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July 30, 2026

Consolidated Summary Report

for the First Quarter of the Fiscal Year Ending March 31, 2027
(under Japanese GAAP)

Company name : **NSD Co., Ltd.**
Listing : Tokyo Stock Exchange, Prime Market
Securities code : 9759
URL : https://www.nsd.co.jp/
Representative : Yoshikazu Imajo, President & CEO
Scheduled date to commence dividend payments : —
Preparation of supplementary material on financial results : Yes

(Fractions smaller than a million yen omitted)

1. Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2027 (from April 1, 2026 to June 30, 2026)

(1) Consolidated Results of Operations (Cumulative) (Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
First quarter ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	29,930	9.6	4,175	17.4	4,263	17.3	2,514	15.2
June 30, 2025	27,298	8.0	3,557	7.9	3,635	9.0	2,182	4.4

Note: Comprehensive income First quarter ended June 30, 2026: 2,508 million yen (20.7%)
First quarter ended June 30, 2025: 2,078 million yen ((2.9%))

	Net income per share	Net income per share (Diluted)
First quarter ended	Yen	Yen
June 30, 2026	33.16	—
June 30, 2025	28.54	—

Note: Net income per share (diluted) is not stated as there are no dilutive securities.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	90,024	69,425	76.0
March 31, 2026	97,442	74,799	75.7

Reference: Equity As of June 30, 2026: 68,413 million yen
As of March 31, 2026: 73,753 million yen

2. Dividends

	Annual dividends				
	First quarter end	Second quarter end	Third quarter end	Fiscal year end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	—	0.00	—	96.00	96.00
Fiscal year ending March 31, 2027	—				
Fiscal year ending March 31, 2027 (Forecast)		0.00	—	97.00	97.00

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

3. Consolidated Financial Forecasts 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 income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Second quarter ending September 30, 2026	61,000	7.8	8,400	2.0	8,500	1.7	5,500	2.4	72.73
Fiscal year ending March 31, 2027	126,000	6.9	19,500	2.2	19,700	1.9	13,100	0.7	173.67

Note: Revisions to the consolidated financial forecasts most recently announced: None

*Notes

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

(2) Application of accounting methods specific to quarterly consolidated financial statements : Yes
Note: For details, please refer to "(3) Notes on Quarterly Consolidated Financial Statements (Application of Accounting Methods Specific to Quarterly Consolidated Financial Statements)" in "2. Quarterly Consolidated Financial Statements and Notes" on page 10 of Appendix.

(3) Changes in accounting policies, changes in accounting estimates, and restatements of financial statements of the prior period after error corrections
a. Changes in accounting policies due to revisions of accounting standards and other regulations : None
b. Changes in accounting policies due to other reasons : None
c. Changes in accounting estimates : None
d. Restatement of financial statements of the prior period after error corrections : None

(4) Number of shares issued (Common stock)
a. Total number of shares issued at the end of the period (including treasury stock)
As of June 30, 2026: 86,000,000 shares
As of March 31, 2026: 86,000,000 shares

b. Number of treasury stock at the end of the period
As of June 30, 2026: 10,293,217 shares
As of March 31, 2026: 10,077,689 shares

c. Average number of shares during the period
First quarter ended June 30, 2026: 75,808,250 shares
First quarter ended June 30, 2025: 76,464,128 shares

*** Quarterly review by certified public accountants or auditing firm : None for reports of quarterly financial results**

*Explanations relating to the appropriate use of financial forecasts and other important items

(Notes on Financial Forecasts)

The financial forecasts contained in this document is based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual businesses and other results may differ substantially due to various factors. For premises for financial forecasts and cautions when using financial forecasts, please refer to "(3) Information on Financial Forecasts" in "1. Results of Operations and Financial Conditions" on page 5 of Appendix.

(Supplemental Materials on Results)

Supplemental materials on results will be posted on the Company's website on July 30, 2026.

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1. Results of Operations and Financial Conditions

(1) Operating Results

【Business Environment】

During the first quarter under review, the Japanese economy gradually recovered, as employment and income environment improved, even though there were downward pressure on the economy such as inflation and rising interest rates. However, there remain risks of an economic downturn due to the prolonged impact of the situation in the Middle East.

Under these circumstances, in the information service industry, where the NSD Group operates, the order environment remained favorable, due to IT investment in AI and digital transformation (DX) to solve management issues, as well as needs for core system renewal remaining strong, underpinned by favorable corporate performances.

【Policy on Measures During the First Quarter Under Review】

Against this business backdrop, the NSD Group has formulated a three-year Medium-term Management Plan (hereinafter referred to as the "current Plan") commencing in the fiscal year ending March 31, 2027. Under the current Plan, the Group has set key themes such as actively integrating new technologies, especially AI, and cultivating multiple areas of business expertise. The Group considers investments necessary for the Group's sustainable growth as "growth investments" and will prioritize and actively execute such investments. Through these initiatives, the Group will focus on strengthening its business foundation to enhance future profitability while maintaining a sound financial position.

Regarding System Development Business, the Group's core operation, the Group aims for sustainable growth by shifting its focus from midstream processes towards upstream processes, such as in the consulting domain, thereby further strengthening its profitability.

Regarding Solution Business, the Group aims to expand the scale of the business and improve profitability. In particular, the Group will intensively invest resources in research and development of AI solutions to develop and provide compelling solutions.

Furthermore, as a necessary strategy to advance the initiatives of the current Plan, the Group will actively invest in human capital. As part of this effort, the Group will assign personnel to upstream processes and increase and strengthen the leader layer, while also cultivating and strengthening "AI experts" to support its AI businesses.

【Operating Results】

Under the favorable order environment, the operating results become as follows.

(Unit: Millions of yen)

	First quarter ended June, 2025	First quarter ended June, 2026	YoY	
System Development Business	23,879	25,864	1,985	8.3%
Solution Business	3,418	4,065	646	18.9%
Net sales	27,298	29,930	2,631	9.6%
DAS Business	12,426	16,059	3,632	29.2%
DX/AI and other new technologies	9,008	11,993	2,985	33.1%
Operating income	3,557	4,175	617	17.4%
Ordinary income	3,635	4,263	627	17.3%
Net income attributable to owners of the parent	2,182	2,514	331	15.2%

EBITDA	4,178	4,828	649	15.5%
EBITDA margin	15.3%	16.1%	0.8 points	—

* DAS Business consists of System Development Business related to DX, System Development Business utilizing new technologies such as AI, and Solution Business.
* EBITDA is calculated by operating income + depreciation + amortization of goodwill.

Net sales increased by 9.6% year on year to 29,930 million yen as a result of continued trend of high orders from the previous fiscal year in Financial IT and growth of medical/healthcare in Solution Business. Net sales of DAS Business, which the Group focuses on, increased by 29.2% year on year to 16,059 million yen as a result of the growth of System Development Business related to DX/AI and other new technologies. Operating income increased by 17.4% year on year to 4,175 million yen, as a result of improved profitability accompanying the rise in net sales. As a result, ordinary income increased by 17.3% year on year to 4,263 million yen and net income attributable to owners of the parent company increased by 15.2% year on year to 2,514 million yen.

【Operating Results by Segment】

Operating Results by Segment are as below.

(Net Sales by Segment) (Unit: Millions of yen)

	First quarter ended June, 2025	First quarter ended June, 2026	YoY	
System Development Business	24,023	26,083	2,059	8.6%
Financial IT	8,358	9,589	1,230	14.7%
Industry IT	6,767	6,923	155	2.3%
Social Infrastructure IT	5,723	6,153	430	7.5%
IT Infrastructure Construction	3,173	3,418	244	7.7%
Solution Business	3,421	4,068	646	18.9%
Adjustment	(146)	(221)	(75)	—
Total	27,298	29,930	2,631	9.6%

(Operating Income by Segment) (Unit: Millions of yen)

	First quarter ended June, 2025	First quarter ended June, 2026	YoY	
System Development Business	3,963	4,462	499	12.6%
Financial IT	1,592	1,802	210	13.2%
Industry IT	898	953	54	6.1%
Social Infrastructure IT	965	1,162	197	20.4%
IT Infrastructure Construction	507	544	36	7.2%
Solution Business	(220)	(72)	147	67.1%
Adjustment	(185)	(215)	(29)	—
Total	3,557	4,175	617	17.4%

* Numbers are written including inter-segment sales and incomes.
* Adjustments are the total of inter-segment sales eliminations and costs of whole company (mainly G&A costs which do not attribute to the segments).

<System Development Business (Financial IT)>

Net sales increased by 14.7% year on year to 9,589 million yen and operating income increased by 13.2% to 1,802 million yen due to a significant increase in orders from major banks caused by expansion of existing projects including core system renewal, as well as the expansion of existing projects in insurance companies.

<System Development Business (Industry IT)>

Net sales increased by 2.3% year on year to 6,923 million yen and operating income increased by 6.1% to 953 million yen due to an expansion of orders from commerce and construction sector, while there was impact of winding down large projects in service sector.

<System Development Business (Social Infrastructure IT)>

Net sales increased by 7.5% year on year to 6,153 million yen due to an increase in orders from telecommunication sector, as well as from public and electricity, gas, water sector. Operating income increased by 20.4% to 1,162 million yen due to the settlement of some less profitable project in the previous fiscal year.

<System Development Business (IT Infrastructure Construction)>

Net sales increased by 7.7% year on year to 3,418 million yen and operating income increased by 7.2% to 544 million yen due to a steady increase in orders of infrastructure construction projects across various industries, particularly from financial and public sector.

<Solution Business>

Net sales increased by 18.9% year on year to 4,068 million yen due to the increased needs for strengthened securities in public organizations and acquisition of new clients in shareholder relation services, in addition to a year on year increase in medical/healthcare sales. Operating income/loss resulted in a loss of 72 million yen, although it improved year on year, due to an increase in selling, general and administrative expenses associated with strengthening the sales structure in medical/healthcare solution.

(2) Financial Conditions

Total assets in the end of this quarter decreased by 7,418 million yen from March 31, 2026 to 90,024 million yen due to 1,426 million yen decrease of cash and deposits, 5,163 million yen decrease of notes, accounts receivable, and 1,000 million yen decrease of securities.

Liabilities decreased by 2,043 million yen to 20,599 million yen due to 645 million yen decrease of notes and accounts payable – trade, and 1,198 million yen decrease of income taxes payable.

Net assets decreased by 5,374 million yen to 69,425 million yen due to 7,288 million yen decrease resulting from dividend payout, 558 million yen decrease resulting from repurchase of treasury stock, while there was 2,514 million yen increase resulting from net income attributable to owners of the parent company.

(3) Information on Financial Forecasts

No revision to the consolidated financial forecasts announced on May 8, 2026.

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	30,905	29,478
Notes and accounts receivable - trade, and contract assets	23,555	18,392
Securities	4,000	3,000
Merchandise and finished goods	606	792
Work in process	13	10
Raw materials and supplies	189	201
Other	799	1,027
Allowance for doubtful accounts	(74)	(55)
Total current assets	59,995	52,847
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,832	1,812
Land	2,592	2,592
Other, net	930	917
Total property, plant and equipment	5,355	5,321
Intangible assets		
Goodwill	8,194	7,868
Customer-related intangible assets	7,359	7,251
Other	1,252	1,306
Total intangible assets	16,806	16,426
Investments and other assets		
Investment securities	1,664	1,754
Retirement benefit asset	10,995	11,088
Other	2,626	2,587
Allowance for doubtful accounts	(2)	(2)
Total investments and other assets	15,284	15,428
Total non-current assets	37,446	37,176
Total assets	97,442	90,024

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,126	5,480
Income taxes payable	3,200	2,002
Provision for bonuses	588	704
Provision for bonuses for directors (and other officers)	-	21
Provision for shareholder benefit program	69	64
Other	5,292	5,121
Total current liabilities	15,278	13,395
Non-current liabilities		
Retirement benefit liability	1,453	1,504
Other	5,911	5,699
Total non-current liabilities	7,364	7,203
Total liabilities	22,642	20,599
Net assets		
Shareholders' equity		
Share capital	7,205	7,205
Capital surplus	6,898	6,898
Retained earnings	69,012	64,238
Treasury shares	(15,332)	(15,891)
Total shareholders' equity	67,784	62,451
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	702	763
Revaluation reserve for land	(8)	(8)
Foreign currency translation adjustment	607	637
Remeasurements of defined benefit plans	4,668	4,569
Total accumulated other comprehensive income	5,969	5,962
Non-controlling interests	1,045	1,011
Total net assets	74,799	69,425
Total liabilities and net assets	97,442	90,024

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

Quarterly Consolidated Statements of Income (Cumulative)

(Millions of yen)

	First quarter ended June 30, 2025	First quarter ended June 30, 2026
Net sales	27,298	29,930
Cost of sales	21,039	22,722
Gross profit	6,258	7,207
Selling, general and administrative expenses		
Salaries and allowances	852	938
Provision for bonuses	93	103
Provision for bonuses for directors (and other officers)	20	21
Retirement benefit expenses	20	14
Welfare expenses	262	275
Rent expenses	184	212
Depreciation	170	173
Research and development expenses	120	144
Amortization of goodwill	330	326
Other	645	821
Total selling, general and administrative expenses	2,700	3,032
Operating income	3,557	4,175
Non-operating income		
Interest income	10	19
Dividend income	16	21
Other	57	57
Total non-operating income	84	98
Non-operating expenses		
Interest expenses	4	2
Foreign exchange losses	-	5
Other	1	2
Total non-operating expenses	6	10
Ordinary income	3,635	4,263
Extraordinary income		
Gain on sale of non-current assets	0	0
Gain on sale of investment securities	3	-
Total extraordinary income	3	0
Income before income taxes	3,639	4,264
Income taxes	1,450	1,750
Net income	2,189	2,513
Net income attributable to non-controlling interests	6	(0)
Net income attributable to owners of the parent company	2,182	2,514

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	First quarter ended June 30, 2025	First quarter ended June 30, 2026
Net income	2,189	2,513
Other comprehensive income		
Valuation difference on available-for-sale securities	(3)	61
Foreign currency translation adjustment	(50)	31
Remeasurements of defined benefit plans, net of tax	(57)	(98)
Total other comprehensive income	(111)	(5)
Comprehensive income	2,078	2,508
(Composition)		
Comprehensive income attributable to owners of the parent company	2,073	2,506
Comprehensive income attributable to non controlling interests	4	1

(3) Notes on Quarterly Consolidated Financial Statements

(Notes on Premise of Going Concern)

Not applicable.

(Notes on Substantial Changes in the Amount of Shareholder's Equity)

Not applicable.

(Application of Accounting Methods Specific to Quarterly Consolidated Financial Statements)

[Calculation of Income Taxes]

Income taxes are calculated by multiplying income before income taxes of this quarter by the estimated effective tax rate, which is reasonably estimated by applying tax effect accounting to income before income taxes for the consolidated fiscal year including this quarter.

For some subsidiaries, the actual effective tax rate of the previous consolidated fiscal year is applied.

(Notes on Segment and Other Information)

【Segment Information】

I. First quarter ended June 30, 2025

1. Information on Net Sales and Income/Loss by Reportable Segment

(Unit: Millions of yen)

	Reporting segment						Adjustment (Note i)	Amount reported on the consolidated financial statements (Note ii)
	System Development Business				Solution Business	Total		
	Financial IT	Industry IT	Social Infrastructure IT	IT Infrastructure Construction				
Net sales								
Sales to external customers	8,358	6,661	5,710	3,149	3,418	27,298	-	27,298
Intersegment sales or transfers	-	106	13	23	2	146	(146)	-
Total	8,358	6,767	5,723	3,173	3,421	27,445	(146)	27,298
Segment income	1,592	898	965	507	(220)	3,743	(185)	3,557

(Note) i. Adjustment of segment income of (185) million yen are costs of whole company.
Costs of whole company are G&A costs not attribute to the segments.

ii. Operating income in the quarterly consolidated financial statements consists of segment income and adjustments.

2. Information on Impairment Losses of Non-current Assets and Goodwill by Reportable Segment

[Significant Impairment Losses of Non-current Assets]

Not applicable.

[Significant Changes of Goodwill]

Not applicable.

II. First quarter ended June 30, 2026

1. Information on Net Sales and Income/Loss by Reportable Segment

(Unit: Millions of yen)

	Reporting segment						Adjustment (Note i)	Amount reported on the consolidated financial statements (Note ii)
	System Development Business				Solution Business	Total		
	Financial IT	Industry IT	Social Infrastructure IT	IT Infrastructure Construction				
Net sales								
Sales to external customers	9,589	6,740	6,137	3,398	4,065	29,930	-	29,930
Intersegment sales or transfers	-	183	16	19	2	221	(221)	-
Total	9,589	6,923	6,153	3,418	4,068	30,151	(221)	29,930
Segment income	1,802	953	1,162	544	(72)	4,390	(215)	4,175

(Note) i. Adjustment of segment income of (215) million yen are costs of whole company.
Costs of whole company are G&A costs not attribute to the segments.

ii. Operating income in the quarterly consolidated financial statements consists of segment income and adjustments.

2. Information on Impairment Losses of Non-current Assets and Goodwill by Reportable Segment

[Significant Impairment Losses of Non-current Assets]

Not applicable.

[Significant Changes of Goodwill]

Not applicable.

(Notes on Statements of Quarterly Consolidated Cash Flows)

The quarterly consolidated statements of cash flows are not prepared for the first quarter.

Depreciation (including depreciation of intangible assets except goodwill) and amortization of goodwill for the first quarter are as follows.

	First quarter ended June 30, 2025	First quarter ended June 30, 2026
Depreciation	290 million yen	326 million yen
Amortization of goodwill	330 million yen	326 million yen

(Revenue Recognition)

Information on Revenue by Contracts

First quarter ended June 30, 2025

(Unit: Millions of yen)

	Reporting segment					Total
	System Development Business				Solution Business	
	Financial IT	Industry IT	Social Infrastructure IT	IT Infrastructure Construction		
System development	8,130	6,353	5,564	2,655	-	22,705
Operation and maintenance	0	62	29	282	-	375
Others	227	245	115	211	-	799
Service	-	-	-	-	2,560	2,560
Product	-	-	-	-	858	858
Revenue from contracts	8,358	6,661	5,710	3,149	3,418	27,298
Net sales from external customers	8,358	6,661	5,710	3,149	3,418	27,298

First quarter ended June 30, 2026

(Unit: Millions of yen)

	Reporting segment					Total
	System Development Business				Solution Business	
	Financial IT	Industry IT	Social Infrastructure IT	IT Infrastructure Construction		
System development	9,383	6,436	5,991	2,850	—	24,661
Operation and maintenance	0	42	33	321	—	396
Others	205	261	112	226	—	806
Service	—	—	—	—	3,072	3,072
Product	—	—	—	—	992	992
Revenue from contracts	9,589	6,740	6,137	3,398	4,065	29,930
Net sales from external customers	9,589	6,740	6,137	3,398	4,065	29,930