



Translation

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Consolidated Financial Results for the Three Months Ended May 31, 2025 (Under Japanese GAAP)

July 15, 2025

Company name TerraSky Co., Ltd. Stock exchange listings: Tokyo Prime
Securities code 3915 URL <http://www.terrasky.co.jp>
Representative Representative Director Executive Hideya Sato
President and CEO
Inquiries Director Executive Managing Officer Koichiro Tsukada (Tel)03-5255-3410
and CFO
Dividend payable date (as planned) —
Supplemental material of results : Yes
Convening briefing of results : None

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

1. Consolidated financial results for the three months ended May 31, 2025 (from March 1, 2025 to May 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended May 31, 2025	6,605	13.7	316	6.4	350	7.0	213	20.8
May 31, 2024	5,809	33.5	297	207.6	327	151.4	176	393.5

Note: Comprehensive income For the three months ended May 31, 2025 369 Millions of yen (—%) For the three months ended May 31, 2024 (683) Millions of yen (—%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended May 31, 2025	16.51	16.51
May 31, 2024	13.67	13.62

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of May 31, 2025	19,917	13,199	57.6
February 28, 2025	19,470	12,839	56.9

Reference: Owner's equity As of May 31, 2025 11,474 Millions of yen As of February 28, 2025 11,075 Millions of yen

2. Cash dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2025	—	0.00	—	0.00	0.00
Fiscal year ending February 28, 2026	—				
Fiscal year ending February 28, 2026 (Forecast)		0.00	—	0.00	0.00

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

3. Consolidated financial forecast for the fiscal year ending February 28, 2026 (from March 1, 2025 to February 28, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending February 28, 2026	29,438	19.1	1,833	26.3	1,973	23.1	1,363	33.9	105.66

Note:Revisions to the earnings forecasts most recently announced : None

* Notes

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

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements : Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations : Yes

(ii) Changes in accounting policies due to other reasons : None

(iii) Changes in accounting estimates : None

(iv) Restatement : None

(4) Number of issued shares (common shares)

① Number of issued and outstanding shares at the period end (including treasury stock)

As of May 31, 2025	12,918,380 shares	As of February 28, 2025	12,918,380 shares
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② Number of treasury stock at the period end

As of May 31, 2025	9,003 shares	As of February 28, 2025	9,003 shares
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③ Average number of shares (quarterly period-YTD)

Three months ended May 31, 2025	12,909,377 shares	Three months ended May 31, 2024	12,901,636 shares
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* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm : None

Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of February 28, 2025	As of May 31, 2025
Assets		
Current assets		
Cash and deposits	6,512,437	6,861,949
Accounts receivable - trade, and contract assets	4,494,799	4,142,990
Prepaid expenses	1,800,148	2,116,370
Other	37,530	33,903
Total current assets	12,844,915	13,155,213
Non-current assets		
Property, plant and equipment	400,433	398,873
Intangible assets		
Software	806,988	765,591
Goodwill	7,790	—
Other	431,609	522,520
Total intangible assets	1,246,388	1,288,112
Investments and other assets		
Investment securities	4,269,158	4,390,203
Deferred tax assets	100,864	92,439
Leasehold and guarantee deposits	568,388	561,774
Other	39,941	31,070
Total investments and other assets	4,978,352	5,075,487
Total non-current assets	6,625,175	6,762,473
Total assets	19,470,090	19,917,687

(Thousands of yen)

	As of February 28, 2025	As of May 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	1,594,187	1,525,588
Short-term borrowings	200,000	200,000
Current portion of long-term borrowings	3,672	—
Income taxes payable	484,591	245,234
Contract liabilities	2,249,044	2,652,052
Provision for loss on orders received	5,386	1,889
Other	1,187,878	1,151,496
Total current liabilities	5,724,761	5,776,261
Non-current liabilities		
Long-term borrowings	2,286	—
Deferred tax liabilities	893,565	932,478
Other	9,933	9,448
Total non-current liabilities	905,784	941,927
Total liabilities	6,630,545	6,718,188
Net assets		
Shareholders' equity		
Share capital	1,256,892	1,256,892
Capital surplus	1,897,683	1,944,855
Retained earnings	5,800,091	6,013,248
Treasury shares	(851)	(851)
Total shareholders' equity	8,953,816	9,214,144
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,115,839	2,246,688
Foreign currency translation adjustment	5,703	13,817
Total accumulated other comprehensive income	2,121,543	2,260,506
Share acquisition rights	6,934	6,934
Non-controlling interests	1,757,251	1,717,912
Total net assets	12,839,545	13,199,498
Total liabilities and net assets	19,470,090	19,917,687

Consolidated statements of income

(Thousands of yen)

	Three months ended May 31, 2024	Three months ended May 31, 2025
Net sales	5,809,729	6,605,904
Cost of sales	4,240,047	4,879,280
Gross profit	1,569,681	1,726,623
Selling, general and administrative expenses	1,272,187	1,410,161
Operating profit	297,493	316,462
Non-operating income		
Commission income	—	2,014
Subsidy income	863	15,201
Foreign exchange gains	1,954	700
Share of profit of entities accounted for using equity method	16,156	14,536
Gain on investments in investment partnerships	11,138	—
Other	177	4,309
Total non-operating income	30,290	36,764
Non-operating expenses		
Interest expenses	465	438
Loss on investments in investment partnerships	—	2,466
Total non-operating expenses	465	2,905
Ordinary profit	327,317	350,321
Extraordinary income		
Gain on sale of investment securities	—	64,156
Total extraordinary income	—	64,156
Profit before income taxes	327,317	414,477
Income taxes	100,004	183,656
Profit	227,313	230,820
Profit attributable to non-controlling interests	50,925	17,663
Profit attributable to owners of parent	176,388	213,157