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November 13, 2026

Consolidated Financial Results for the Fiscal Year Ended September 30, 2026 (Under Japanese GAAP)

Company name: TIER IV, Inc.
Listing: Tokyo Stock Exchange
Securities code: 593A
URL: https://tier4.jp/
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Scheduled date of ordinary general meeting of shareholders: December 18, 2026
Scheduled date to commence dividend payments: –
Scheduled date to file annual securities report: December 16, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

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

1. Consolidated financial results for the fiscal year ended September 30, 2026 (from October 1, 2025 to September 30, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	8,579	33.8	(10,024)	–	(6,190)	–	(6,313)	–
September 30, 2025	6,410	65.6	(10,506)	–	(5,504)	–	(4,799)	–

Note: Comprehensive income For the fiscal year ended September 30, 2026: ¥(6,283) million [–%]
For the fiscal year ended September 30, 2025: ¥(4,801) million [–%]

	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
Fiscal year ended	Yen	Yen	%	%	%
September 30, 2026	(129.24)	–	(33.2)	(26.0)	(116.8)
September 30, 2025	(108.29)	–	(31.3)	(28.1)	(163.9)

Reference: Share of profit (loss) of entities accounted for using the equity method
For the fiscal year ended September 30, 2026: ¥(1,008) million
For the fiscal year ended September 30, 2025: ¥(513) million

Notes: 1. Diluted earnings per share for the fiscal year ended September 30, 2025 are not presented because, although potential shares existed, the Company's shares were not listed on a stock exchange and the average share price during the period could not be determined, and because the Company recorded basic loss per share. Diluted earnings per share for the fiscal year ended September 30, 2026 are not presented because, although potential shares existed, the Company recorded basic loss per share.

2. Pursuant to a resolution of the Board of Directors dated January 16, 2026, the Company conducted a 5-for-1 share split effective February 6, 2026. Basic loss per share has been calculated assuming that the share split had been conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2026	29,960	25,296	83.6	394.40
September 30, 2025	17,580	13,170	73.5	291.66

Reference: Equity
As of September 30, 2026: ¥25,054 million
As of September 30, 2025: ¥12,927 million

Note: 1. Pursuant to a resolution of the Board of Directors dated January 16, 2026, the Company conducted a 5-for-1 share split effective February 6, 2026. Net assets per share has been calculated assuming that the share split had been conducted at the beginning of the previous fiscal year.

(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
September 30, 2026	(2,936)	502	18,102	22,635
September 30, 2025	(7,282)	(991)	767	6,932

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 September 30, 2025	–	0.00	–	0.00	0.00	–	–	–
Fiscal year ended September 30, 2026	–	0.00	–	0.00	0.00	–	–	–
Fiscal year ending September 30, 2027 (Forecast)	–	0.00	–	0.00	0.00		–	

3. Consolidated financial result forecasts for the fiscal year ending September 30, 2027 (from October 1, 2026 to September 30, 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
Full year	11,917 -14,032	38.9 -63.6	(9,714) -(9,688)	–	(4,836) -(4,159)	–	(4,840) -(4,163)	–	(76.19) -(65.53)

Note: 1. Consolidated financial result forecasts for the fiscal year ending September 30, 2027 have been disclosed in the form of ranges. For details, please refer to “1. Overview of Operating Results, Etc., (4) Future Outlook” on page 4 of the attached materials.

*** Notes**

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

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

As of September 30, 2026	63,524,090 shares
As of September 30, 2025	44,324,490 shares

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

As of September 30, 2026	– shares
As of September 30, 2025	– shares

(iii) Average number of shares outstanding during the period

Fiscal year ended September 30, 2026	48,805,097 shares
Fiscal year ended September 30, 2025	44,324,490 shares

Note: 1. The Company conducted a 5-for-1 share split effective February 6, 2026. The total number of issued shares at the end of the period, the number of treasury shares at the end of the period, and the average number of shares outstanding during the period have been calculated assuming that the share split had been conducted at the beginning of the previous fiscal year.

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

* Proper use of earnings forecasts and other special matters

The financial results forecast is based on judgments made by the Group using information currently available and is subject to various risks, uncertainties, and other factors. Actual results and performance may differ from the forecast presented herein. For matters concerning the above financial results forecast, please refer to “1. Overview of Operating Results, Etc., (4) Future Outlook” on page 4 of the attached materials.

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1. Overview of Operating Results, Etc.

(1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year under review (from October 1, 2025 to September 30, 2026), momentum toward the real-world deployment of autonomous driving accelerated further in the autonomous driving industry, in which TIER IV, Inc. (the "Company") operates. The Third Basic Plan on Transport Policy, approved by the Cabinet in January 2026, set a target of deploying 10,000 autonomous driving service vehicles by fiscal 2030. Furthermore, in Japan's Growth Strategy announced in July 2026, autonomous driving was identified as one of the 62 key products and technologies in the 17 strategic fields. Moreover, the Public-Private Investment Roadmap for the key products and technologies in the 17 strategic fields sets a target for Japanese companies to capture approximately 25% of global autonomous vehicle sales in the 2030s. Efforts are being intensified to address social issues, such as driver shortages in regional public transportation and the expansion of areas with limited access to transportation, and to strengthen Japan's automotive industry.

Against this backdrop, the Company's business is transitioning from the proof of concept phase to deployment, amid expectations for the real-world deployment of autonomous driving. To raise capital for the real-world deployment of autonomous driving, the Company listed its shares on the Growth Market of the Tokyo Stock Exchange on July 22, 2026.

In the Mobility Service, further progress was made toward the real-world deployment of autonomous driving services. Through the fiscal year under review, proof of concept tests and deployments were conducted in 56 locations, and the cumulative number of autonomous buses sold reached 37. Autonomous buses have been introduced for commercial operation on actual bus routes in various municipalities, such as Komatsu, Ishikawa Prefecture and Tsukuba, Ibaraki Prefecture. Furthermore, looking to the medium term, the Company entered into an agreement with KDDI CORPORATION and KDDI Smart Mobility Inc. to collaborate on the real-world deployment of autonomous driving services and launched an initiative targeting cumulative commercial deployments of approximately 1,000 vehicles by 2030. In addition, initiatives aimed at rolling out autonomous buses overseas beyond the domestic market have begun. The Company was selected by the Ministry of Economy, Trade and Industry for a grant program supporting collaborative technology initiatives in the Global South (Note 1) in September 2026.

Net sales for the Mobility Service amounted to ¥3,005 million, up 32.5% year on year.

In the Development Service, the Company had 13 development project customers as of the end of September 2026. They include ISUZU MOTORS LIMITED, Komatsu Ltd., SUZUKI MOTOR CORPORATION, Toyota Motor Corporation, and Yamaha Motor Co., Ltd. In each project, the Company is developing autonomous driving systems in line with the customer's development and commercialization plans. Through these development projects, the Company supports automotive OEMs and special-purpose vehicle manufacturers in building in-house capabilities in autonomous driving technology and preparing for the future mass production of autonomous vehicles. Each project is making steady progress toward mass production, and the Company plans to share updates as and when the information is ready for release.

Net sales for the Development Service amounted to ¥2,717 million, up 104.2% year on year.

In the Solution Service, the Company provides software tools, hardware tools, and consulting services related to autonomous driving. As part of its hardware tool offerings, the Company sells the MP camera series optimized for commercial-scale Level 4 autonomous driving. Wide-angle models C1-120MP and C2-120MP were added to the product lineup and sales commenced in September 2026. In addition, the Company has started collaboration with Astemo, Ltd. on the development of end-to-end autonomous driving technology for passenger vehicles. For commercial vehicles such as buses, shuttles, and special-purpose vehicles, the Company will directly drive business with clients including automotive OEMs. For passenger vehicles, the plan is to develop markets with mega-suppliers as clients. Additionally, the NEDO-commissioned Development and Demonstration Support Project for Autonomous Driving Services to Solve Regional Mobility Challenges was completed at the end of March 2026, and its revenue has been recognized as a component of net sales for this service category.

Net sales for the Solution Service amounted to ¥2,855 million, up 1.6% year on year.

Research and development expenses are a major component of selling, general and administrative expenses. In research and development (R&D), the Company continued to invest in the commercialization and mass production of autonomous driving systems and in expanding the applicable geographic areas and driving environments. As its principal R&D initiatives, the Company is working to accelerate the development of AI-based autonomous driving technology and build a large-scale data collection platform, with the aim of enhancing the applicability of its technology (i.e., expanding the geographic areas and driving environments in which the technology can be used). The Company is also developing end-to-end autonomous driving technology and automotive semiconductors in the anticipation of application of autonomous driving technology to passenger vehicles. In developing end-to-end autonomous driving technology, the Company collaborates with mega-suppliers, including Astemo, Ltd. The Company also participates in the Next-Generation Edge AI Semiconductor R&D Program (Note 2) led by the Japan Science and Technology Agency (JST) and collaborates with Renesas Electronics Corporation for the research and development of automotive semiconductors. As a result, research and development expenses amounted to ¥8,641 million, up 1.1% year on year.

In addition, selling, general and administrative expenses excluding research and development expenses amounted to ¥4,536 million, up 25.8% year on year, due to the recording of corporate expenses associated with business and organizational expansion and costs associated with the new listing on the Growth Market of the Tokyo Stock Exchange. Selling, general and administrative expenses as a whole amounted to ¥13,178 million, up 8.4% year on year.

As a result, for the fiscal year under review, net sales amounted to ¥8,579 million, up 33.8% year on year, and gross profit amounted to ¥3,153 million, up 91.0% year on year. Selling, general and administrative expenses totaled ¥13,178 million, up 8.4% year on year, resulting in operating loss of ¥10,024 million, compared with operating loss of ¥10,506 million in the previous fiscal year. Non-operating income, including subsidy income of ¥4,853 million, and non-operating expenses were also recorded. Ordinary loss amounted to ¥6,190 million, compared with ordinary loss of ¥5,504 million in the previous fiscal year, and loss attributable to owners of parent amounted to ¥6,313 million, compared with loss attributable to owners of parent of ¥4,799 million in the previous fiscal year.

(Note 1) Subsidy income resulting from this selection is recorded as non-operating income in the consolidated statements of income; however, as the project contributes to net sales of the Mobility Service, it is explained together with that service above.

(Note 2) This is a commissioned project, and therefore, it is recorded as net sales and gross profit for the Solution Service in the consolidated statements of income.

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

(Financial Position)

As of September 30, 2026, total assets amounted to ¥29,960 million, an increase of ¥12,380 million from the end of the previous fiscal year. This was mainly due to an increase in cash and deposits.

Total liabilities amounted to ¥4,664 million, an increase of ¥254 million from the end of the previous fiscal year. This was mainly due to an increase in long-term borrowings.

Total net assets amounted to ¥25,296 million, an increase of ¥12,126 million from the end of the previous fiscal year. This was mainly due to an increase in share capital.

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

As of September 30, 2026, cash and cash equivalents increased ¥15,702 million from the end of the previous fiscal year to ¥22,635 million.

Cash flows from each activity for the fiscal year under review and their primary factors are as follows.

(Cash flows from operating activities)

Net cash used in operating activities amounted to ¥2,936 million (compared with ¥7,282 million used in the previous fiscal year). This is mainly attributable to loss before income taxes, Share of loss of entities accounted for using the equity method and Subsidies received.

(Cash flows from investing activities)

Net cash provided by investing activities amounted to ¥502 million (compared with ¥991 million used in the previous fiscal year). This is mainly attributable to proceeds from redemption of securities.

(Cash flows from financing activities)

Net cash provided by financing activities amounted to ¥18,102 million (compared with ¥767 million provided in the previous fiscal year). This is mainly attributable to proceeds from issuance of shares.

(4) Future Outlook

The Group will continue to accelerate the transition from the proof of concept and development phase to mass production and commercial deployment, with the goal of reaching a cumulative total of over 1,800 vehicles in operation by the fiscal year ending September 30, 2030. To achieve the goal, the Company will realize the mass production of autonomous vehicles through collaboration with partner companies and the utilization of open source, without independently undertaking large-scale research and development investments. Furthermore, by selecting the most appropriate technology for each use case and developing AI-based autonomous driving technology, the Company aims to achieve Level 4 autonomous driving that combines safety with applicability and scalability.

On the financial front, with the aim of turning ordinary loss into profit, the Company will drive growth in net sales and gross profit by building up recurring revenue in the mass production and deployment phase in line with an increasing number of vehicles in operation, while maintaining a disciplined approach to research and development expenses.

As a milestone within this medium-term strategy, in the fiscal year ending September 30, 2027, the Company anticipates growth in net sales, primarily driven by an increase in the number of vehicles deployed per area in the Mobility Service and a scale-up of development projects for mass production in the Development Service. In addition, the Company will maintain a disciplined approach to research and development expenses, with a research and development policy leveraging open source. The Company will also maintain selling, general and administrative expenses excluding research and development expenses at a level that is both necessary and sufficient to support the growth of business scale. As an outcome of these efforts, the Company will aim to improve ordinary profit or loss from the previous fiscal year.

The consolidated financial results forecast for the fiscal year ending September 30, 2027 is as follows. Forecasts are provided in ranges, as net sales and non-operating income (subsidy income) will fluctuate depending on application requirements, timelines, selection outcomes, and other aspects of national projects for which the Company is considering proposals in the future. Should the Company determine that a revision to its

financial results forecast is necessary based on future developments, an announcement will be made promptly.

The Company forecasts net sales to be in the range of ¥11,917 million to ¥14,032million (up in the range of 38.9% to 63.6% year on year). By service category, net sales are expected to be in the range of ¥4,172 million to ¥5,287 million (up in the range of 38.8% to 75.9% year on year) for the Mobility Service, ¥5,781 million (up 112.7% year on year) for the Development Service, and ¥1,963 million to ¥2,963 million (in the range of down 31.3% to up 3.8% year on year) for the Solution Service. Due to the nature of its business, the Company tends to recognize a greater proportion of net sales in the second and fourth quarters.

The Company forecasts gross profit to be in the range of ¥4,041 million to ¥4,426 million (up in the range of 28.1% to 40.3% year on year), and gross margin to be in the range of 33.9% to 31.5%. The Company's gross margin is determined by the sales mix each year. The projected figure is calculated based on the sales mix forecast for the current fiscal year. In the medium term, gross margin is expected to improve as the proportion of recurring revenue in net sales increases, driven by a rise in the number of vehicles in operation.

Research and development expenses are projected to be in the range of ¥8,852 million to ¥9,211 million (up in the range of 2.4% to 6.6% year on year). The Company will continue to carry out research and development necessary for the real-world deployment of autonomous driving. In terms of research and development, the Company will leverage open-source software Autoware to ensure a high level of efficiency.

Selling, general and administrative expenses excluding research and development expenses are projected to be ¥4,903 million (up 8.1% year on year). The Company will establish a structure that is both necessary and sufficient for mass production and business expansion.

In total, the Company forecasts selling, general and administrative expenses to be in the range of ¥13,755 million to ¥14,114 million (up in the range of 4.4% to 7.1% year on year).

The Company forecasts non-operating income to be in the range of ¥5,077 million to ¥5,728 million (up in the range of 3.4% to 16.6% year on year). The lower end of the range accounts only for subsidy income from grant projects that have been approved or are highly probable as of November 13, 2026, while the upper end also incorporates subsidy income from projects currently under proposal..

As a result, the Company forecasts operating loss to be in the range of ¥9,714 million to ¥9,688 million (down in the range of 3.1% to 3.4% year on year), ordinary loss in the range of ¥4,836 million to ¥4,159 million (down in the range of 21.9% to 32.8% year on year), and loss attributable to owners of parent in the range of ¥4,840 million to ¥4,163 million (down in the range of 23.3% to 34.1% year on year).

2. Basic Policy on Selection of Accounting Standards

The Group applies Japanese GAAP as accounting standards, taking into account the comparability of consolidated financial statements over time and between companies.

The Group intends to appropriately address the adoption of International Financial Reporting Standards (IFRS), taking into consideration the circumstances in Japan and overseas.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of September 30, 2025	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	6,932	22,635
Accounts receivable - trade	2,037	2,316
Contract assets	1,016	1,532
Securities	2,000	–
Inventories	1,028	601
Accrued revenue	1,812	1,438
Other	977	599
Total current assets	15,805	29,124
Non-current assets		
Property, plant and equipment		
Tools, furniture and fixtures	40	43
Accumulated depreciation	(20)	(29)
Tools, furniture and fixtures, net	19	14
Other	0	–
Total property, plant and equipment	19	14
Intangible assets		
Other	1	1
Total intangible assets	1	1
Investments and other assets		
Investment securities	1,448	529
Deferred tax assets	22	13
Other	283	278
Total investments and other assets	1,753	821
Total non-current assets	1,775	836
Total assets	17,580	29,960

(Millions of yen)

	As of September 30, 2025	As of September 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	334	392
Accounts payable - other	519	665
Accrued expenses	1,013	924
Contract liabilities	226	281
Short-term borrowings	2,000	1,000
Current portion of long-term borrowings	–	499
Income taxes payable	6	249
Provision for bonuses	139	216
Provision for loss on orders received	17	–
Other	117	141
Total current liabilities	4,374	4,371
Non-current liabilities		
Bonds payable	2	–
Long-term borrowings	–	208
Deferred tax liabilities	26	39
Other	6	44
Total non-current liabilities	35	292
Total liabilities	4,409	4,664
Net assets		
Shareholders' equity		
Share capital	100	8,804
Capital surplus	22,907	22,751
Retained earnings	(10,157)	(6,609)
Total shareholders' equity	12,850	24,946
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	51	74
Foreign currency translation adjustment	25	32
Total accumulated other comprehensive income	77	107
Share acquisition rights	242	242
Total net assets	13,170	25,296
Total liabilities and net assets	17,580	29,960

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended September 30, 2025	For the fiscal year ended September 30, 2026
Net sales	6,410	8,579
Cost of sales	4,759	5,425
Gross profit	1,650	3,153
Selling, general and administrative expenses	12,156	13,178
Operating loss	(10,506)	(10,024)
Non-operating income		
Interest income	9	31
Dividend income	15	7
Subsidy income	5,525	4,853
Other	16	19
Total non-operating income	5,566	4,911
Non-operating expenses		
Interest expenses	12	56
Share of loss of entities accounted for using the equity method	513	1,008
Foreign exchange losses	37	10
Other	0	1
Total non-operating expenses	564	1,077
Ordinary loss	(5,504)	(6,190)
Extraordinary income		
Gain on sale of non-current assets	0	0
Gain on sale of shares of subsidiaries	685	–
Gain on change in equity	–	55
Total extraordinary income	685	56
Extraordinary losses		
Loss on retirement of non-current assets	1	–
Loss on valuation of investment securities	–	157
Total extraordinary losses	1	157
Loss before income taxes	(4,819)	(6,291)
Income taxes - current	7	10
Income taxes - deferred	(17)	11
Total income taxes	(10)	21
Loss	(4,809)	(6,313)
Loss attributable to non-controlling interests	(9)	–
Loss attributable to owners of parent	(4,799)	(6,313)

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended September 30, 2025	For the fiscal year ended September 30, 2026
Loss	(4,809)	(6,313)
Other comprehensive income		
Valuation difference on available-for-sale securities	3	22
Foreign currency translation adjustment	4	7
Total other comprehensive income	8	30
Comprehensive income	(4,801)	(6,283)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(4,791)	(6,283)
Comprehensive income attributable to non-controlling interests	(9)	–

(3) Consolidated Statements of Changes in Equity

Fiscal year ended September 30, 2025 (from October 1, 2024 to September 30, 2025)

(Millions of yen)

	Shareholders' equity			
	Share capital	Capital surplus	Retained earnings	Total shareholders' equity
Balance at beginning of period	100	22,907	(5,357)	17,650
Changes during period				
Issuance of new shares	–	–	–	–
Capital reduction	–	–	–	–
Deficit disposition	–	–	–	–
Loss attributable to owners of parent	–	–	(4,799)	(4,799)
Net changes in items other than shareholders' equity	–	–	–	–
Total changes during period	–	–	(4,799)	(4,799)
Balance at end of period	100	22,907	(10,157)	12,850

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	48	21	69	242	44	18,007
Changes during period						
Issuance of new shares	–	–	–	–	–	–
Capital reduction	–	–	–	–	–	–
Deficit disposition	–	–	–	–	–	–
Loss attributable to owners of parent	–	–	–	–	–	(4,799)
Net changes in items other than shareholders' equity	3	4	8	–	(44)	(36)
Total changes during period	3	4	8	–	(44)	(4,836)
Balance at end of period	51	25	77	242	–	13,170

Fiscal year ended September 30, 2026 (from October 1, 2025 to September 30, 2026)

(Millions of yen)

	Shareholders' equity			
	Share capital	Capital surplus	Retained earnings	Total shareholders' equity
Balance at beginning of period	100	22,907	(10,157)	12,850
Changes during period				
Issuance of new shares	9,204	9,204	–	18,409
Capital reduction	(500)	500	–	–
Deficit disposition	–	(9,861)	9,861	–
Loss attributable to owners of parent	–	–	(6,313)	(6,313)
Net changes in items other than shareholders' equity	–	–	–	–
Total changes during period	8,704	(156)	3,547	12,096
Balance at end of period	8,804	22,751	(6,609)	24,946

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	51	25	77	242	–	13,170
Changes during period						
Issuance of new shares	–	–	–	–	–	18,409
Capital reduction	–	–	–	–	–	–
Deficit disposition	–	–	–	–	–	–
Loss attributable to owners of parent	–	–	–	–	–	(6,313)
Net changes in items other than shareholders' equity	22	7	30	–	–	30
Total changes during period	22	7	30	–	–	12,126
Balance at end of period	74	32	107	242	–	25,296

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended September 30, 2025	For the fiscal year ended September 30, 2026
Cash flows from operating activities		
Loss before income taxes	(4,819)	(6,291)
Research and development expenses	1,124	1,611
Share-based payment expenses	4	–
Share of loss (profit) of entities accounted for using the equity method	513	1,008
Loss (gain) on sale of shares of subsidiaries	(685)	–
Loss on valuation of investment securities	–	157
Subsidy income	(5,525)	(4,853)
Decrease (increase) in trade receivables	(1,314)	(277)
Decrease (increase) in contract assets	(506)	(515)
Decrease (increase) in inventories	(337)	277
Increase (decrease) in trade payables	(109)	57
Increase (decrease) in accounts payable - other	130	125
Increase (decrease) in accrued revenue	(23)	69
Increase (decrease) in income taxes payable-factor based tax	–	240
Other, net	(2)	335
Subtotal	(11,551)	(8,053)
Interest and dividends received	24	37
Interest paid	(12)	(58)
Subsidies received	4,307	5,147
Income taxes refund (paid)	(50)	(9)
Net cash provided by (used in) operating activities	(7,282)	(2,936)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,240)	(1,330)
Purchase of shares of subsidiaries and associates	(490)	–
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	739	–
Proceeds from redemption of securities	–	2,000
Other, net	(0)	(166)
Net cash provided by (used in) investing activities	(991)	502
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	800	(1,000)
Proceeds from long-term borrowings	–	1,000
Proceeds from issuance of shares	–	18,407
Other, net	(32)	(304)
Net cash provided by (used in) financing activities	767	18,102
Effect of exchange rate change on cash and cash equivalents	18	33
Net increase (decrease) in cash and cash equivalents	(7,487)	15,702
Cash and cash equivalents at beginning of period	14,420	6,932
Cash and cash equivalents at end of period	6,932	22,635

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Segment information, etc.)

(Segment information)

As the Group operates in a single segment, the autonomous driving business, segment information has been omitted.

(Per share information)

	Fiscal year ended September 30, 2025	Fiscal year ended September 30, 2026
Net assets per share	¥291.66	¥394.40
Basic loss per share	¥(108.29)	¥(129.24)

Notes:
1. Diluted earnings per share for the fiscal year ended September 30, 2025 are not presented because, although potential shares existed, the Company's shares were not listed on a stock exchange and the average share price during the period could not be determined, and because the Company recorded basic loss per share. Diluted earnings per share for the fiscal year ended September 30, 2026 are not presented because, although potential shares existed, the Company recorded basic loss per share.
2. As Class A Stock, Class A-1 Preferred Stock, Class A-2 Preferred Stock, and Class B Preferred Stock rank pari passu with the common stock with respect to dividends of surplus, the number of shares pari passu with common shares is included in the number of common shares.
3. Pursuant to a resolution of the Board of Directors dated January 16, 2026, the Company conducted a 5-for-1 share split effective February 6, 2026. Net assets per share and basic loss per share have been calculated assuming that the share split had been conducted at the beginning of the previous fiscal year.
4. The basis for the calculation of basic loss per share is as follows.

Items	Fiscal year ended September 30, 2025	Fiscal year ended September 30, 2026
Basic loss per share		
Loss attributable to owners of parent (Millions of yen)	(4,799)	(6,313)
Amount not attributable to common shareholders (Millions of yen)	–	–
Loss attributable to owners of parent relating to common shares (Millions of yen)	(4,799)	(6,313)
Average number of common shares outstanding during the period (Shares)	44,324,490	48,805,097
[Common Shares (shares)]	[16,000,000]	[48,805,097]
[Class A Preferred Stock (shares)]	[7,740,000]	–
[Class A-1 Preferred Stock (shares)]	[1,500,000]	–
[Class A-2 Preferred Stock (shares)]	[8,750,000]	–
[Class B Preferred Stock (shares)]	[10,334,490]	–
Overview of potential shares not included in the calculation of diluted earnings per share due to their non-dilutive effect	–	–

(Significant subsequent events)

Not applicable.