



May 20, 2026

For Immediate Release

Ad-Sol Nissin Corporation
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Notice Regarding the Formulation of the New Medium-Term Management Plan "New Canvas 2031 –The Next Page–"

Ad-Sol Nissin Corporation (the "Company") hereby announces that it has formulated the new medium-term management plan "New Canvas 2031 –The Next Page–", which was resolved at the Board of Directors meeting held on May 20, 2026.

1. New Medium-Term Management Plan

The medium-term management plan "New Canvas 2026," formulated and announced in May 2023, reached its final fiscal year in March 2026. The Company successfully achieved its targets, recording three consecutive years of record-high performance and 16 consecutive years of dividend increases.

Looking ahead, in order to further drive business growth and enhance corporate value, the Company has formulated a new five-year medium-term management plan, "New Canvas 2031 –The Next Page–," covering the period from the fiscal year ending March 2027 to the fiscal year ending March 2031.

Through this initiative, the Company aims to evolve from an IT company with strengths in the social infrastructure domain into a one-of-a-kind smart city IT company.

2. Management Targets and Shareholder Returns

(1) Management Targets

FY'31/3	Net Sales	¥30 billion yen
	Operating Income	¥5 billion yen
	Operating Income Margin	16.7%

(2) Shareholder Returns

The Company aims to achieve 21 consecutive years of dividend increases.

3. Reference

Please refer to the attached materials for further details.

(Note) English documents are prepared as a courtesy to our shareholders. In the event of any inconsistency between English-language documents and Japanese-language documents, the Japanese-language documents will prevail.

Medium-Term Management Plan

New Canvas 2031 –The Next Page–

May 20, 2026

Ad-Sol Nissin Corporation (TSE 3837)

Toward achieving ¥30 bn in Net Sales and ¥5 bn in Operating Income in FY'31/3

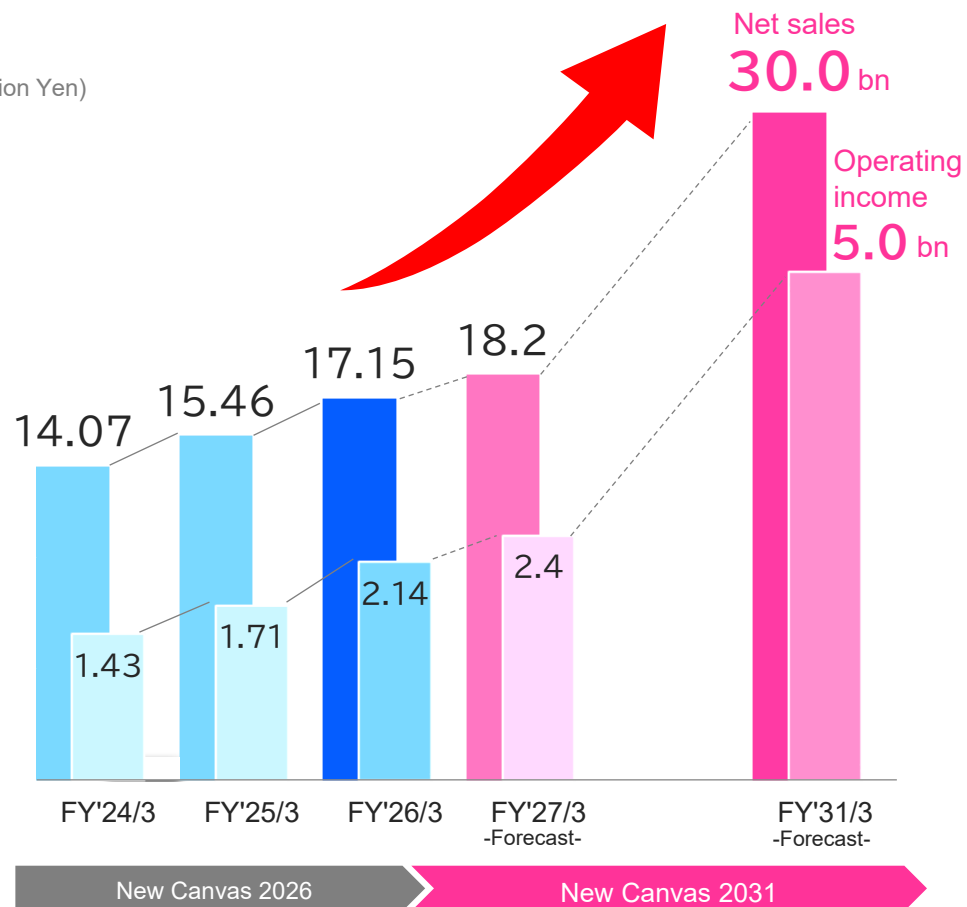


Medium-Term Management Plan Summary

Toward achieving **¥30 bn in Net Sales and ¥5 bn in Operating Income** in FY'31/3

● Net Sales and Operating Income Trends, and Medium-Term Targets

(Billion Yen)



A One-of-a-Kind Smart City IT Company

Business Strategy

The Driver of Sustainable Growth
Next-Generation SI Business

System development that flexibly and accurately responds to increasingly diverse and sophisticated client needs.

The Next Pillar of Growth
Offering-Based Business

End-to-end services from consulting to system development, built on our strengths in providing strategic proposals for management teams.



Focusing on energy, transportation, and urban development among smart city themes to drive further growth through the Offering-Based Business.

Shareholder Return

21 Consecutive Terms of Dividend Increases

Dividend Policy

- Dividend payout ratio **50%** or more / DOE **6%** or more
- Progressive and continuous dividend increases (dividend increase of 1 yen or more)
- Twice a year (Interim and year-end)

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New Canvas 2031 -The Next Page-

- 1 Our Philosophy
- 2 Business Overview
- 3 Market & Competitive Environment
- 4 Review of the Previous Medium-Term Management Plan
- 5 Medium-Term Management Plan, New Canvas 2031

1

Our Philosophy



At Ad-Sol Nissin,
by creating and providing **high value-added services**,
we contribute to customer satisfaction
and the development of **a prosperous society**.

**High Value-Added
Services**

Driving Client
Business Transformation

**Cutting-Edge
Technologies & Solutions**



**A Prosperous
Society**

Shaping the Future
of Digital Cities

Smart Cities

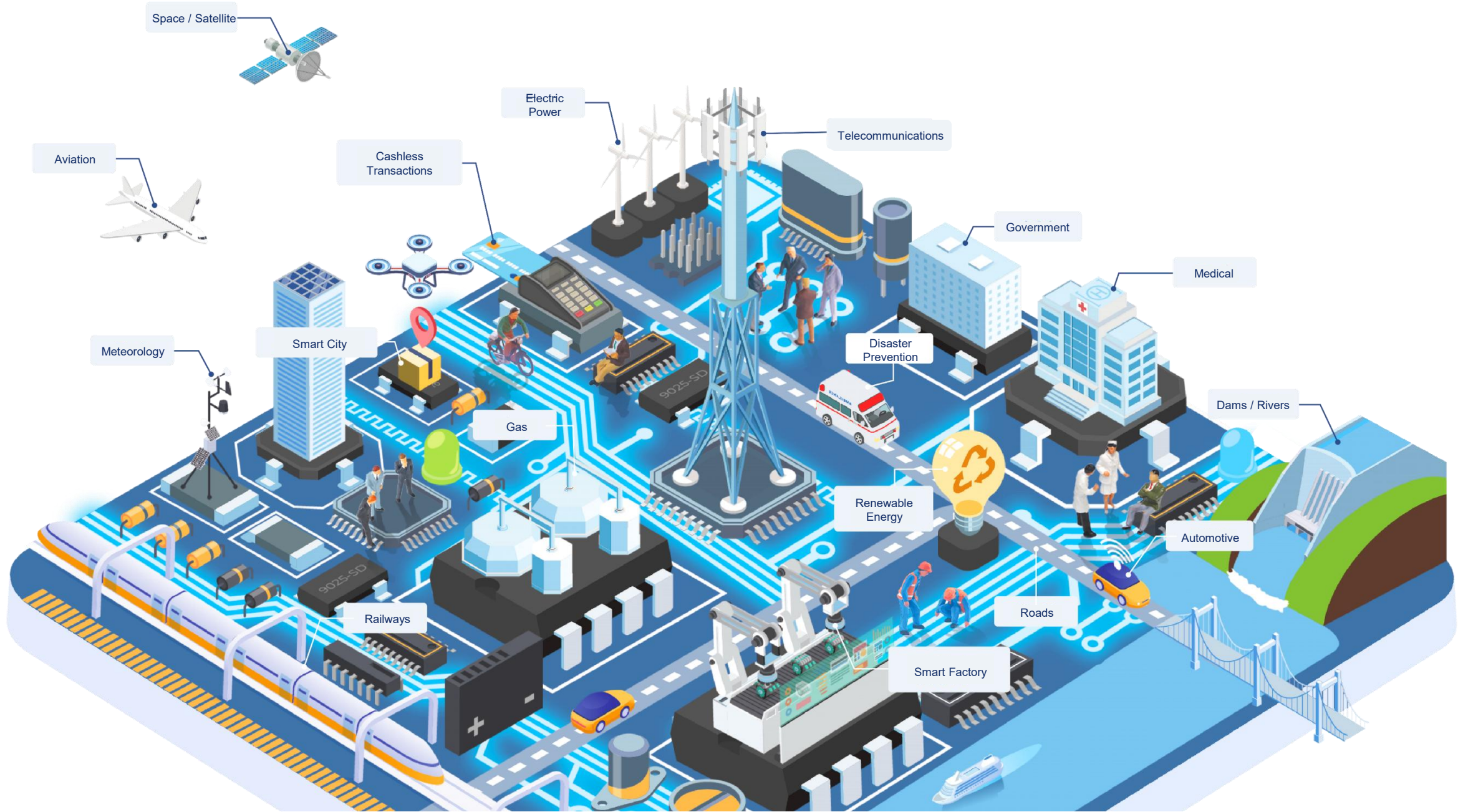


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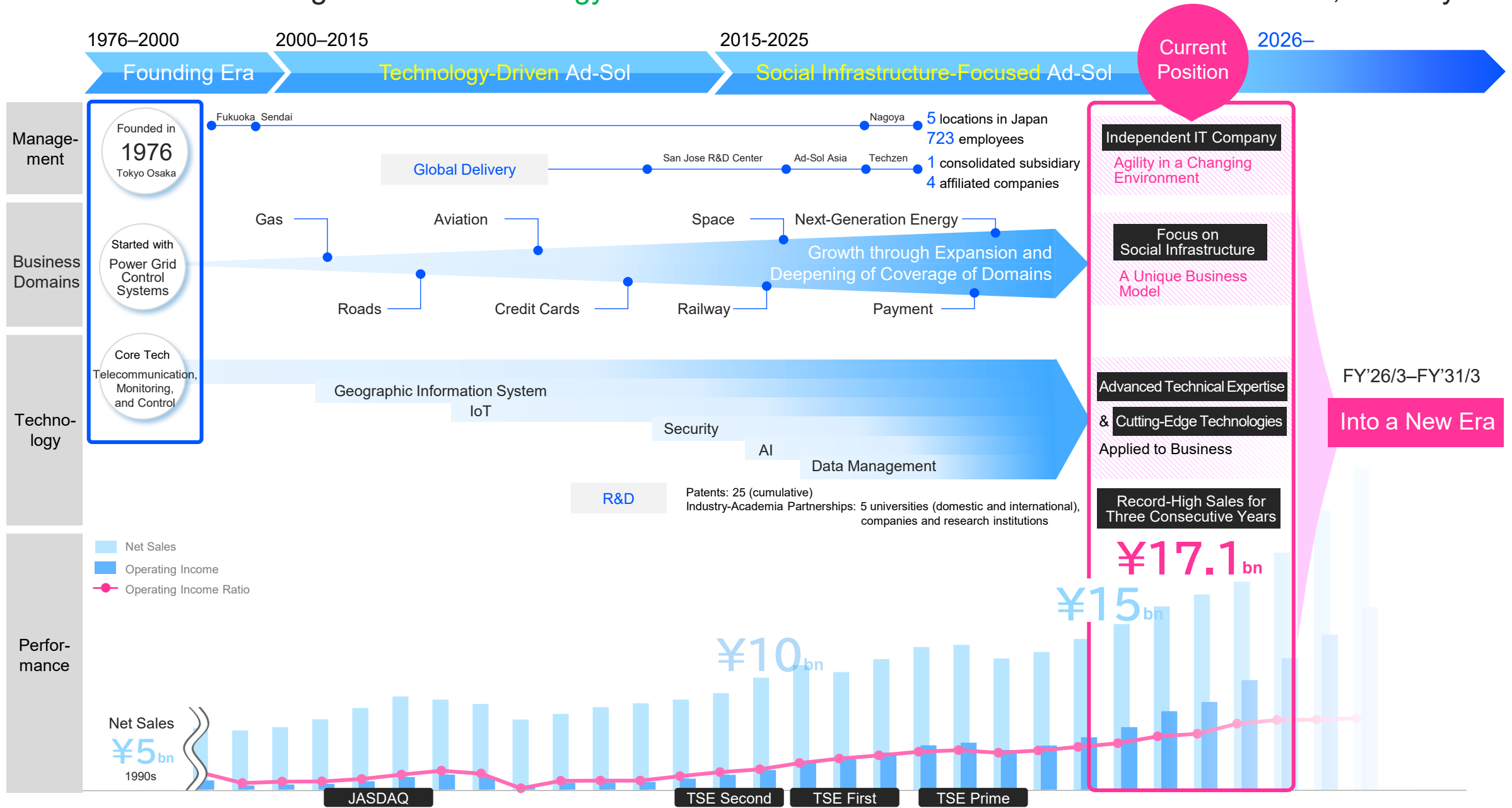
Business Overview



Our Current Business Field



50 Years Since Founding—From a Technology-Driven Ad-Sol to a Social Infrastructure-Focused Ad-Sol, and Beyond



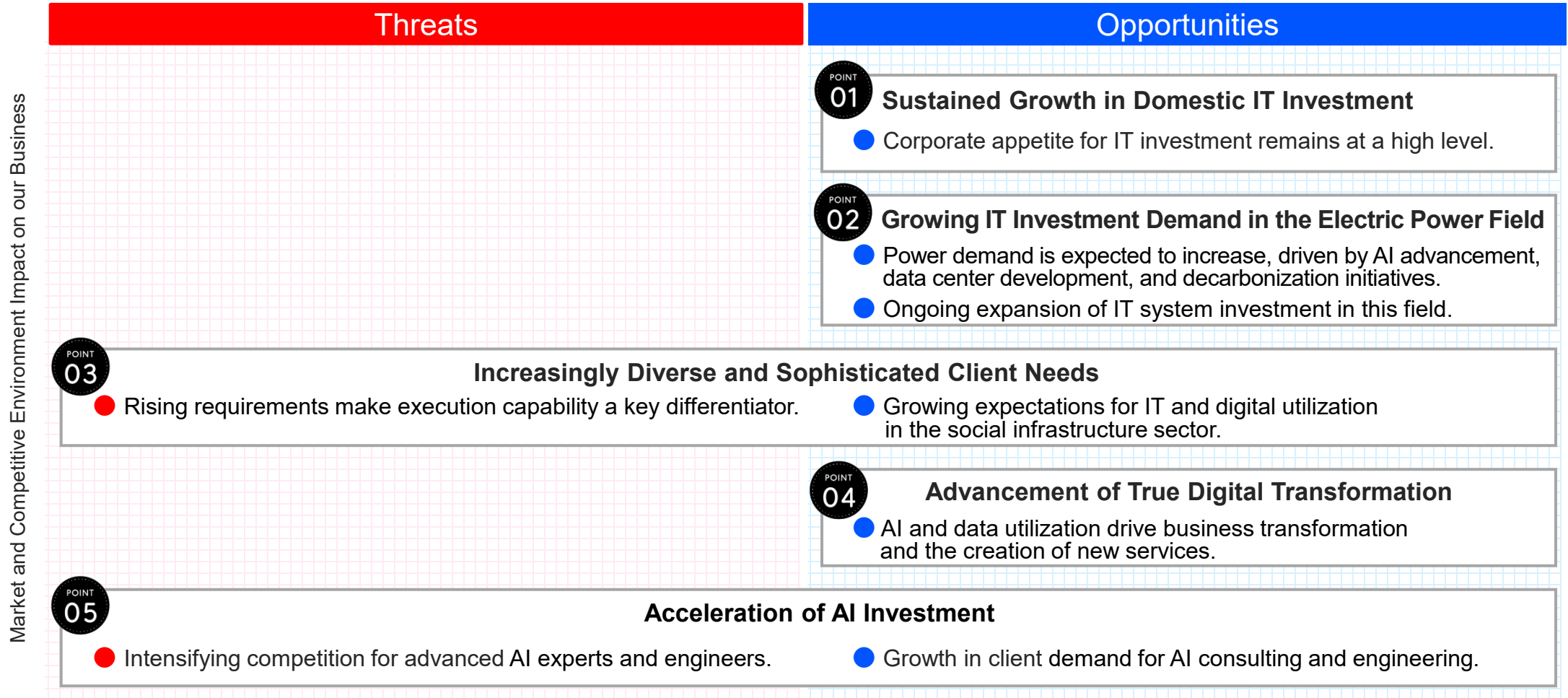
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Market and Competitive Environment



Overview of the Market & Competitive Environment

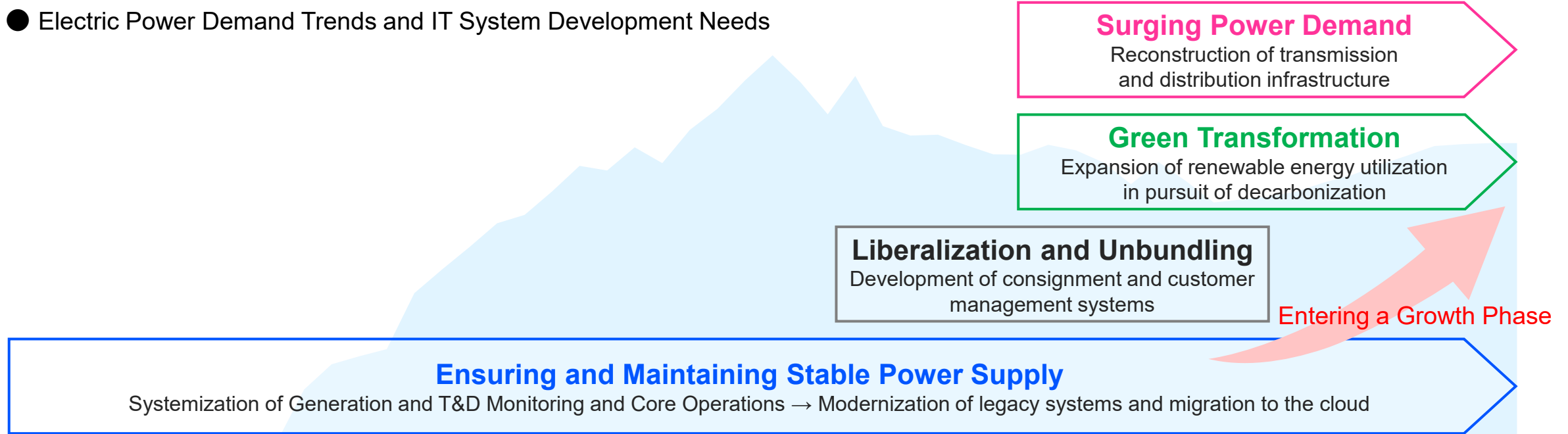
The diversification and sophistication of client needs, along with **the rise of AI**, represent significant growth opportunities for the Company, while traditional system integration models may limit future competitiveness.



Growing IT Investment Demand in the Electric Power Field

Rapid advances in AI, data center construction, and decarbonization are driving **growth in power demand**, which is expected to **further increase IT system investment needs in the electric power field**.

● Electric Power Demand Trends and IT System Development Needs



Electric Power Market Trends			
1970	1990	2010	2030
High Economic Growth Rapid surge in power demand driven by industrialization and urbanization	Digitalization and Informatization Structural increase in power demand as the internet becomes core infrastructure	Great East Japan Earthquake and COVID-19 Temporary suppression of demand amid population decline, with progress in energy efficiency and renewables	Expansion of AI Utilization Growing need to rebuild power infrastructure to support an AI-driven society

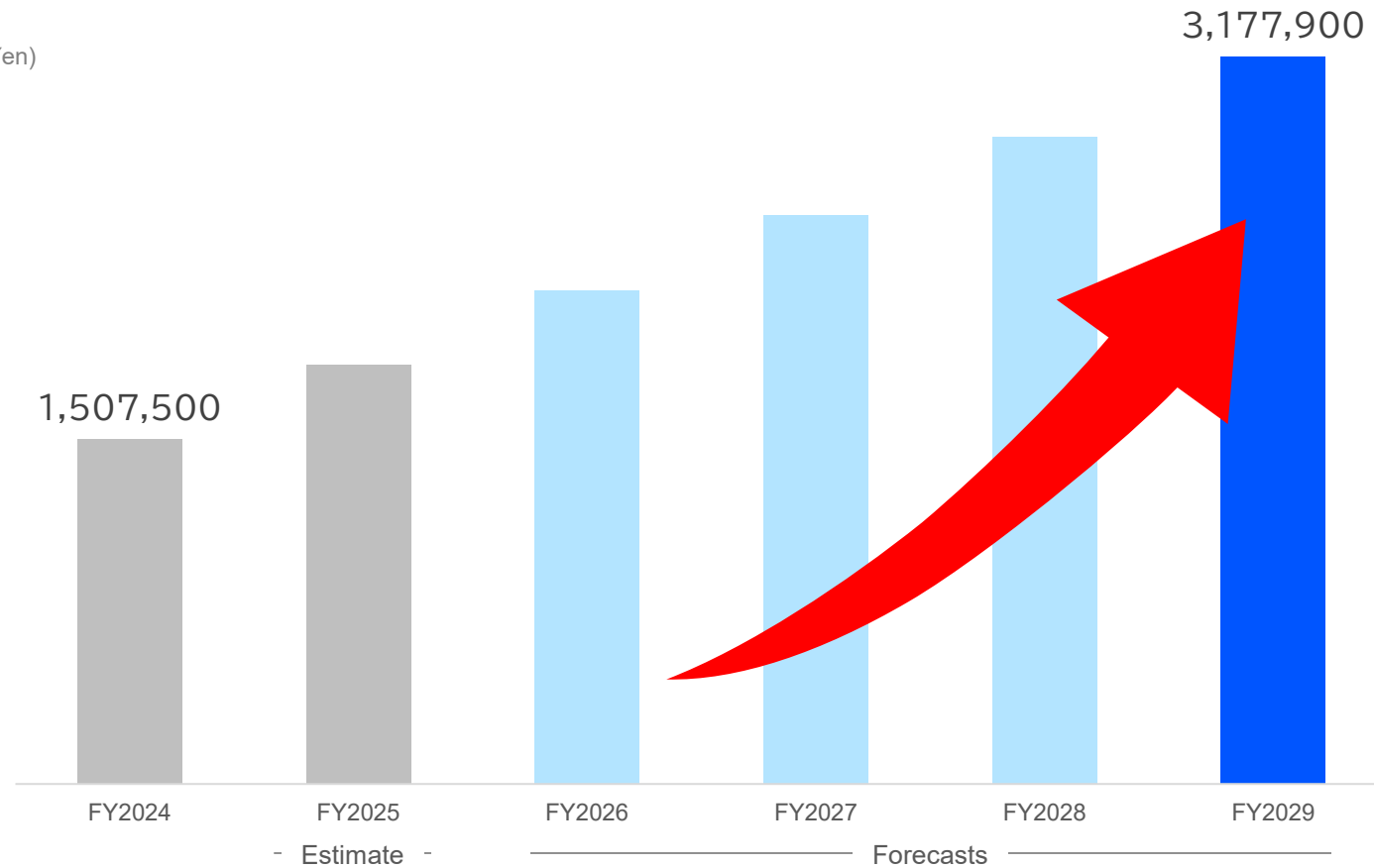
Source: Compiled by the Company based on demand projections by the Organization for Cross-regional Coordination of Transmission Operators (OCCTO), "Demand Forecasts by Region (Detailed Tables)." Figures prior to FY2004 are estimated by the Company based on the Federation of Electric Power Companies of Japan, "60-Year Statistics of the Electric Power Industry."

Acceleration of AI Investment

AI market expected to exceed ¥3 Trillion by FY2029.
Client demand for **AI consulting and engineering** on the rise.

● Domestic AI Market (Including Generative AI)

(Million Yen)



FY2029
AI Market to Exceed
¥3 Trillion
CAGR **16.1%**
(From FY2024 to FY2029)

4

Review of the Previous Medium-Term Management Plan



Summary

All numerical targets were achieved. **Bold investments** for medium- to long-term growth and expansion and further advancement of **data-driven management** are key priorities going forward.

	FY'26/3 Targets As of May 2023	FY'26/3 Results		Key Strategies	Outcomes and Issues
Financial Targets	Net Sales	¥15 billion ▶ ¥17.1 billion	Business Strategy	Next-Generation Energy	<ul style="list-style-type: none"> Large-scale projects and DX projects with major energy companies were expanded. Renewable energy and energy management businesses remain in the infrastructure development phase.
	Operating Income	¥1.5 billion or more ▶ ¥2.1 billion		Smart Infrastructure/Life	<ul style="list-style-type: none"> Leveraging Geographic Information Systems as a core asset, expansion into urban development is underway. Further growth potential is expected in the railway sector within smart mobility.
	OP Margin	10% or more ▶ 12.5%		Enterprise DX*3 /Modernization	<ul style="list-style-type: none"> Amid rising corporate demand for DX, overall growth is being driven across businesses. Growth is driven in particular by the significant expansion of data utilization projects in the payment field.
Management Indicator	ROE	-*1 ▶ 22.2%	Management Strategy	Area Strategy	<ul style="list-style-type: none"> Opened the Nagoya office in April 2023 to strengthen business in the Chubu region. Relocated and expanded the Kyushu Branch in October 2024. Strengthened the development framework in Da Nang, Vietnam.
Shareholder Returns	Dividend Payout Ratio	40% or more*2 ▶ 53.0%		Human Capital	<ul style="list-style-type: none"> As a result of personnel compensation revisions for three consecutive fiscal years, the employee turnover rate declined from 7.8% in FY'23/3 to 5.8% in FY'26/3. The number of employees increased from 603 in FY'23/3 to 723 in April 2026.
	Dividend Policy	Consecutive Dividend Increases ▶ 16 Consecutive Dividend Increases		Business and Technology	<ul style="list-style-type: none"> Deployment of LeapX, +Aldea, and +Global, which systematize the Company's technological capabilities, expertise, and assets.
	DOE	6% or more ▶ 11.6%		Capital Alliance and M&A	<ul style="list-style-type: none"> No M&A transactions to date. Initiatives with a focus on HR strategy remain a key challenge going forward.
				DX and Digitalization	<ul style="list-style-type: none"> Promotion of operational efficiency through the proprietary generative AI , AdsolChat. Established the DX and AI Transformation Promotion Office in January 2026.

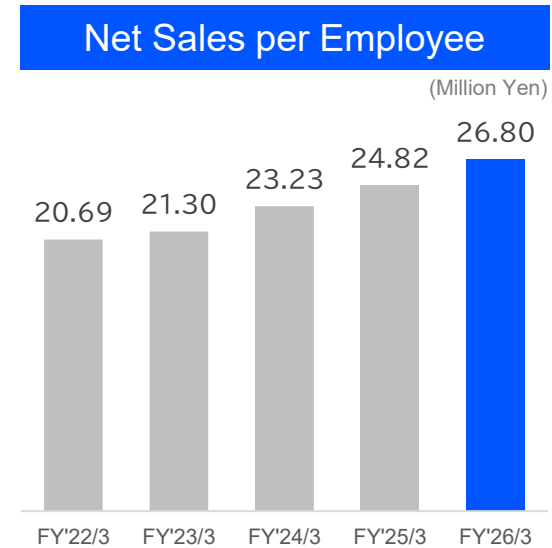
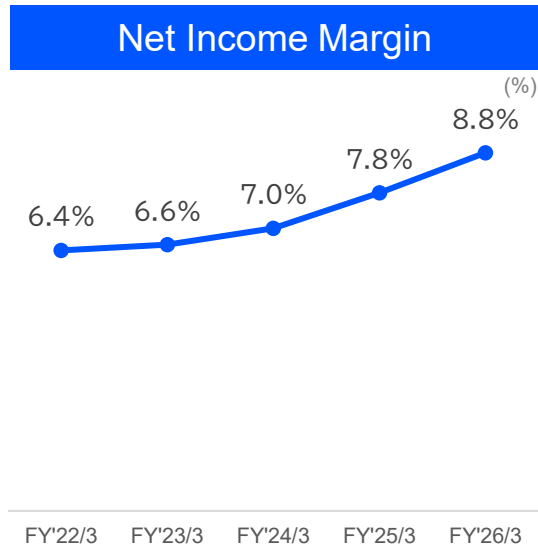
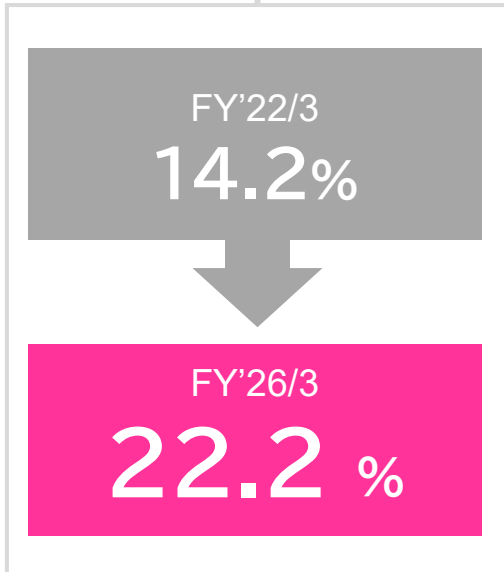
*1 The target was set in February 2025. *2 The dividend payout ratio target was raised to 50% from FY'26/3. *3 DX: Digital Transformation Copyright © 2026 Ad-Sol Nissin Corporation, Japan. All Rights Reserved.

Progress Toward Achieving the ROE Target

Ahead-of-schedule achievement of **the FY'29/3 ROE target of 22%**. Future targets will be set after carefully assessing progress in business structure reforms and human capital enhancement under the new medium-term management plan.

● Ad-Sol's Unique Breakdown Formula

$$ROE = \frac{\text{Net Income}}{\text{Net Sales}} \times \frac{\text{Net Sales}}{\text{Number of Employees}} \times \frac{\text{Number of Employees}}{\text{Shareholders' Equity}^*}$$



Aiming to further improve net sales and income margin

Continue to explore value enhancement strategies by leveraging human capital

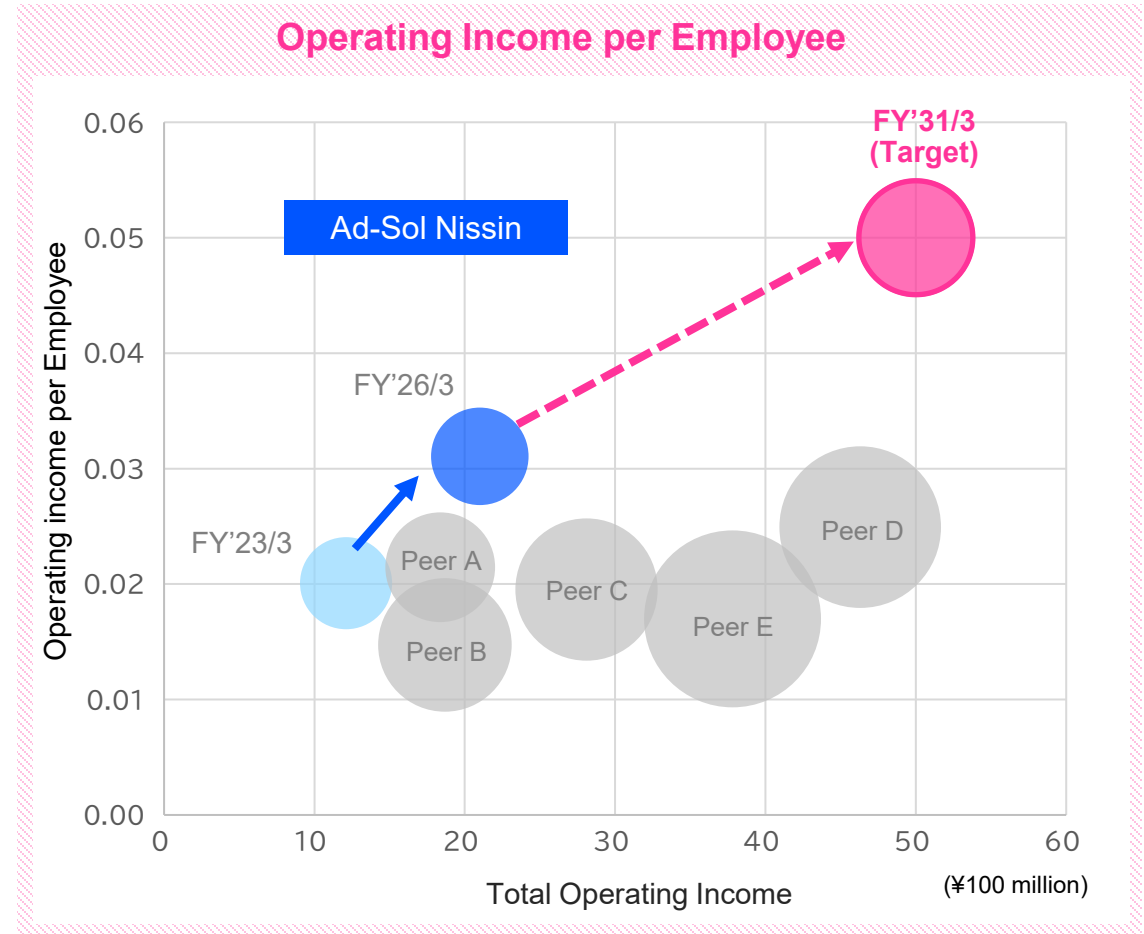
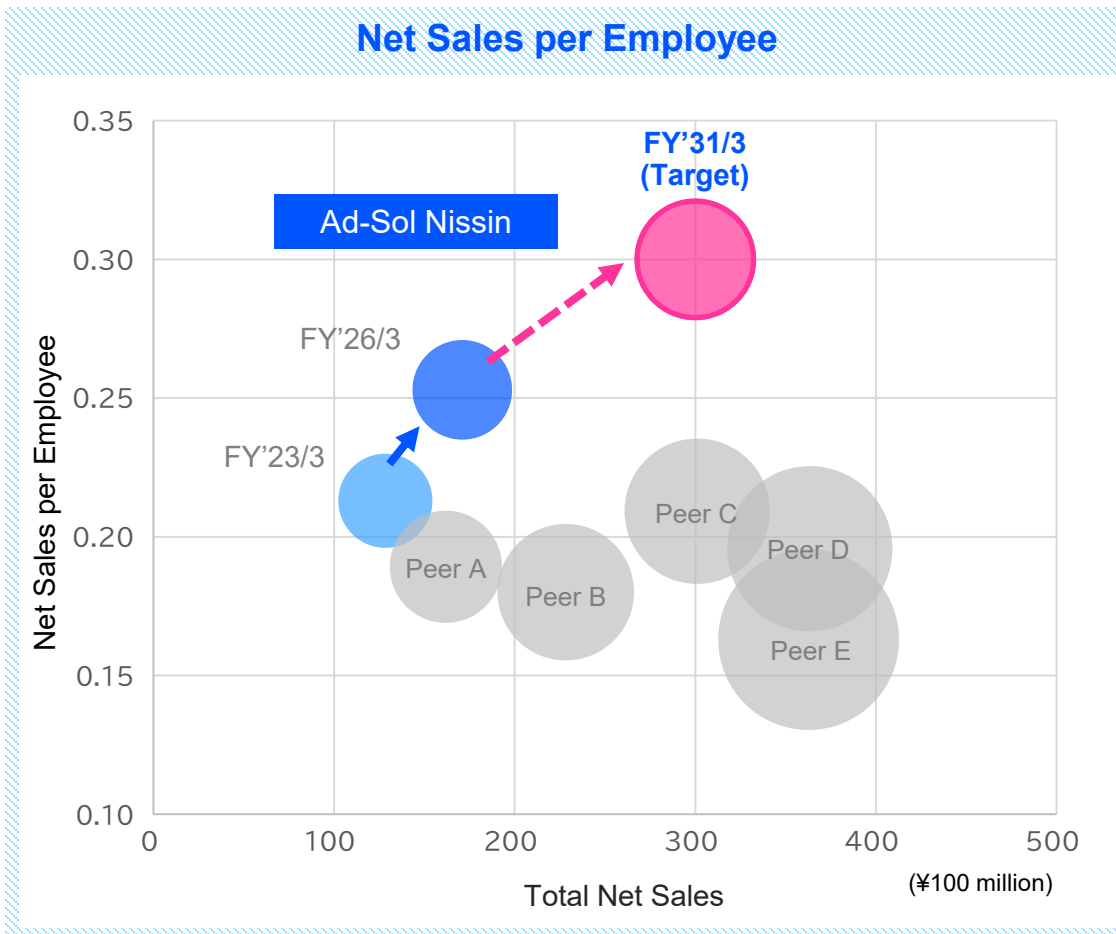
* Average Shareholders' Equity

Net Sales and Operating Income per Employee

Achieve net sales and operating income per employee exceeding those of industry peers of similar size, driven by deep expertise, advanced technology application capabilities, and flexible responsiveness to client needs.

● Positioning of IT Companies by Total and Per-Employee Net Sales and Operating Income

* Peer company statistics based on FY'25/3 results and bubble size represents the number of employees.



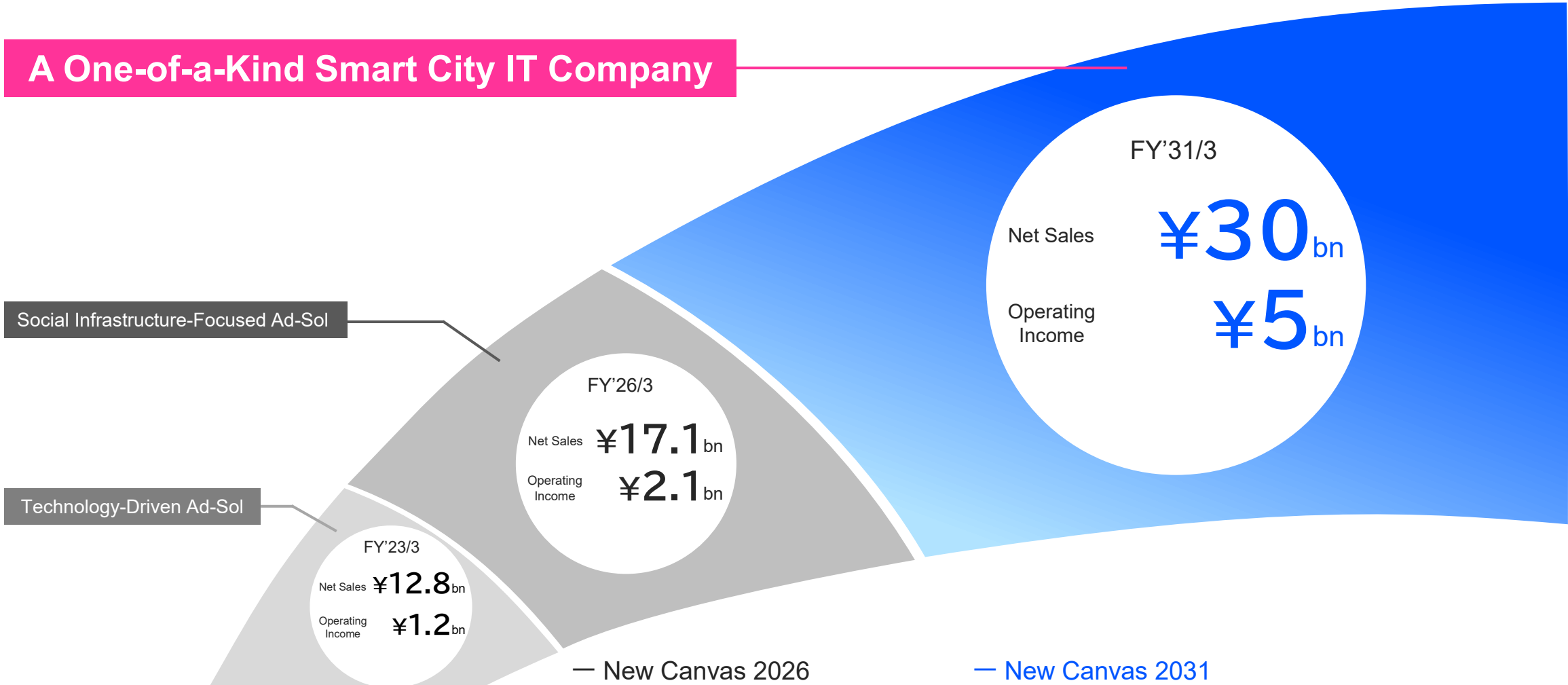
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Medium-Term Management Plan, New Canvas 2031



Management Targets

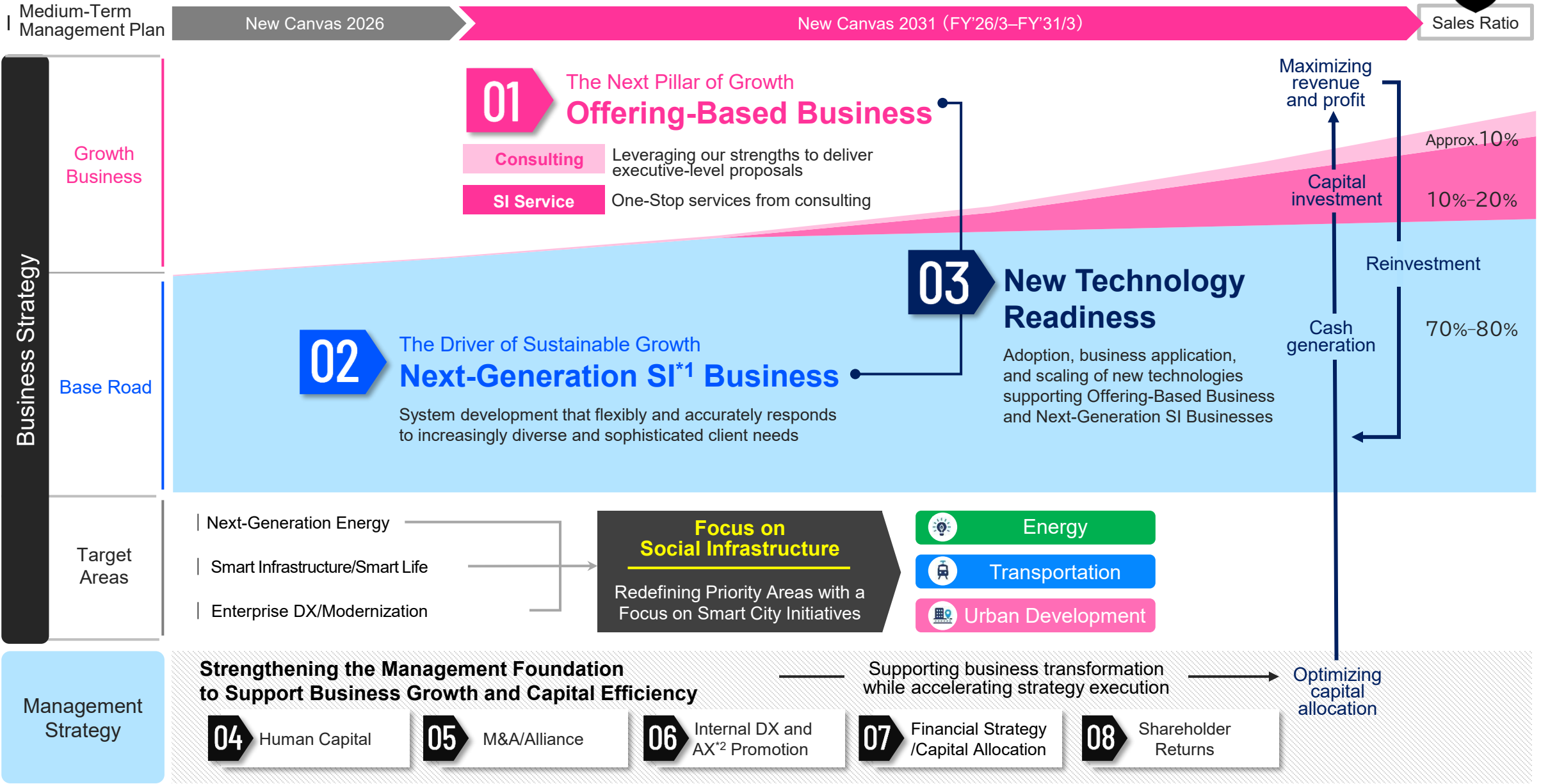
A One-of-a-Kind Smart City IT Company



	— New Canvas 2026		— New Canvas 2031
Value Proposition	Workforce & Technical Capabilities	IT Systems Focused on Social Infrastructure	IT Systems Contributing to Clients' Market Competitiveness
Client Expectations	Manpower & Mobilization Capacity	RFP Response (System Design /Requirements Definition)	Solving Social Issues through IT
Clients	Manufacturers/System Integrators	End Users/Manufacturers/System Integrators	Expansion of Direct Transactions with End Users
Positioning	Subcontractor (Tier 2)	Collaborative Partner	Co-creation Partner

Business Portfolio Vision

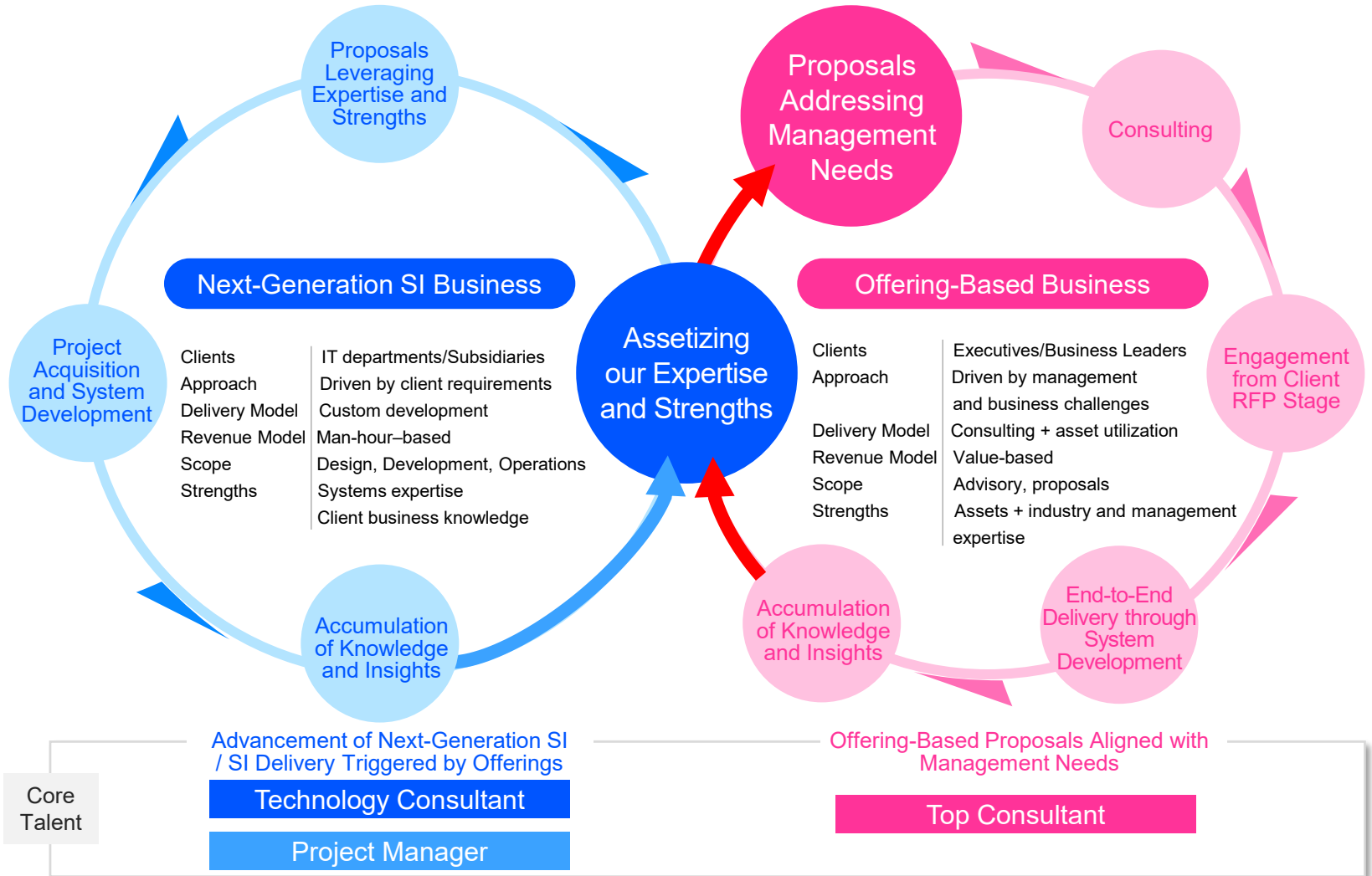
FY'31/3



*1 SI: System integration *2 AX: AI Transformation

Circular Model of Next-Generation SI and Offering-Based Businesses

To address increasingly diverse and sophisticated client needs and drive further growth, we **strengthen our capabilities in Next-Generation SI** while advancing **our Offering-Based Business by assetizing our expertise and strengths.**



Investment to Realize the Circular Model

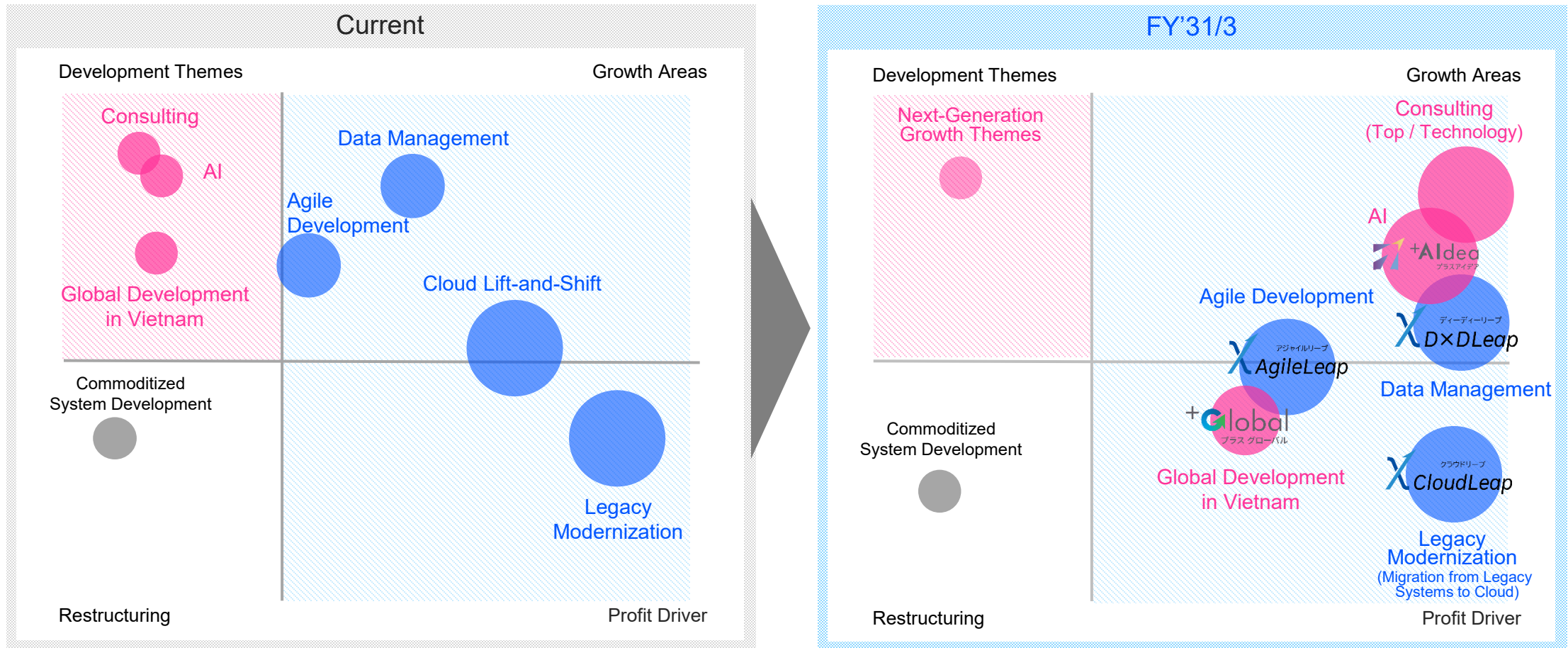
We invest in establishing the circular model of next-generation SI and offering-based businesses, using stable cash generated from our existing operations.

- POINT 01 Human Capital >P.26**
Focus on recruiting and developing talent to support and drive our business strategy
 - Top Consultant
 - Technology Consultant
 - Project Consultant
- POINT 02 Cutting-Edge Technologies >P.24-25**
Acquisition, application, and expansion of new technologies supporting both businesses (AI-native development, data management, etc.)

Positioning by System Development Theme

Evolving into a model driven by **consulting**, **AI**, and **data management**, in addition to system modernization. Agile development and global development transitioning from development or growth themes into profit drivers.

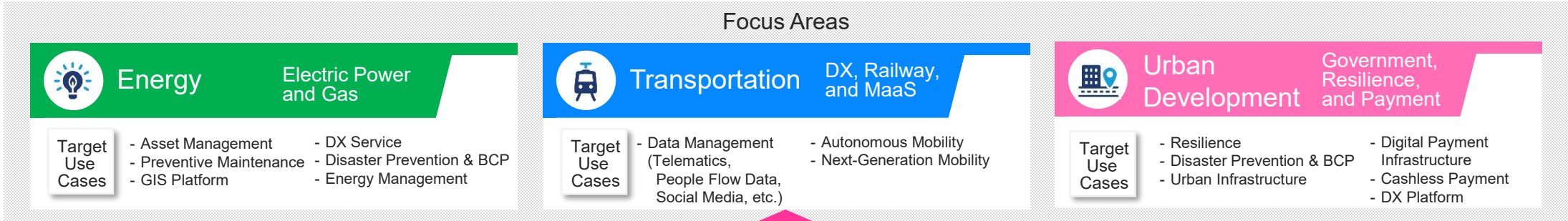
● Positioning by System Development Theme



* Bubble size represents the number of employees.

01 Offering-Based Business Organization and Focus Areas

Under the leadership of the Cross-Sector Offering Promotion Office, we are driving **assetization of next-generation SI capabilities** and **offering-based proposals** in these focus areas: Energy, Transportation, and Urban Development.



— Asset Examples —

I Solutions/Project Management







I Business Templates/Core Technologies

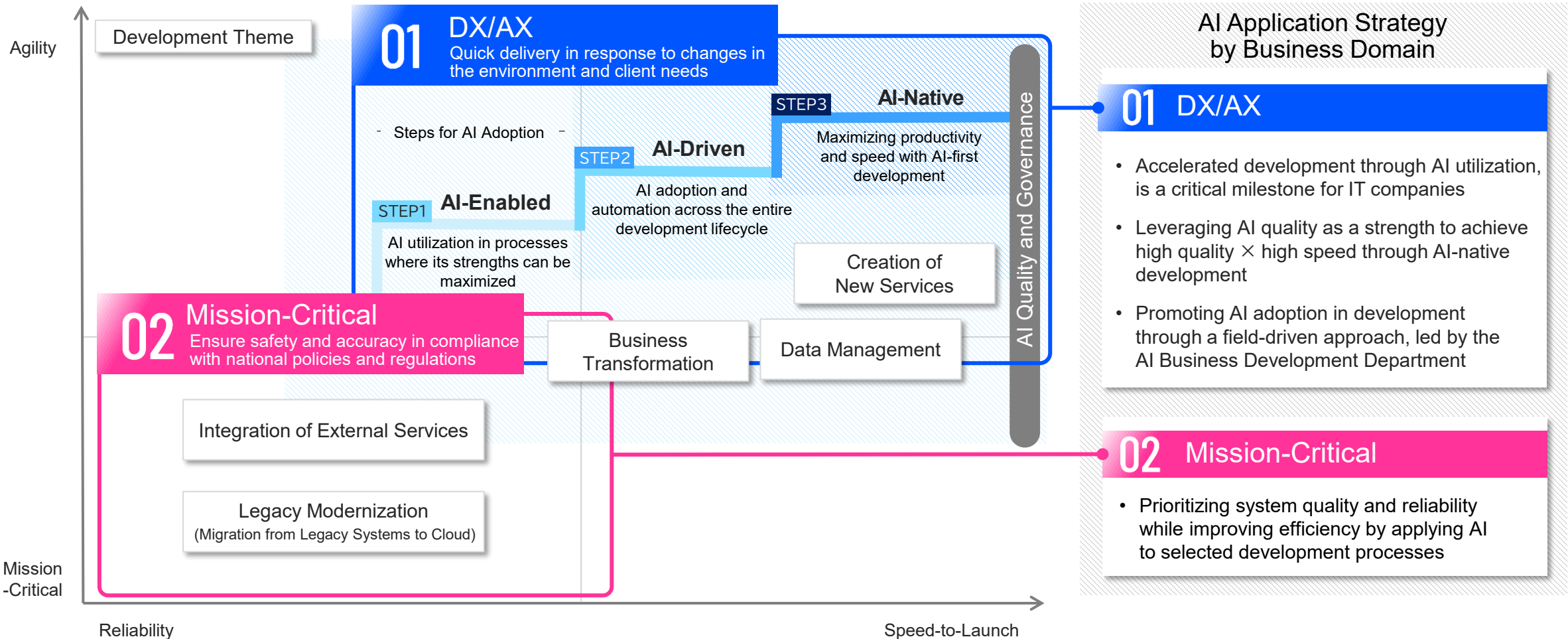
- Asset Management
- Marketing
- Digital Twin
- Disaster Prevention & BCP
- Statistical Data
- Logistics/Autonomous Delivery
- Smart Transportation
- EMS
- GIS Platform

And More

Business Strategy **02** Next-Generation SI Business Key Themes

Addressing both DX/AX and mission-critical domains. AI adoption driven by client needs, including development characteristics and value delivery speed.

● Approach by Value Proposition & Development Theme

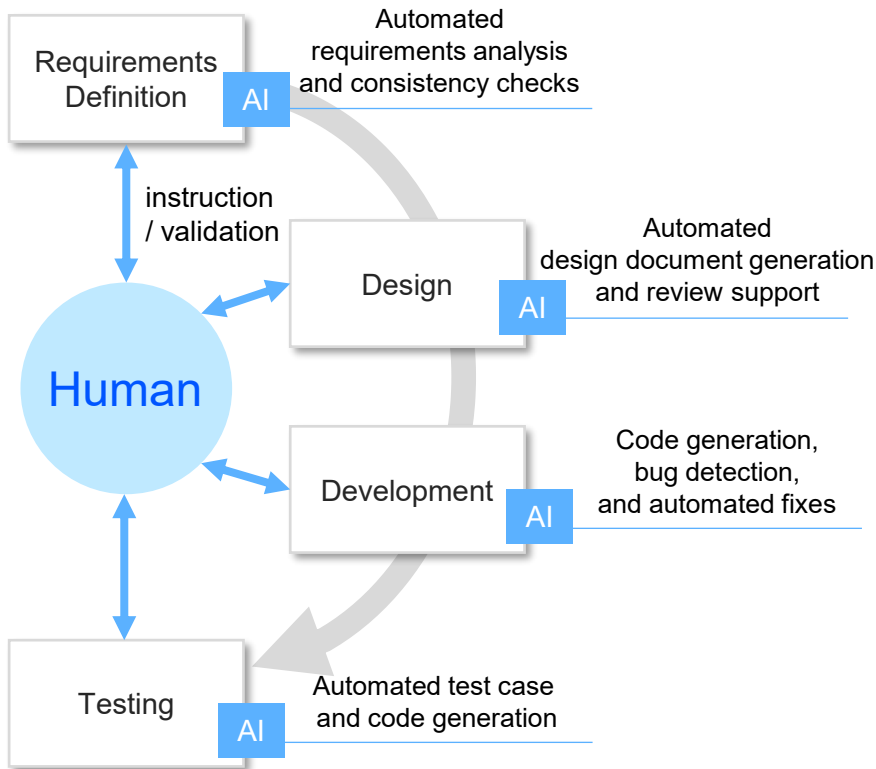


03 Leveraging New Technologies Application of AI in System Development

Establish a development framework that **leverages AI as a strategic asset**.
Adopt of AI-Native Development with AI at its core.

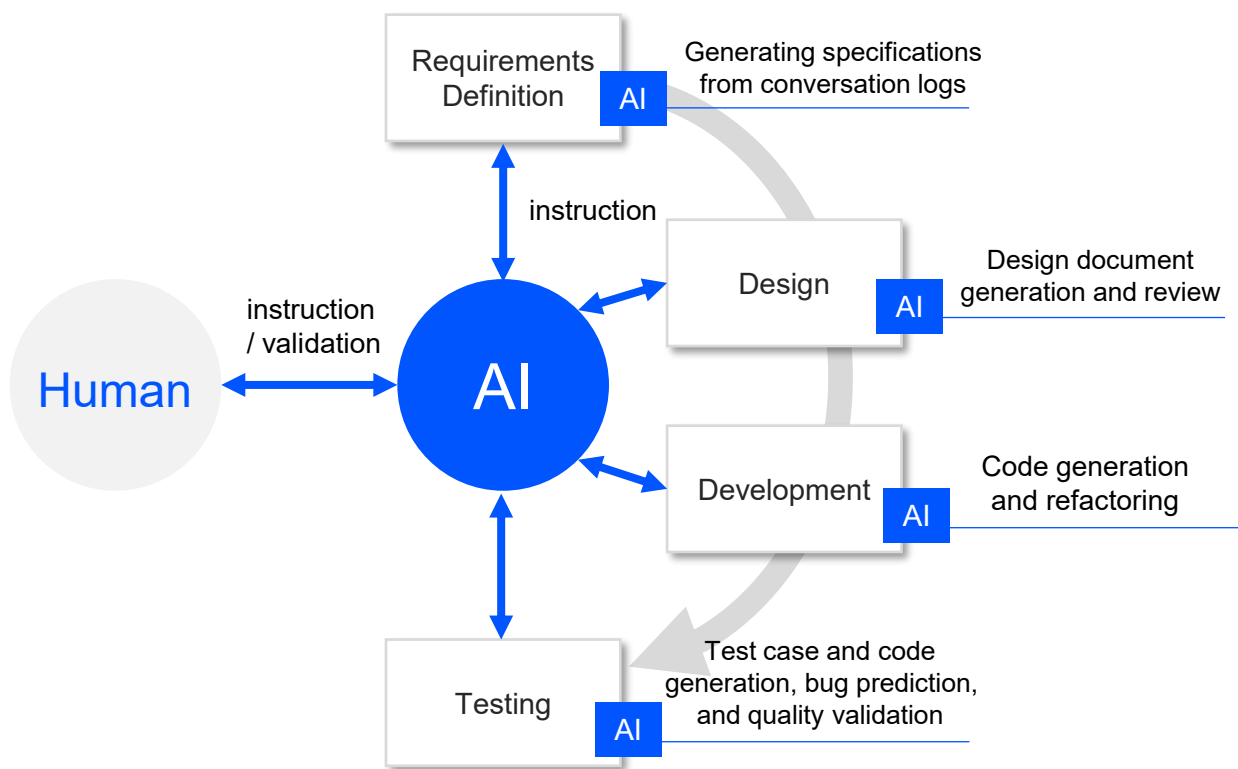
AI-Driven Development

A human-centered development process
Leveraging AI agents at each stage to automate selected tasks



AI-Native Development

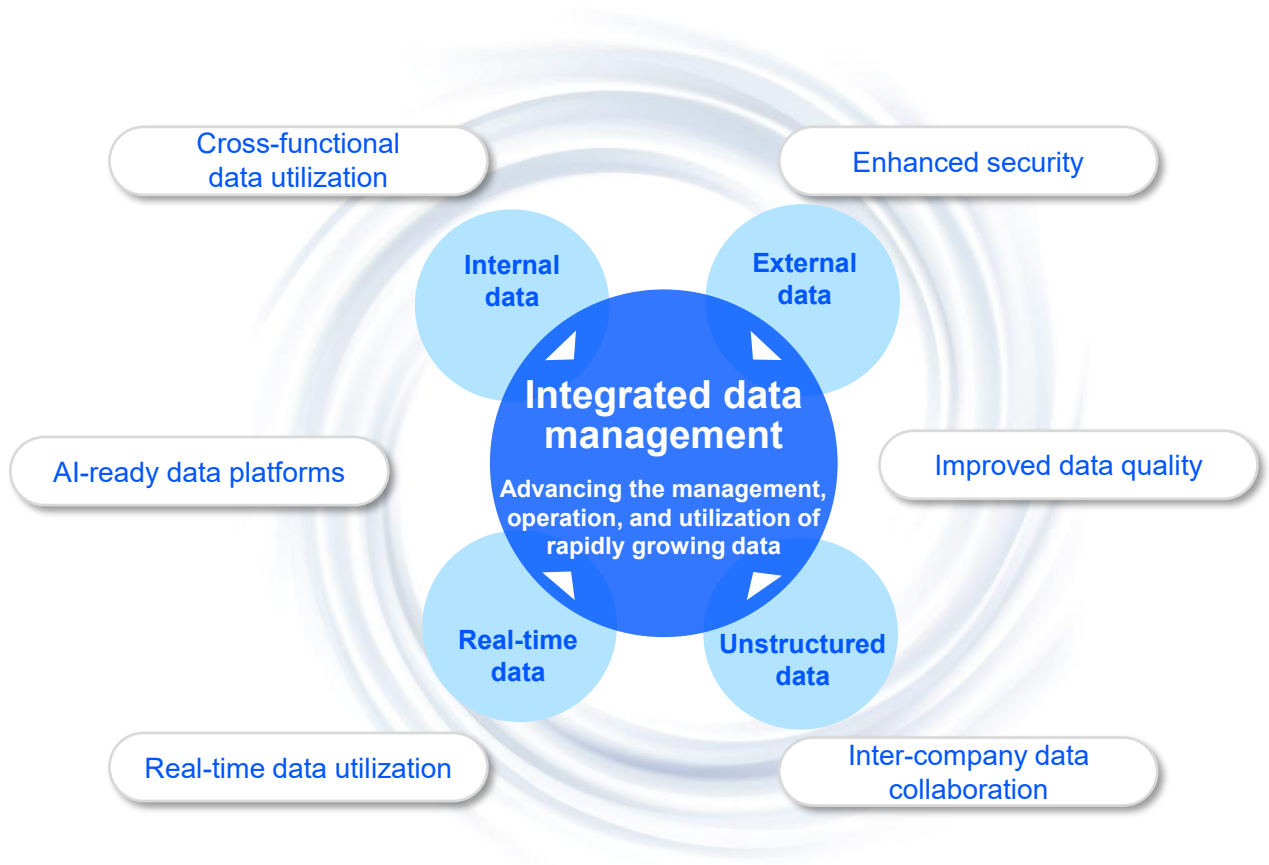
AI-led, autonomous execution across the development lifecycle
Humans to focus on review and governance



03 Leveraging New Technologies Expansion of Data Management Scope

Even in mission-critical systems, the **importance of data utilization and the momentum for faster launch times** are increasing. It is necessary to strengthen data-driven proposals across all systems and incorporate agile approaches.


● Client Needs in Data Management







Proposals for Mission-Critical Systems

- 01** Technology Consultant Advanced IT Engineer

Data Consultants / Data Scientists
Cultivating talent capable of delivering end-to-end data management support
- 02** **Driving Assetization**

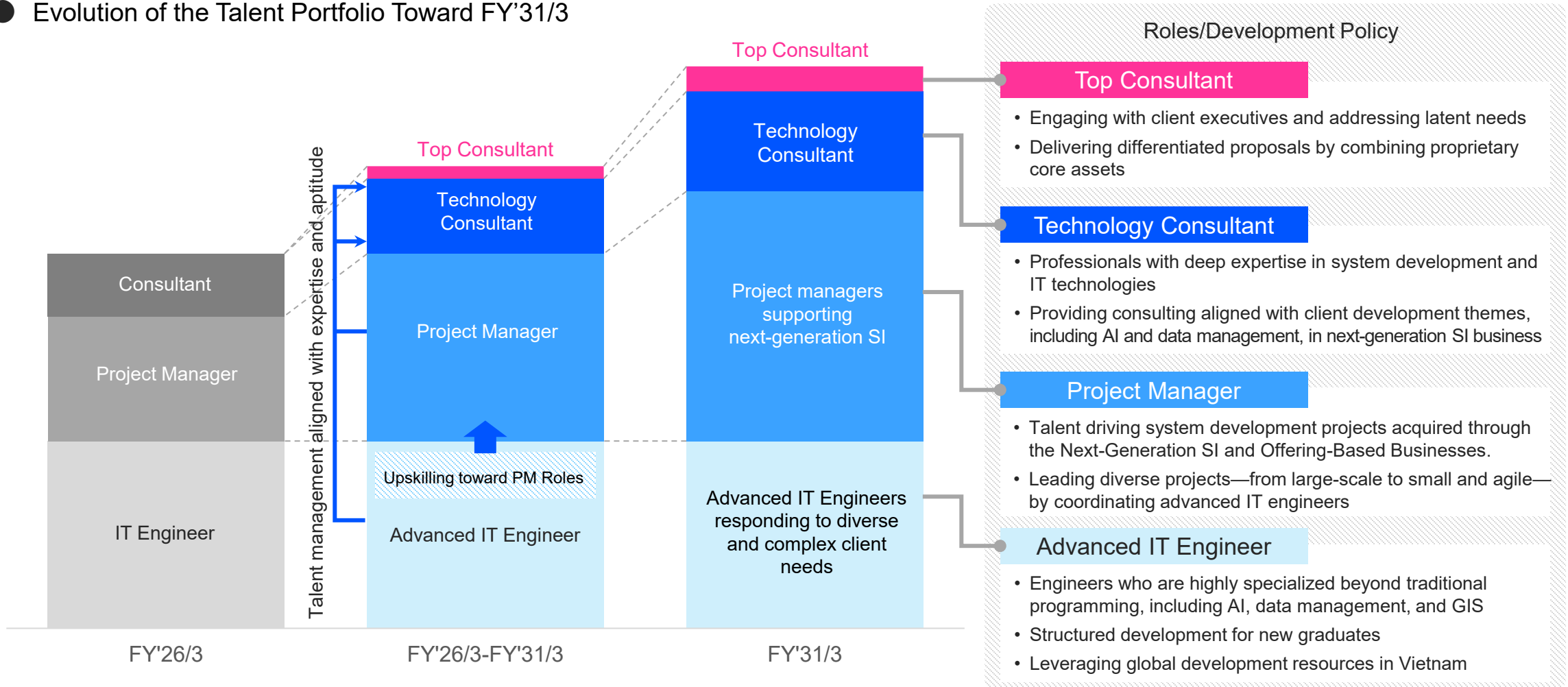
 ディーディーリーブ **DxDLeap** + Creation of new services providing end-to-end data management (from data collection and preparation to quality management)

 Value creation by leveraging AI	 Support for data-driven management
 Adoption of agile development	 Digital marketing support

Human Capital Talent Portfolio for Achieving Business Strategy

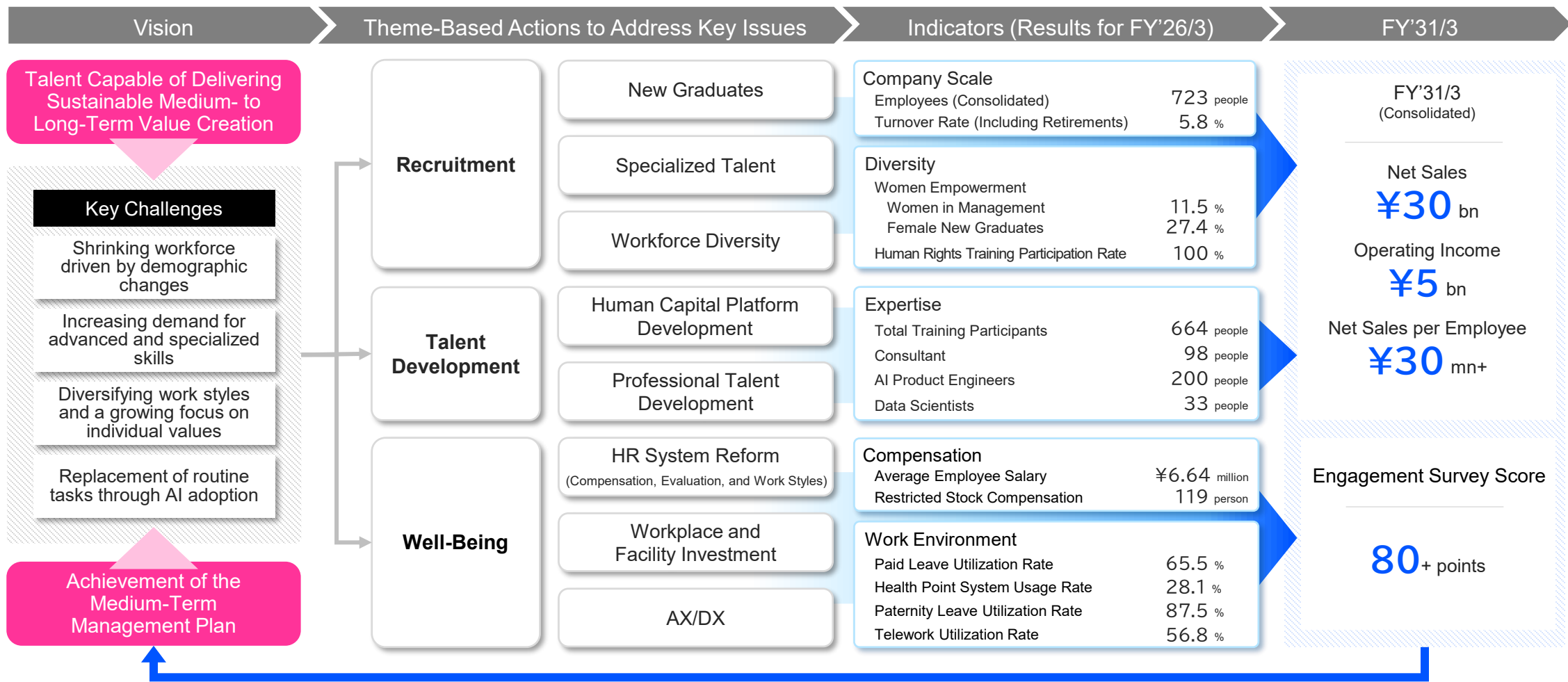
Driving Next-Generation SI Business and Offering-Based Businesses through **talent management** based on a refined talent portfolio, to achieve the business strategy

● Evolution of the Talent Portfolio Toward FY'31/3



04 Human Capital KPIs for Enhancing Employee Satisfaction and Achieving Management Targets

By centering human capital investment on talent development and retention, we aim to achieve management targets and enhance long-term value creation through **higher engagement and lower turnover**.



Human capital strategy linked to New Canvas 3031 to enhance employee satisfaction and achieve management targets

*1 As of April 1, 2026 *2 Ratio of female new graduates joining the Company in April 2026 *3 Total participants in training programs during FY'26/3 (new graduate, level-based, consulting, etc.)

M&A is recognized as one of **the important strategic options to accelerate business growth and maximize shareholder value**. In addition to cash on hand, borrowings will be flexibly utilized to maximize business growth.

Theme / Field		Targets
Development Capacity	Status	<ul style="list-style-type: none"> To meet strong demand for IT investment, further enhancement of development capabilities is required. In addition to developing consultants and project managers, the recruitment and development of advanced IT engineers is also an urgent priority.
	Policy	<ul style="list-style-type: none"> Strengthening development capacity at domestic business locations (Tokyo, Osaka, Nagoya, and Fukuoka), primarily in the social infrastructure domain.
Consulting	Status	<ul style="list-style-type: none"> Alongside establishing a virtuous cycle between Next-Generation SI Business and Offering-Based Business, expanding business domains is essential to raising the medium- to long-term growth trajectory.
	Policy	<ul style="list-style-type: none"> Strengthening collaboration with companies that possess deep expertise in the social infrastructure domain.
Technology	Status	<ul style="list-style-type: none"> As technological innovation continues to accelerate, the rapid adoption of new technologies and their business application have become critical management priorities for system integrators. Invest in technologies that serve as drivers of business growth, including agile, AI, and data management.
	Policy	<ul style="list-style-type: none"> Strengthening technological capabilities to support flexible responses to increasingly diverse and sophisticated client needs.

06 Internal DX and AX Promotion

Driving transformation toward **next-generation data-driven management** where all employees leverage data to proactively and autonomously lead business growth through DX and AX

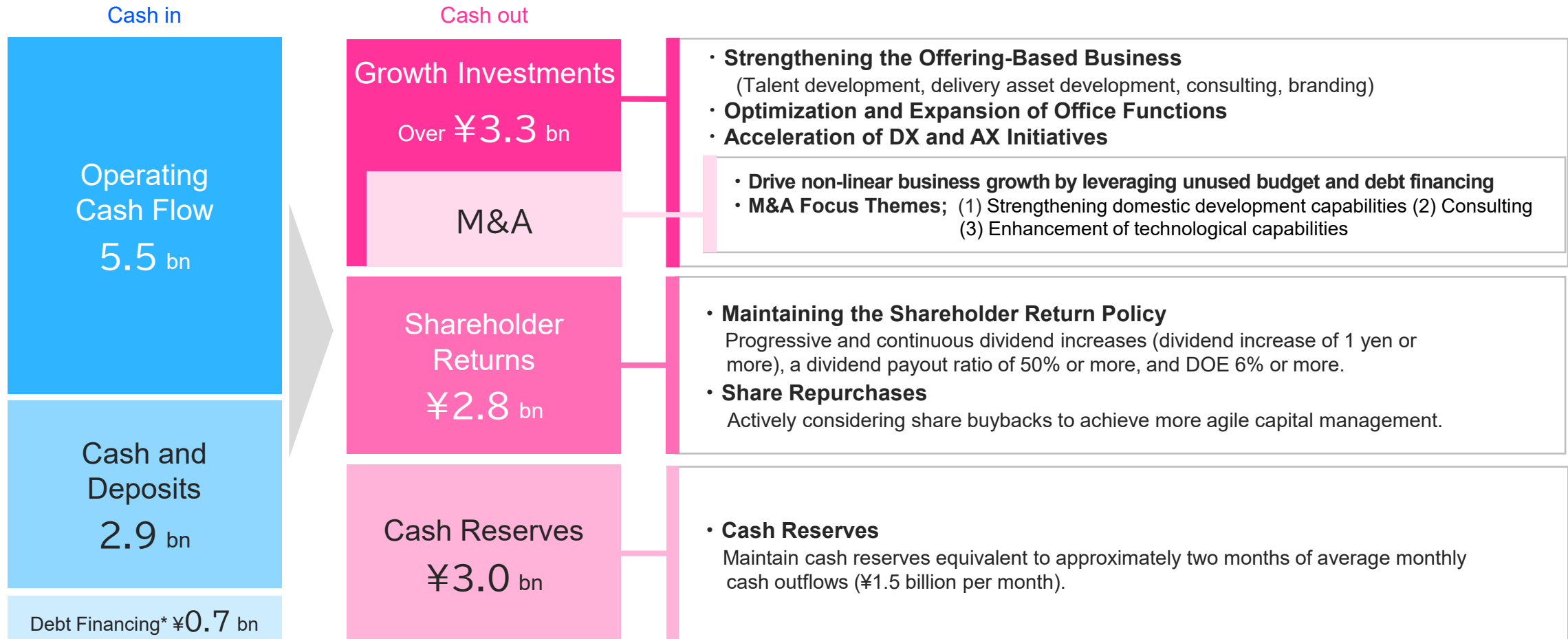
● Initiatives to Advance Next-Generation Data-driven Management through DX and AX



07 Financial Strategy / Capital Allocation

Operating cash flow for the three-year period from FY'27/3 to FY'29/3 is projected to be ¥5.5 billion.
 We aim to **maximize business growth by fully utilizing cash on hand and borrowings.**

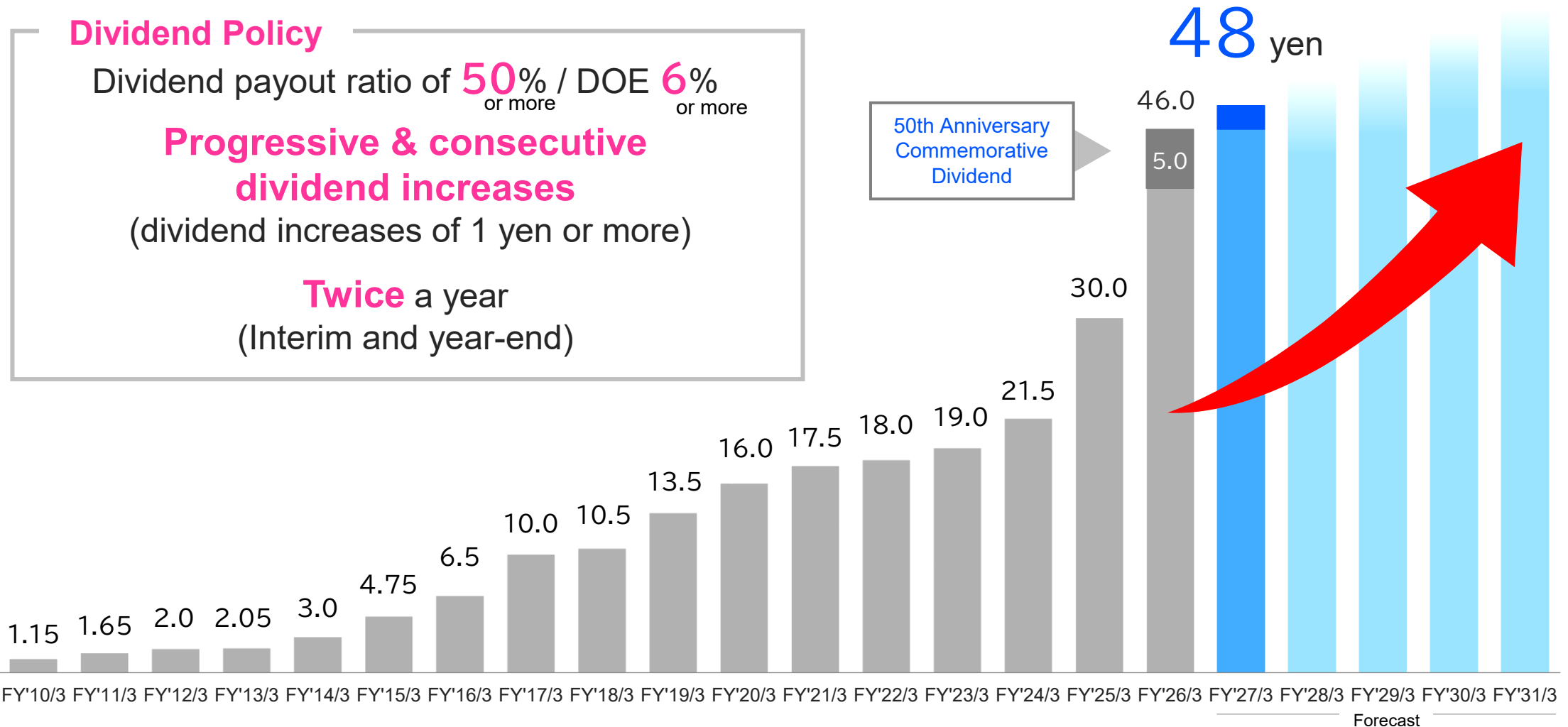
————— Total for FY'27/3 to FY'29/3 —————



* Minimum Amount.

Dividend to be increased for **21** consecutive years

(Yen)



* Net income per share and dividends per share are shown after taking into account stock splits (3-for-1 stock split on January 1, 2014, 2-for-1 stock split on October 1, 2016 and 2-for-1 stock split on April 1, 2025)

(Reference) Action to Implement Management That Considers the Cost of Capital and Stock Price

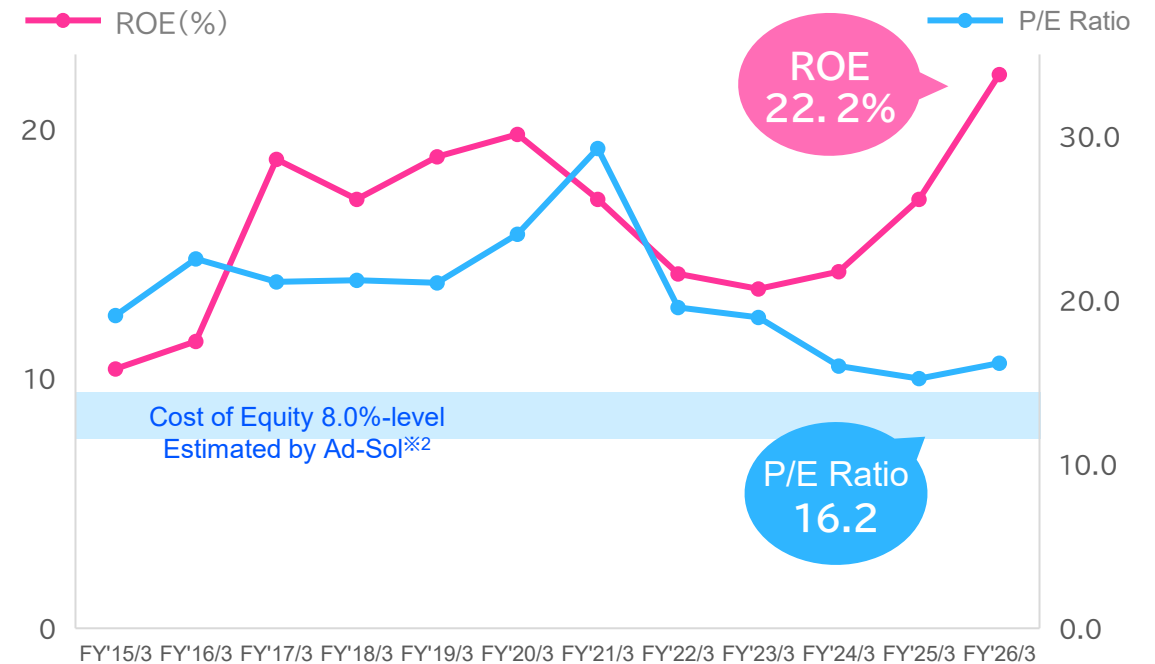
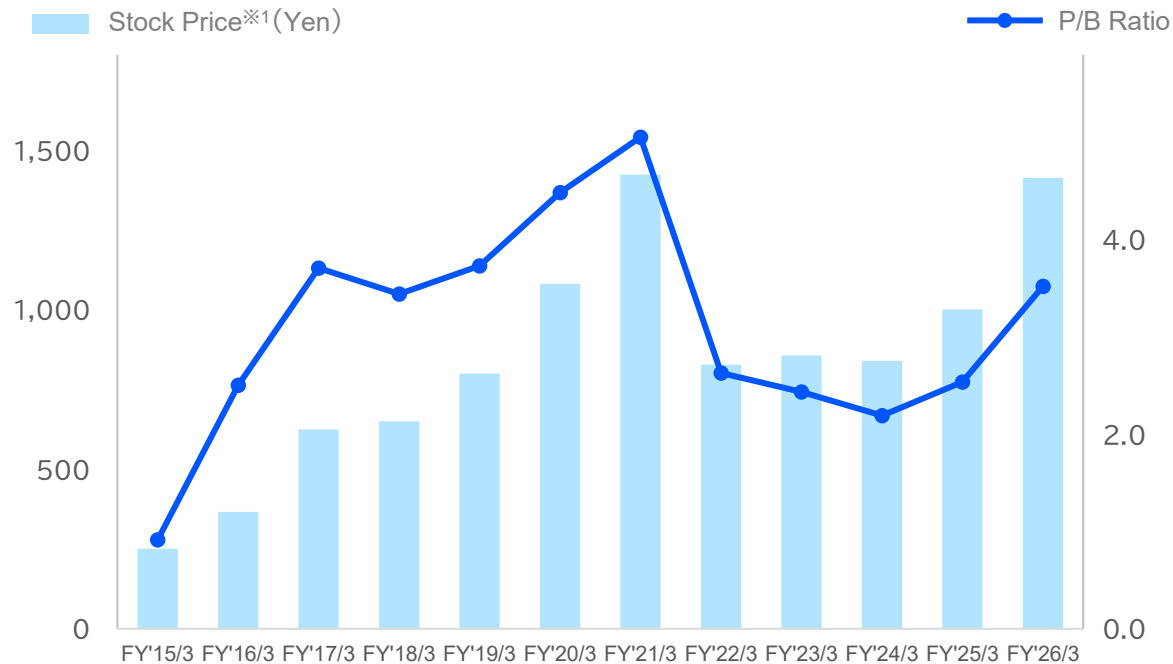
Pursue **reductions in the cost of equity** and an **expansion of the equity spread** through improved profitability and capital efficiency.

Stock Price & P/B Ratio (as of end of period)

- Current P/B ratio is over 3.0.
→ There is room for further improvement through higher stock prices.
- Key points for stock price improvement Earnings growth and maintenance and improvement of high ROE.

ROE & P/E Ratio (as of end of period)

- ROE for FY'26/3 is 22.2%.
- Key points to maintaining and improving high ROE that exceeds the cost of capital are increasing profit margins and improving capital efficiency.



*1 Stock price are shown after taking into account stock splits (a2-for-1 stock split on October 1, 2016, and a 2-for-1 stock split on April 1, 2025).

*2 There has been no change in the calculation methodology. The estimated cost of equity increased from the level announced in May 2024, reflecting the rise in the risk-free rate (yield on newly issued 10-year Japanese government bonds).

Note

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