Translation

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Consolidated Financial Results for the Three Months Ended May 31, 2026 (Under Japanese GAAP)

July 15, 2026

Company name	TerraSky Co., Ltd.		Stock exchange listings: Tokyo Prime
Securities code	3915	URL http://www.terrasky.co.jp	
Representative	Representative Director Executive President and CEO	Hideya Sato	
Inquiries	Director Executive Managing Officer and CFO	Koichiro Tsukada	(Tel)03-5255-3410
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, 2026 (from March 1, 2026 to May 31, 2026)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
May 31, 2026	7,946	20.3	566	79.0	610	74.2	350	64.5
May 31, 2025	6,605	13.7	316	6.4	350	7.0	213	20.8

Note:Comprehensive income For the three months ended May 31, 2026 219 Millions of yen ((40.7)%) For the three months ended May 31, 2025 369 Millions of yen (―%)

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
May 31, 2026	27.16	―
May 31, 2025	16.51	―

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
May 31, 2026	22,153	14,924	56.5
February 28, 2026	22,212	14,967	56.5

Reference:Owner's equity As of May 31, 2026 12,506 Millions of yen As of February 28, 2026 12,558 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, 2026	―	0.00	―	16.00	16.00
Fiscal year ending February 28, 2027	―				
Fiscal year ending February 28, 2027 (Forecast)		0.00	―	17.00	17.00

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

3. Consolidated financial forecast for the fiscal year ending February 28, 2027 (from March 1, 2026 to February 28, 2027)

(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, 2027	34,349	22.4	2,541	62.9	2,628	52.2	1,526	(2.9)	118.21

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 ：None

(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, 2026	12,918,380shares	As of February 28, 2026	12,918,380shares
② Number of treasury stock at the period end	As of May 31, 2026	9,503shares	As of February 28, 2026	9,503shares
③ Average number of shares (quarterly period-YTD)	Three months ended May 31, 2026	12,908,877shares	Three months ended May 31, 2025	12,909,377shares

* 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, 2026	As of May 31, 2026
Assets		
Current assets		
Cash and deposits	8,265,447	8,139,576
Accounts receivable - trade, and contract assets	5,055,820	5,109,018
Prepaid expenses	2,220,957	2,449,438
Other	21,858	114,823
Allowance for doubtful accounts	(9,844)	(9,673)
Total current assets	15,554,238	15,803,184
Non-current assets		
Property, plant and equipment	432,472	413,163
Intangible assets		
Software	1,368,873	1,230,144
Goodwill	313,444	288,556
Other	29,523	194,165
Total intangible assets	1,711,840	1,712,867
Investments and other assets		
Investment securities	3,614,961	3,339,495
Deferred tax assets	60,856	54,796
Leasehold and guarantee deposits	825,606	817,737
Other	12,468	12,123
Total investments and other assets	4,513,893	4,224,153
Total non-current assets	6,658,206	6,350,184
Total assets	22,212,445	22,153,368

Consolidated balance sheets (continued)

(Thousands of yen)

	As of February 28, 2026	As of May 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	1,894,660	1,791,221
Short-term borrowings	200,000	200,000
Income taxes payable	418,715	249,148
Contract liabilities	2,481,600	2,947,437
Provision for loss on orders received	8,392	467
Other	1,422,747	1,302,006
Total current liabilities	6,426,116	6,490,282
Non-current liabilities		
Deferred tax liabilities	800,858	721,053
Other	18,466	18,023
Total non-current liabilities	819,324	739,077
Total liabilities	7,245,441	7,229,359
Net assets		
Shareholders' equity		
Share capital	1,256,892	1,256,892
Capital surplus	1,958,377	1,958,347
Retained earnings	7,372,491	7,489,772
Treasury shares	(851)	(1,010)
Total shareholders' equity	10,586,910	10,704,002
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,996,087	1,817,492
Foreign currency translation adjustment	(24,527)	(15,259)
Total accumulated other comprehensive income	1,971,560	1,802,232
Share acquisition rights	9,650	10,160
Non-controlling interests	2,398,882	2,407,613
Total net assets	14,967,003	14,924,009
Total liabilities and net assets	22,212,445	22,153,368

Consolidated statements of income

(Thousands of yen)

	Three months ended May 31, 2025	Three months ended May 31, 2026
Net sales	6,605,904	7,946,429
Cost of sales	4,879,280	5,792,500
Gross profit	1,726,623	2,153,929
Selling, general and administrative expenses	1,410,161	1,587,526
Operating profit	316,462	566,402
Non-operating income		
Commission income	2,014	8,841
Dividend income	—	25,340
Subsidy income	15,201	2,255
Subsidy income	—	17,272
Foreign exchange gains	700	—
Share of profit of entities accounted for using equity method	14,536	—
Other	4,309	2,354
Total non-operating income	36,764	56,063
Non-operating expenses		
Interest expenses	438	587
Foreign exchange losses	—	8,182
Loss on investments in investment partnerships	2,466	3,366
Total non-operating expenses	2,905	12,136
Ordinary profit	350,321	610,329
Extraordinary income		
Gain on sale of investment securities	64,156	—
Total extraordinary income	64,156	—
Profit before income taxes	414,477	610,329
Income taxes	183,656	221,545
Profit	230,820	388,784
Profit attributable to non-controlling interests	17,663	38,183
Profit attributable to owners of parent	213,157	350,601

Consolidated statements of comprehensive income

(Thousands of yen)

	Three months ended May 31, 2025	Three months ended May 31, 2026
Profit	230,820	388,784
Other comprehensive income		
Valuation difference on available-for-sale securities	130,849	(178,595)
Foreign currency translation adjustment	8,113	9,267
Total other comprehensive income	138,962	(169,327)
Comprehensive income	369,783	219,457
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	356,313	199,324
Comprehensive income attributable to non-controlling interests	13,470	20,132