

Tokyo Stock Exchange Prime Market: Securities Code 3992

Needs Well Inc.

Financial Results

for the Second Quarter of Fiscal Year 2026

(October 1, 2025 – March 31, 2026)

May 13, 2026



Try & Innovation

NeedsWell



1. 2026/9 2Q Financial report summary



2. 2026/9 Results forecast



3. Growth strategy



4. Reference

1.1 Financial highlights

Achieved the first-half consolidated performance plan for both net sales and profit, absorbing a significant year-on-year increase in shareholder benefit expenses

- Both solutions and system development remained solid
- Orders increased for solutions that support DX, including cloud-based expense reimbursement, AI, and RPA, as well as testing services and IT outsourcing
- Maintained profitability, with both the operating profit margin and ordinary profit margin at **10% or higher**
- Operating profit and ordinary profit excluding shareholder benefit expenses reached **approx. 107% year-on-year**, showing improved productivity

	Consolidated financial results forecast for Second quarter(cumulative) *1	Consolidated Financial results for the Second Quarter (Cumulative)	Plan ratio	YoY	Profit margin
Net Sales	5,200 million JPY	5,206 million JPY	100.1 %	103.4 %	—
Operating profit	600 million JPY	608 million JPY	101.5 %	82.9 %	11.7 %
Operating profit excluding shareholder benefit expenses *2		781 million JPY		106.4 %	15.0 %
Ordinary profit	600 million JPY	621 million JPY	103.6 %	83.7 %	11.9 %
Ordinary profit excluding shareholder benefit expenses *2		794 million JPY		107.0 %	15.3 %

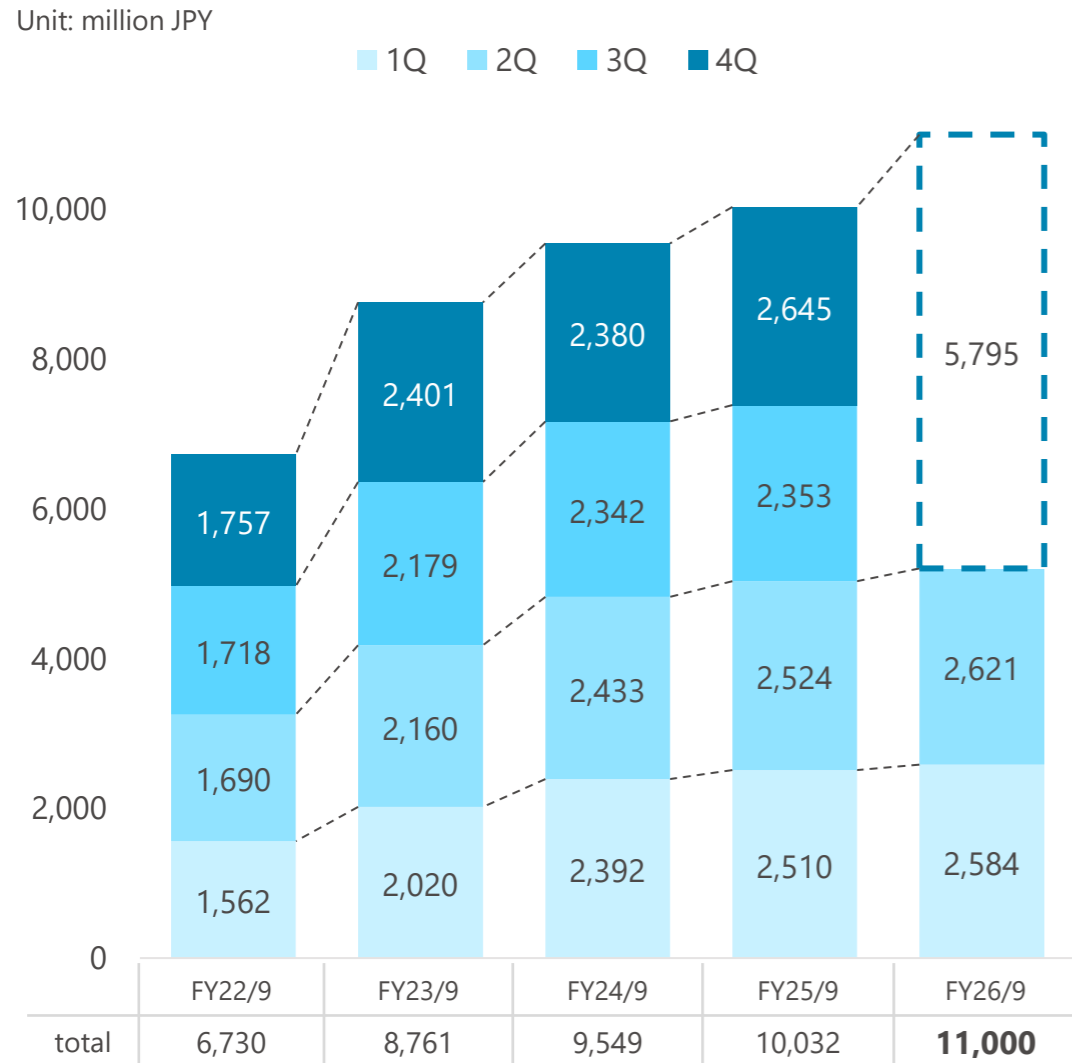
*1 We revised the first-half plan upward on April 30, 2026. However, to compare results with the initial plan announced on November 11, 2025, this column shows the figures before the upward revision.

*2 Operating profit and ordinary profit excluding shareholder benefit expenses. We began recording shareholder benefits from Q4 of the previous FY, and no shareholder benefit expenses were recorded in Q2 of the previous FY. Therefore, to compare actual profit, we subtracted shareholder benefit expenses for the current FY (11,525 shareholders, 172 million yen).

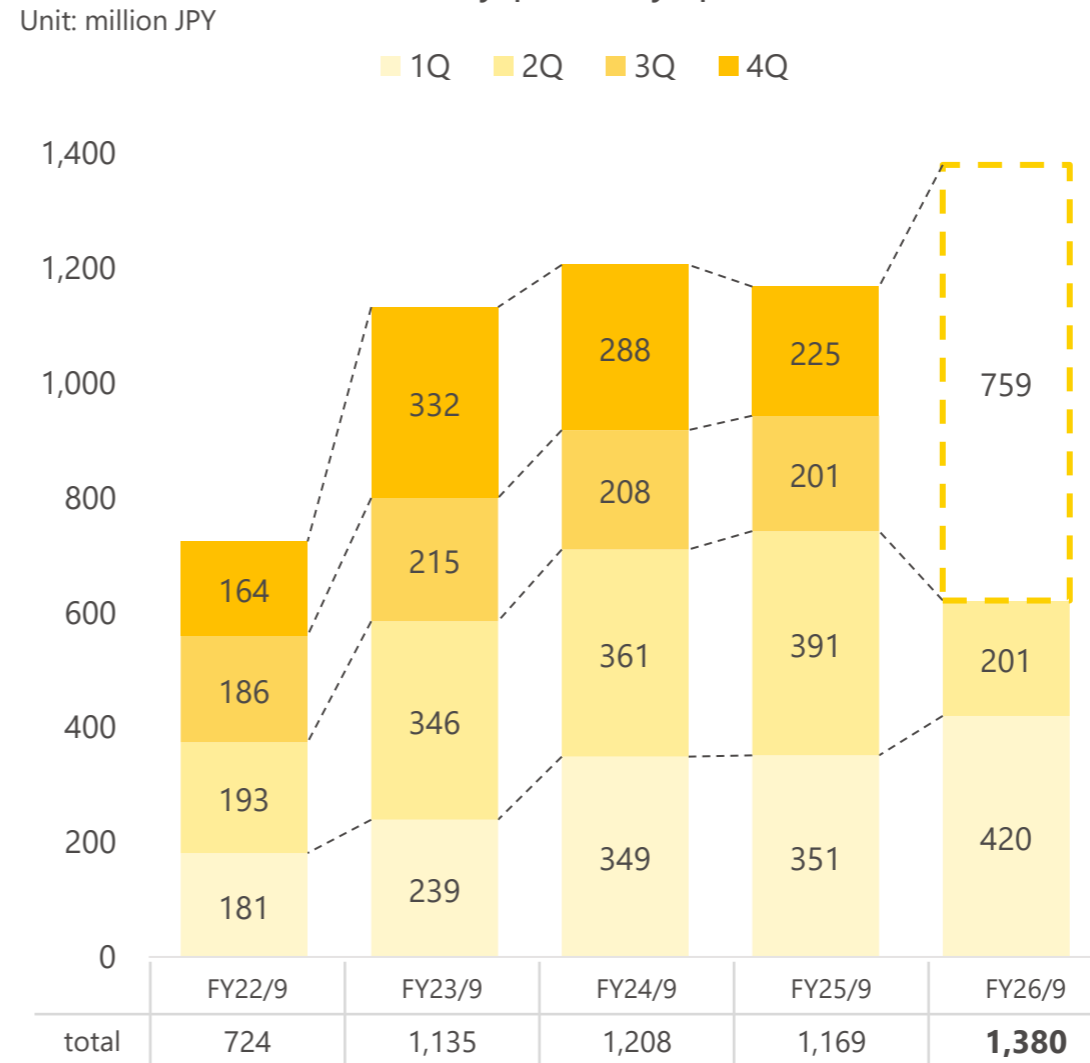
1.2 Trends/comparison by FY

Ordinary profit excluding the impact of shareholder benefits stood at **approximately 107% year-on-year**, reflecting improved productivity

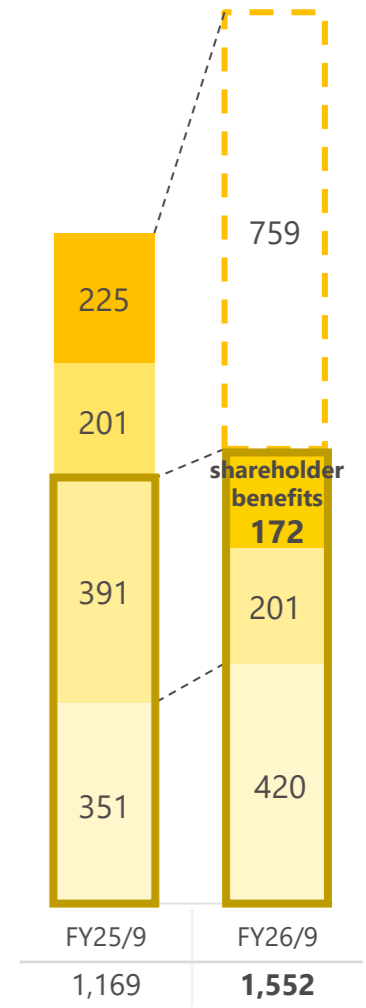
[Net sales by quarter]



[Ordinary profit by quarter]

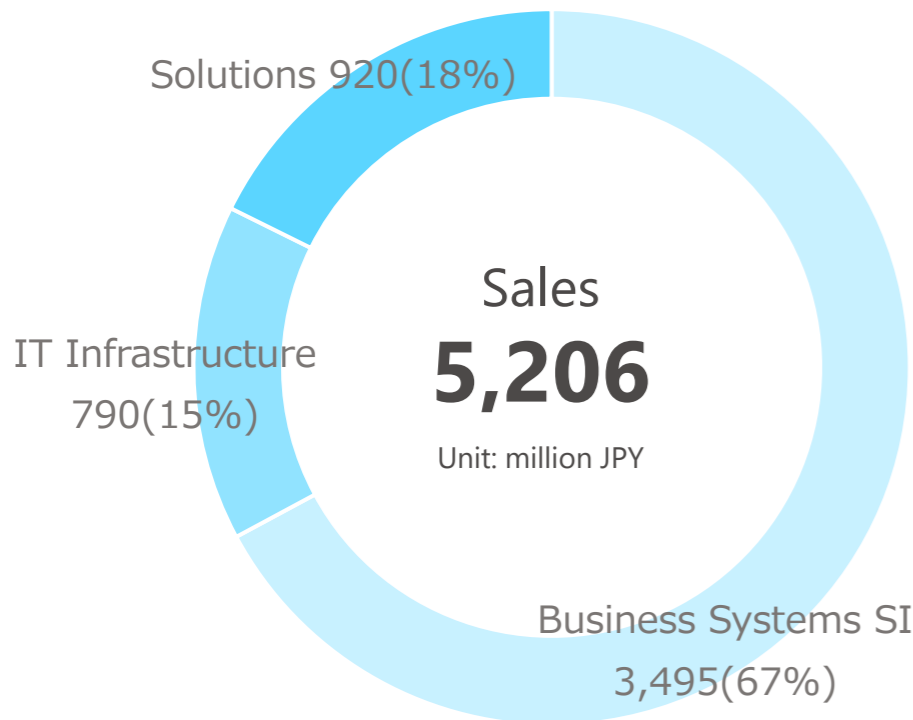


< Reference >
The impact of shareholder benefits



1.3 Net Sales Trends by Service Line

Net sales increased across all service lines; orders expanded from solutions to system development and IT infrastructure
Steadily expanding our business through proposal and development capabilities that effectively capture growing IT demand in the market



■ Business Systems SI 103.2% year-on-year

- Life insurance, distribution service, and public sector remained steady.
- SI orders received in association with the introduction of our solutions. (AI, expense reimbursement, and RPA)
- Larger projects through bidding for municipalities and government agencies, and stable medium- to long-term orders

■ IT Infrastructure 103.7% year-on-year

- Demand for testing support increased as DX promotion accelerated development speed
- Expanded "test support services" to life insurance and other financial-sector customers
- Became an "ESPP Certified Partner" for ESET in February 2026 and began expansion in the security field

■ Solutions 103.9% year-on-year

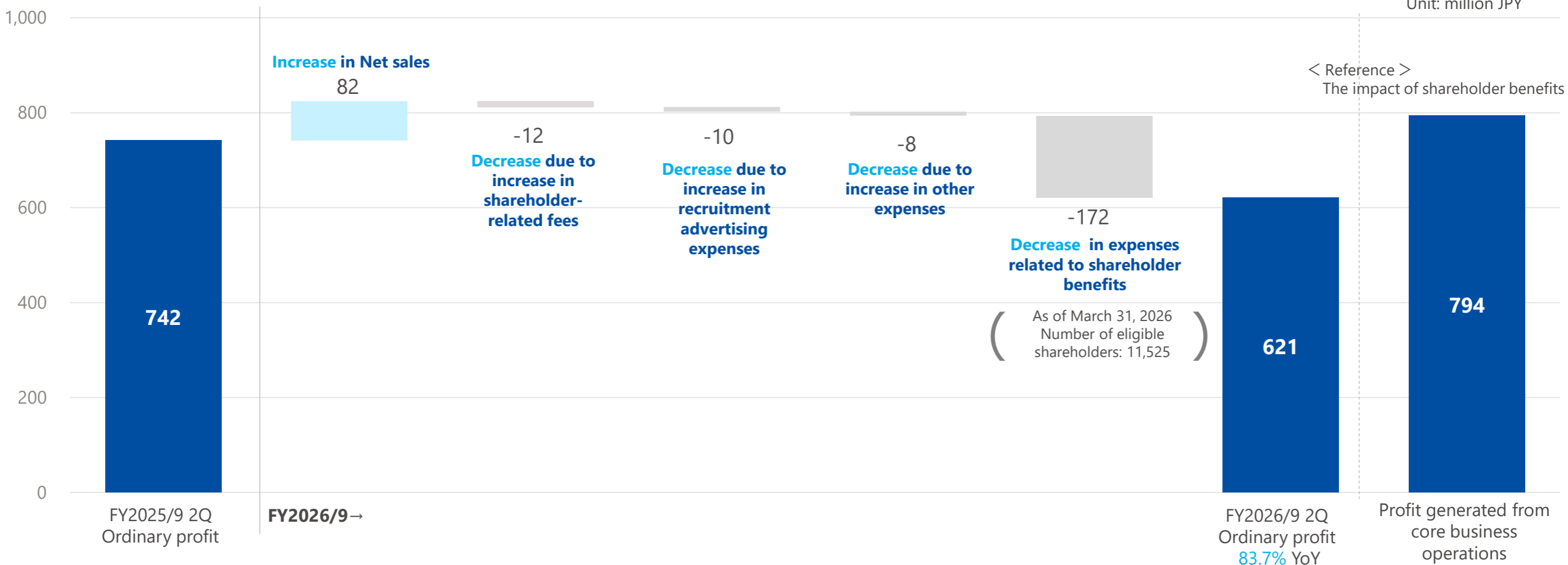
- Cloud-based expense reimbursement solutions
First introduction of expense reimbursement systems for the education sector. Use this track record for horizontal expansion
Strengthened implementation services for municipalities
- AI-related solutions
Started providing "AI Physician Scheduling," an AI solution specialized for specific operations
Received orders for business improvement projects using RAG. Responded quickly to market demand
Joined AI-related organizations for future business development
- We focused on differentiation from other companies through the provision of unique solutions and services, further expanding orders.
Launched "MigrationLC" in April 2026

1.4 Ordinary profit analysis

Ordinary profit margin was **11.9%**, maintain profitability

- Mid-career recruitment, mainly for management positions, contributed to strengthening the organizational structure and building a medium- to long-term growth foundation
- Ordinary profit excluding the impact of shareholder benefits stood at approximately 107% year-on-year, reflecting improved productivity

Unit: million JPY



1.5 Profit & loss statement

Ensured financial soundness and stability through improved profitability and efficient cost management

*Selection of significant entries only Unit: million JPY	FY2025/9 2Q		FY2026/9 2Q				
	Result	Net Sales	Result	Net Sales	Year-on-year	Achievement rate	Forecast
Net sales	5,034	-	5,206	-	103.4%	47.3%	11,000
Business Systems SI	3,386	67.3%	3,495	67.1%	103.2%	-	-
IT Infrastructure	761	15.1%	790	15.2%	103.7%	-	-
Solutions	886	17.6%	920	17.7%	103.9%	-	-
Gross profit	1,198	23.8%	1,280	24.6%	106.9%	-	-
M&A-related amortization	27	0.5%	23	0.4%	86.3%	-	-
Others	436	8.7%	648	12.5%	148.5%	-	-
SG&A expenses	463	9.2%	672	12.9%	144.9%	-	-
Operating profit	734	14.6%	608	11.7%	82.9%	44.1%	1,380
Non-operating profit	16	0.3%	16	0.3%	100.0%	-	-
Non-operating expenses	8	0.2%	3	0.1%	46.7%	-	-
Ordinary profit	742	14.8%	621	11.9%	83.7%	45.1%	1,380
Profit before taxation	742	14.8%	626	12.0%	84.3%	-	-
Income taxes	249	5.0%	220	4.2%	88.2%	-	-
Net profit	490	9.7%	406	7.8%	82.8%	44.1%	920

KPI achievement

Item	Numerical targets	Results
Net sales growth rate	20% or more	3.4%
Gross profit margin	25% or more	24.6%
SG&A expenses rate	10% or less	12.9%
SG&A expenses rate (excluding the impact of shareholder benefits)	10% or less	9.6%
Ordinary profit margin	10% or more	11.9%
Equity ratio	60% or more	73.5%
EPS	¥30 or more	
PER	20 times or more	Renewal for the full year only
ROE	20% or more	
ROIC	20% or more	

* Only major items are selected and presented

1.6 Balance sheet

Supported sustained growth with a solid financial foundation (equity ratio : 73.5%)

*Selection of significant entries only		FY2025/9	FY2026/9 2Q	
Unit: million JPY		Result	Result	Year-on-year
Assets	Cash and deposits	2,760	2,699	-60
	Accounts receivable - trade and contract assets	2,253	2,196	-57
	Prepaid expenses	62	97	34
	Others	7	67	60
	Total current assets	5,084	5,060	-23
	Buildings, net	41	39	-2
	Software	39	63	23
	Software in progress	16	0	-16
	goodwill	261	238	-23
	Customer-related assets	315	297	-18
	Investment securities	304	341	36
	Defferred tax assets	162	151	-11
	Leasehold and guarantee deposits	137	127	-10
	Insurance funds	76	76	0
	Other	72	59	-12
	Total non-current assets	1,429	1,394	-34
	Total assets	6,513	6,455	-57

*Selection of significant entries only		FY2025/9	FY2026/9 2Q	
Unit: million JPY		Result	Result	Year-on-year
Liabilities	Accounts payable - trade	396	436	40
	loans	6	5	-1
	Accounts payable - others	330	344	14
	Accrued corporate tax, etc.	352	254	-97
	Accrued consumption taxes	117	125	7
	Deposits received	48	46	-2
	Provision for bonuses	304	320	15
	Others	34	26	-8
	Total current liabilities	1,591	1,560	-30
	loans	23	20	-2
Equity	Long-term deferred tax liabilities	109	102	-6
	other	16	16	0
	Total non-current liabilities	148	139	-9
Total liabilities	1,740	1,700	-40	
Equity	Share capital	908	908	0
	Legal capital surplus	796	799	2
	Retained earnings brought forward	3,758	3,709	-48
	Treasury shares	-798	-796	2
	Valuation difference on available-for-sale securities	98	124	25
	Non-controlling interests	10	9	0
Total net assets	4,773	4,755	-17	
Total liabilities and net assets	6,513	6,455	-57	



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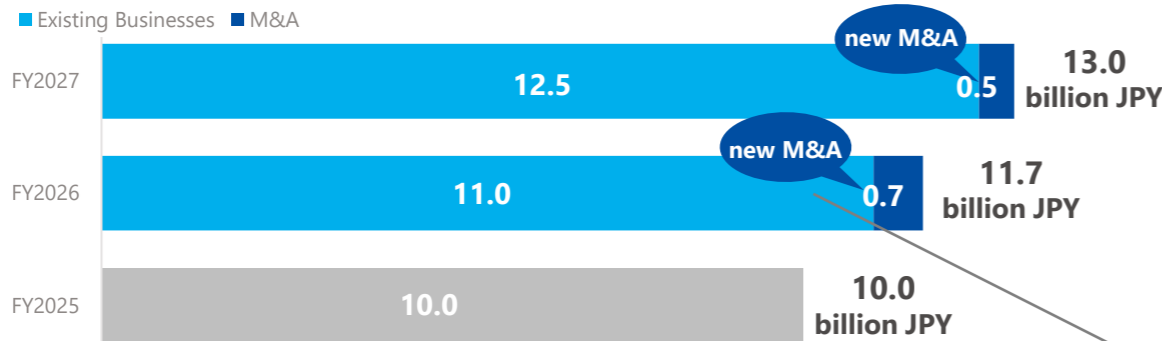
2.1 Medium-Term Management Plan (Consolidated)

Sales Plan by Service Line (Consolidated) for FY2026/9

FY2027 targets: Net sales of 13.0 billion JPY, ordinary profit of 1.7 billion JPY, and net sales CAGR (compound annual growth rate) of 10%

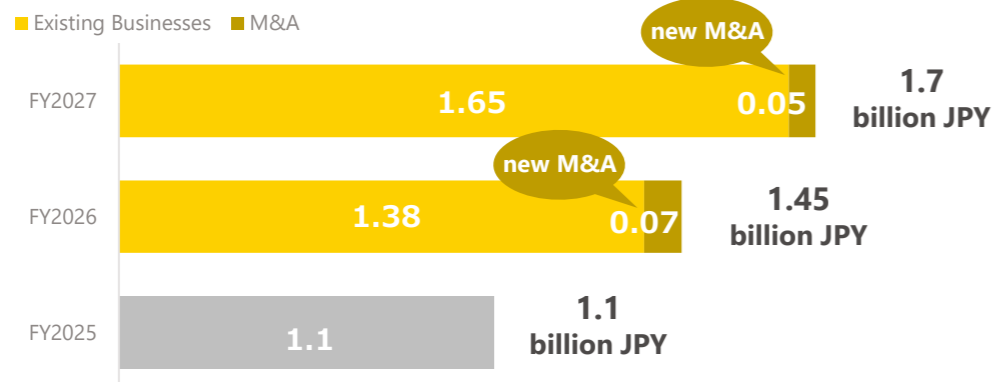
[Net sales by FY]

Unit: billion JPY

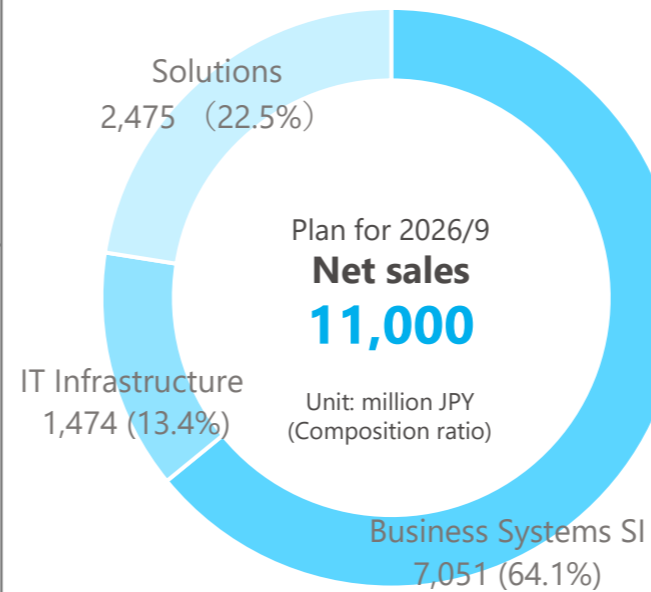


[Ordinary profit by FY]

Unit: billion JPY



[Sales Plan by Service Line (Consolidated) for FY2026/9]



* New M&As not included in net sales.

Business Systems SI

- Continue orders for financial system development centered on system development for life insurance and accident insurance sectors
- Receive orders through bidding for development for public and education sectors and municipalities
- Promote stock-type business from product sales and kitting, as well as operation and maintenance
- Pursue speedy development projects by leveraging highly productive and high-quality system development services that combine low-code tools and testing services. Actively receive orders.
- **Standardize speedy development through AI-driven development and strengthen proposals**

IT Infrastructure

- Current operation analysis and improvement proposals for the utilization of generative AI
 - Resolve human resource shortages. Provide operational support including device procurement
- Expand orders through business improvement from IT outsourcing
- Expand software testing services to financial-sector areas

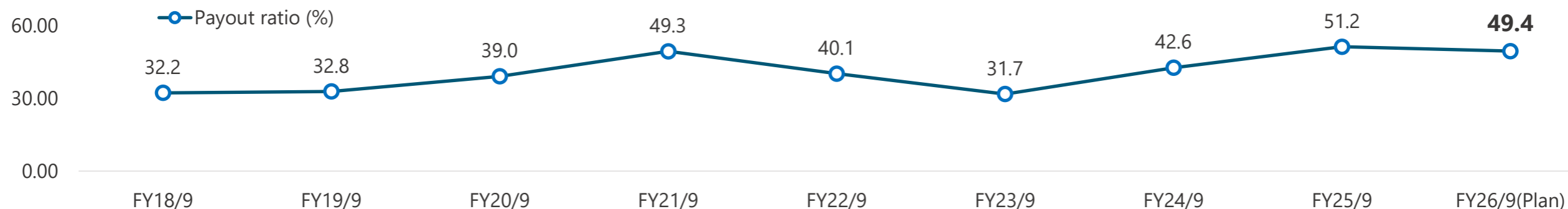
Solutions

- Expand cloud-based expense reimbursement system solutions
 - Expand and develop InvoicePA Direct and peripheral solutions
 - Use order results for the education sector for horizontal expansion and market share expansion
- Expand AI solutions
 - Launch "AI Physician Scheduling" solutions
 - Develop medical solutions through industry-academia collaboration
 - Expand solutions that assist hospital DX
- Expand security-related solutions
 - Add new solutions to lineup through collaboration with business alliance companies

2.2 Shareholder returns

FY26/9 Dividends per share: 12 JPY/share (Payout ratio: 49.4%)

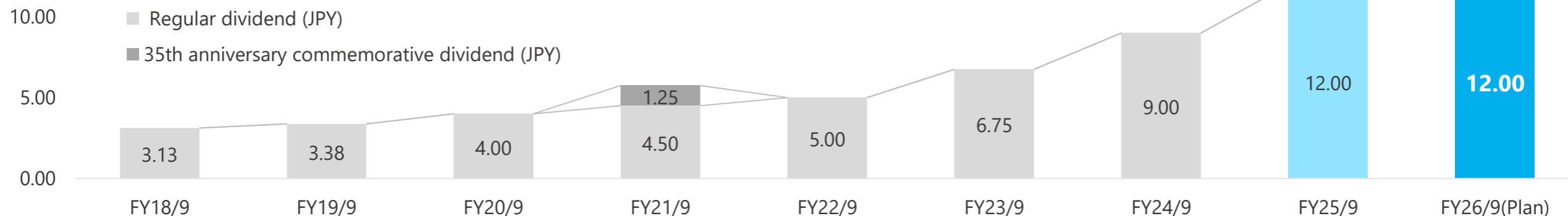
Payout ratio trend



* Total return ratio (%) = (Payments for dividends + Payments for treasury share purchase) / Profit

* Due to treasury share purchase in 2022 and 2023, the total return ratios for 2022, 2023 and 2024 were 79.6%, 90.5% and 66.8%, respectively.

Dividend trend



* The Company paid a commemorative dividend in commemoration of the Company's 35th anniversary for the fiscal year 2021/9.

* Needs Well conducted stock splits on April 1, 2018, January 1, 2019, June 1, 2023 and June 1 2024 at a ratio of 2 shares per share. Past annual dividends per share have been retrospectively adjusted based on these stock splits.

Shareholder Benefit Program

QUO cards worth 15,000 yen are presented to shareholders who continuously held 1,000 shares (10 units) or more for at least one year, with March 31 of each year as the record date



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3.1 Management philosophy and medium-term policy

Enhance corporate value

Enhance business value: Achieving performance and business targets

Enhance social value: Achieving sustainable management

- Management philosophy

Contributing Broadly to the Economy and Society

- Management policy

Constantly evolving, Needs Well continues to contribute broadly to the economy and society with the slogan "Try & Innovation."

- Medium-term basic policy

Transition to a true system integrator

- Medium-term management policy

Improving profitability and reducing overtime work through increased productivity

Achieving high salaries and bonuses, as well as work-life balance

3.2 Our three strengths

Co-create and deliver optimal solutions that support customers' management innovation, mainly in **DX, generative AI, AI agents, and cloud-based expense reimbursement**.

Propose optimal solutions for customers' issues as a **solution provider**, not only through system development.

Have many solutions that lead to issue resolution, and propose and support **solutions, SI, operations, and support in an integrated manner**.

Ability to provide solutions / AI

Capacity for financial system development

Proficiency in direct sales to end users

End-user transactions remain high, accounting for **more than 65%** of the net sales composition.

Continue direct transactions with end users, mainly life insurance companies, leading hotels, and telecommunications carriers.

End-user transactions are increasing due to solution provision and our track record in projects through bidding for municipalities and government agencies.

Financial sector accounts for 50% of net sales in main service line, Business Systems SI.

Particularly advanced in **life insurance and accident insurance sectors**.

Migration using low-code tools, **testing services** that verify quality together with system development, and **IT outsourcing** that supports information systems departments while building operational structures.

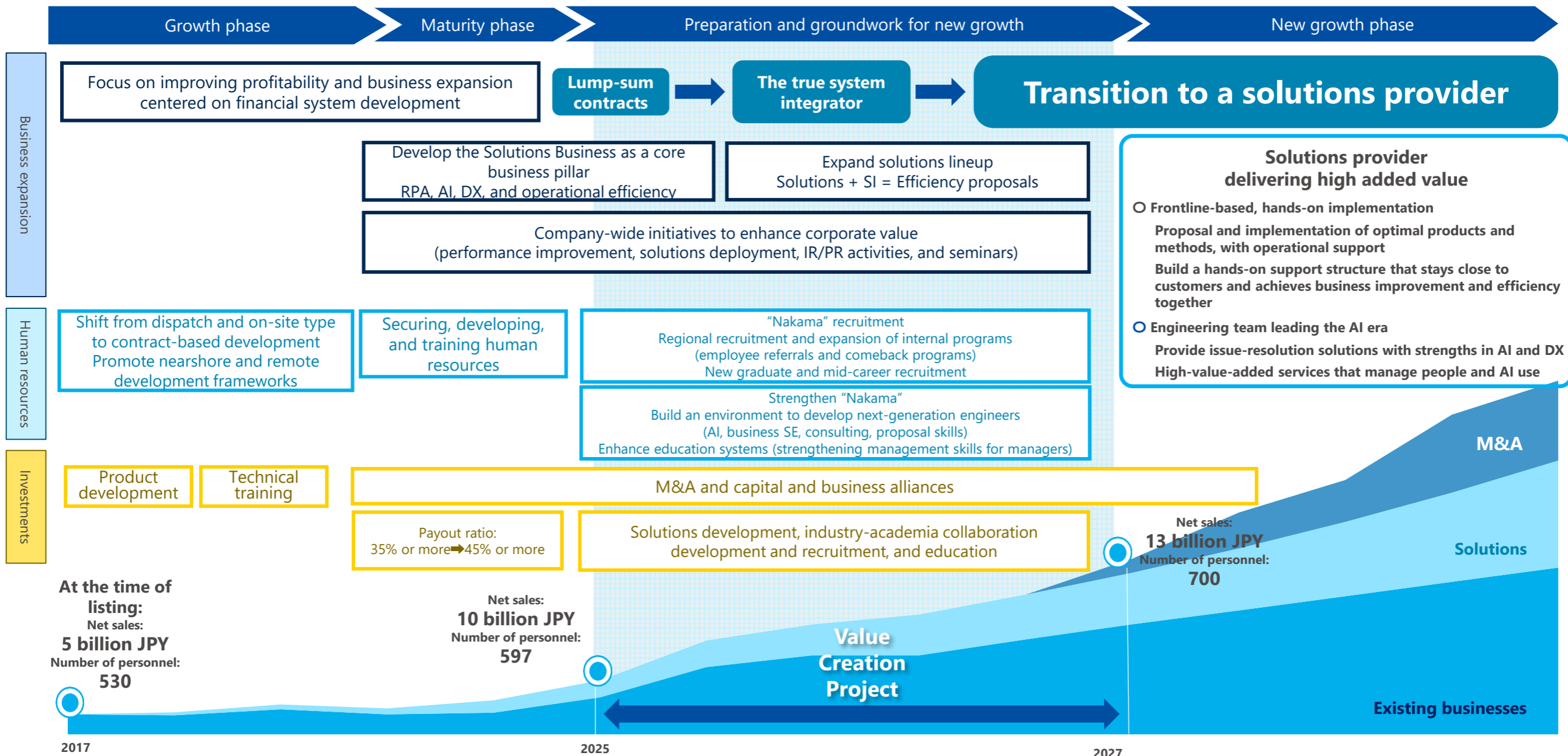
Proposals for flexible system development through solution provision.

Development capabilities that achieve business improvement together with customers.

*a solution provider
which supports our customers' business*

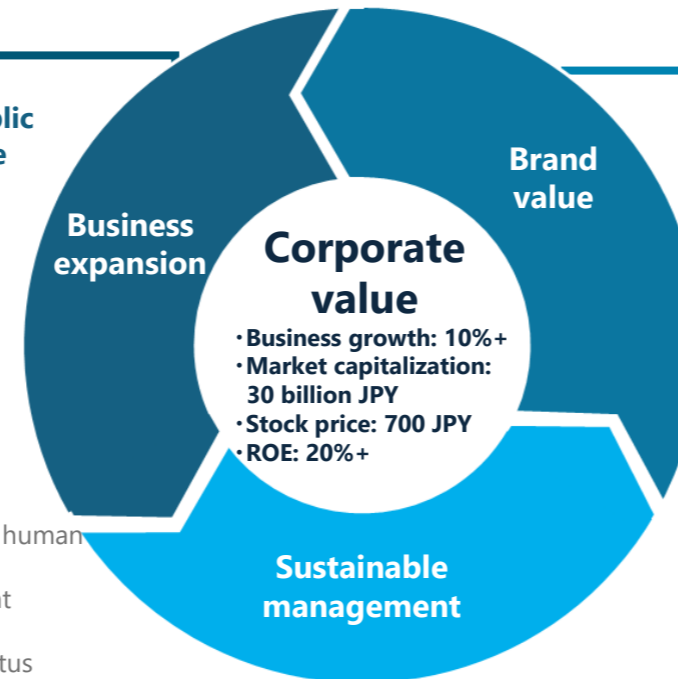
3.3 ValueCreationProject:

Realize improvement of brand value and enhancement of corporate value company-wide



3.3 ValueCreationProject:

Realize improvement of brand value and enhancement of corporate value company-wide



Business expansion / Performance improvement

Increased orders driven by business expansion in AI, DX, and public sector domains, alongside continued growth in recurring revenue

- Growth in orders supported by rising demand for AI (data analytics), DX-related services, and cloud solutions
- Orders secured through horizontal deployment of DX implementation achievements for local governments
- Expansion of contract scale, stable order intake, and recurring revenue generation through public sector tenders
- Deepening relationships with existing customers to enhance recurring business in core areas, while capturing new orders through expansion into adjacent domains

Next-generation project management

- Establishment of next-generation project management integrating AI and human resources
- Standardization and operational implementation of AI-driven development
- Integration of QMS and AI-based management
- Provision of trusted testing services backed by our ISTQB Gold Partner status

Solution creation and expansion

- Creation of customer issue-solving solutions, including industry-specific AI solutions
- Establishment of a problem-solving process through IT outsourcing-based customer support, issue identification, and improvement proposals

Transform into a solutions provider

Expansion of proprietary solutions through the integration of business expertise and AI

- Deployment of proprietary solutions that combine accumulated business expertise in core domains with advanced technologies, centered on AI, cloud-based expense management, and RPA
- Standardizing our end-to-end in-house services—from analysis and implementation to development, testing, and operations—into comprehensive service offerings, while delivering hands-on, accompanying implementation through an Forward Deployed Engineering approach

Maximizing engineer value by connecting operations and technology

- Maximizing engineer value through the development of engineers capable of identifying on-site operational challenges and bridging operations with technology, while continuously enhancing service quality

Social implementation of advanced technologies

- Accelerating industry-academia collaborative development to address social challenges in the healthcare, education, and public sectors

Market share acquisition for our solutions

- Creation of high-value-added solutions that meet market and customer needs, while expanding market share by ensuring scalability and reproducibility.
- Strengthening market presence through ecosystem development in collaboration with partners and joint proposals.

Investments / Securing human resources / Training and education

Strategic investment for sustainable growth

- Focus investment on human resources, the foundation of our value
- Accelerate R&D in preparation for the full-scale arrival of the AI era
- Conduct M&A as upfront investment for the AI era
- Accelerate orders and recruitment through strategic PR activities

“Nakama” recruitment and strengthening

- Secure human resources from both new graduate and mid-career recruitment
- Regional recruitment, effective utilization of internal programs (employee referrals and comeback programs)
- Enhance the development process for hands-on engineers, centered on human capital management
- Expand a strong project promotion structure through mutual growth with partners

Building trust with stakeholders

- Strengthen highly transparent information disclosure and IR activities
- Achieve “ValueCreation700”
- Gain trust and empathy through PR activities

SDGs, ESG, and CSR

- Establish a corporate brand that continues to contribute to society through the practice of SDGs, ESG, and CSR management

Strong financial foundation

- Maintain a highly profitable structure that continuously achieves EPS of 30 yen and ROE of 20%

3.4 Focus area

Promote **business structure reform that maximizes the value of people (engineers) and solutions in the AI era**

Provide optimal solutions and services through engineers and AI

Strengthening Solutions and Services

- AI Solutions and Services
- Cloud Solutions
- Software Testing
- IT Outsourcing Services
- Migration Services

Strengthening Recruitment and Training

Strengthening Technical Capabilities and Services for the AI era

3.4.1 Strengthening Solutions and Services

Establishing the Needswell brand as a solution provider

Purpose of solution deployment

- Focus on a value-driven business
- Integrating system development with solutions to provide customers with clear and optimal solutions (Offering Menu)
- Expanding the solution lineup and providing services as a solution provider

Solution area	Details of solution
Information security	Virtualization solution Symantec VOTIRO Resalio Lynx Remote PC Array okta MobiControl eset * Plan to expand security solutions such as cloud security and ransomware countermeasures * Certified as an ESET 'ESPP Authorized Partner'
Operational efficiency	Original solution accompanying the implementation of SAP Concur └ N-Bridge Series Speed AS Invoice PA InvoicePA+ InvoicePA Direct CoNeCt imPac Corpo Card N-Navi BI Startup Support customer business improvement and operation in conjunction with our IT Outsourcing services └ IT Re-engineering DXPA Dgent Provide operational support along with the use of tools └ UI/UX-Navi (WalkMe) WinActor SharePoint Utilization Services ManaSupport BP-Collabo Smartphone Rental Service
Development tools	Provide highly productive system development utilizing development tools └ WebPerformer WebPerformer-NX Specialize in modernization of business systems built on Excel or Access └ MigrationLC
AI	Refer to next section.
Finance	CXone Robotic Call WELCOME

3.4.1 Strengthening Solutions and Services : AI Solutions and Services

Expansion of services and solutions that enable DX and operational efficiency improvements through the utilization of AI

Promoting AI utilization through industry-specific AI solutions, along with existing solutions + generative AI utilization platforms

Started providing AI Physician Scheduling

Added to the lineup as a business-specific AI solution

Inquiries are increasing as a solution that achieves hospital DX
Promote horizontal expansion to multiple industries and operations based on track records

Started sales of "Tsunagi AI," a generative AI use platform

April 2026: Concluded agency agreement

Strengthening total AI solution deployment, including peripheral services
Creating new services and solutions that accelerate customer DX and operational improvements by integrating with our existing solutions

AI-related organizations joined by the Company

- The Japanese Society for Artificial Intelligence
- The Operations Research Society of Japan
- Association to Generalize Utilization of Generative AI (GUGA)

AI Solutions

- Business AI Automation Service



- Abnormal Sound Detection

Launched in July 2025



- Estimate



- Visual inspection



- Quality Control



- Anomaly Detection



industry-specific AI solutions

- Medical AI
- AI Physician Scheduling

Launched in January 2026

- Automatic Generation of Financial Statements



- AI Solution for Chronic Pain Treatment

Under development

- Automatic Bidding Eligibility Diagnosis



- Automatic PR Draft Generation



AI chatbot Solutions

- AI Chatbot
- Chat Document
- Internal request
- 社内FAQ

- Shareholders' Meeting
- 株主QA

IoT×AI Solutions



3.4.1 Strengthening Solutions and Services : Cloud Solutions

Expand cloud solutions for municipalities and SMEs

- Accelerating domain expansion with reproducibility, building on our proven track record in the education and local government sectors
- Enhancing service quality and sophistication, driven by our "implementation capabilities" to integrate AI and cloud technologies into practical operations

Invoice PA Direct

Introduced to various manufacturers

Improve efficiency and save labor in invoice processing, starting with online receipt of invoice data
 ➔ Favorably received by more than 80% of users

Concur Standard

A product specialized for small, mid-sized, and venture companies, with an emphasis on ease of implementation, including a reasonable fee structure, simplified initial setup, and packaged functions

SAP Concur

Concur Professional

First introduced to an education-sector customer in 2026

For large companies

Concur Standard

Implementation track records are increasing

For small, mid-sized, and venture companies

SAP Concur

Linkage solutions

- Core system linkage

N-Bridgeシリーズ
 オンプレ版/クラウド版

- Expense analysis using BI

BI スタートアップ

- Speedy introduction in three months at the fastest

Speed AS
 企業版/文教版

- Accompanying style guidance for Concur

Nナビ

- Automated registration of invoices with AI

Invoice PA
 Invoice PA+
 Invoice PA Direct

- Higher efficiency of linkage with corporate credit cards

Corpo Card

- Accounting linkage for Standard

CoNeCt
 CoNeCt-Pro

- Introduction package for Standard

imPaC

- Transportation Expense Entry/Approval Response

Nチェック
 Nチェック-Pro

3.4.1 Strengthening Solutions and Services : Software Testing

Service that performs customers' testing work in system development from a third-party standpoint
Demand is increasing due to the spread of AI-driven system development, maximizing customer satisfaction

- Test engineers with **ISTQB Certified Tester qualifications and IT Verification Engineer Certification** provide high-quality software testing
➔ Certified as an **ISTQB® Gold Partner**
- Achieving up to a 98% test case automation rate, applied to deliver high-speed testing services aligned with the spread of AI-driven development
- Expanding our consulting expertise in software testing across other domains and industries through horizontal deployment, while ensuring high quality through engineer-led design and verification

Outsourced testing service

Engineers with JSTQB Certified Tester qualifications conduct testing from a third-party standpoint without preconceptions

Early detection of defects and issues that are hard to notice improves system quality

Introduced to a payment platform company

Automated testing service

Combined with our low-code development tool solutions

→ Test automation reduces man-hours, shortens the development period, and improves operation and maintenance efficiency

Test management service

Easy test monitoring and control → Reduces management man-hours

Real-time detection of test progress leads to early discovery of problems

Migration testing service

Conducts current/new system comparison verification, catch-up verification, and regression verification in migration development

Efficiency improvement and reuse through test automation tools → Improves maintainability and reduces operating costs

Multi-device testing service

Conducts pattern testing using actual devices and OSs

Uses our smartphone rental service → Reduces device costs and enables arrangement of various devices

Testing support service

Conducts current/new system comparison verification, catch-up verification, and regression verification in migration development

Efficiency improvement and reuse through test automation tools → Improves maintainability and reduces operating costs

Launched in November 2025

Support for business efficiency improvement and establishment of a long-term framework to meet the demand caused by talent shortages in corporate DX

As the demand for DX and business improvement increases year by year, more companies are facing challenges in controlling all aspects of IT internally. We offer proposals that adapt flexibly to measures against personnel shortages and contract arrangements of each company, providing **comprehensive management, operation, and support**.

Establishing a process to deepen customer understanding through operational support, **while driving operational improvements and DX together with our customers**.

Operational design and monitoring

Leverage know-how cultivated over many years of operation to establish a stable and secure DX conversion and operational framework.

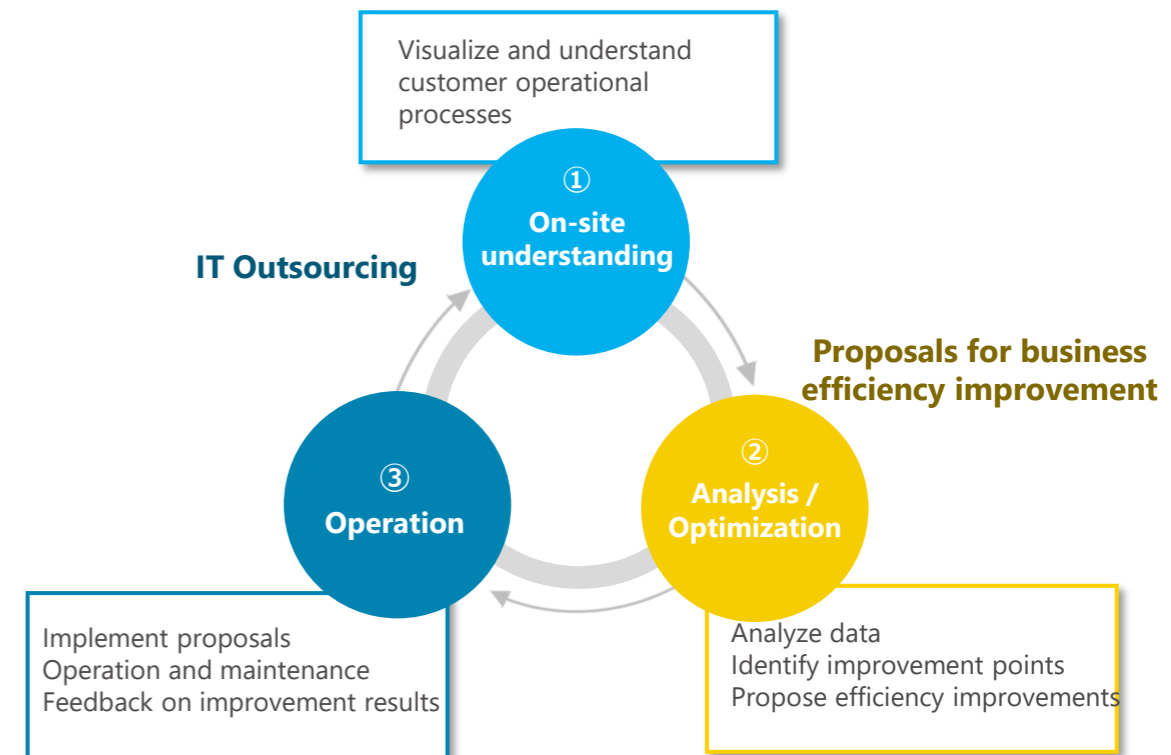
Taking on operations

Take on system operations, such as restoration, backup, and vulnerability management.
IT outsourcing for taking on digitization of paper documents for government agencies, local public entities, and other bodies in the public sector with **DX support** by DXPA.

Managed services

Take on everything from migration, design, and construction to maintenance and operation, achieving high quality and on-going cost reduction through technical capabilities cultivated over the years.

[Virtuous cycle of IT Outsourcing and business efficiency]



3.4.1 Strengthening Solutions and Services : Migration Services

Providing consistent support throughout the migration from design and manufacturing to testing Providing flexible support for diversifying market needs, including legacy migration and modernization of legacy tools

- **The demand for migration has been increasing more than ever** due to various factors such as the withdrawal of domestic manufacturers from general-purpose computers, the migration of legacy systems to new platforms, and a shortage of skilled personnel and technicians in current systems.
- **Reduction of system verification costs in association with migration through automated testing services.**

Migration

Support for wide range of migration, including legacy migration and modernization

- Aggregate engineers specialized in migration development
→Expand technical know-how and scope of services
- Aggregate development know-how at **Nagasaki Development Center**

Testing services

Enhancement of quality testing services

- Conduct reliable, high-quality testing
- Build efficient testing system using **test management services** and the Nagasaki Development Center
- Collaborate with RGS Information System to provide **test automation services** and contribute to cost reduction



Service provision
starts in April

Migration development solution

Address operational issues in business systems built on Excel and Access through migration and modernization utilizing low-code technology, providing comprehensive solutions and benefits to a wide range of customers regardless of industry or business type.

- * Standardize business processes
- * Improve system maintainability
- * Optimize operating costs
- * Integrate data management
- * Promote web-based and cloud-based migration

3.4.2 Strengthening Recruitment and Training

Position human capital as the most important management resource, strengthen recruitment and education, and **achieve sustainable growth**

Focus on the value of people (engineers) as AI use advances in system development

● Steady progress in recruitment and medium-term workforce expansion

Expand the workforce strategically to support business growth and R&D
→ Aim to reach 700 employees in 2027

Hiring results for H1 FY2026

New graduates

25

Mid-career hires

19

Needs Well Group employee target

2027

700

● Recruitment Policy

Aim to build a Group-wide structure of 700 employees in 2027 to establish a business foundation as a solution provider.

New graduate recruitment: Sustainable organizational growth

Mid-career recruitment:

(Engineers)

Securing immediate assets and strengthening specialized expertise

Strengthening and differentiating AI-driven development project management

Securing resources to support the expansion of order domains

(Sales)

Sales recruitment: Accelerate proposal-based solution expansion

● Strengthen education and training

Maximize provided value by enabling engineers with solid basic technologies to make advanced use of next-generation tools

- ① Standardization of AI use in system development (AI-driven development)
- ② Project management capabilities to manage “people and AI”
- ③ Evaluation technologies to correctly evaluate development deliverables

● Develop and produce AI engineers who provide high added value

○ Developing engineers who utilize AI as a powerful tool

- Maximizing delivered value through the synergy of human expertise and AI

○ Reconstructing project management predicated on AI utilization

- Establishing a management framework that appropriately oversees system development—accelerated, enhanced, and automated by AI—while maintaining core compliance with QMS (Quality Management System)

→ Introducing and launching an updated curriculum for AI utilization training

3.4.3 Strengthening Technical Capabilities and Services for the AI era

Strengthen **the medium- to long-term growth foundation** through human resource development for the AI era, stronger technical capabilities, and services that move customers

Position this as **sustainable value creation through human resource growth and investment in human capital management**

① R&D and internal standardization

AI use in the medical field (Industry-academia joint R&D with Nagasaki University)

[R&D of an AI Solution for Chronic Pain Treatment]

* Chronic pain is defined as "pain that continues beyond the expected time required for treatment, or pain related to progressive non-cancer diseases."

Needs for business efficiency improvement through AI use are rapidly expanding

[Internal standardization of an AI chat platform linked to SharePoint viewing permissions]

Aim to achieve safe and practical AI use while maintaining existing SharePoint permission management
Verify engineer development, business efficiency effects, and operational effectiveness and safety through implementation in the internal environment

➔ Based on the results, we plan to expand external sales from the next fiscal year onward

* RAG (Retrieval Augmented Generation): A technology that enables generative AI to answer while searching and referring to external data

Spread of AI use in system development

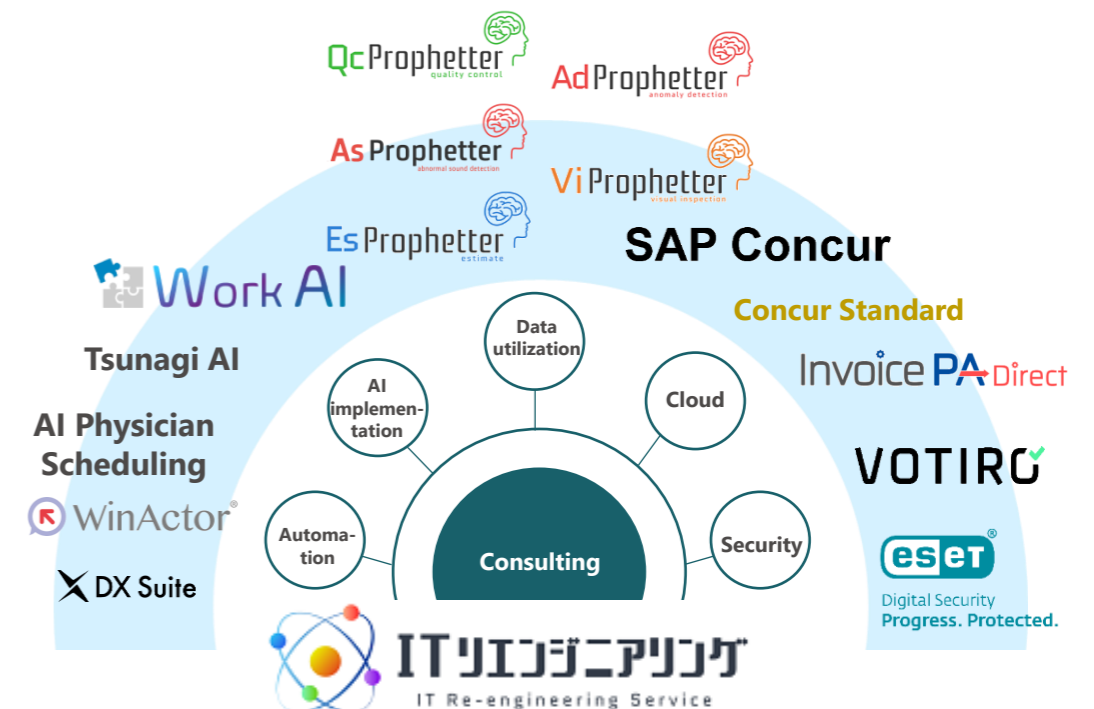
[Internal Standardization of AI-Driven Development]

Promote the standardization of next-generation system development methods. Establish development procedures and project management processes that improve development efficiency through AI use while ensuring quality and preventing "understanding debt." This will contribute to higher service quality.

② Strengthen consulting services through IT reengineering services

As AI improves efficiency in system development, engineers will play an even more important role in hands-on support and decision-making support that lead customers to issue resolution.

Engineers will be responsible for establishing optimal issue-resolution methods together with customers while using the latest technologies as tools.



3.5 Revenue expansion and targets

Expand stock sales

increasing to **70% by 2027**

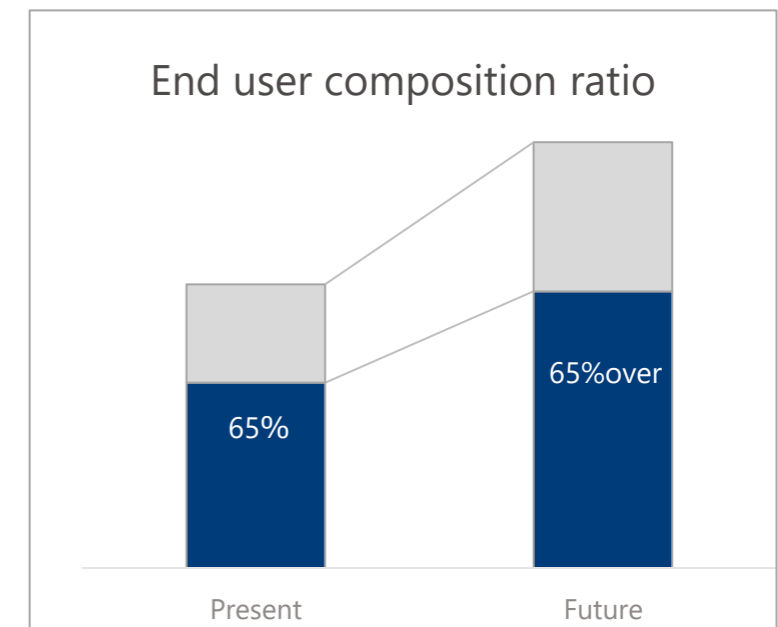
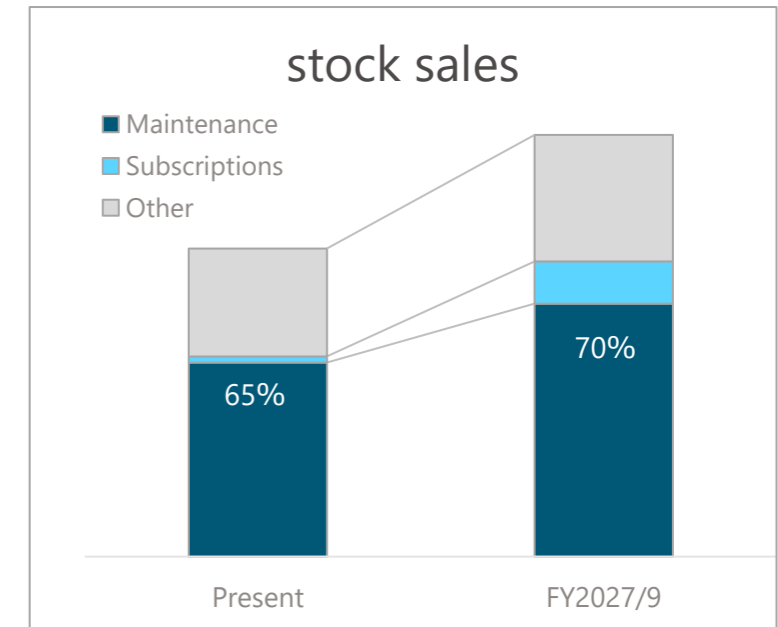
- Increase the weight of areas where revenues are accumulated continuously (subscriptions and maintenance) to stably expand the revenue structure.
- Ensure stable revenue through the expansion of stock sales, leveraging our development know-how.
- Maintain and expand ongoing transactions with customers we have cultivated over time.

Stock sales: System maintenance and operation for at least two years, subscription-based solutions, etc.

Increase direct sales to end users

maintaining and expanding **over 65% of net sales**

- Ratio of direct sales to end users is **over 65%**, a high level in the software development industry.
- **Focus on continuing** to work with existing customers, expanding the scale of projects in relevant sectors, and cultivating new sectors of expertise.
- Cultivate new users
Attracting customers through HP, PR activities, and hosting seminars.
Based on case studies, approach existing users in the same industry.





1. 2026/9 2Q Financial report summary



2. 2026/9 Results forecast



3. Growth strategy



4. Reference



4.1 Company profile

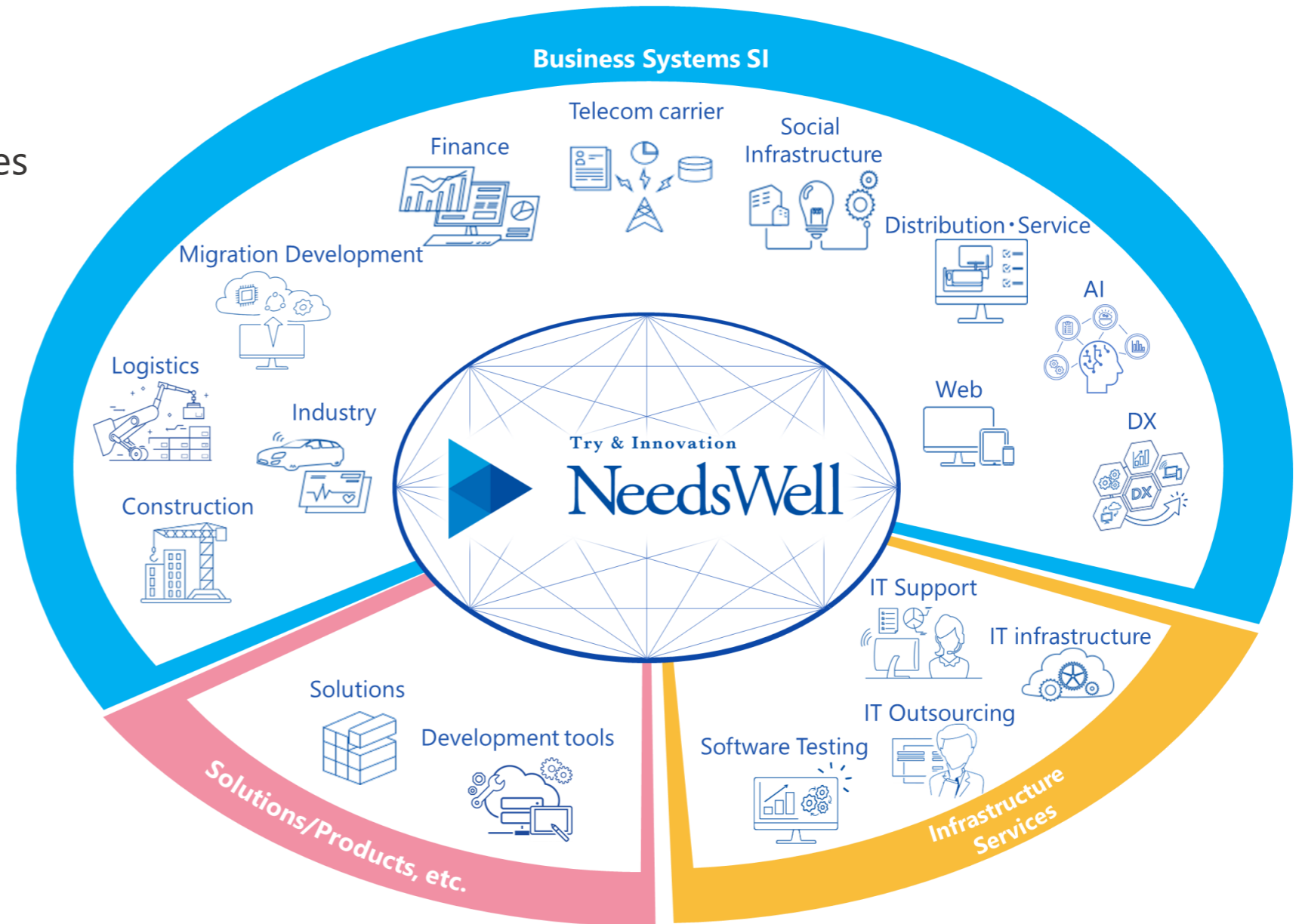
As of September 30,2025

Company Name	Needs Well Inc.	Representative	President and CEO Hajime Matsuoka
Established	October 1, 1986	Stock Listing	Tokyo Stock Exchange, Prime Market (3992)
Paid-in Capital	908 million JPY	Net sales As of September 30,2025	10,032 million JPY(Consolidated)
Number of Employees As of September 30,2025	597 (Consolidated)	Fiscal year end	September
Head Office	13F, New Otani Garden Court, 4-1 Kioi-cho, Chiyoda-ku, Tokyo, 102-0094 Japan TEL: +81-3-6265-6763 FAX: +81-3-6265-6764 URL: https://www.needswell.com		
Office	<ul style="list-style-type: none"> - Nagata-cho Office : 2F, Sumitomo Fudosan Nagatacho Building, 2-17-3 Nagata-cho, Chiyoda-ku, Tokyo, 100-0014 Japan - Nagasaki Office: 6F, Meijiyasudaseimei Nagasakikozenmachi building, 2-21 Kozen-machi, Nagasaki-shi, Nagasaki, 850-0032 Japan 		
Group structure	<ul style="list-style-type: none"> ■ Consolidated subsidiaries Zeroichi Production Co., Ltd. (Head Office: Nasushiobara-shi) BO STUDIO Inc. (Head Office: Shibuya-ku, Tokyo) KOMSOFT Inc. (Head Office: Chiyoda-ku, Tokyo) 		

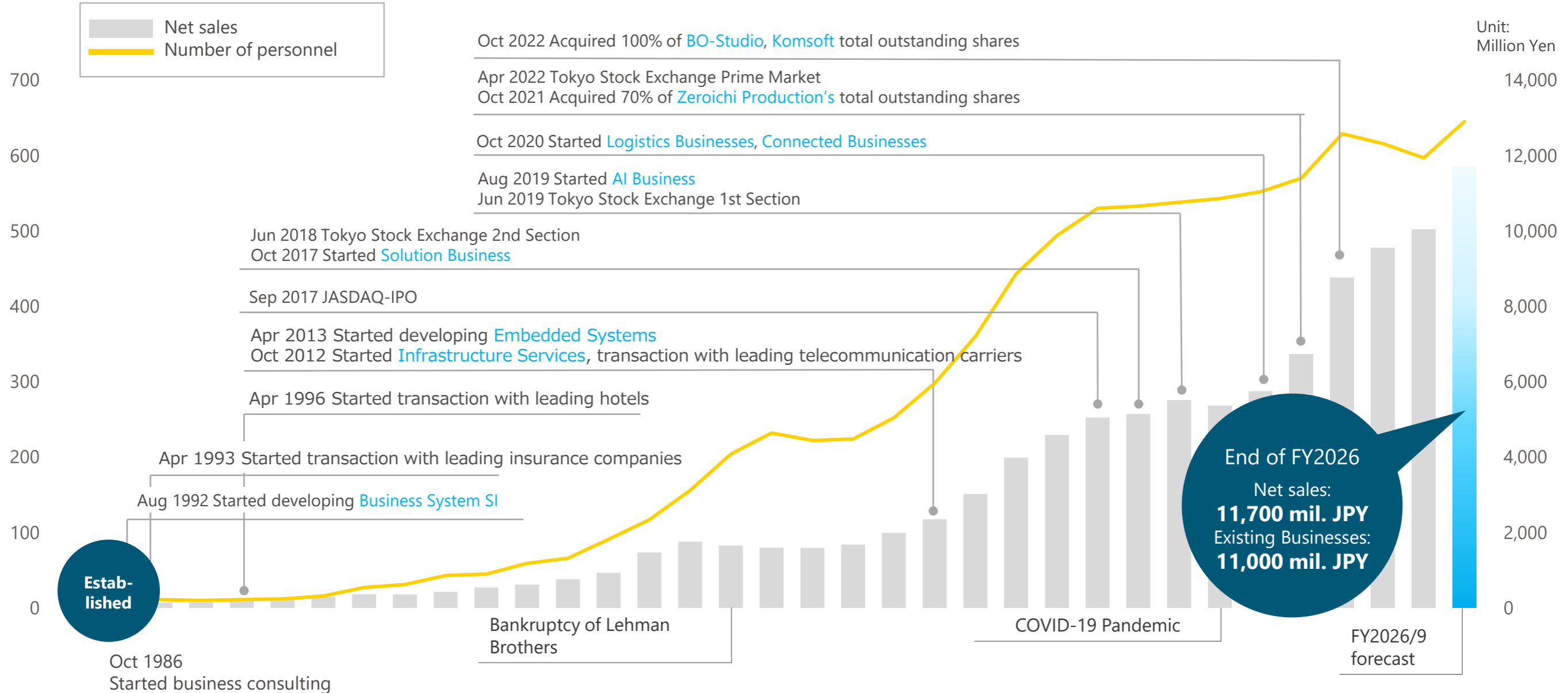


4.2 Business fields

Needs Well provides total IT services through three services focused on **Business Systems SI for finance.**

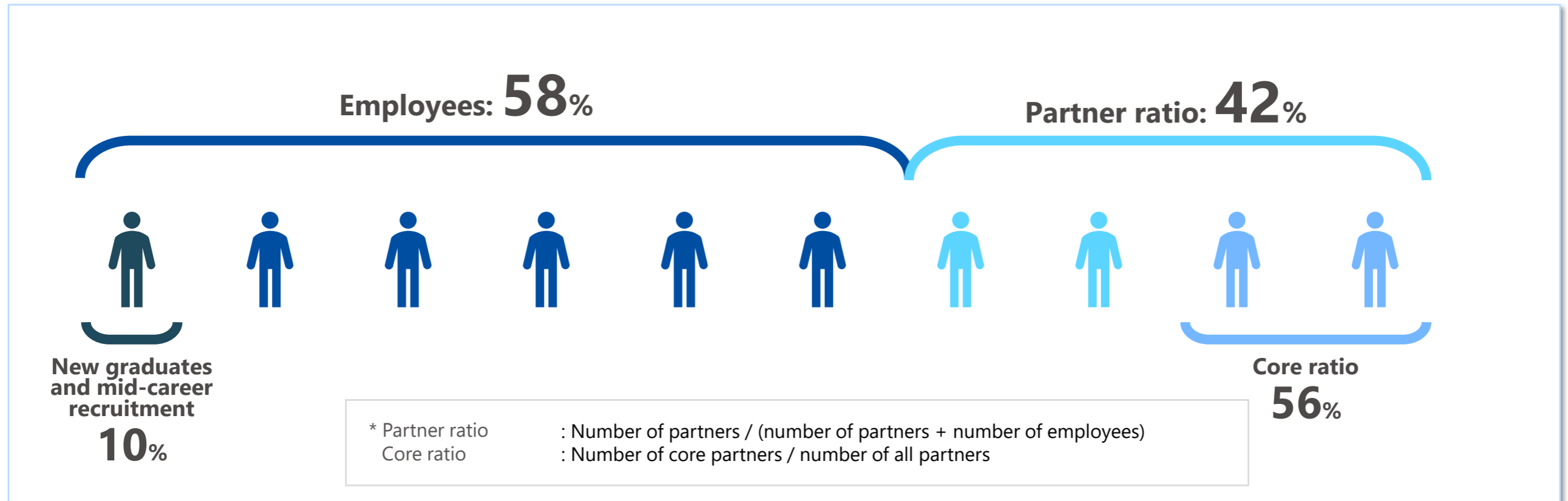


4.3 Growth track



4.4 Status of collaboration with partners

Expand order capacity through partner collaboration
Strengthen collaboration and raise **the core ratio** to **70% in the future**



As of the end of March 2026

4.5 Improve social value

Towards a sustainable society through initiatives to create a sustainable society based on the corporate philosophy of “Contributing Broadly to the Economy and Society”

Initiatives directly linked to business

Incorporate the perspectives of the SDGs, ESG and CSR into business strategies to ensure that business activities are directly linked to the goals of the SDGs
Take on the challenge of creating employment, establishing an industrial foundation and technological innovation as an IT company

Initiatives supported by systems and activities

Themes closely related to Needs Well, such as promoting job satisfaction and gender equality, promoting IT education, supporting local sports culture, etc.

Nearshore Development Promotion

Development of new solutions to assist DX

Collaboration with partner companies



Work Style Reform and Human Resource Development

Increase ratio of female employees and managers

Telework

AI education for students

Support for Project in Nagasaki Prefecture

**Support for V-Varen Nagasaki
of the Soccer J League**

Others

4.6.1 Initiatives directly linked to business

Aim for **sustainable management** through business strategies that incorporate the perspectives of SDGs, ESG, and CSR

Nearshore Development Promotion: Nagasaki Development Center to maintain 100 employees

Promote development by committing to QCD (quality, cost, and delivery) through remote development system that utilizes nearshore bases.

Aim to maintain 100 employees at the Nagasaki Development Center and contribute to **prosperous urban development through the development of an industrial foundation, technological innovation, and creating employment opportunities** by utilizing highly competent local human resources.

Certified as the first registered business operator of the Nagasaki Prefecture SDGs Registration System.

Participated in the "SDGs Public-Private Partnership Platform for Regional Revitalization" established by the Cabinet Office.

Participated in the Cabinet Office's "Public-Private Partnership Platform for Regional Revitalization SDGs"



Development of new solutions leading the AI era

- AI technologies, including generative AI, are rapidly spreading across the entire system development process
Needs Well believes that value lies especially in "areas that people should handle," and is building a structure centered on consulting
→ Aim to **co-create value through hands-on support** for customers and **maximize the added value of engineers who will lead the future of the AI era**
- Support companies through hands-on consulting
- Medical AI solution "AI Physician Scheduling"
- Generative AI agent "Tsunagi AI"



Collaboration with partner companies

Promote partnerships with contractors and suppliers and aim to establish a structure for continuing to develop together over a long period of time.



4.6.2 Initiatives supported by systems and activities

Work style reform & personnel development

- Introduction of a [double job system](#), [internal FA system](#), [return-to-work support system](#), and [comeback system](#) to find suitable jobs and enhance motivation
- Promote a healthy work-life balance by incentive dates for paid leave, Premium Friday (leaving work early on the last Friday of the month), reducing overtime work, etc.
- Expand selection of employees eligible for remote work
- System for encouraging skill improvement and motivation
- On-the-job training and mentor system to draw out skills and motivation
- [Support for internal circle activities](#) Futsal, basketball, relay races, etc.



Increase ratio of female employees and managers

- Increase the ratio of female employees by promoting meritocracy and gender equality
- Target female manager ratio: 30%, target female employee ratio: 30%



AI education for students

- Arrange AI programming experiences and 5 day/3 weeks internships for students
- Conduct programming classes on apps for submitting electronic applications and creating interactive AI chatbots, WinActor (RPA) to improve efficiency of school operations, taste data analysis, etc. (2020~)



Donate to assistance programs for repaying student loans

- Contribute to projects by Nagasaki Prefecture for assisting young adults in the repayment of their student loans
Develop leaders who will establish themselves and play central roles in the local community



Support for V-Varen Nagasaki of the Soccer J League

- Concluded a sponsorship agreement to support the promotion of sports culture and revitalization of the local community



Please view the following link for other initiatives and more information:
<https://www.needswell.com/ir/sdgs>



Try & Innovation

NeedsWell

- All statements described herein have been prepared by Needs Well based on the currently available information.
- Actual results may differ from forecasts due to various factors in the future.
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