

1H FY March 2026

Supplementary Materials for Financial Results

Securities code: 2335

Nov. 5, 2025



| Executive Summary

- **Business Environment**
 - Demand for system development for DX promotion and cloud migration is high, and IT investment is expanding.
We maintained steady growth by capturing a certain level of customer demand.
- **Net Sales**
 - The Sler* Business and the End-User Business remained stable, while the Service Providing Business increased.
- **Operating Profit**
 - Increased significantly due to improved profit margins and a reduction in personnel expenses resulting from a change in the discount rate applied to retirement benefit obligations.

1H FY March 2026 Actual

Net sales

91.4

100 million yen

Operating profit

7.3

100 million yen

Profit attributable to
owners of parent

5.5

100 million yen

- **Earnings Forecast**
 - No changes have been made from the earnings forecast disclosed on May 8, 2025.

*System integrator: a company that conducts system integration. Abbreviated as "Sler." A general term for companies that plan, design, develop, operate, and provide other solutions for the IT operation systems of customers including companies and the government.



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1H FY March 2026

1 Overview of Financial Results

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- 4 Trends in Net Sales by Business Model
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1 - 1 | Overview of Consolidated Statements of Income

- Business Environment

 - IT investment continues to expand because of ongoing demand for DX against a backdrop of higher value-added services and a shortage of human resources, as well as strong demand for migrating mission-critical systems to the cloud and for system development aimed at improving usability.
We maintained steady growth by capturing a certain level of customer demand.
- Net Sales

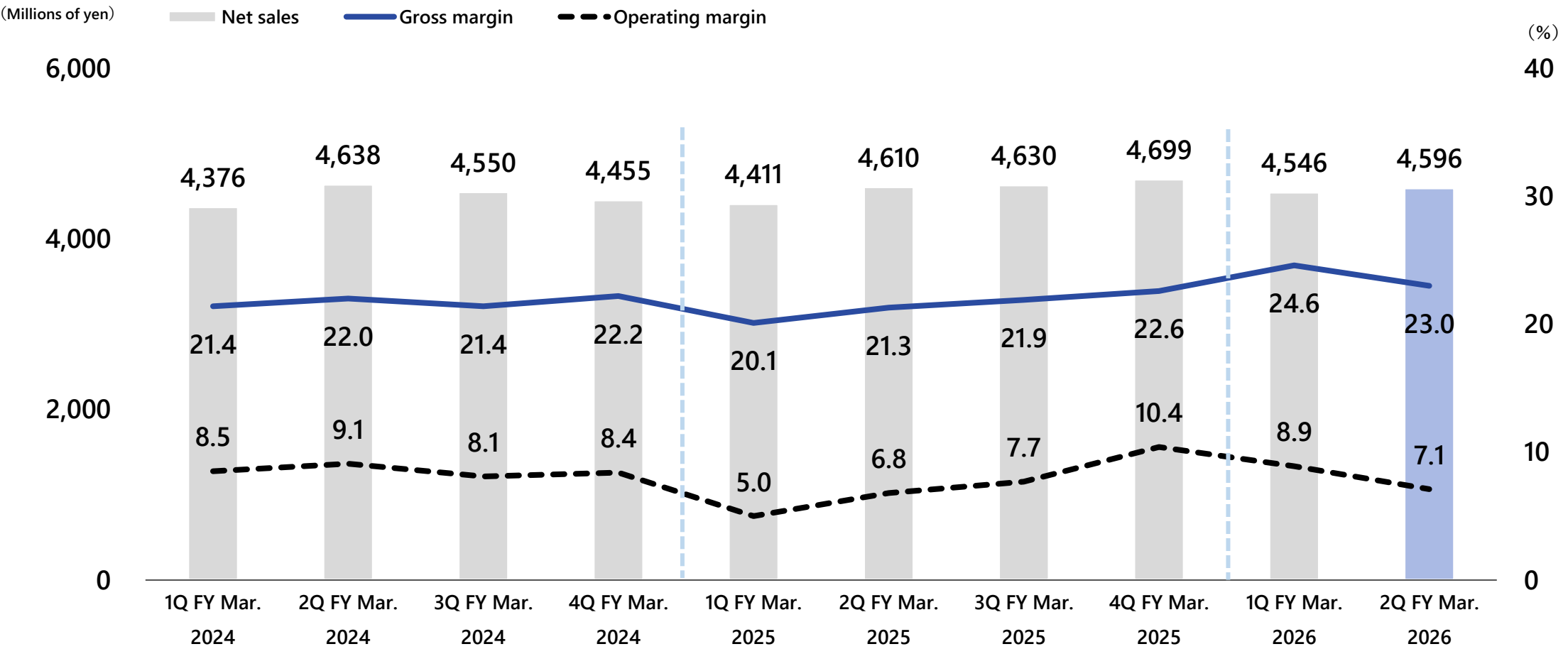
 - The Sler Business and End-User Business maintained the same level as the previous fiscal year, while the Service Providing Business increased.
- Operating Profit

 - Significantly increased because of improved profitability in the End-User Business, the Sler Business and overseas subsidiaries, and a reduction in personnel expenses resulting from a change in the discount rate applied to retirement benefit obligations.

(Millions of yen)	1H FY Mar. 2025 (Actual)	1H FY Mar. 2026 (Actual)	YoY
Net sales	9,022	9,142	+1.3%
Operating profit	533	730	+37.0%
Margin	5.9%	8.0%	–
Ordinary profit	528	738	+39.7%
Margin	5.9%	8.1%	–
Profit attributable to owners of parent	662	555	-16.2%
Margin	7.3%	6.1%	–

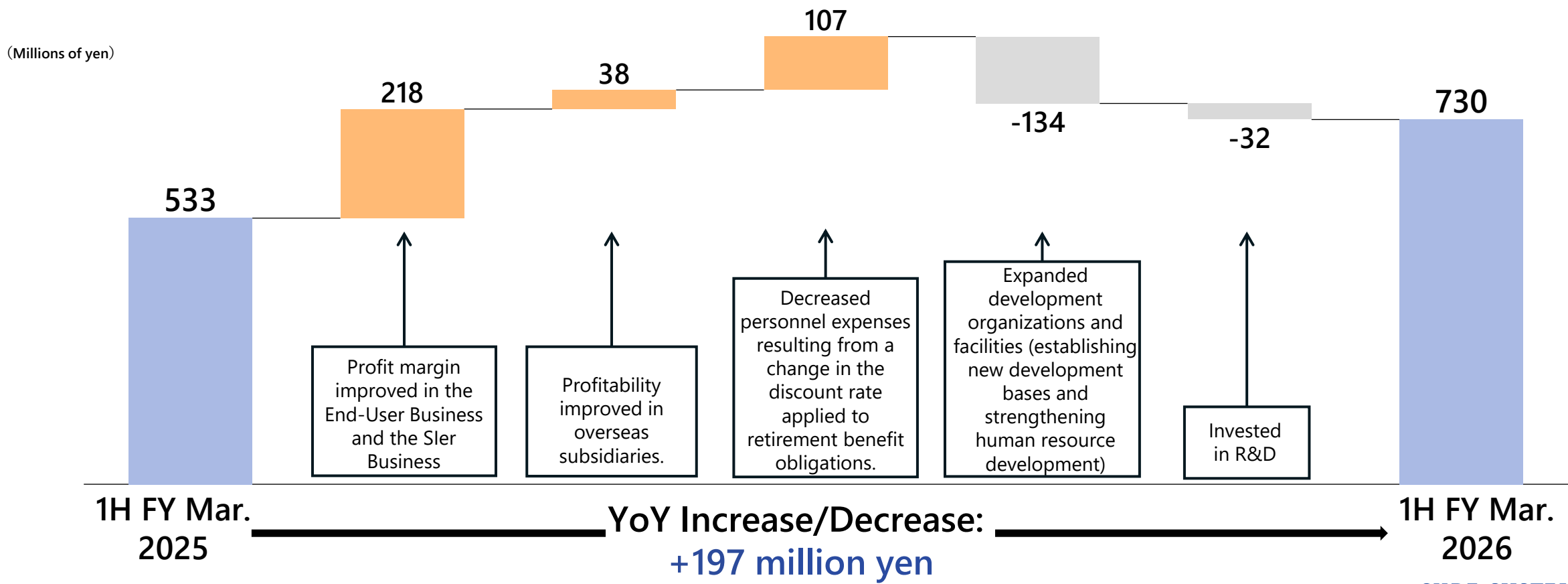
1 - 2 | Trends in Transition by Accounting Period

■ Net sales increased by 50 million yen compared to the previous quarter.



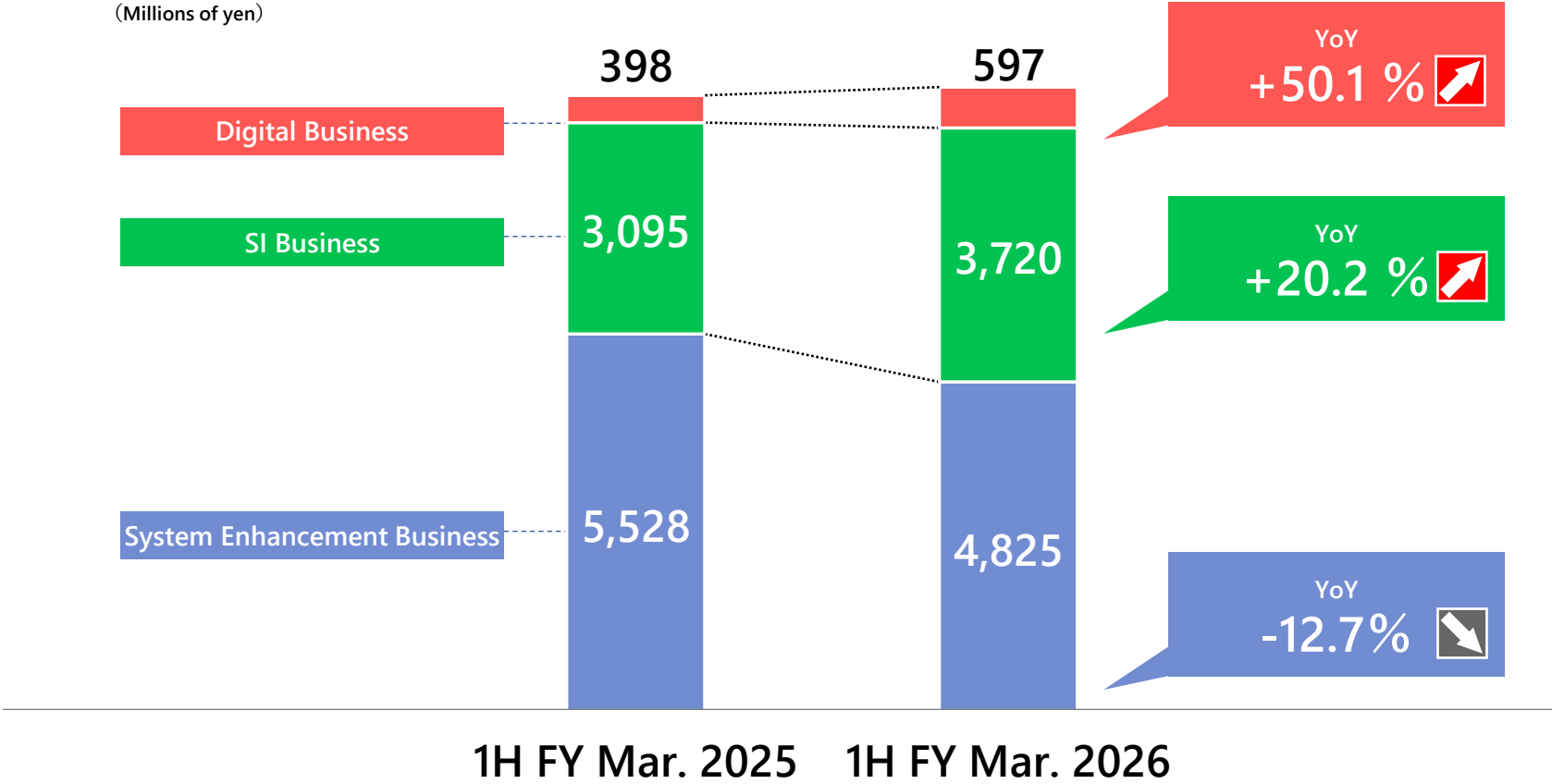
1 - 3 | Factors Leading to Changes in Operating Profit (Compared to the Previous Fiscal Year)

- Positive Factors –Profitability improved in the End-User Business, the Sler Business and overseas subsidiaries, while personnel expenses decreased resulting from a change in the discount rate applied to retirement benefit obligations.
- Negative Factors –Expanded development bases by opening the Shinagawa Innovation Hub and invested in human resource development as well as in R&D aimed at creating new businesses and promoting the internal deployment of new technologies.



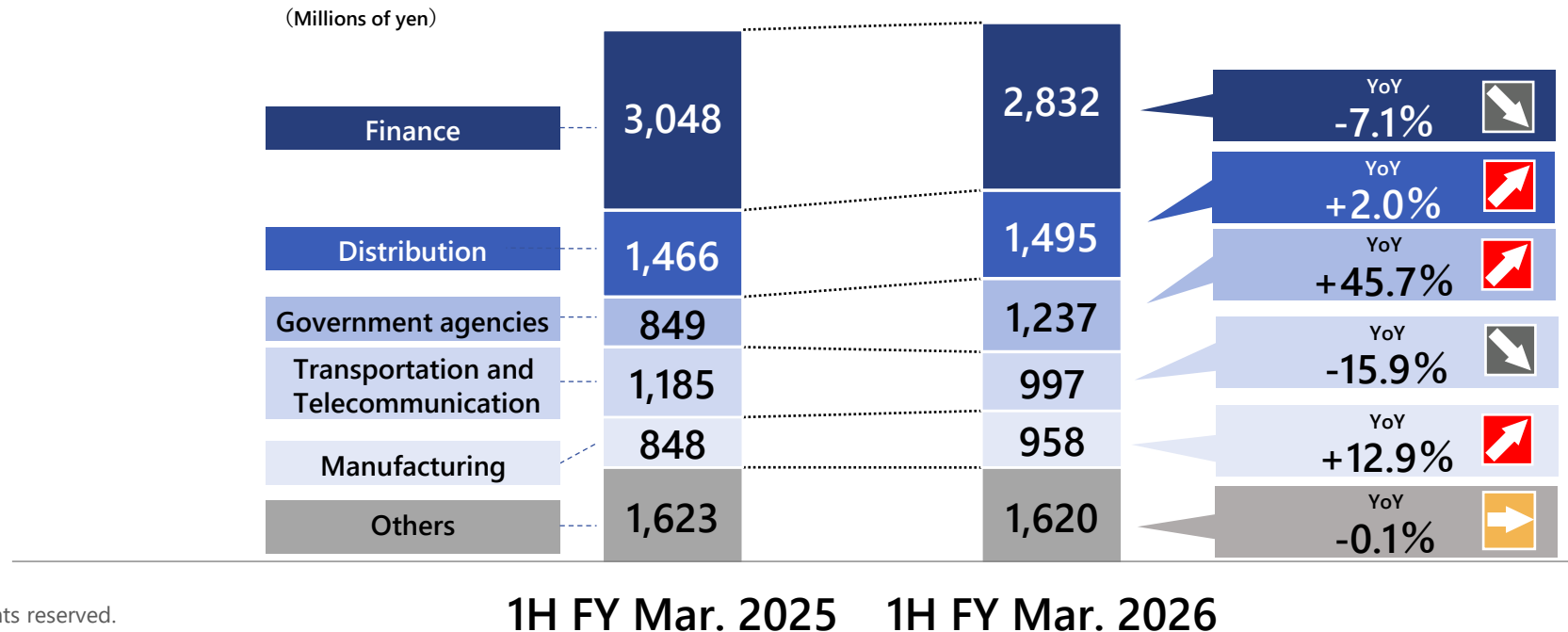
1 - 4 | Trends in Net Sales by Business Model

- Digital Business
 - Increased because of the increase in orders received for consulting, and advanced technology support projects such as AI utilization.
- SI Business
 - Increased because of the expansion in scale of modernization projects and the acquisition of new projects.
- System Enhancement Business
 - Decreased due to review of low-profit projects and resource allocation to high-profit projects.



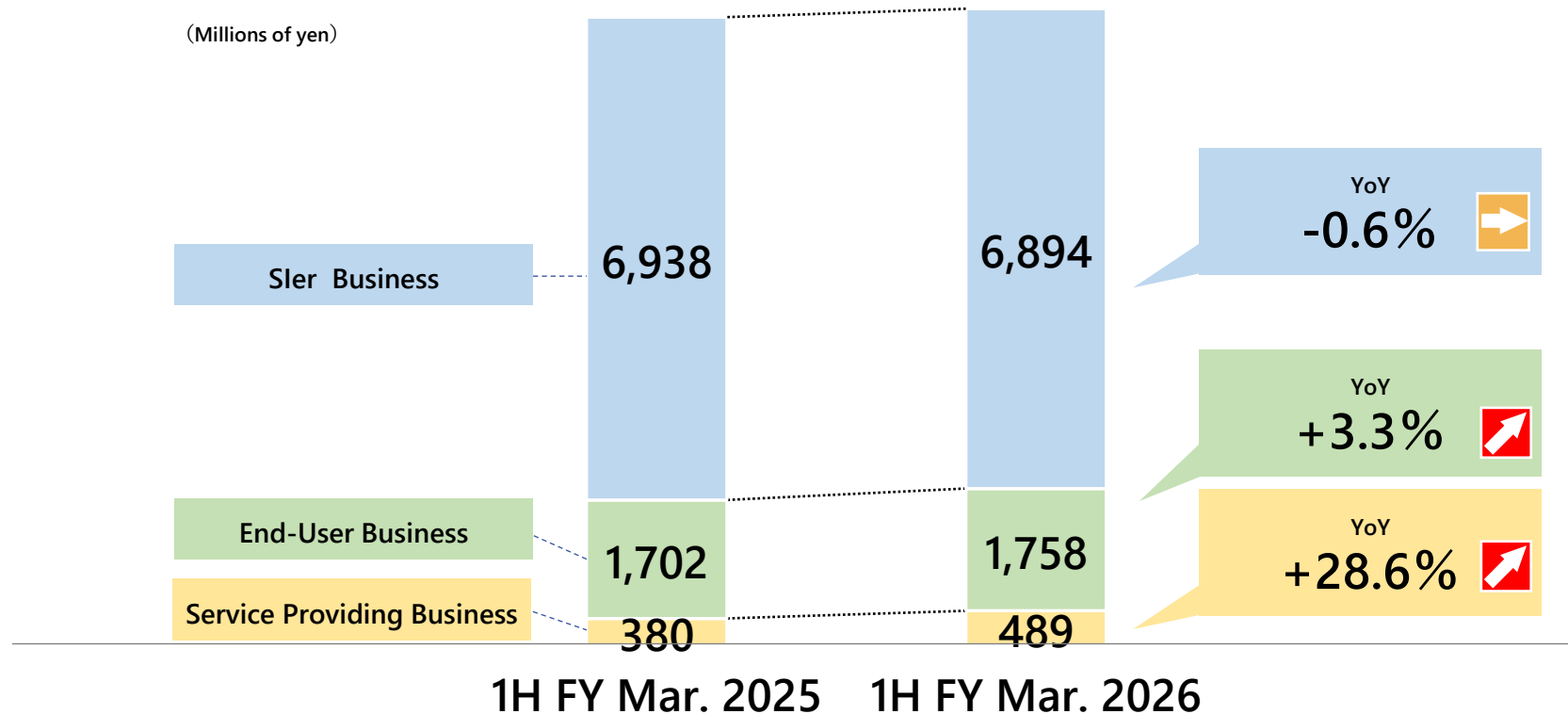
1 - 5 | Trends in Net Sales by Industry

- Finance – Decrease due to withdrawal from low-profit projects.
- Distribution – Increase in projects for wholesalers and GMS.
- Government agencies – Significant increase in projects for the central government agencies and administrative agencies.
- Transportation and Telecommunication – Decrease in projects for logistics companies and telecommunications carriers.
- Manufacturing – Strong performance in projects for automobile manufacturers.
- Others – Overall performance remained stable, despite solid orders from energy-related and education-related industries.

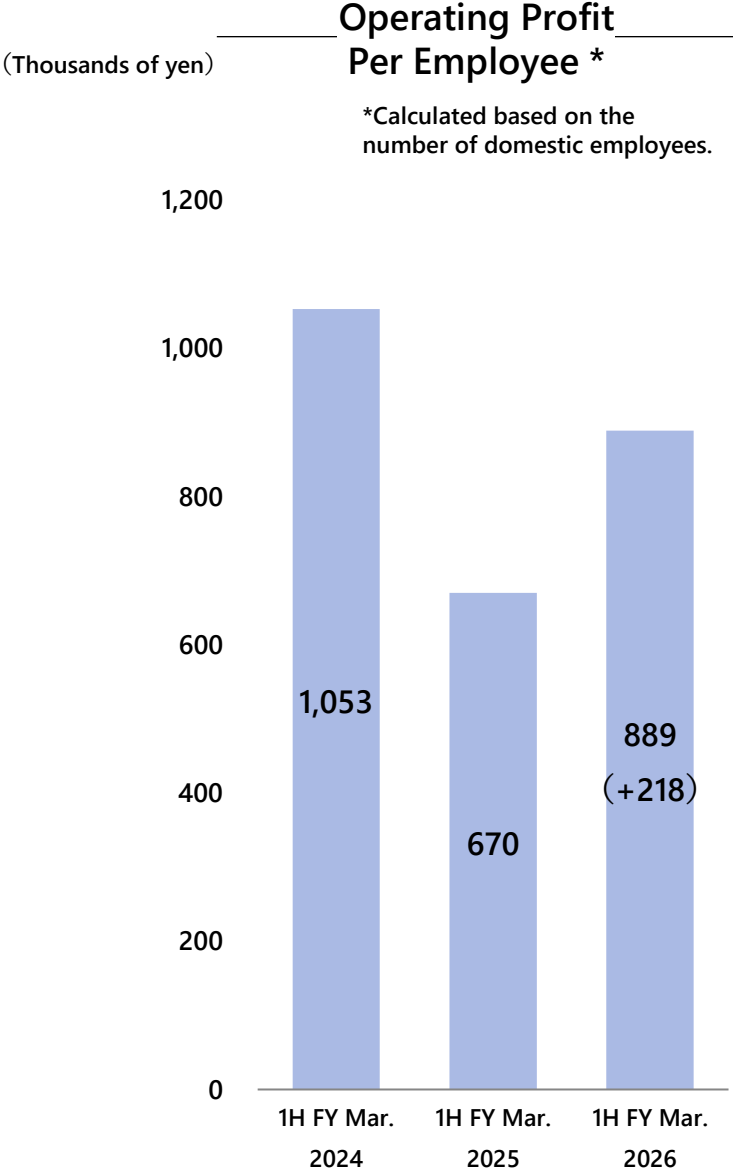
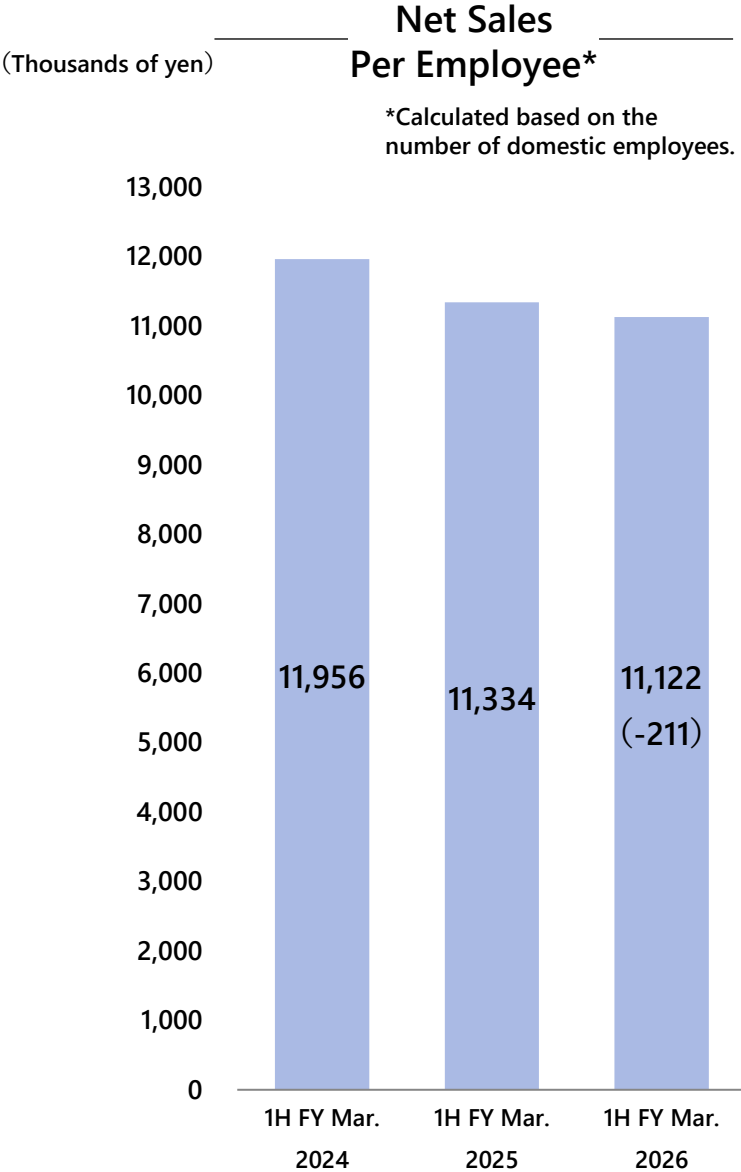
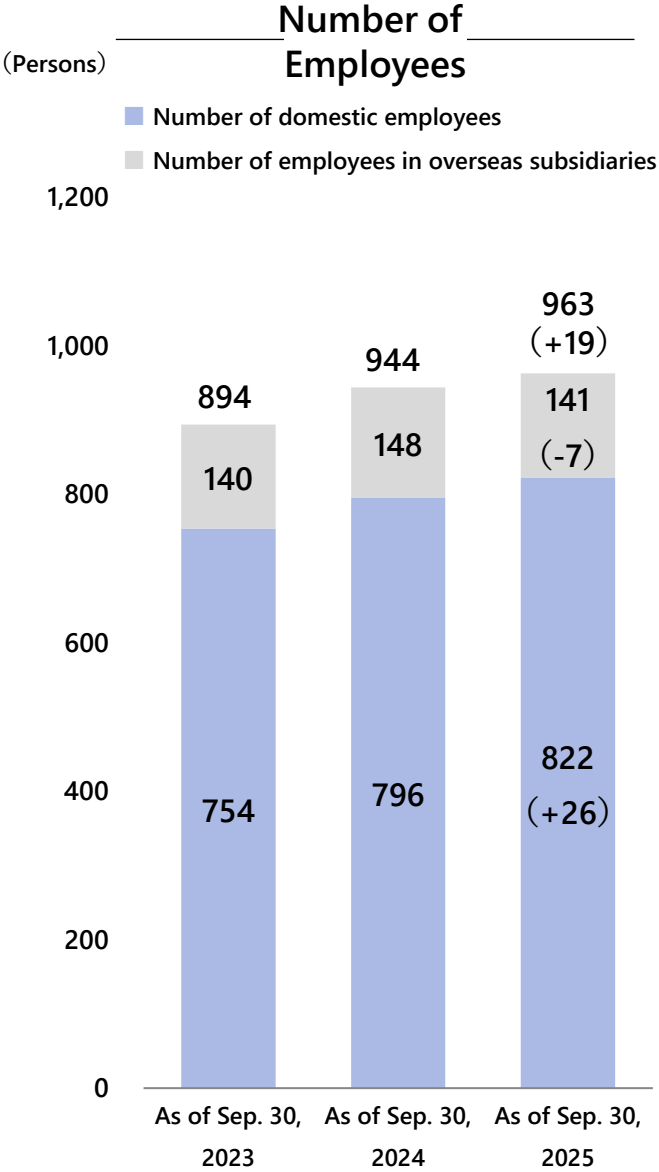


1 - 6 | Trends in Net Sales by Business Style

- Sler Business
 - Remained stable because of the decline in some system integrators, despite the expansion because of strong demand from other system integrators.
- End-User Business
 - Increased because of deeper engagement with existing customers and orders received from new customers.
- Service Providing Business
 - Expanded through collaboration with solution vendors and provision of technical support services.



1 - 7 | Index Per Employee



FY March 2026

2 Earnings Forecast

- 1 Overview of Earnings Forecast
- 2 First-Half Progress(Business Style/High-Priority Measures)
- 3 Orders Received and Order Backlog
- 4 Trends in Dividends and Dividend Payout Ratio



2 - 1 | Overview of Earnings Forecast

- **Business Environment** – Demand for IT investment is expected to remain strong, while the outlook remains uncertain due to factors such as domestic and international policy trends, and fluctuations in the financial markets.
- **Order Outlook** – Aiming to achieve this goal by expanding into the manufacturing and other industries, in addition to ongoing orders from the financial industry and government agencies.
- **Earnings Forecast** – No changes.

(Millions of yen)	FY Mar. 2026 (Forecasts) ^{*1}	1H FY Mar. 2026 (Actual)	Progress rate toward Forecasts	1H FY Mar. 2026 (Forecasts) ^{*2}
Net sales	19,500	9,142	46.9%	9,300
Operating profit	1,750	730	41.8%	700
Margin	9.0%	8.0%	–	7.5%
Ordinary profit	1,760	738	41.9%	720
Margin	9.0%	8.1%	–	7.7%
Profit attributable to owners of parent	1,220	555	45.5%	550
Margin	6.3%	6.1%	–	5.9%

*1: The numbers for full year forecast are announced on May 8, 2025.

*2: Please refer to the press release dated August 6, 2025, titled "Notice of Revised Earnings Forecasts for the Second Quarter of the Fiscal Year Ending March 31, 2026".

2 - 2 | First-Half Progress(Business Style/High-Priority Measures)

Sler Business High-Priority Measures	End-User Business High-Priority Measures	Service Providing Business High-Priority Measures
Stable profit growth and achievement of one-stop service Launch of new projects and increase in inquiries from existing customers. Selected as a primary partner for a large-scale project generated through collaboration. Inquiries regarding government agencies projects are also continuing to increase. Launch of one-stop service. We are promoting the provision of one-stop service through several projects. It is also planning to develop large-scale projects utilizing the CUBE SYSTEM VIETNAM Co., LTD.'s technological capabilities.	Acquiring new customers and expanding the scale of sales Conducting an in-depth exploration of key topics for existing customers. Orders received for derivative-development projects, resulting from strengthened relations with existing customers, remain strong. Profit performance is strong. New customer projects are mainly small ones. We started services to new customers in the food manufacturing industry. We are also developing sales to candidate of business target.	Creating business through co-creation with solution vendors Promoting both technical support and business support services. In addition to cloud implementation as technical support, we are challenging the H-CUBiC service concept to realize, to support human capital management. Examples of cloud implementation support PHITEN Co., Ltd.*1 NIHON GENERIC Co., Ltd.*2 I-O DATA DEVICE, INC. and others. *1 Migrated PHITEN Co., Ltd.'s virtual common infrastructure to the cloud. *2 Migrated NIHON GENERIC Co., Ltd.'s virtual common infrastructure to the cloud.

2 - 2 | First-Half Progress (Business Style/High-Priority Measures)

Research investment

In the final phase before new service launching

Performance improvement of H•CUBiC.*¹

Implement PoC (demonstration tests) in customer environments.

[*1 H•CUBiC Service concept to support human capital management](#)

Promoting the development of new solutions.

Preparation phase of AI automated ordering-related solutions. We expect to launch in spring 2026.

Human capital

Measures to improve skills underway

Encouraging employees to autonomous learning and strengthening support.

Reviewing training policies and content followed by raising awareness within the company increased in the number of educational days per employee.*²

2024 : 5.7 days → 2025 : 7.8 days

*² The calculation period covers six months (April through September).

There are challenges in expanding the leadership layers.

Referral and alumni recruitment systems have been introduced, though, challenges still remain.

Reinforcement of Quality

Further strengthening the quality management system

Improvement of risk sensitivity is needed.

Process review and enhancement have been implemented through QMS and CS improvement activities.

Although unprofitable projects are declining, some still remain. Therefore, we are strengthening the clarification of cause, reviewing procedures and education in order to enhance project risk sensitivity.

Development organization and facilities

Steady progress in laying the foundation to meet DX demand

Opening a development office with a capacity of 400.

In September 2025, we opened the Shinagawa Innovation Hub*³, a development office, in Shinagawa, Tokyo.

[*³ Opened the Shinagawa Innovation Hub.](#)

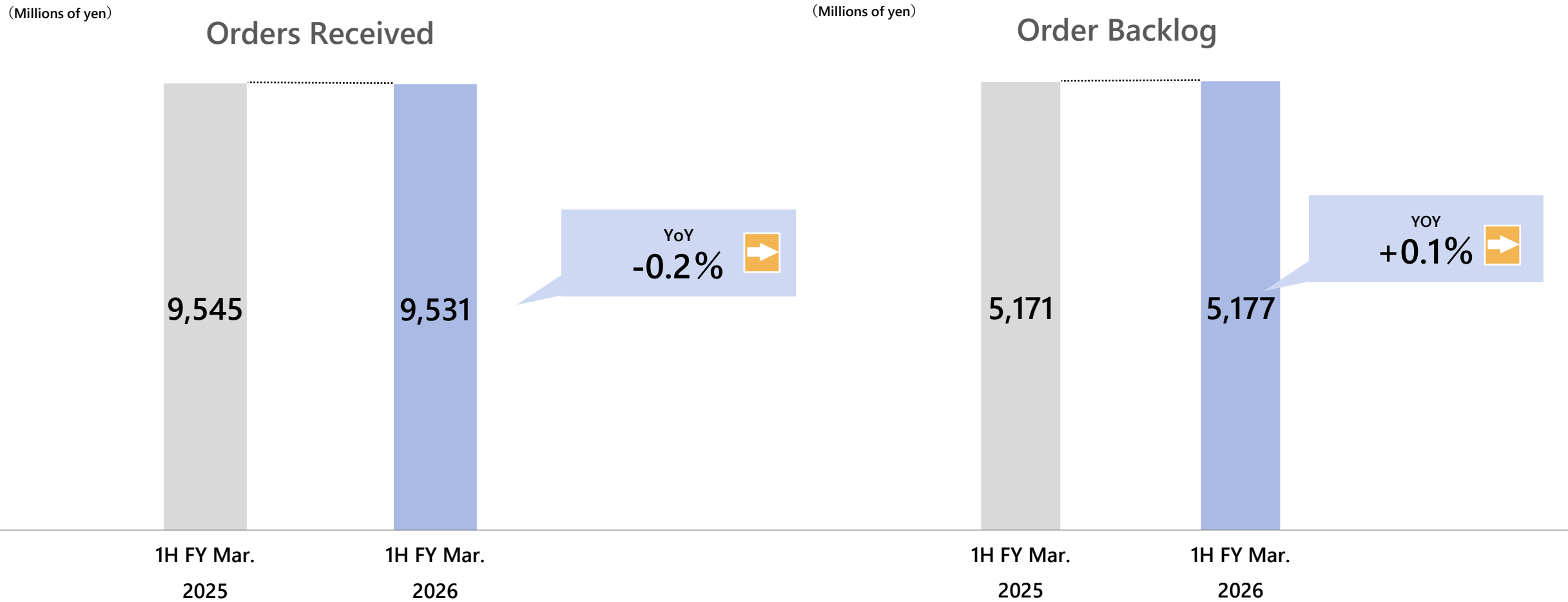
Production technology innovation utilizing AI.

We verify test automation AI and code generation AI in our internal system improvement work.

Preparing methods and guidelines for practical implementation.

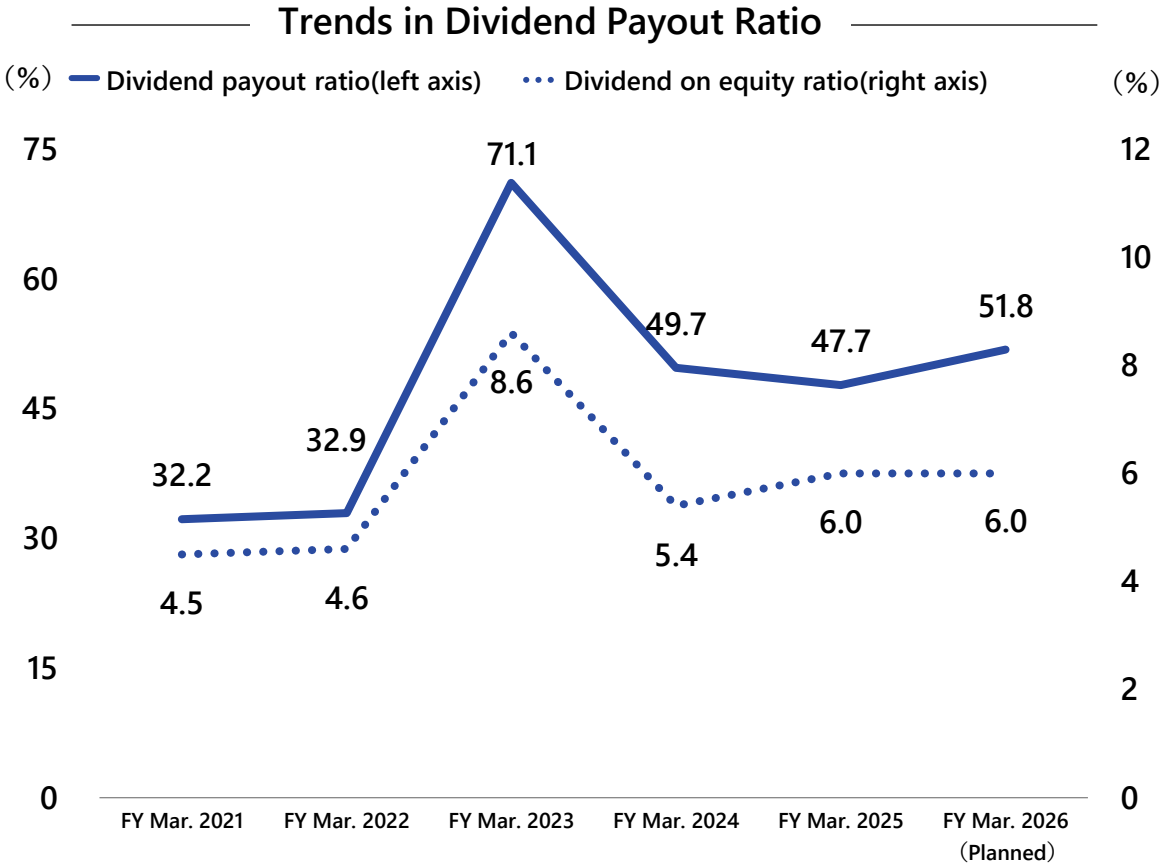
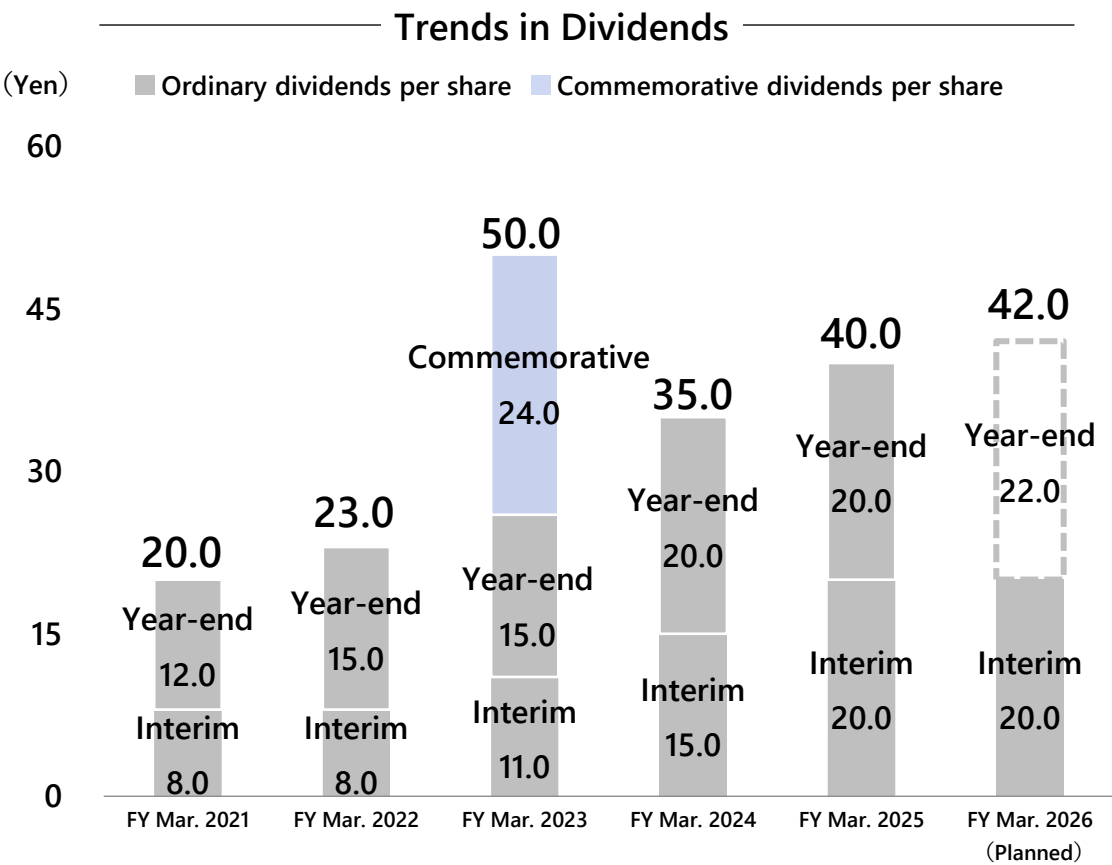
2 - 3 | Orders Received and Order Backlog

■ The overall results remained stable, despite an increased order backlog in government agencies and the financial industry.



2 - 4 | Trends in Dividends and Dividend Payout Ratio

■ Maintained stable dividends with a target consolidated dividend payout ratio of 50%.



3 Appendix

- 1 Five Year Summary
- 2 Trends in Transition by Accounting Period
- 3 Summary of Consolidated Balance Sheets and Consolidated Statements of Cash Flows
- 4 Trends in Net Sales and Operating Profit
- 5 Trends in Orders Received and Order Backlog
- 6 Other Performance Indicators
- 7 Corporate Information and History



3 - 1 | Five Year Summary

	1H FY Mar. 2022	1H FY Mar. 2023	1H FY Mar. 2024	1H FY Mar. 2025	1H FY Mar. 2026
Net sales (Millions of yen)	8,060	7,892	9,015	9,022	9,142
Cost of sales (Millions of yen)	6,342	6,241	7,055	7,152	6,964
Gross profit (Millions of yen)	1,718	1,650	1,959	1,869	2,178
Gross margin (%)	21.3	20.9	21.7	20.7	23.8
Selling, general and administrative expenses (Millions of yen)	971	1,052	1,165	1,336	1,447
Operating profit (Millions of yen)	746	598	794	533	730
Operating margin (%)	9.3	7.6	8.8	5.9	8.0
Ordinary profit (Millions of yen)	752	594	788	528	738
Ordinary margin (%)	9.3	7.5	8.7	5.9	8.1
Profit attributable to owners of parent (Millions of yen)	501	388	501	662	555
Profit margin attributable to owners of parent (%)	6.2	4.9	5.6	7.3	6.1

3 - 2 | Trends in Transition by Accounting Period

	1Q FY Mar. 2024	2Q FY Mar. 2024	3Q FY Mar. 2024	4Q FY Mar. 2024	1Q FY Mar. 2025	2Q FY Mar. 2025	3Q FY Mar. 2025	4Q FY Mar. 2025	1Q FY Mar. 2026	2Q FY Mar. 2026
Net sales (Millions of yen)	4,376	4,638	4,550	4,455	4,411	4,610	4,630	4,699	4,546	4,596
Cost of sales (Millions of yen)	3,438	3,616	3,575	3,468	3,525	3,627	3,615	3,635	3,425	3,538
Gross profit (Millions of yen)	938	1,021	974	987	886	983	1,014	1,063	1,120	1,058
Gross margin (%)	21.4	22.0	21.4	22.2	20.1	21.3	21.9	22.6	24.6	23.0
Selling, general and administrative expenses (Millions of yen)	568	597	606	613	665	670	657	572	717	730
Operating profit (Millions of yen)	369	424	367	374	220	312	356	490	402	327
Operating margin (%)	8.5	9.1	8.1	8.4	5.0	6.8	7.7	10.4	8.9	7.1
Ordinary profit (Millions of yen)	371	416	380	421	226	301	365	499	412	326
Ordinary margin (%)	8.5	9.0	8.4	9.5	5.1	6.5	7.9	10.6	9.1	7.1
Profit attributable to owners of parent (Millions of yen)	232	268	257	308	157	504	242	356	200	354
Profit margin attributable to owners of parent (%)	5.3	5.8	5.7	6.9	3.6	10.9	5.2	7.6	4.4	7.7

3 - 3 | Summary of Consolidated Balance Sheets and Consolidated Statements of Cash Flows

(Unit: millions of yen)

Consolidated Balance Sheets	As of Mar. 31, 2025	As of Sep. 30, 2025	Increase/ Decrease	Remarks
Current assets	9,806	10,171	+364	Increase in cash and deposits, and in securities
Non-current assets	4,560	4,753	+193	Increase in property, plant and equipment
Total assets	14,366	14,924	+557	
Current liabilities	2,387	2,744	+357	Increase in deposits received and accounts payable - other
Non-current liabilities	1,104	1,007	-97	Decrease in long-term accounts payable – other Increase in asset retirement obligations
Total liabilities	3,491	3,752	+260	
Total shareholder's equity	9,733	10,081	+348	Increase in retained earnings and disposal of treasury shares
Total accumulated other comprehensive income	1,141	1,090	-51	
Non-controlling interests	-	-	-	
Total net assets	10,874	11,172	+297	

(Unit: millions of yen)

Consolidated Statements of Cash Flows	1H FY Mar. 2025	1H FY Mar. 2026	Increase/ Decrease	Remarks
Cash flows from operating activities	-44	634	+678	Difference resulting from the revision of the retirement benefit plan implemented last fiscal year
Cash flows from investing activities	74	-120	-194	Purchase of property, plant and equipment
Cash flows from financing activities	-465	-206	+259	Proceeds from sale of treasury shares
Effect of exchange rate changes on cash and cash equivalents	-11	-2	+9	
Net increase (decrease) in cash and cash equivalents	-447	304	+752	
Cash and cash equivalents at beginning of period	6,815	6,213	-601	
Cash and cash equivalents at end of period	6,367	6,518	+150	

3 - 4 | Trends in Net Sales and Operating Profit

	1H FY Mar. 2025	1H FY Mar. 2026		
	Net sales (Millions of yen)	Net sales (Millions of yen)	Composition (%)	YoY (%)
Digital Business	398	597	6.5	+50.1
SI Business	3,095	3,720	40.7	+20.2
System Enhancement Business	5,528	4,825	52.8	-12.7
Finance	3,048	2,832	31.0	-7.1
Distribution	1,466	1,495	16.4	+2.0
Government agencies	849	1,237	13.5	+45.7
Transportation and Telecommunication	1,185	997	10.9	-15.9
Manufacturing	848	958	10.5	+12.9
Others	1,623	1,620	17.7	-0.1
Sler Business	6,938	6,894	75.4	-0.6
End-User Business	1,702	1,758	19.2	+3.3
Service Providing Business	380	489	5.4	+28.6
Total	9,022	9,142	100.0	+1.3

	1H FY Mar. 2025	1H FY Mar. 2026	
	Operating profit (Millions of yen)	Operating profit (Millions of yen)	YoY (%)
	9	53	+435.7
	228	246	+7.8
	294	430	+46.1
	209	263	+26.0
	48	170	+252.9
	62	29	-52.9
	112	141	+25.4
	43	52	+20.6
	57	73	+29.0
	382	500	+30.8
	139	277	+98.5
	11	-46	-
Total	533	730	+37.0

	1H FY Mar. 2025	1H FY Mar. 2026	
	Operating margin (%)	Operating margin (%)	YoY (pt)
	2.5	8.9	+6.4
	7.4	6.6	-0.8
	5.3	8.9	+3.6
	6.9	9.3	+2.4
	3.3	11.4	+8.1
	7.4	2.4	-5.0
	9.5	14.2	+4.7
	5.1	5.5	+0.4
	3.5	4.6	+1.1
	5.5	7.3	+1.8
	8.2	15.8	+7.6
	3.0	-9.5	-
Total	5.9	8.0	+2.1

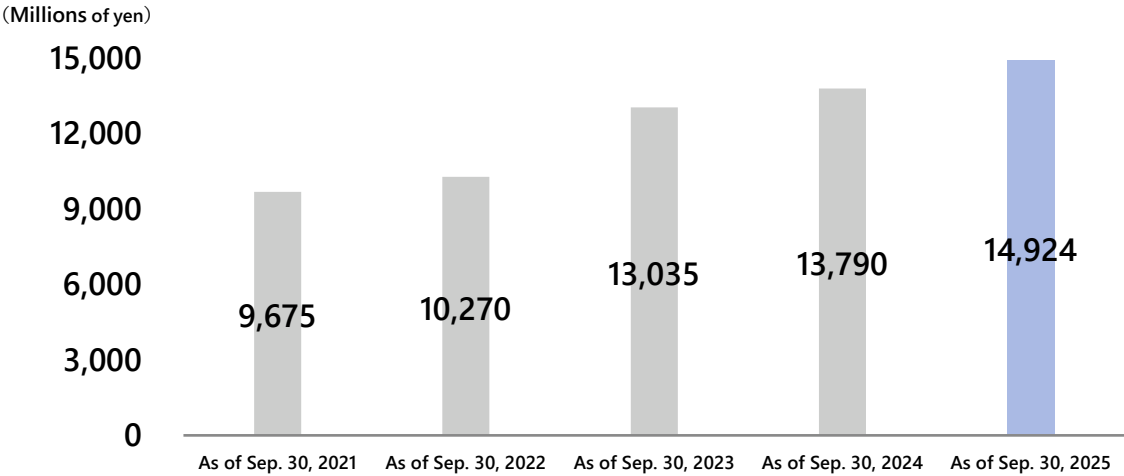
3 - 5 | Trends in Orders Received and Order Backlog

	1H FY Mar. 2025	1H FY Mar. 2026		
	Orders received (Millions of yen)	Orders received (Millions of yen)	Increase/Decrease (Millions of yen)	YoY (%)
Digital Business	480	677	+196	+40.9
SI Business	3,519	4,031	+512	+14.6
System Enhancement Business	5,546	4,821	-724	-13.1
Finance	3,065	3,036	-28	-0.9
Distribution	1,613	1,589	-23	-1.5
Government agencies	899	1,362	+463	+51.5
Transportation and Telecommunication	1,167	995	-171	-14.7
Manufacturing	930	1,051	+120	+12.9
Others	1,870	1,496	-373	-20.0
Sler Business	7,228	7,581	+353	+4.9
End-User Business	2,000	1,695	-305	-15.2
Service Providing Business	316	253	-62	-19.9
Total	9,545	9,531	-14	-0.2

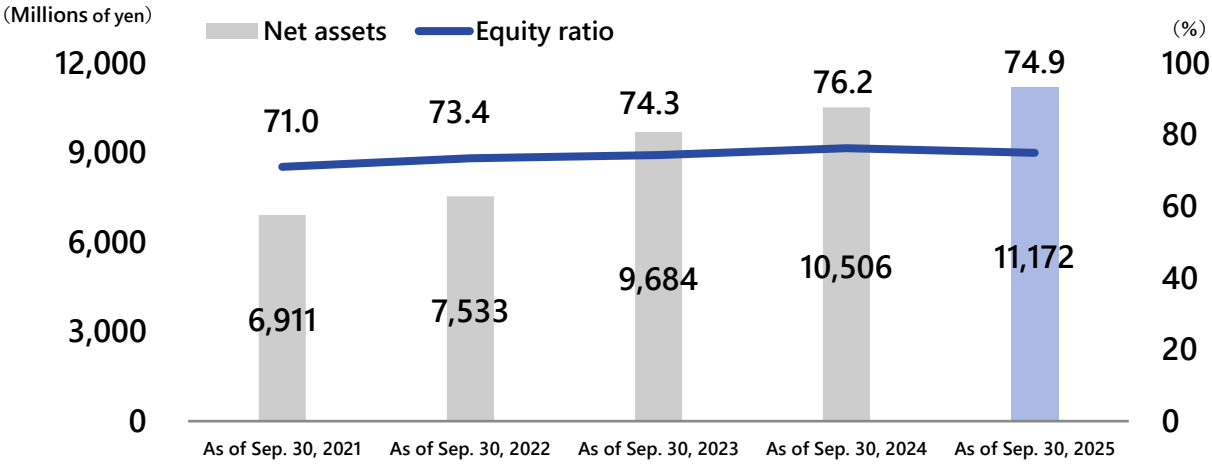
	1H FY Mar. 2025	1H FY Mar. 2026		
	Order backlog (Millions of yen)	Order backlog (Millions of yen)	Increase/Decrease (Millions of yen)	YoY (%)
	307	427	+119	+39.0
	1,762	1,933	+171	+9.7
	3,101	2,816	-284	-9.2
	1,566	1,715	+148	+9.5
	955	864	-91	-9.6
	533	682	+149	+28.0
	565	506	-59	-10.5
	487	554	+67	+13.8
	1,062	854	-207	-19.6
	3,610	3,700	+89	+2.5
	1,391	1,299	-91	-6.6
	169	178	+8	+5.1
	5,171	5,177	+6	+0.1

3 - 6 | Other Performance Indicators

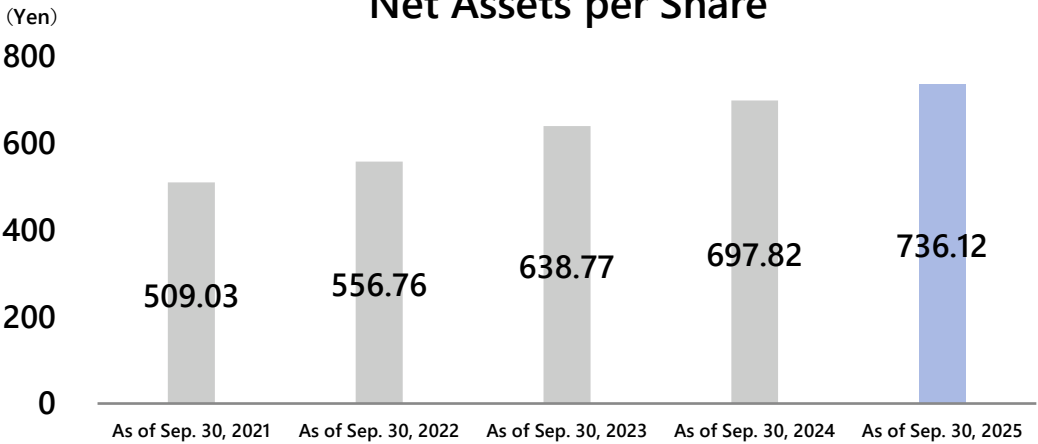
Total Assets



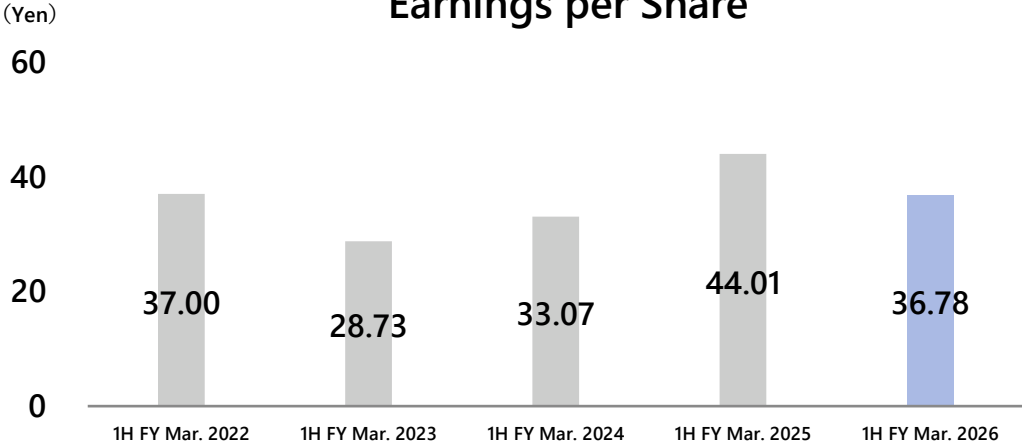
Net Assets/Equity Ratio



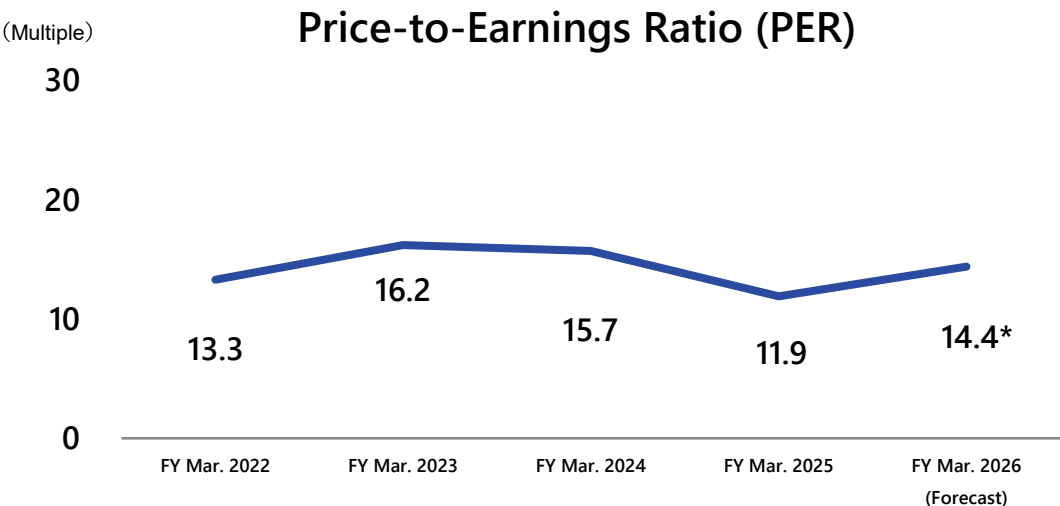
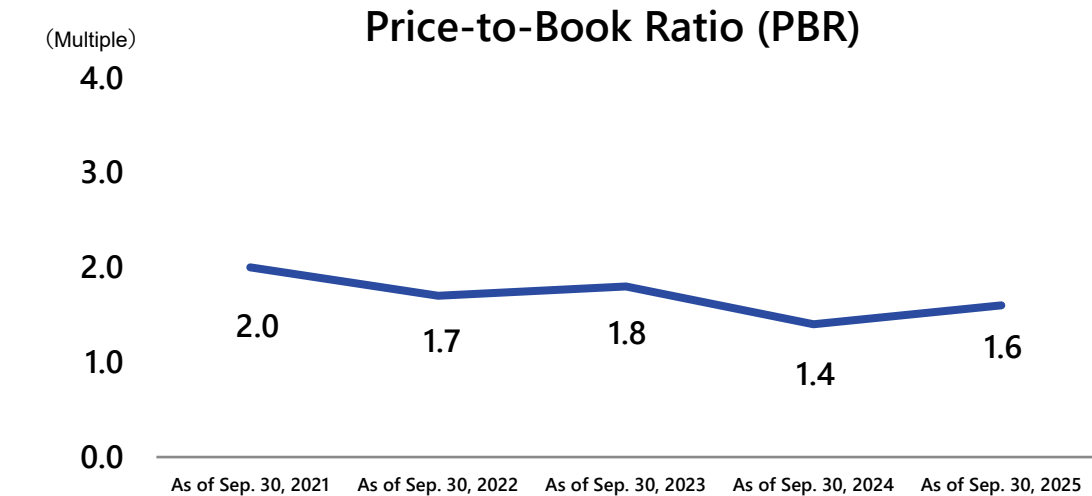
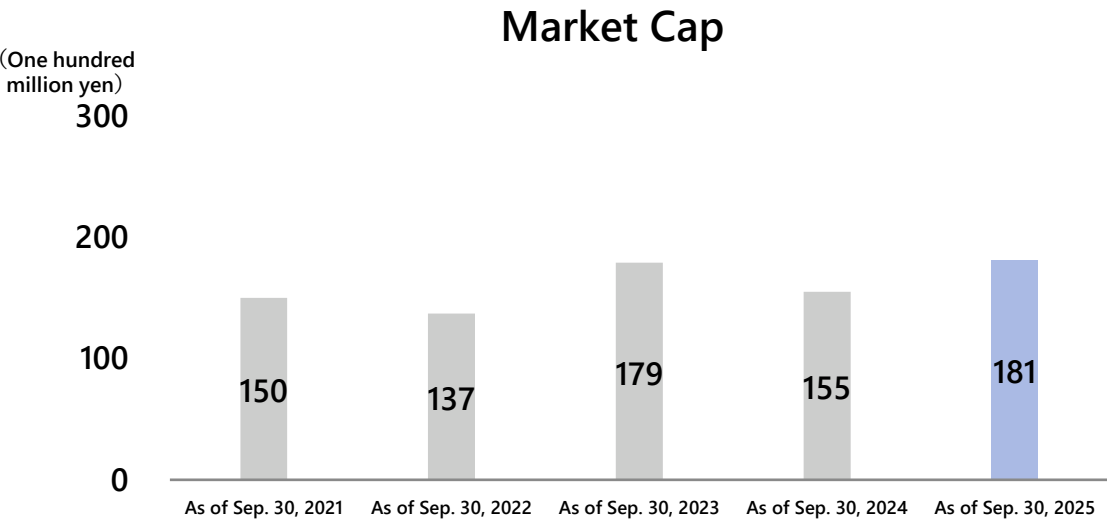
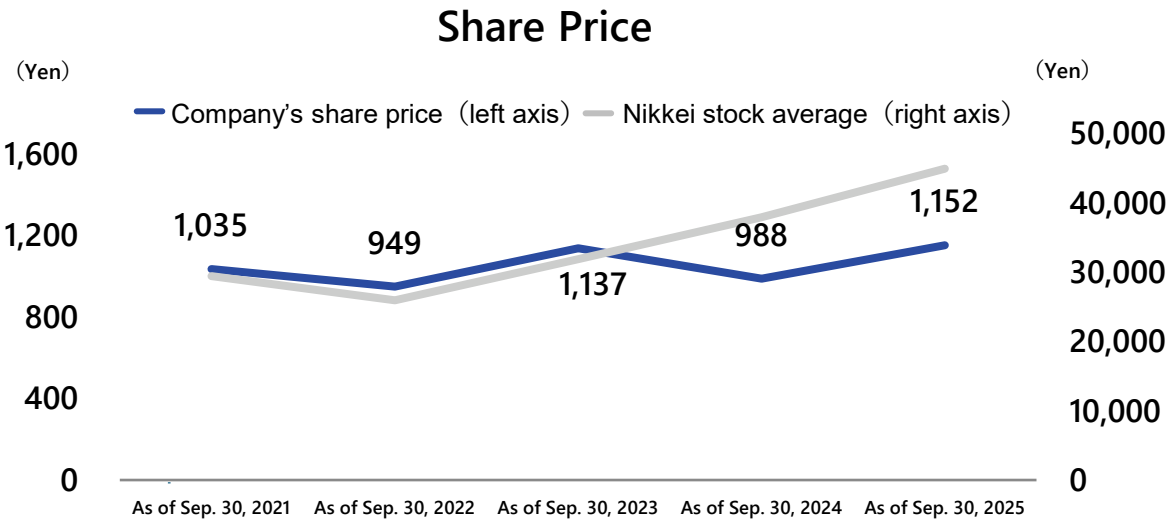
Net Assets per Share



Earnings per Share



3 - 6 | Other Performance Indicators



*Fiscal year ending March 31, 2026 (forecast) is calculated using the stock price as of the end of Sep. and earnings per share in the full-year earnings forecast.

3 - 7 | Corporate Information and History

Corporate Information

Company name	CUBE SYSTEM INC.
Established	July 5, 1972
Head office	Osaki Wiz Tower, 2-11-1 Osaki, Shinagawa-ku, Tokyo
Share capital	1.4 billion yen
Representative	Representative Director Masahiro Nakanishi
Securities market	Tokyo Stock Exchange Prime Market
Net sales	18.3 billion yen (FY March 2025 consolidated)
Total number of employees	992 (as of April 1, 2025 consolidated)
Company website	https://www.cubesystem.co.jp/en/

History

July 1972	Customer Engineers Co., Ltd. founded
April 1985	Osaka Sales Office* established *now West Japan Solution Div.
October 1990	Changed the company name to "CUBE SYSTEM INC."
October 2002	Listed on Jasdaq (OTC)
March 2014	Designated to the First Section of the Tokyo Stock Exchange
May 2019	Nagoya Office established
April 2022	Transferred to the Prime Market of the Tokyo Stock Exchange
December 2022	Concluded a capital and business alliance agreement with Nomura Research Institute, Ltd.
September 2023	Fukuoka Office established
September 2025	Shinagawa Innovation Hub (S.I.H) established



<https://www.cubesystem.co.jp/en/>

The earnings outlook and other forward-looking statements provided in this material are based on the information currently available to the Company and are subject to potential risks and uncertainties.

Please understand that there is a large possibility that actual results may differ significantly from the outlook presented herein due to the impact of various external factors.

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