



Consolidated Financial Results
for the nine months ended March 31, 2026
(Japanese GAAP)

April 30, 2026

Company name: AVANT GROUP CORPORATION Stock exchange listing: Tokyo
Code number: 3836 URL: <https://www.avantgroup.com/>
Representative: (Title) Group CEO & Founder (Name) Tetsuji Morikawa
For inquiry: (Title) Director, Finance (Name) Naoyoshi Kasuga (Tel) 03-6388-6739
Dividend payment: -
Supplementary information for financial statements: Available
Explanatory meeting to be held: No

(Millions of yen, rounded down to the nearest unit)

1. Consolidated financial results for the nine months ended March 31, 2026 (From July 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		EBITDA*		Operating profit		Ordinary profit		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended March 31, 2026	22,828	9.0	4,396	10.0	4,072	12.3	3,975	9.8	2,542	12.0
March 31, 2025	20,938	17.6	3,996	15.2	3,625	17.9	3,620	17.1	2,270	15.0

(Note) Comprehensive income: Nine months ended March 31, 2026 2,585 million yen (23.2%)

Nine months ended March 31, 2025 2,099 million yen (4.1%)

	Earnings per share	Diluted earnings per share
Nine months ended March 31, 2026	Yen 70.16	Yen -
March 31, 2025	62.24	-

*EBITDA is operating profit + depreciation + amortization of goodwill

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of March 31, 2026	Millions of yen 21,160	Millions of yen 14,361	% 67.9
June 30, 2025	24,373	15,597	63.9

(Reference) Shareholders' equity As of March 31, 2026 14,361 million yen

As of June 30, 2025 15,582 million yen

2. Dividends

	Dividend per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
FY ended June 30, 2025	Yen -	Yen 0.00	Yen -	Yen 25.00	Yen 25.00
FY ending June 30, 2026	-	0.00	-	-	-
FY ending June 30, 2026 (forecast)	-	-	-	32.00	32.00

Change of dividend forecast from the most recent dividend forecast : No

3. Consolidated earnings forecast for the fiscal year ending June 30, 2026 (July 1, 2025 to June 30, 2026)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY ending June 30, 2026	33,300	18.0	5,100	10.8	5,100	10.6	3,500	1.9	95.56

Correction of earnings forecast from the most recent financial forecast : No

Notes

- (1) Significant changes in the scope of consolidation during the period : No
- (2) Adoption of specific accounting policies for the consolidated quarterly financial statements : No
- (3) Changes in accounting policies, accounting estimates and restatement
- 1) Changes in accounting policies due to revision of accounting standards : No
- 2) Changes in accounting policies due to reasons other than item 1) above : No
- 3) Changes in accounting estimates : No
- 4) Restatement : No

(4) Number of issued shares (common stock)

- 1) Total number of issued shares including treasury shares
- 2) Number of treasury shares held
- 3) Average number of shares (cumulative from the beginning of the fiscal year)

As of March 31, 2026	36,009,551 shares	As of June 30, 2025	37,645,851 shares
As of March 31, 2026	1,387,599 shares	As of June 30, 2025	1,150,177 shares
Nine months ended March 31, 2026	36,231,745 shares	Nine months ended March 31, 2025	36,474,662 shares

Note: 1. Beginning with the fiscal year ended June 30, 2024 (28th term), the Company introduced a share issuance trust for employees and executive officers, and from the fiscal year ending June 30, 2025 (29th term), a share issuance trust for directors. The shares of the Company held by these trusts are included in the number of treasury shares held at the end of the period and the average number of treasury shares held during the period.

2. The Company cancelled some treasury shares on March 31, 2026, resulting in a decrease of 1,636,300 shares in the "Total number of issued shares" at the period-end.

* Review of attached consolidated quarterly financial statements by : No
a certified public accountant or an audit firm

* Using forecasted information and others

The forward-looking statements in this document are based on information currently available to the Company and certain assumptions that the Company deems reasonable and are not intended to be a promise by the Company that they will be achieved. Actual results may differ significantly due to various factors. Please refer to "Explanation on forward-looking statements such as consolidated earnings forecasts" on page 8 of the quarterly financial results (attached material) for the assumptions used in forecasting business performance and matters to be noted when relying on forecasts.

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1. Overview of the operating results, etc.

(1) Operating results for the current consolidated cumulative quarter

Consolidated financial results for the third quarter cumulative period (hereinafter referred to as the "third quarter") are as follows.
(Millions of yen, rounded down to the nearest unit)

	Nine months ended March 31, 2025	Nine months ended March 31, 2026	Year-on-year change	
			Amount	%
Net sales	20,938	22,828	1,889	9.0
Operating profit	3,625	4,072	446	12.3
Ordinary profit	3,620	3,975	354	9.8
Net income attributable to owners of parent	2,270	2,542	272	12.0

Regarding net sales, investment demand among our Japanese corporate clients for maintaining and strengthening competitiveness through "upgrading corporate management and business activities using data and digital technologies"-a medium- to long-term trend-has moderated somewhat following the completion of basic IT infrastructure upgrades but remains solid overall. With the Consolidated Financial Disclosure Business and Digital Transformation Promotion Business continuing to achieve strong sales growth, net sales increased to ¥22,828 million (9.0% increase year-on-year).

Regarding profits, despite increases in personnel, hiring and IT expenses in line with business expansion, office expenses associated with office relocation and expansion, and investment expenses to achieve future growth centered on strengthening the software business, profits increased due to improved profit margins from growth in the software business and a decrease in outsourced processing expenses to supplement inhouse resources. Operating profit was ¥4,072 million (12.3% increase year-on-year), ordinary profit was ¥3,975 million (9.8% increase year-on-year), and net income attributable to owners of parent was ¥2,542 million (12.0% increase year-on-year).

Effective from the nine months of the current fiscal year, the Company has reviewed its business segment classification method and has changed the classification of its operating segments so that "Consolidated Financial Disclosure Business," "Digital Transformation Promotion Business," and "Management Solutions Business" consist of one company per segment, and other small companies are categorized as "Other." In accordance with this change, results for the same period of the previous fiscal year for each segment have been restated to reflect the amended segment categories.

The status of each segment is as follows.

1) Net sales

(Millions of yen, rounded down to the nearest unit)

	Nine months ended March 31, 2025	Nine months ended March 31, 2026	Year-on-year change	
			Amount	%
Consolidated Financial Disclosure Business	6,141	7,141	1,000	16.3
Digital Transformation Promotion Business	7,729	8,457	727	9.4
Management Solutions Business	7,016	7,139	122	1.8
Other	315	365	49	15.8
Elimination of inter-segment transactions	(263)	(275)	(11)	-
Consolidated net sales	20,938	22,828	1,889	9.0

2) Operating profit

(Millions of yen, rounded down to the nearest unit)

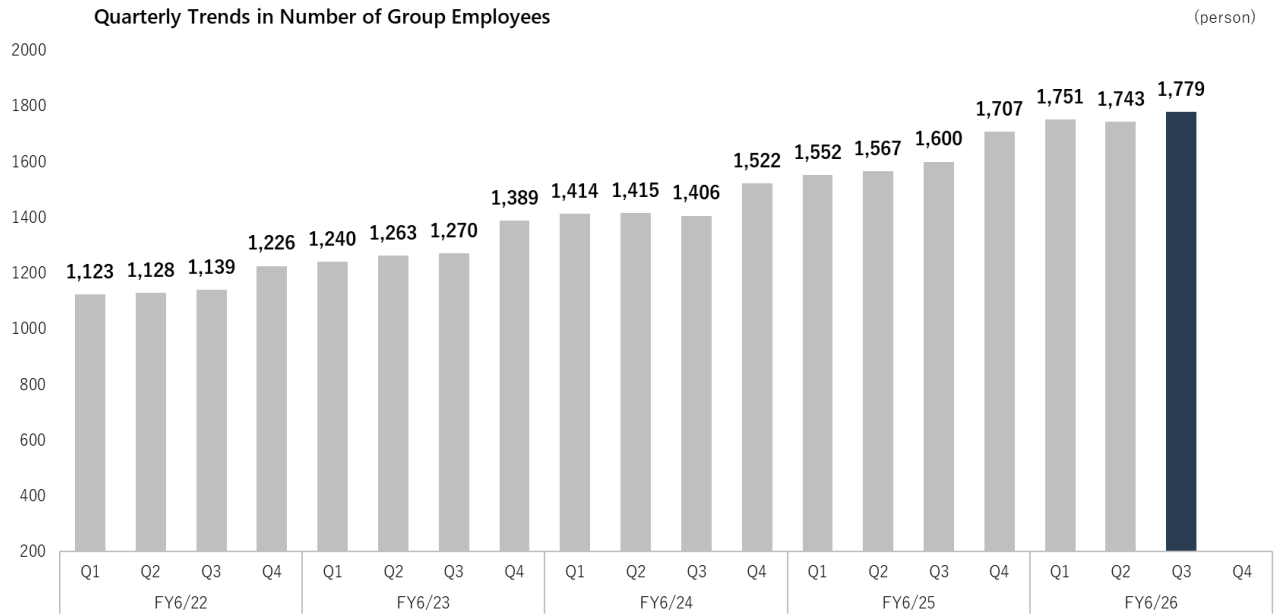
	Nine months ended March 31, 2025	Nine months ended March 31, 2026	Year-on-year change	
			Amount	%
Consolidated Financial Disclosure Business	1,663	2,305	641	38.6
Digital Transformation Promotion Business	1,312	1,580	267	20.4
Management Solutions Business	1,316	947	(369)	(28.1)
Other	69	57	(11)	(17.1)
Corporate expenses and elimination of inter-segment transactions	(736)	(818)	(81)	-
Consolidated operating profit	3,625	4,072	446	12.3

In the Consolidated Financial Disclosure Business, net sales increased to ¥7,141 million (16.3% increase year-on-year) as in addition to a transfer of some maintenance service transactions from the Management Solutions Business starting in this consolidated fiscal year, the outsourcing business continued to maintain a high growth rate. In terms of profitability, operating profit increased to ¥2,305 million (38.6% increase year-on-year), significantly outpacing net sales growth due to an improved profit margin resulting from a decrease in hiring expenses and the effects of improved productivity due to the promotion of cloud migration in the software business, despite factors that increased costs, such as increased personnel expenses and office expenses due to an increase in the number of employees and the expansion of office space.

In the Digital Transformation Promotion Business, while demand has moderated somewhat as client needs have become more sophisticated, demand for leveraging data in management and business decision-making remains solid. Sales growth was driven by an increase in projects centered on 'cloud and data platform development', resulting in net sales of ¥8,457 million (9.4% increase year-on-year). Although personnel expenses rose due to headcount increases to support sales growth, and temporary and ongoing office expenses increased due to an office relocation, outsourcing costs to supplement internal resources declined. Furthermore, there was a rebound effect from the lower profitability caused by the cancellation of a large project in the same period last year, leading to operating profit of ¥1,580 million (20.4% increase year-on-year).

In the Management Solutions Business, net sales increased slightly to ¥7,139 million (1.8% increase year-on-year), despite an increase in software business sales, due to the transfer of some maintenance service transactions to the Consolidated Financial Disclosure Business from this consolidated current fiscal year. Operating profit was ¥947 million (28.1% decrease year-on-year) due to the above-mentioned factors that kept the sales growth at a low level, as well as an increase in personnel expenses to secure personnel for future growth and in research and development expenses and marketing expenses and outsourcing expenses to strengthen the software business.

The number of employees on a consolidated basis was 1,779 at the third quarter-end, an increase of 72 from the end of the previous consolidated fiscal year.



Orders and net sales by segment in the third quarter were as follows.

1) Orders

(Millions of yen, rounded down to the nearest unit)

	Nine months ended March 31, 2025		Nine months ended March 31, 2026		Year-on-year change	
	Orders received	Orders backlog	Orders received	Orders backlog	Amount	
					Orders received	Orders backlog
Consolidated Financial Disclosure Business	6,410	4,783	7,724	5,573	1,313	789
Digital Transformation Promotion Business	7,358	1,698	8,534	2,089	1,176	390
Management Solutions Business	6,347	3,332	6,776	2,808	428	(523)
Other	278	134	315	149	36	14
Elimination of inter-segment transactions	(312)	(2,023)	(344)	(945)	(31)	1,077
Total	20,082	7,926	23,005	9,674	2,923	1,748

7462) Net sales

(Millions of yen, rounded down to the nearest unit)

	Nine months ended March 31, 2025		Nine months ended March 31, 2026		Year-on-year change	
					Amount	%
Consolidated Financial Disclosure Business	6,141	7,141	1,000	16.3		
Digital Transformation Promotion Business	7,729	8,457	727	9.4		
Management Solutions Business	7,016	7,139	122	1.8		
Other	315	365	49	15.8		
Elimination of inter-segment transactions	(263)	(275)	(11)	-		
Total	20,938	22,828	1,889	9.0		

Quarterly trends in net sales and operating profit are as follows.

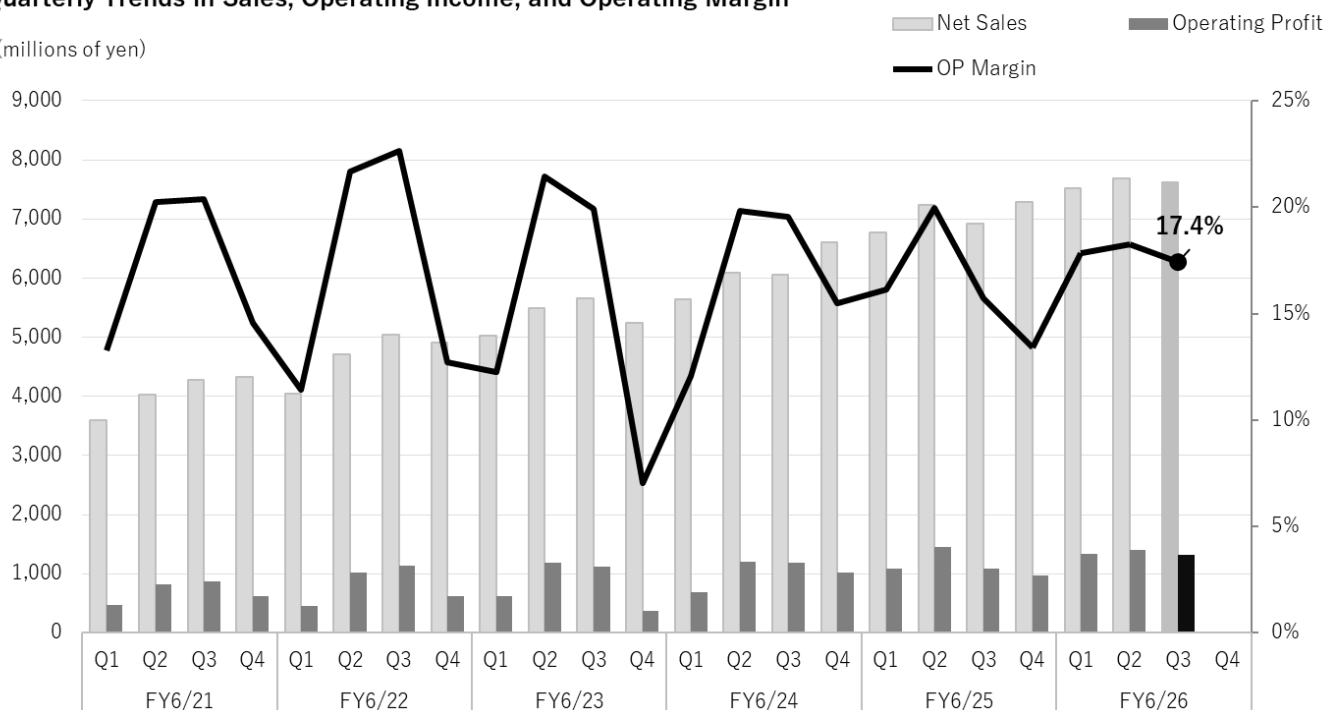
Net sales and operating profit for the last four quarters

(Millions of yen, rounded down to the nearest unit)

	Fiscal year ended June 30, 2025	Fiscal year ending June 30, 2026		
	Fourth quarter	First quarter	Second quarter	Third quarter
Net sales	7,289	7,515	7,686	7,625
Operating profit	978	1,341	1,404	1,326
Operating profit margin (%)	13.4	17.8	18.3	17.4

Quarterly Trends in Sales, Operating Income, and Operating Margin

(millions of yen)



(2) Financial position for the current consolidated cumulative quarter

1) Status of assets, liabilities and net assets

Total assets at the third quarter-end were ¥21,160 million (¥3,212 million decrease from the end of the previous consolidated fiscal year). This was mainly due to a decrease of ¥4,043 million in cash and deposits, an increase of ¥268 million in notes and accounts receivable - trade and contract assets, an increase of ¥101 million in investment securities, and an increase of ¥409 million in shares of subsidiaries and affiliates.

On the other hand, total liabilities amounted to ¥6,798 million (¥1,976 million decrease from the end of the previous consolidated fiscal year). This was mainly due to a decrease of ¥259 million in income taxes payable, a decrease of ¥777 million in contract liabilities, and a decrease of ¥577 million in provision for bonuses.

Total net assets amounted to ¥14,361 million (¥1,235 million decrease from the end of the previous consolidated fiscal year), mainly due to net income attributable to owners of parent of ¥2,542 million for the quarterly period, purchase of treasury shares of ¥3,001 million and payment of dividends of surplus of ¥930 million. As a result, the equity ratio was 67.9% (63.9% at the end of the previous consolidated fiscal year), an improvement of 4.0 percentage points from the previous fiscal year, and the Company believes it maintains a highly stable financial balance with low interest-bearing liabilities.

2) Cash flows

Cash and cash equivalents ("funds") at the end of the third quarter decreased ¥3,827 million from the end of the fiscal third quarter-end to ¥11,334 million. The status of each cash flow and their factors are as follows.

(Cash flows from operating activities)

Funds generated from operating activities amounted to ¥1,148 million. (¥1,827 million was generated in the third quarter of the previous year).

The main sources were profit before income taxes of ¥3,975 million and depreciation of ¥324 million. The main uses were a decrease of ¥577 million in provision for bonuses, an increase of ¥268 million in trade receivables and contract assets, a decrease of ¥777 million in contract liabilities, and ¥1,565 million in income taxes paid.

(Cash flows from investing activities)

Funds used in investing activities amounted to ¥990 million. (¥288 million was used in the third quarter of the previous year).

The main expenditures were purchases of property, plant and equipment of ¥243 million and purchases of investment securities of ¥130 million, and ¥420 million for purchase of shares of subsidiaries and affiliates.

(Cash flows from financing activities)

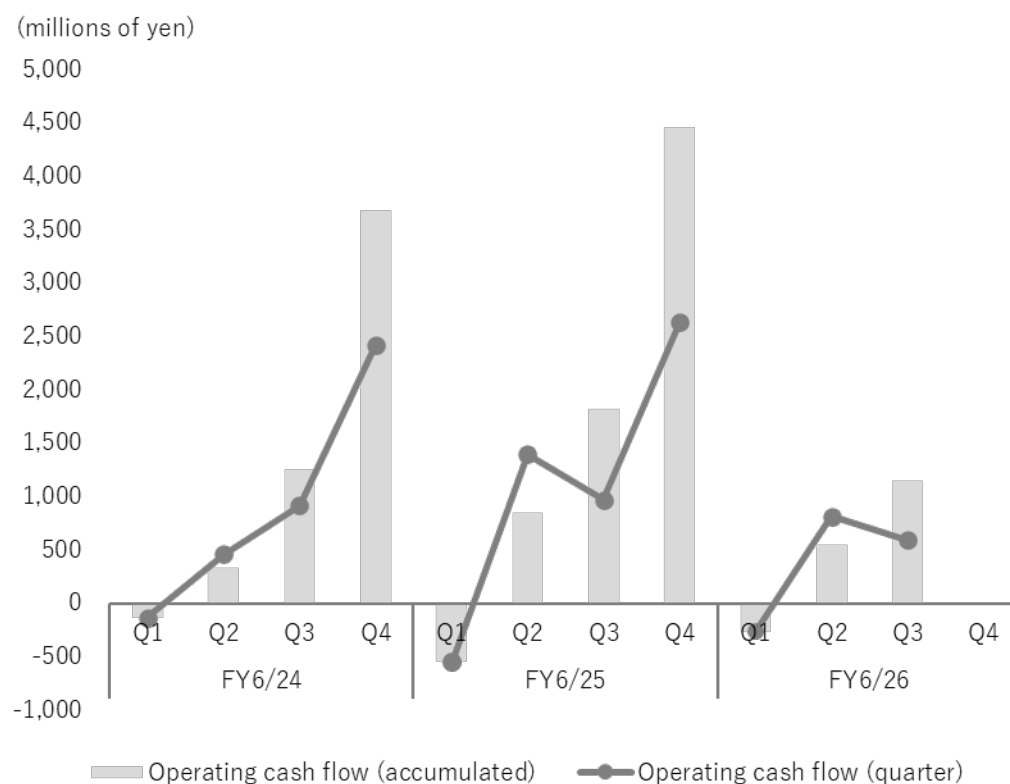
Funds used in financing activities amounted to ¥4,011 million. (¥1,056 million was used in the same quarterly period of the previous year).

The main cash outflows were ¥3,001 million for purchase of treasury shares and ¥930 million for dividends paid.

The Group's cash flows from operating activities are usually low in the first quarter due to the payment of income taxes and performance-linked bonuses to executives and employees, and gradually increase from the second quarter onward, resulting in a positive cash flow for the full year.

Maintenance fees in the Consolidated Financial Disclosure Business and the Management Solutions Business and commissions for the outsourcing business are paid annually in advance before the services are provided, making this a business model that requires almost no working capital. On the other hand, since outsourcing expenses and other payments for the Digital Transformation Promotion Business are incurred in advance, the demand for working capital increases as sales grow. However, by concentrating on the Group's surplus funds at the holding company, smooth inter-group financing is made possible. In addition to the Group's total cash holdings, commitment lines totaling ¥3.5 billion have been established with the Group's banking partners, so there are currently no cash flow concerns. Rather, we intend to utilize surplus funds for strategic investments going forward.

Quarterly Trends in Operating Cash Flow



(3) Explanation on forward-looking statements such as consolidated earnings forecasts

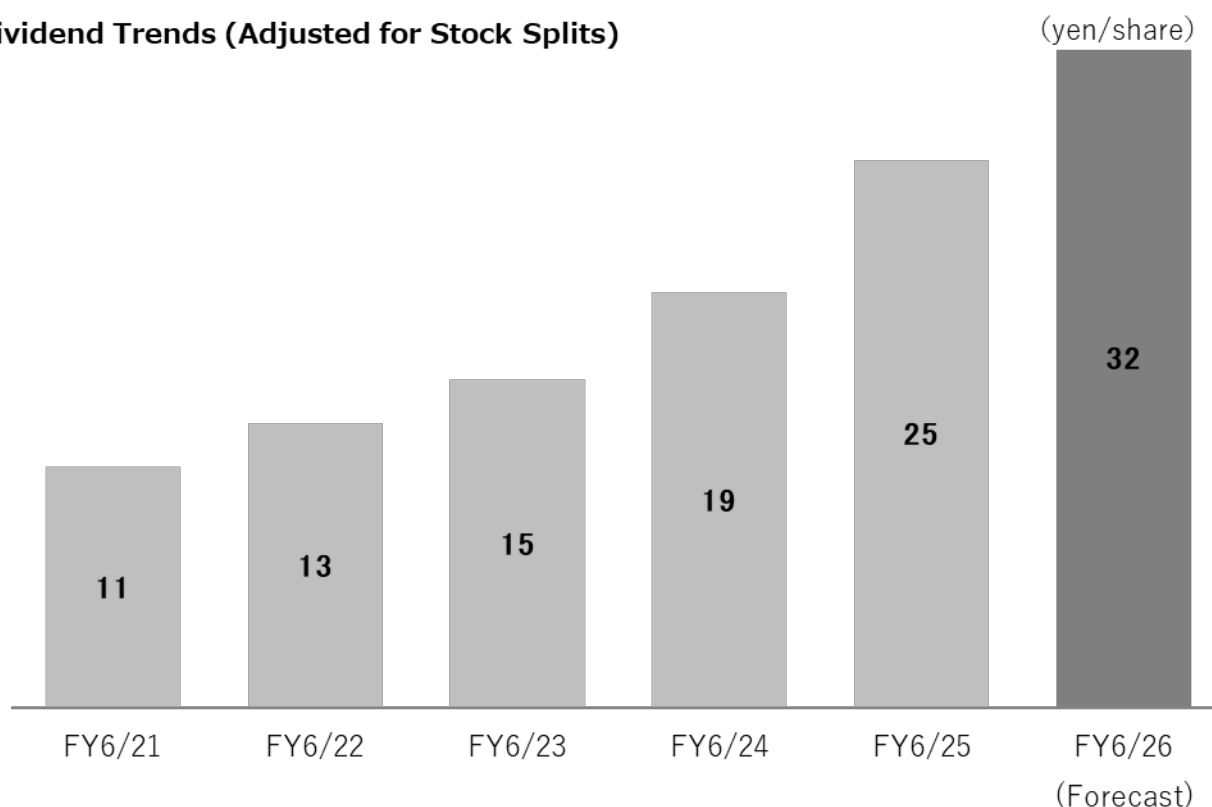
In August 2023, the Company announced a medium-term management plan, a five-year plan through the fiscal year ending June 2028, with targets to be achieved in five years. In the fiscal year ending June 2026, the third year of the plan, the Group will continue to promote measures to realize the Avant Group's materiality ('Becoming a software company that contributes to enhancing corporate value'), with a focus on strengthening the software business. We expect that the growth investments necessary to realize the Group's materiality will continue to be implemented continuously and flexibly, primarily centered on the Group operating companies, and additionally, we anticipate that R&D expenses for new product development and investment costs for launching new businesses will also be incurred at the holding company level, and expect these effects to gradually emerge over the five-year period.

Although unstable factors such as heightened geopolitical risks in the Middle East and Ukraine and concerns of an economic recession due to the impact of U.S. policy trends may affect the Group's performance, the Group believe that demand for the Group's businesses, such as an increase in the number of companies that want to utilize data for management and strengthen group governance, will continue to increase in the medium to long term.

As a result, the Company forecasts net sales of ¥33,300 million and operating profit of ¥5,100 million in the current consolidated fiscal year.

In accordance with the Group's existing dividend policy, we will raise the ratio of total amount of dividends to net assets (consolidated) to always exceed the average of all listed companies, while keeping in mind that we should pay stable dividends (in principle, dividends per share should not fall below the level of the previous fiscal year). For the current fiscal year, the above policy itself remains unchanged, and we forecast dividends of ¥32 per share, aiming to achieve the ratio of total amount of dividends to net assets (consolidated) of 8%, which we have set as the Group's target to achieve within the period of the medium-term management plan.

Dividend Trends (Adjusted for Stock Splits)



2. Quarterly consolidated financial statements and notes

(1) Quarterly consolidated balance sheet

(Thousands of yen)

	Previous fiscal year (June 30, 2025)	Current third quarter (March 31, 2026)
Assets		
Current assets		
Cash and deposits	14,593,169	10,549,321
Notes and accounts receivable - trade, and contract assets	4,228,796	4,497,312
Securities	500,000	500,000
Work in process	17,868	13,018
Raw materials and supplies	55,016	61,778
Prepaid expenses	1,163,320	1,206,452
Other	211,287	304,360
Allowance for doubtful accounts	(3,516)	(3,782)
Total current assets	20,765,941	17,128,462
Non-current assets		
Property, plant and equipment	549,165	622,059
Intangible assets		
Software	342,474	229,721
Other	38,028	34,484
Total intangible assets	380,502	264,205
Investments and other assets		
Investment securities	830,184	932,163
Shares of subsidiaries and affiliates	-	409,853
Long-term prepaid expenses	10,158	4,735
Leasehold and guarantee deposits	826,752	803,279
Deferred tax assets	864,785	718,248
Other	145,566	277,278
Total investments and other assets	2,677,446	3,145,558
Total non-current assets	3,607,114	4,031,823
Total assets	24,373,055	21,160,286

(Thousands of yen)

	Previous fiscal year (June 30, 2025)	Current third quarter (March 31, 2026)
Liabilities		
Current liabilities		
Accounts payable - trade	769,142	694,125
Lease liabilities	6,112	7,704
Accounts payable - other, and accrued expenses	783,077	755,568
Income taxes payable	797,648	538,227
Contract liabilities	3,766,666	2,988,755
Asset retirement obligations	49,224	22,437
Provision for bonuses	1,232,404	655,270
Provision for bonuses for directors (and other officers)	140,888	70,032
Provision for loss on orders received	11,363	1,263
Provision for stock benefits	131,442	102,165
Other	752,649	621,653
Total current liabilities	8,440,619	6,457,204
Non-current liabilities		
Lease liabilities	27,111	23,561
Asset retirement obligations	305,984	315,033
Deferred tax liabilities	1,350	2,491
Total non-current liabilities	334,446	341,086
Total liabilities	8,775,065	6,798,290
Net assets		
Shareholders' equity		
Share capital	345,113	345,113
Capital surplus	417,417	270,367
Retained earnings	16,490,130	15,686,009
Treasury shares	(1,688,845)	(2,007,219)
Total shareholders' equity	15,563,815	14,294,271
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(1,193)	10,474
Deferred gains or losses on hedges	(2,921)	2,318
Foreign currency translation adjustment	22,354	54,932
Total accumulated other comprehensive income	18,239	67,724
Non-controlling interests	15,934	-
Total net assets	15,597,989	14,361,995
Total liabilities and net assets	24,373,055	21,160,286

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income

Quarterly period Consolidated Statements of Income

Third quarter Consolidated Cumulative period

(Thousands of yen)

	Previous third quarter (July 1, 2024 to March 31, 2025)	Current third quarter (July 1, 2025 to March 31, 2026)
Net sales	20,938,513	22,828,303
Cost of sales	11,630,040	12,542,505
Gross profit	9,308,473	10,285,798
Selling, general and administrative expenses	5,682,574	6,213,031
Operating profit	3,625,898	4,072,766
Non-operating income		
Interest income	9,044	33,777
Dividend income	7,324	2,414
Foreign exchange gains	1,118	-
Subsidy income	4,139	3,212
Other	797	3,098
Total non-operating income	22,425	42,503
Non-operating expenses		
Interest expenses	1,108	1,834
Share of loss of entities accounted for using equity method	-	10,138
Loss on investments in investment partnerships	14,740	70,727
Commission expenses	11,874	51,175
Foreign exchange losses	-	6,281
Other	91	0
Total non-operating expenses	27,814	140,157
Ordinary profit	3,620,508	3,975,112
Extraordinary profit		
Gain on sales of investment securities	167,968	-
Insurance income	300	-
Total extraordinary income	168,268	-
Extraordinary losses		
Loss on retirement of non-current assets	140	-
Loss on cancellation of leases	86	-
Total extraordinary losses	227	-
Profit before income taxes	3,788,549	3,975,112
Income taxes - current	1,310,395	1,298,053
Income taxes - deferred	211,586	140,037
Total income taxes	1,521,982	1,438,090
Quarterly period Net profit	2,266,567	2,537,021
Net loss attributable to non-controlling interests	(3,482)	(5,159)
Net income attributable to owners of parent	2,270,050	2,542,181

Quarterly consolidated statement of comprehensive income
 Third quarter consolidated cumulative period

(Thousands of yen)

	Previous third quarter (July 1, 2024 to March 31, 2025)	Current third quarter (July 1, 2025 to March 31, 2026)
Quarterly period Net profit	2,266,567	2,537,021
Other comprehensive income		
Valuation difference on available-for-sale securities	(130,534)	11,668
Deferred gains or losses on hedges	(4,086)	5,239
Foreign currency translation adjustment	(32,365)	43,449
Share of other comprehensive income of entities accounted for using equity method	-	(11,475)
Total other comprehensive income	(166,985)	48,881
Quarterly period Comprehensive income	2,099,581	2,585,902
Comprehensive income attributable to		
Owners of parent	2,103,064	2,591,665
Non-controlling interest	(3,482)	(5,763)

(3) Quarterly consolidated statement of cash flows

(Thousands of yen)

	Previous third quarter (July 1, 2024 to March 31, 2025)	Current third quarter (July 1, 2025 to March 31, 2026)
Cash flows from operating activities		
Profit before income taxes	3,788,549	3,975,112
Depreciation	371,086	324,000
Share-based payment expenses	8,715	2,378
Insurance income	(300)	-
Increase (decrease) in allowance for doubtful accounts	(184)	265
Increase (decrease) in provision for bonuses	(593,026)	(577,134)
Increase (decrease) in provision for bonuses for directors (and other officers)	(53,788)	(70,855)
Increase (decrease) in provision for loss on orders received	(12,615)	(10,099)
Increase (decrease) in provision for share benefits	(22,450)	(29,277)
Interest and dividend income	(16,369)	(36,191)
Interest expenses	1,108	1,834
Commission expenses	11,874	51,175
Loss (gain) on sale of investment securities	(167,968)	-
Share of loss (profit) of entities accounted for using equity method	-	10,138
Loss (gain) on investments in investment partnerships	14,740	70,727
Subsidy income	(4,139)	(3,212)
Decrease (increase) in notes and accounts receivable trade and contract assets	125,097	(268,472)
Decrease (increase) in inventories	(99,013)	(1,912)
Increase (decrease) in trade payables	14,285	(75,043)
Increase (decrease) in accounts payable - other, and accrued expenses	60,035	2,748
Increase (decrease) in accrued consumption taxes	(12,516)	(36,129)
Increase (decrease) in contract liabilities	(676,281)	(777,911)
Increase (decrease) in deposits received	(111,637)	(99,801)
Other	572,129	229,541
Subtotal	3,197,330	2,681,880
Interest and dividends received	13,295	30,771
Interest paid	(1,108)	(1,834)
Subsidies received	4,139	3,212
Amount of insurance proceeds received	300	-
Income taxes paid	(1,726,608)	(1,565,503)
Income taxes refund	339,657	-
Cash flows from operating activities	1,827,005	1,148,527
Cash flows from investing activities		
Purchase of property, plant and equipment	(70,757)	(243,249)
Payments for asset retirement obligations	-	(203)
Purchase of intangible assets	(44,756)	(71,508)
Purchase of investment securities	(190,154)	(130,486)
Payments into time deposits	-	(14,193)
Proceeds from withdrawal of time deposits	-	27,360
Purchase of shares of subsidiaries and affiliates	-	(420,981)
Payments of leasehold and guarantee deposits	(346,161)	(3,693)
Proceeds from refund of leasehold and guarantee deposits	149,529	27,109
Purchase of insurance funds	(4,459)	(4,459)
Other	218,515	(155,972)
Cash flows from investing activities	(288,245)	(990,279)

(Thousands of yen)

	Previous third quarter (July 1, 2024 to March 31, 2025)	Current third quarter (July 1, 2025 to March 31, 2026)
Cash flows from financing activities		
Repayments of finance lease liabilities	(7,619)	(4,992)
Commission fee paid	(11,699)	(52,110)
Purchase of treasury shares	(701,263)	(3,001,836)
Dividends paid	(708,296)	(930,856)
Proceeds from share issuance to non-controlling shareholders	22,680	-
Proceeds from sale of treasury shares	349,911	-
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-	(21,717)
Other	(91)	-
Cash flows from financing activities	(1,056,378)	(4,011,512)
Effect of exchange rate change on cash and cash equivalents	(29,861)	26,170
Net increase (decrease) in cash and cash equivalents	452,520	(3,827,094)
Cash and cash equivalents at beginning of period	11,976,585	15,162,045
Cash and cash equivalents at end of period	12,429,105	11,334,951

(4) Notes to quarterly consolidated financial statements

(Going concern assumption)

Not applicable.

(Significant changes in the amount of shareholders' equity)

Not applicable.

(Additional information)

(Transaction for the issuance of Company shares to employees and executive officers through a trust)

Starting from the fiscal year ending June 2024 (the 28th term), the Company has introduced a share issuance trust as an incentive for its employees and executive officers (hereinafter referred to as 'Employees, etc.')

 to provide benefits and to enhance the Company's corporate value.

1. Outline of the transaction

Under this scheme, in accordance with the share issuance regulations established by the Company in advance, points are granted to Employees, etc. who fulfil certain requirements, and the Company common shares (hereinafter referred to as "the Company's shares") corresponding to the number of points granted to such beneficiaries are delivered to those Employees, etc. who fulfil the requirements to be beneficiaries as stipulated in the share delivery regulations. The shares to be issued are acquired in accordance with the amount set in the trust in advance, including the future portion, and are segregated and managed as trust assets.

2. Company shares remaining in the trust

The Company's shares remaining in the trust are recorded as treasury shares under net assets at their book value (excluding the amount of incidental expenses). The book value and number of shares of such treasury shares were ¥788,116 thousand and 559,778 shares at the end of the previous consolidated fiscal year and ¥655,604 thousand and 465,799 shares at the end of the third quarter of the current consolidated fiscal period.

(Performance-linked stock-based compensation plan for directors)

Starting from the fiscal year ending June 2025 (the 29th term), the Company has introduced a stock-based compensation plan utilizing a trust (the "Plan") for its directors (excluding directors who are Audit Committee Members and outside directors).

The purpose of this system is to provide directors (excluding directors who are Audit Committee Members and outside directors) with long-term incentives to enhance corporate value, including the period after stocks have been granted.

1. Outline of the transaction

The Plan is a stock compensation plan under which a trust (the "Trust") established through monetary contributions by the Company acquires shares of the Company's stock and a number of the Company's shares equivalent to the points granted to each director (excluding directors who are Audit Committee Members and outside directors) by the Company are delivered to each director (excluding directors who are Audit Committee Members and outside directors) through the Trust.

2. Company shares remaining in the trust

The Company's shares remaining in the trust are recorded as treasury shares under net assets at their book value (excluding the amount of incidental expenses). The book value and number of shares of such treasury shares were ¥349,911 thousand and 178,800 shares at the end of the previous consolidated fiscal year and ¥349,911 thousand and 178,800 shares at the end of the third quarter of the current consolidated fiscal period.

(Segment information)

Previous third quarter (July 1, 2024 to March 31, 2025)

1. Information on net sales and profit or loss by reportable segments

(Thousands of yen)

	Reportable segments				Other (Note 1)	Total	Adjustments (Note 2)	Amount recorded on quarterly consolidated financial statements (Note 3)
	Consolidated Financial Disclosure Business	Digital Transformation Promotion Business	Management Solutions Business	Total				
Net sales								
Net sales to external customers	5,930,083	7,712,303	6,992,939	20,635,325	303,188	20,938,513	-	20,938,513
Inter-segment net sales or transfers	210,949	16,895	23,225	251,070	12,660	263,730	(263,730)	-
Total	6,141,032	7,729,198	7,016,165	20,886,396	315,848	21,202,244	(263,730)	20,938,513
Segment profit	1,663,751	1,312,576	1,316,635	4,292,963	69,888	4,362,852	(736,953)	3,625,898

Notes: 1. The "Other" category refers to business segments not included in the reportable segments, such as information and service businesses.

2. The segment profit adjustment of ¥(736,953) thousand includes elimination of inter-segment transactions of ¥783,820 thousand, corporate expenses ¥(1,525,432) thousand not allocated to each reportable segment and ¥4,657 thousand of non-current assets adjustment. Corporate expenses are mainly general and administrative expenses not attributable to reportable segments.

3. Segment profit is adjusted with operating profit in the quarterly consolidated statement of income.

Current third quarter (July 1, 2025 to March 31, 2026)

1. Information on net sales and profit or loss by reportable segments

(Thousands of yen)

	Reportable segments				Other (Note 1)	Total	Adjustments (Note 2)	Amount recorded on quarterly consolidated financial statements (Note 3)
	Consolidated Financial Disclosure Business	Digital Transformation Promotion Business	Management Solutions Business	Total				
Net sales								
Net sales to external customers	6,914,923	8,451,867	7,114,375	22,481,166	347,137	22,828,303	-	22,828,303
Inter-segment net sales or transfers	226,669	5,265	24,646	256,581	18,654	275,235	(275,235)	-
Total	7,141,592	8,457,133	7,139,022	22,737,747	365,791	23,103,539	(275,235)	22,828,303
Segment profit	2,305,500	1,580,387	947,238	4,833,126	57,942	4,891,069	(818,302)	4,072,766

Notes: 1. The "Other" category refers to business segments not included in the reportable segments, such as information and service businesses.

2. The segment profit adjustment of ¥(818,302) thousand includes elimination of inter-segment transactions of ¥940,311 thousand, corporate expenses ¥(1,756,478) thousand not allocated to each reportable segment and ¥(2,134) thousand of non-current assets adjustment. Corporate expenses are mainly general and administrative expenses not attributable to reportable segments.

3. Segment profit is adjusted with operating profit in the quarterly consolidated statement of income.

2. Matters regarding changes, etc. in reportable segments

Effective from the cumulative quarter of the current consolidated fiscal year, the Company has reviewed its performance management categories and added a new operating segment, "Other". Segment information for the third quarter of the previous fiscal year is disclosed based on the amended segment categories.

(Revenue recognition)

Breakdown of net sales from contracts with customers

Previous third quarter (July 1, 2024 to March 31, 2025)

(Thousands of yen)

	Reportable segments				Other	Total
	Consolidated Financial Disclosure Business	Digital Transformation Promotion Business	Management Solutions Business	Total		
Goods or services transferred at a point in time	180,317	30,011	58,300	268,630	-	268,630
Goods or services that are transferred over a period of time	5,749,765	7,682,291	6,934,638	20,366,694	303,188	20,669,883
Net sales to external customers	5,930,083	7,712,303	6,992,939	20,635,325	303,188	20,938,513

Current third quarter (July 1, 2025 to March 31, 2026)

(Thousands of yen)

	Reportable segments				Other	Total
	Consolidated Financial Disclosure Business	Digital Transformation Promotion Business	Management Solutions Business	Total		
Goods or services transferred at a point in time	280,292	43,949	45,718	369,960	-	369,960
Goods or services that are transferred over a period of time	6,634,631	8,407,917	7,068,656	22,111,205	347,137	22,458,343
Net sales to external customers	6,914,923	8,451,867	7,114,375	22,481,166	347,137	22,828,303

(Subsequent events)

Not applicable.