million yen (up 8.5%).

(ii) Outlook for the next fiscal year

Under the Mid-term Business Plan "Digitize & Digitalize Japan (Phase 3)," we utilize various digital technologies to promote the revitalization and collaboration of various players, including local governments, regional financial institutions, regional companies, media, and universities and educational institutions, aiming to establish our own unique model for regional revitalization while working to enhance corporate value through solving various regional issues. Additionally, we have transitioned to a company with an Audit and Supervisory Committee to further strengthen corporate governance and are working to reinforce our management foundation.

Regarding the shareholder-return policy, we treat goodwill and intangible assets as risk assets based on our financial discipline, and have a policy of keeping these assets within the scope of shareholders' equity. We intend to secure sufficient investment capacity for future M&A while expanding shareholders' equity with cash flow from operating activities. We will pay dividends considering the balance between investment and return to shareholders by determining the dividend amount based on such shareholder equity as the standard.

In the private-sector DX and M&A brokerage area of the NEW-IT Transformation Business, for BPO business we will expand into new BPO areas and launch new services while improving productivity through AI utilization; for M&A brokerage we will improve the volume and efficiency of lead acquisition through strengthening alliances and enhance closing rates through a follow-up system with experienced consultants; for training and consulting business we will focus on strengthening AI training seminars and DX proposals utilizing AI in on-site operations; for DX tool business we will focus on expanding sales to manufacturing sites and the retail industry. In the cybersecurity area, we will expand our customer base through strengthening alliance partners, provide governance-development consulting services and develop and deploy security products to address new risks in the AI era, and strengthen sales of cybersecurity services for the manufacturing industry.

In the regional revitalization area of the Publitech Business, in addition to the hometown tax donation platform business for individual donators which benefits from the tailwind caused by the ban for points-rewards, we will strengthen the government crowdfunding® and the hometown tax donation platform business for corporate donators s to pursue sales growth by increasing market share, and expand the range of services in tourism, including inbound promotion and sports IP co-creation business. In the public-sector DX area, for the LoGo series we will pursue continued growth in paid accounts and contracted organizations and expansion into quasi-public sectors; for the education ICT business we will achieve steady growth driven by public ICT demand including government cloud; and for public BPR and consulting business we will strengthen acquisition of central government ministry projects and advance the establishment of sales bases by utilizing local government operation data infrastructure.

In light of the failure to achieve the earnings forecast for the fiscal year ended March 2026 and changes in the business environment, we have decided to partially revise the Mid-term Business Plan "Digitize & Digitalize Japan (Phase 3)", and postpone the fiscal year to achieve operating income target of 18,000 million yen which was originally set for the fiscal year ending March 2028 to that ending March 2030.

As a result, for the fiscal year ending March 2027, we forecast revenue of 57,823 – 59,000 million yen (up 9.5 – 11.7% from the previous year), operating profit of 11,500 – 12,500 million yen (up 2.4 – 11.4% from the previous year), profit before tax of 10,773 – 11,773 million yen (down 2.2 to up 6.8% from the previous year), and profit attributable to owners of the parent of 6,690 – 7,311 million yen (down 3.6 – up 5.4% from the previous year).

(2) Financial Position

(i) Assets, Liabilities, and Shareholder Equity

(Assets)

Current assets at the end of the current consolidated fiscal year were 49,339 million yen, a decrease of 483 million yen from the end of the previous consolidated fiscal year. This was mainly due to a decrease of 4,004 million yen in cash and cash equivalents and an increase of trade and other receivables of 3,602 million yen. Non-current assets were 56,265 million yen, an increase of 1,227 million yen from the end of the previous consolidated fiscal year. This was mainly due to an increase of 960 million yen in goodwill.

As a result of the above, total assets increased by 744 million yen from the end of the previous consolidated fiscal year to 105,605 million yen.

(Liabilities)

Current liabilities at the end of the current consolidated fiscal year were 24,728 million yen, an increase of 1,317 million yen from the end of the previous consolidated fiscal year. This was mainly due to an increase of 413 million yen in other current liabilities resulting from the transfer of non-operating payables from non-current liabilities, etc. Non-current liabilities decreased by 5,743 million yen from the end of the previous consolidated fiscal year to 26,095 million yen. This was mainly due to a decrease of 5,101

million yen in bonds and borrowings.
As a result of the above, total liabilities decreased by 4,426 million yen from the end of the previous consolidated fiscal year to 50,824 million yen.

(Equity)
Equity at the end of the current consolidated fiscal year was 54,781 million yen, an increase of 5,170 million yen from the end of the previous consolidated fiscal year. This is mainly due to the recording of the profit attributable to the owner of the parent company of 6,937 million yen and the payment of dividends of 1,454 million yen.

(ii) Cash Flows
The balance of cash and cash equivalents at the end of the current consolidated fiscal year was 26,181 million yen (a decrease of 4,004 million yen from the end of the previous fiscal year).
The status of each cash flow and main factors are as follows.
(Cash flows from operating activities)
The increase in cash from operating activities during the current consolidated fiscal year was 7,253 million yen (an increase of 7,836 million yen for the previous fiscal year). This was mainly due to profit before tax of 11,020 million yen.
(Cash flows from investing activities)
The decrease in cash from investing activities during the current consolidated fiscal year was 2,844 million yen (a decrease of 14,081 million yen for the previous fiscal year). This was mainly due to the purchase of subsidiaries resulting in a change in scope of consolidation of 990 million yen.
(Cash flows from financing activities)
The decrease in cash from financing activities during the current consolidated fiscal year was 8,415 million yen (an increase of 1,324 million yen for the previous consolidated fiscal year). This was mainly due to repayment of long-term debt of 6,517 million, and payment of cash dividends of 1,454 million.

(3) Basic profit distribution policy and dividends for the current and next fiscal years
We treat goodwill and intangible assets as risky assets based on our financial discipline, and have a policy of keeping them within the scope of shareholders' equity. We intend to secure investment capacity for future M&A while expanding shareholders' equity with cash flow from operating activities. We will realize dividends considering the balance between investment and return by determining the dividend amount based on such shareholders' equity. Specifically, we have established a new dividend policy of DOE3.6% and a lower limit on the dividend payout ratio of 15%.
Based on this basic policy, at the beginning of the current fiscal year, we will pay an ordinary dividend of 23.0 yen (DOE3.6%).
We further plan to pay a year-end dividend of 26.0 yen (DOE3.6% according to the dividend policy) per share for the next fiscal year (for the year ending March 31, 2027) on the assumption that we can secure the profit forecast for the next fiscal year.
The record date for the payment of dividends from retained earnings is at the end of the fiscal year, and the decision-making is made by the Board of Directors.
In accordance with Article 454, Paragraph 5 of the Companies Act, the Company's Articles of Incorporation provide that interim dividends may be paid on September 30 of each year by resolution of the Board of Directors.

[Notes of caution]

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2.Basic Approach to Selection of Accounting Standards

The Group adopted the International Financial Reporting Standards (IFRS) since the consolidated financial statements in the Securities Reports for the fiscal year ended September 2020, with the aim of enhancing the international comparability of financial information in the capital markets and improving communications with stakeholders.

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3. Consolidated Financial Statements and Major Notes
(1) Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2025	As of December 31, 2026
Assets		
Current assets		
Cash and cash equivalents	30,185	26,181
Trade and other receivables	17,760	21,363
Inventories	437	521
Other financial assets	472	8
Other current assets	966	1,265
Total current assets	49,823	49,339
Non-current assets		
Property, plant and equipment	1,152	1,371
Right-of-use assets	1,647	1,295
Goodwill	28,307	29,267
Intangible assets	9,472	8,799
Investments accounted for using equity method	4,926	5,118
Other financial assets	7,460	8,355
Deferred tax assets	1,987	2,018
Other non-current assets	84	39
Total non-current assets	55,038	56,265
Total assets	104,861	105,605

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(Millions of yen)

	As of March 31, 2025	As of December 31, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	12,140	12,493
Borrowings	5,838	5,989
Lease liabilities	882	832
Other financial liabilities	282	287
Income taxes payable	2,028	2,328
Provisions	-	142
Other current liabilities	2,239	2,653
Total current liabilities	23,411	24,728
Non-current liabilities		
Bonds and borrowings	26,883	21,782
Lease liabilities	865	516
Provisions	415	484
Deferred tax liabilities	3,100	3,287
Other non-current liabilities	574	25
Total non-current liabilities	31,838	26,095
Total liabilities	55,250	50,824
Equity		
Share capital	1,042	1,042
Capital surplus	22,081	21,906
Retained earnings	24,054	29,538
Treasury shares	(5,882)	(5,882)
Other components of equity	(104)	151
Total equity attributable to owners of parent	41,191	46,755
Non-controlling interests	8,419	8,025
Total equity	49,611	54,781
Total liabilities and equity	104,861	105,605

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

[Condensed Consolidated Statements of Income]

(Millions of yen)

	Fiscal Year ended December 31, 2025	Fiscal Year ended December 31, 2026
Revenue	46,387	52,827
Cost of sales	20,499	23,994
Gross profit	25,888	28,832
Selling, general and administrative expenses	13,360	17,766
Impairment Losses	798	55
Provision for doubtful accounts	172	17
Gain on loss of control of subsidiary	1,569	-
Other income	204	149
Other expenses	102	109
Share of profit of investments accounted for using equity method	191	192
Operating profit	13,420	11,225
Finance income	20	356
Finance costs	789	561
Profit before tax	12,650	11,020
Income tax expense	4,701	3,840
Profit	7,949	7,180
Profit attributable to		
Owners of parent	7,470	6,937
Non-controlling interests	478	242
Profit	7,949	7,180
Earnings per share		
Basic earnings per share (yen)	106.61	99.71
Diluted earnings per share (yen)	106.39	99.69

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[Consolidated Statements of Comprehensive Income]

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	7,949	7,180
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(0)	252
Share of other comprehensive income of investments accounted for using equity method	0	-
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(1)	2
Other comprehensive income, net of tax	(2)	255
Comprehensive income	7,947	7,435
Comprehensive income attributable to		
Owners of parent	7,469	7,191
Non-controlling interests	477	243
Comprehensive income	7,947	7,435

[Notes of caution]

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(3) Consolidated Statements of Changes in Equity

The previous consolidated fiscal year (From April 1, 2024, to March 31, 2025)

(Millions of yen)

	Equity attributable to owners of parent				
					Other components of equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Financial assets measured at fair value through other comprehensive income
Balance at beginning of period	1,006	22,048	17,937	(1,405)	(106)
Profit			7,470		
Other comprehensive income					(0)
Total	-	-	7,470	-	(0)
Issuance of new shares	35	34			
Issuance of share acquisition rights		2			
Dividends			(1,353)		
Purchase of treasury shares		(6)		(4,476)	
Loss of control of subsidiaries					
Changes in ownership interest in subsidiaries		1			
Change in equities for companies accounted for by the equity method					0
Share-based payment transactions of consolidated subsidiaries					
Total transactions with owners	35	33	(1,353)	(4,476)	0
Balance at end of period	1,042	22,081	24,054	(5,882)	(106)

	Equity attributable to owners of parent			Non-controlling interests	Total
	Other components of equity		Total		
	Exchange differences on translation of foreign operations	Total			
Balance at beginning of period	3	(102)	39,483	10,439	49,923
Profit		-	7,470	478	7,949
Other comprehensive income	(1)	(1)	(1)	(0)	(2)
Total	(1)	(1)	7,469	477	7,947
Issuance of new shares		-	70		70
Issuance of share acquisition rights		-	2		2
Dividends		-	(1,353)	(182)	(1,535)
Purchase of treasury shares		-	(4,482)		(4,482)
Loss of control of subsidiaries		-	-	(2,398)	(2,398)
Changes in ownership interest in subsidiaries	(0)	(0)	1	64	65
Change in equities for companies accounted for by the equity method		0	0		0
Share-based payment transactions of consolidated subsidiaries		-	-	19	19
Total transactions with owners	(0)	(0)	(5,761)	(2,497)	(8,259)
Balance at end of period	2	(104)	41,191	8,419	49,611

[Notes of caution]

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The current consolidated fiscal year (from April 1, 2025, to March 31, 2026)

(Millions of yen)

	Equity attributable to owners of parent				
					Other components of equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Financial assets measured at fair value through other comprehensive income
Balance at beginning of period	1,042	22,081	24,054	(5,882)	(106)
Profit			6,937		
Other comprehensive income					252
Total comprehensive income	-	-	6,937	-	252
Dividends			(1,454)		
Changes in ownership interest in subsidiaries		(174)			1
Obtaining of control of subsidiaries					
Share-based payment transactions of consolidated subsidiaries					
Total transactions with owners	-	(174)	(1,454)	-	1
Balance at end of period	1,042	21,906	29,538	(5,882)	147

	Equity attributable to owners of parent			Non-controlling interests	Total
	Other components of equity		Total		
	Exchange differences on translation of foreign operations	Total			
Balance at beginning of period	2	(104)	41,191	8,419	49,611
Profit		-	6,937	242	7,180
Other comprehensive income	1	254	254	1	255
Total comprehensive income	1	254	7,191	243	7,435
Dividends		-	(1,454)	(192)	(1,646)
Changes in ownership interest in subsidiaries	(0)	(0)	(173)	(438)	(612)
Obtaining of control of subsidiaries		-	-	47	47
Share-based payment transactions of consolidated subsidiaries		-	-	(54)	(54)
Total transactions with owners	(0)	0	(1,627)	(637)	(2,265)
Balance at end of period	4	151	46,755	8,025	54,781

[Notes of caution]

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(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before tax	12,650	11,020
Depreciation and amortization	2,482	2,647
Gain on loss of control of subsidiary	(1,569)	-
Share of loss (profit) of investments accounted for using equity method	(191)	(192)
Impairment losses (reversal of impairment losses)	798	55
Finance income and finance costs	769	205
Decrease (increase) in inventories	54	(77)
Decrease (increase) in trade and other receivables	(4,016)	(2,204)
Increase (decrease) in trade and other payables	3,587	69
Other	(1,370)	(120)
Subtotal	13,194	11,403
Interest and dividends received	19	62
Interest paid	(266)	(409)
Income taxes paid	(5,111)	(3,803)
Net cash provided by (used in) operating activities	7,836	7,253
Cash flows from investing activities		
Purchase of property, plant and equipment	(184)	(377)
Purchase of intangible assets	(827)	(527)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(13,081)	(990)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	420	8
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	1,405	-
Purchase of investments accounted for using equity method	(100)	-
Purchase of investment securities	(988)	(961)
Other	(724)	3
Net cash provided by (used in) investing activities	(14,081)	(2,844)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(150)	-
Proceeds from long-term borrowings	12,101	1,423
Redemption of bonds and repayments of long-term borrowings	(3,997)	(6,517)
Repayments of lease liabilities	(801)	(1,063)
Proceeds from issuance of shares	70	-
Dividends paid to non-controlling interests	(182)	(207)
Dividends paid	(1,351)	(1,454)
Purchase of treasury shares	(4,485)	-
Payments for acquisition of interests in subsidiaries from non-controlling interests		(601)
Other	121	5
Net cash provided by (used in) financing activities	1,324	(8,415)
Net increase (decrease) in cash and cash equivalents	(4,919)	(4,007)
Cash and cash equivalents at beginning of period	38,403	30,185
Effect of exchange rate changes on cash and cash equivalents	(2)	3
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(4,068)	-

Cash and cash equivalents included in assets of disposal groups classified as held for sale	773	-
Cash and cash equivalents at end of period	30,185	26,181

(5) Notes to Consolidated Financial Statements
(Notes on the Going Concern Assumption)
Not applicable.

[Notes of caution]

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(Segment Information)

(1) Description of reportable segments

The Group's reportable segments are the components of the Group for which discrete financial information is available and whose operating results are regularly reviewed by the Company's Board of Directors to make decisions about the allocation of management resources to the segments and assess their performance. No operating segments have been aggregated in determining the reportable segments.

The Group consists of segments categorized by the nature of services. We have two reportable segments: the NEW-IT Transformation Business, and the Publitech Business.

The NEW-IT Transformation Business provides Japanese companies with solutions that improve productivity and added value by transforming their business operations and business models through the development of innovative technologies and digital human resources, internet-security related services, and M&A brokerage services. Publitech Business provides a platform service for hometown tax donation and solutions for government agencies.

(2) Information regarding reportable segments

Revenue and performance by reportable segments of the Group are as follows:

Segment profit in the reportable segments is based on operating profit.

Inter-segment revenue is based on prevailing market prices.

The previous consolidated fiscal year (From April 1, 2024, to March 31, 2025)

(Millions of yen)

	Reportable segments			Adjustment (Note1)	Consolidated
	NEW-IT transformation business	Publitech business	Total		
Revenue					
Revenue from external customers	20,283	26,104	46,387	-	46,387
Intersegment revenue	514	56	570	(570)	-
Total	20,797	26,160	46,958	(570)	46,387
Segment profit (loss)	5,985	13,045	19,031	(5,611)	13,420
Finance income	-	-	-	-	20
Finance costs	-	-	-	-	789
Profit before tax	-	-	-	-	12,650
Other items					
Depreciation and amortization	1,436	823	2,259	222	2,482
Impairment losses	-	805	805	(7)	798
Provision for doubtful accounts	-	172	172	-	172
Gain on loss of control of subsidiary	1,569	-	1,569	-	1,569
Equity in earnings of unconsolidated subsidiaries and associated companies	133	58	191	-	191

(Note)

1. The adjustment of (5,611) million yen comprises company-wide expenses not allocable to any reportable segment and mostly consists of general and administrative expenses of 5,611 million yen that are not attributable to the reportable segments.
2. This segment's profit is adjusted for operating income in the consolidated statements of income.
3. Segment assets, liabilities, and equities are not described here since they are not subject to a decision for allocating management resources and evaluating performances.

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The current consolidated fiscal year (From April 1, 2025, to March 31, 2026)

(Millions of yen)

	Reportable segments			Adjustment(Note1)	Consolidated
	NEW-IT transformation business	Publitech business	Total		
Revenue					
Revenue from external customers	23,254	29,461	52,716	111	52,827
Intersegment revenue	586	129	716	(716)	-
Total	23,841	29,591	53,432	(605)	52,827
Segment profit (loss) (Note 2)	3,257	14,156	17,413	(6,187)	11,225
Finance income	-	-	-	-	356
Finance costs	-	-	-	-	561
Profit before tax	-	-	-	-	11,020
Other items					
Depreciation and amortization	1,866	497	2,363	283	2,647
Impairment losses	1	27	29	26	55
Gain on loss of control of subsidiary	146	45	192	-	192

(Note)

1.The adjustment to revenue from external customers represents revenue not attributable to reportable segments, and the adjustment to segment profit represents corporate expenses not allocated to reportable segments, which mainly consists of general and administrative expenses not attributable to reportable segments.

2. Segment's profit is adjusted for operating income in the consolidated statements of income.

3. Segment assets, liabilities, and equities are omitted here since they are not materials for making a decision of allocating management resources and evaluating performances.

(3)Information on products and services

This information is omitted in the previous consolidated fiscal year and the current consolidated fiscal year because similar information is disclosed in the segment information.

(4)Information on geographic areas

Disclosure is omitted because revenue from sales to external customers in Japan and non-current assets located in Japan accounted for the majority of sales in the previous fiscal year and the current fiscal year.

(5)Information about major customers

Disclosure is omitted because revenue from certain customers in the previous fiscal year and the current fiscal year does not account for more than 10% of revenue in the consolidated statements of income.

[Notes of caution]

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(Per share information)

The following table sets forth the computation of basic earnings per share and diluted earnings per share:

	Previous consolidated fiscal year (April 1, 2024 To March 31, 2025)	Current consolidated fiscal year (April 1, 2025 To March 31, 2026)
Profit attributable to owners of parent (millions of yen)	7,470	6,937
Net income used to calculate diluted earnings per share (millions of yen)	7,470	6,937
Weighted average number of ordinary shares (thousands)	70,074	69,578
Increase in ordinary share		
Share acquisition rights (thousands of shares)	143	9
Weighted average number of diluted ordinary shares (in thousands)	70,218	69,588
Basic earnings per share (yen)	106.61	99.71
Diluted earnings per share (yen)	106.39	99.69

(Significant subsequent events)

(Matters concerning the acquisition of treasury shares)

At a Board of Directors' Meeting held on May 14, 2026, the Company resolved on the following matters concerning acquisition of treasury share based on the provisions of Article 156 of the Companies Act as applied pursuant to Article 165, Paragraph 3 of the same Act.

1. Reason for acquisition of treasury share

To enhance shareholder returns and to execute flexible investment strategies and capital policies, including M&A and alliances utilizing treasury stock in the future.

2. Details of matters concerning acquisition

(1) Type of share to be acquired: Ordinary share of the Company

(2) Total number of shares authorized for repurchase: 2,500,000 shares

(Percentage of total shares issued and outstanding (excluding treasury share): 3.59%)

(3) Total value of shares to be repurchased: 2,000 million yen

(4) Repurchase period: May 15, 2026 to November 30, 2026

(5) Method of acquisition: market purchase on the Tokyo Stock Exchange

(Market purchase based on a discretionary trading agreement for acquisition of treasury stock)

3. Holding status of treasury share as of March 31, 2026

Total shares issued and outstanding (excluding treasury share): 69,578,947 shares

Treasury share: 4,273,415 shares