



Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending September 30, 2025 (Japanese GAAP)

August 5, 2025

Company name Kanamic Network Co., Ltd. Stock exchange listings: Tokyo Prime
 Securities code 3939 URL <http://www.kanamic.net/>
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 Dividend payable date (as planned)—
 Supplemental material of results : Yes
 Convening briefing of results : No

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

1. Consolidated financial results for the third quarter of the fiscal year ending September 30, 2025 (from October 1, 2024 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		EBITDA※		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Third Quarter ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	4,017	10.0	1,468	14.4	1,162	13.9	1,162	13.3	797	14.0
June 30, 2024	3,652	37.3	1,283	26.4	1,020	26.6	1,026	26.1	699	26.3

Note: Comprehensive Third quarter ended June 30, 2025 income 819 Millions of yen (16.4%) Third quarter ended June 30, 2024 income 704 Millions of yen (27.4%)

*EBITDA=Operating profit + depreciation (tangible and intangible fixed assets)+ amortization of goodwill

	Basic earnings per share	Diluted earnings per share
Third Quarter ended	Yen	Yen
June 30, 2025	16.80	—
June 30, 2024	14.74	—

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	6,274	4,345	69.3
September 30, 2024	6,175	3,834	62.1

Reference: equity capital As of June 30, 2025 4,345 Millions of yen As of September 30, 2024 3,834 Millions of yen

2. Cash dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Annual
Fiscal year ended	Yen	Yen	Yen	Yen	Yen
September 30, 2024	—	0.00	—	6.50	6.50
Fiscal year ending September 30, 2025	—	0.00	—		
Fiscal year ending September 30, 2025 (Forecast)				7.50	7.50

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

3. Consolidated financial forecast for the fiscal year ending September 30, 2025 (from October 1, 2024 to September 30, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		EBITDA※		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Fiscal year ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
September 30, 2025	5,600	11.8	2,000	11.4	1,600	11.2	1,600	10.5	1,100	19.6	23.18

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

※EBITDA=Operating profit + depreciation (tangible and intangible fixed assets)+ amortization of goodwill

* Notes

(1) Significant changes in the scope of consolidation during the period : Yes

Newly included: 1 company (Company name) THE WORLD MANAGEMENT PTE LTD

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements : None

(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 June 30, 2025	48,132,000 ^{sha} _{res}	As of September 30, 2024	48,132,000 ^{sha} _{res}
As of June 30, 2025	674,706 ^{sha} _{res}	As of September 30, 2024	674,706 ^{sha} _{res}
Third quarter ended June 30, 2025	47,457,294 ^{sha} _{res}	Third quarter ended June 30, 2024	47,464,489 ^{sha} _{res}

② Number of treasury stock at the period end

③ Average number of shares (quarterly period-YTD)

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm : None

* Appropriate use of earnings forecasts, and other special matters

The performance forecasts and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions that the Company believes to be reasonable, and are not intended to guarantee that they will be achieved. Actual performance may differ significantly due to a variety of factors. For information on the conditions underlying the performance forecasts and precautions regarding their use, please see "1. Qualitative Information Regarding the Current Quarterly Financial Results (3) Future forecasts including consolidated performance forecasts " on page 4 of the attached document.

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1. Qualitative information regarding the current quarter's financial results

(1) Operating results

During the third quarter of the current consolidated fiscal year, the Japanese economy was experiencing a gradual recovery, although some impacts were seen from the US trade policy.

In the environment surrounding our group, with the arrival of a super-aging society, nursing care costs, the number of nursing care insurance service users, and the number of service providers are increasing, and the nursing care business as a whole is continuing to improve. The 2024 revision to the long-term care insurance system calls for greater collaboration between medical care and long-term care and greater efficiency in long-term care operations, including further deepening and promoting the community-based comprehensive care system that connects medical care and long-term care, scientific long-term care using LIFE, and support for independence and prevention of worsening conditions through integrated rehabilitation, functional training, oral health, and nutritional approaches. At the same time, the revision also calls for the sustainability of long-term care operations, including the creation of a more comfortable working environment through improved treatment of long-term care staff and increased productivity (additional charges related to medical DX and long-term care DX).

Given these circumstances, our Group, which provides a system that realizes community-based comprehensive care linking medical care and nursing care, is participating in joint projects with various government ministries and agencies, striving to become a system development company aligned with national policy. We are also preparing to respond to changes in the nursing care insurance system, and are continually making timely system improvements to reduce the burden on system users and improve user convenience. Through demonstration experiments under the Ministry of Internal Affairs and Communications' "IoT Service Creation Support Project," we are promoting the use of various data in nursing care centered on the "Kanamic Cloud Service," and through the "Tokyo Metropolitan Multi-Professional Collaboration Portal Site," we are contributing to the establishment of a home care promotion system at a prefecture-wide scale, which is wider than the conventional system of cities, wards, towns, and villages, and the know-how on medical and nursing care collaboration that our group has cultivated through the "Kanamic Cloud Service" is contributing to regional medical and nursing care collaboration. In addition to these elderly support projects, we are contributing to the efficient operation of local government child-rearing support projects through our "child-rearing support system" as an effort to realize comprehensive multi-generational care.

Additionally, with the aim of expanding our business in the future, we acquired all shares of THE WORLD MANAGEMENT PTE LTD, a Singaporean IT consulting company, on November 29, 2024, making it a wholly owned subsidiary of our company. THE WORLD MANAGEMENT PTE LTD provides implementation consulting and maintenance services for back-end systems such as sales management, inventory management, and accounting management to many companies in Singapore. By combining the company's back-end systems with our group's front-end system development capabilities, we will be able to provide comprehensive IT systems to companies in Singapore, including the company's clients. We believe that this company will be a major driving force in providing even higher value-added services as a healthcare and health tech company of our group, and we also expect to expand into ASEAN countries from Singapore as we begin full-scale implementation of "Phase 4: Overseas Expansion" of our group's growth strategy, "Kanamic Vision 2030." In order to continue expanding the scale of our group's business, we will continue to select new M&A candidates and develop new businesses. In addition, as part of "Phase 2: Expansion of Platform Services" in the growth strategy, we have begun offering "Full-scale AI-equipped cloud nursing care software (nursing care AI SaaS)." As a next-generation standard model equipped with an autonomous AI agent that has the ability to support nursing care operations in general, rather than just a single AI function, we aim to solve the issues of a rapidly aging society and nursing care needs. Furthermore, as our group's systems become more platform-based, we will analyze the information we obtain about patients and those requiring care as big data, and through the development of AI services that identify evidence needed by the national government, local governments, insurance companies, etc., we will further promote regional collaboration in the medical and nursing care fields, and we are also conducting research activities to provide solutions to patients, those requiring care, and all medical and nursing care providers.

As a result, the business results for the third quarter consolidated cumulative period were as follows: sales of 4,017,437 thousand yen (up 365,091 thousand yen, or 10.0%, from the same period last year), operating profit of 1,162,062 thousand yen (up 141,717 thousand yen, or 13.9%, from the same period last year), ordinary profit of 1,162,864 thousand yen (up 136,117 thousand yen, or 13.3%, from the same period last year), and quarterly net profit attributable to owners of parent of 797,266 thousand yen (up 97,862 thousand yen, or 14.0%, from the same period last year).

The operating results by segment are as follows.

(Medical and nursing care cloud platform business)

Sales by service in this segment are as follows:

i Kanamic cloud service

This service is primarily a recurring revenue business, and as a result of recurring revenue from existing customers combined with continued acquisition of new customers, sales revenue was 2,231,039 thousand yen (an increase of 230,139 thousand yen, or 11.5%, compared to the same period last year).

ii Platform services

This service provides a stable revenue base through website construction work at the request of major nursing care providers and the contracted production, operation, and management of websites for nursing care providers through the Public Interest Incorporated Foundation Care Worker Stability Center. In addition, internet advertising services that provide nursing care-related information and human resources matching services in the nursing care industry performed well, resulting in sales of 343,902 thousand yen (an increase of 28,552 thousand yen, or 9.1%, compared to the same period last year).

iii Other services

Sales were 78,920 thousand yen (up 4,956 thousand yen, or 6.7%, from the same period last year), due to the acceptance of customized development contracts for major clients.

As a result, segment sales were 2,653,862 thousand yen (up 263,649 thousand yen, or 11.0%, from the same period last year), and while sales increased, cost of sales such as personnel expenses for platform services and selling, general and administrative expenses increased, resulting in segment profit of 1,107,443 thousand yen (up 135,263 thousand yen, or 13.9%, from the same period last year).

(Healthy lifespan extension business)

Sales by service in this segment are as follows:

i Healthy lifespan extension services

This service involves the operation and franchise development of 24-hour fitness gyms, and the provision of services that contribute to extending healthy life expectancy through these physical stores. At directly operated stores, the number of users at existing stores increased steadily, and the number of stores and users increased as a result of new store openings. However, due to delays in the opening of new stores at some franchise partners, sales revenue was 832,543 thousand yen (down 30,011 thousand yen, or 3.5%, compared to the same period last year).

This segment only offers the above one service, and segment sales are the same as sales from the healthy lifespan extension service. In addition, while there was a temporary increase in costs due to new store openings and an increase in headquarters personnel with the aim of expanding business scale in the future, efforts to reduce store operating expenses, such as through digitalization of store operations, resulted in segment profit of 89,526 thousand yen (an increase of 50,153 thousand yen, or 127.4%, compared to the same period last year).

(Solution development business)

Sales by service in this segment are as follows:

i Solution services

In addition to services related to the planning and development of web services using the Ruby language, this service also provides implementation consulting and maintenance services for back-end systems such as sales management, inventory management, and accounting management by THE WORLD MANAGEMENT PTE LTD, which has been included in the scope of consolidation since the current interim consolidated accounting period. While web service planning and development, implementation consulting, and maintenance services have been performing steadily, as a result of reviewing the allocation of engineers within our group, sales revenue was 531,031 thousand yen (an increase of 131,453 thousand yen, or 32.9%, compared to the same period last year).

This segment only offers the above one service, and segment profit, calculated by subtracting cost of sales and selling, general and administrative expenses from sales of solution services, was 62,852 thousand yen (an increase of 22,644 thousand yen, or 56.3%, compared to the same period last year).

(Profits overview)

While sales increased, cost of sales increased by 34,567 thousand yen compared to the same period last year to 1,434,926 thousand yen due to the inclusion of cost of sales from THE WORLD MANAGEMENT PTE LTD, which was included in the scope of consolidation from the interim consolidated fiscal period. As a result, gross profit was 2,582,510 thousand yen (an increase of 330,523 thousand yen, or 14.7%, compared to the same period last year). In addition, due to the inclusion of the sales, general and administrative expenses of THE WORLD MANAGEMENT PTE LTD, which was included in the scope of consolidation from the interim consolidated fiscal period, sales, general and administrative expenses increased by 188,805 thousand yen compared to the same period last year to 1,420,448 thousand yen. As a result, operating profit was 1,162,062 thousand yen (an increase of 141,717 thousand yen, or 13.9%, compared to the same period last year).

Non-operating income decreased by 5,923 thousand yen compared to the same period last year to 12,798 thousand yen, and non-operating expenses decreased by 323 thousand yen compared to the same period last year to 11,996 thousand yen. As a result, ordinary profit was 1,162,864 thousand yen (up 136,117 thousand yen, or 13.3%, compared to the same period last year). No extraordinary profits or losses were recorded.

As a result, quarterly net income before taxes and other adjustments was 1,162,864 thousand yen (up 127,404 thousand yen, or 12.3%, from the same period last year), total corporate taxes increased 29,542 thousand yen from the same period last year to 365,597 thousand yen, and quarterly net income attributable to owners of parent was 797,266 thousand yen (up 97,862 thousand yen, or 14.0%, from the same period last year).

(2) Financial position

Total assets at the end of the third quarter of the current consolidated fiscal year increased by 98,772 thousand yen compared to the previous consolidated fiscal year to 6,274,337 thousand yen. This was mainly due to an increase in tangible fixed assets of 112,717 thousand yen due to the opening of new fitness gyms and an increase in goodwill of 363,275 thousand yen due to the acquisition of THE WORLD MANAGEMENT PTE LTD, while cash and deposits decreased by 435,650 thousand yen due to payments of corporate taxes and dividends and repayment of loans.

Liabilities at the end of the third quarter of the current consolidated fiscal year were 1,928,542 thousand yen, a decrease of 412,208 thousand yen compared to the end of the previous consolidated fiscal year. This was mainly due to a decrease of 211,911 thousand yen in borrowings due to repayment and a decrease of 102,965 thousand yen in contract liabilities due to the recognition of revenue for the third quarter of the current consolidated fiscal year.

Net assets at the end of the third quarter of the current consolidated fiscal year increased by 510,980 thousand yen compared to the end of the previous consolidated fiscal year to 4,345,794 thousand yen. This was mainly due to a decrease of 308,472 thousand yen in retained earnings due to dividend payments, despite an increase of 797,266 thousand yen in retained earnings due to quarterly net income attributable to owners of parent.

(3) Future forecasts including consolidated performance forecasts

There are currently no changes to the consolidated financial forecast for the fiscal year ending September 2025, which was announced on November 14, 2024.

2. Quarterly consolidated financial statements and key notes

(1) Quarterly consolidated balance sheets

(Thousands of yen)

	As of September 30, 2024	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	3,430,050	2,994,400
Accounts receivable - trade	223,727	203,810
Contract assets	25,951	12,476
Merchandise	463	781
Work in process	6,239	7,703
Supplies	499	349
Prepaid expenses	74,730	98,890
Current portion of long-term loans receivable	1,236	1,246
Other	105,144	133,362
Allowance for doubtful accounts	△8,641	△9,398
Total current assets	3,859,400	3,443,623
Non-current assets		
Property, plant and equipment		
Buildings, net	576,287	681,332
Vehicles, net	7,584	5,419
Tools, furniture and fixtures, net	303,423	256,721
Leased assets, net	17,596	75,385
Construction in progress	1,250	—
Total property, plant and equipment	906,141	1,018,859
Intangible assets		
Software	622,292	649,281
Goodwill	470,030	833,306
Other	76	76
Total intangible assets	1,092,399	1,482,663
Investments and other assets		
Investments in capital	500	500
Long-term loans receivable	24,798	23,862
Distressed receivables	2,212	2,528
Long-term prepaid expenses	6,375	4,245
Deferred tax assets	56,129	61,348
Leasehold and guarantee deposits	209,435	217,744
Insurance funds	20,384	21,490
Allowance for doubtful accounts	△2,212	△2,528
Total investments and other assets	317,622	329,190
Total non-current assets	2,316,164	2,830,713
Total assets	6,175,564	6,274,337

(Thousands of yen)

	As of September 30, 2024	As of June 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	87,490	52,586
Current portion of bonds payable	50,000	30,000
Current portion of long-term borrowings	280,518	232,761
Lease liabilities	3,742	14,937
Accounts payable - other	108,357	109,471
Accrued expenses	80,128	79,746
Income taxes payable	253,401	171,640
Accrued consumption taxes	106,997	60,792
Contract liabilities	483,674	380,708
Deposits received	19,679	22,244
Provision for bonuses	61,223	79,586
Asset retirement obligations	16,000	16,000
Other	27,545	29,692
Total current liabilities	1,578,757	1,280,168
Non-current liabilities		
Bonds payable	15,000	—
Long-term borrowings	580,437	416,282
Lease liabilities	2,318	50,997
Deferred tax liabilities	75,090	78,048
Asset retirement obligations	88,348	102,245
Other	800	800
Total non-current liabilities	761,993	648,374
Total liabilities	2,340,750	1,928,542
Net assets		
Shareholders' equity		
Share capital	192,060	192,060
Capital surplus	132,060	132,060
Retained earnings	3,906,669	4,395,464
Treasury shares	△404,938	△404,938
Total shareholders' equity	3,825,850	4,314,645
Accumulated other comprehensive income		
Foreign currency translation adjustment	8,963	31,149
Total accumulated other comprehensive income	8,963	31,149
Total net assets	3,834,813	4,345,794
Total liabilities and net assets	6,175,564	6,274,337

(2) Quarterly consolidated statements of income and comprehensive income
(Quarterly consolidated statement of income)
(Third quarter consolidated cumulative period)

(Thousands of yen)

	Third quarter ended June 30, 2024	Third quarter ended June 30, 2025
Net sales	3,652,346	4,017,437
Cost of sales	1,400,358	1,434,926
Gross profit	2,251,987	2,582,510
Selling, general and administrative expenses	1,231,642	1,420,448
Operating profit	1,020,345	1,162,062
Non-operating income		
Interest income	383	1,729
Gain on sale of goods	3,240	1,537
Commission income	6,528	7,002
Surrender value of insurance policies	6,548	—
Miscellaneous income	2,021	2,528
Total non-operating income	18,722	12,798
Non-operating expenses		
Interest expenses	4,865	4,663
Foreign exchange losses	1,006	478
Loss on retirement of non-current assets	716	6,720
Loss on cancellation of leases	5,572	—
Miscellaneous losses	159	134
Total non-operating expenses	12,319	11,996
Ordinary profit	1,026,747	1,162,864
Extraordinary income		
Gain on sale of non-current assets	2,814	—
Gain on sale of shares of subsidiaries and associates	5,897	—
Total extraordinary income	8,712	—
Profit before income taxes	1,035,459	1,162,864
Income taxes - current	335,211	367,858
Income taxes - deferred	843	△2,261
Total income taxes	336,055	365,597
Profit	699,404	797,266
Profit attributable to owners of parent	699,404	797,266

(Quarterly consolidated statement of comprehensive income)
(Third quarter consolidated cumulative period)

(Thousands of yen)

	Third quarter ended June 30, 2024	Third quarter ended June 30, 2025
Profit	699,404	797,266
Other comprehensive income		
Foreign currency translation adjustment	4,853	22,186
Total other comprehensive income	4,853	22,186
Comprehensive income	704,257	819,452
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	704,257	819,452
Comprehensive income attributable to non-controlling interests	—	—

(3) Notes to quarterly consolidated financial statements

(Notes regarding going concern)

Not applicable.

(Notes regarding changes in scope of consolidation)

(Significant changes in the scope of consolidation)

Following the acquisition of shares in THE WORLD MANAGEMENT PTE LTD on November 29, 2024, the company has been included in the scope of consolidation.

(Notes in the event of significant changes in the amount of shareholders' equity)

Not applicable.

(Notes regarding quarterly consolidated cash flow statements)

We have not prepared a quarterly consolidated cash flow statement for the third quarter of the fiscal year ending September 30, 2025. However, depreciation expenses (including amortization expenses for intangible fixed assets other than goodwill) and amortization of goodwill for the third quarter of the fiscal year ending September 30, 2025 are as follows:

	Third quarter ended June 30, 2024	Third quarter ended June 30, 2025
Depreciation expenses	221,809 thousand yen	245,560 thousand yen
Amortization of goodwill	41,224	61,180

(Notes regarding segment information and others)

【Segment information】

I Previous third quarter consolidated cumulative period ended June 30, 2024

1. Information on sales and profit or loss amounts by reportable segment

(Thousands of yen)

	Reportable segments			Total	Reconciling items*1	Per quarterly consolidated financial statements*2
	Medical and Nursing Care Cloud Platform Business	Healthy Lifespan Extension Business	Solutions Development Business			
Sales						
Revenues from external customers	2,390,213	862,554	399,578	3,652,346	—	3,652,346
Transactions with other segments	3,774	—	10,266	14,040	(14,040)	—
Net sales	2,393,987	862,554	409,844	3,666,386	(14,040)	3,652,346
Operating profit (loss)	972,179	39,372	40,208	1,051,759	(31,414)	1,020,345

Note 1. The adjustment amount of segment profit of -31,414 thousand yen includes elimination of inter-segment transactions of 9,810 thousand yen and amortization of goodwill of -41,224 thousand yen.

2. Segment profit or loss is adjusted to operating profit in the quarterly consolidated statements of income.

2. Matters concerning changes in reporting segments, etc.

Starting from the first quarter of the consolidated fiscal year, the "Healthy Lifespan Extension Service" in the "Cloud Platform Business" reportable segment is a business that utilizes physical stores, and its monetary significance has increased. As this is expected to continue to expand in scale, a new reportable segment has been created to clearly display information about the service, and the name has been listed as "Healthy Lifespan Extension Business." Accordingly, the name of the previous "Cloud Platform Business" has been changed to "Medical and Nursing Care Cloud Platform Business" to better reflect the actual situation.

Segment information for the third quarter of the previous fiscal year has been prepared based on the revised classification method.

II Current third quarter consolidated cumulative period ended June 30, 2025

1. Information on sales and profit or loss amounts by reportable segment

(Thousands of yen)

	Reportable segments			Total	Reconciling items ^{*1}	Per quarterly consolidated financial statements ^{*2}
	Medical and Nursing Care Cloud Platform Business	Healthy Lifespan Extension Business	Solutions Development Business			
Sales						
Revenues from external customers	2,653,862	832,543	531,031	4,017,437	—	4,017,437
Transactions with other segments	7,058	—	29,765	36,824	(36,824)	—
Net sales	2,660,920	832,543	560,797	4,054,261	(36,824)	4,017,437
Operating profit (loss)	1,107,443	89,526	62,852	1,259,822	(97,759)	1,162,062

Note 1. The adjustment amount of segment profit of -97,759 thousand yen includes elimination of inter-segment transactions of 9,204 thousand yen, amortization of goodwill of -61,180 thousand yen, and various expenses associated with investments of -45,782 thousand yen.

2. Segment profit or loss is adjusted to operating profit in the quarterly consolidated statements of income.

2. Matters concerning assets of reportable segments

During the current interim consolidated fiscal period, shares in THE WORLD MANAGEMENT PTE LTD were acquired and the company was newly included in the scope of consolidation. As a result of including THE WORLD MANAGEMENT PTE LTD in the scope of consolidation, the amount of assets in the reportable segments for the current interim consolidated fiscal period increased by 323,010 thousand yen in the "Solution Development Business" compared to the end of the previous consolidated fiscal year.

3. Information on impairment losses on fixed assets or goodwill, etc. by reportable segment (Significant fluctuations in the amount of goodwill)

In the "Solution Development Business", shares in THE WORLD MANAGEMENT PTE LTD was acquired during the current interim consolidated fiscal period, and has now included the company in the scope of consolidation. The resulting increase in goodwill was 413,456 thousand yen.

(Corporation mergers and related matters)

(Finalizing provisional accounting treatment for business combinations)

Provisional accounting treatment was performed during the current interim consolidated fiscal period for the business combination with THE WORLD MANAGEMENT PTE LTD that took place on December 31, 2024, but this was finalized during the current third quarter consolidated fiscal period.

There will be no change in amounts as a result of finalizing this provisional accounting treatment.

(Important subsequent events)

Not applicable.