

**Consolidated Financial Report for the Third Quarter of Fiscal 2025
Ending March 31, 2026 [Japanese GAAP]**

February 10, 2026

Company name:	TDC SOFT Inc.	
Listing:	Tokyo Stock Exchange	
Code number:	4687	
URL:	https://www.tdc.co.jp/	
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Scheduled date of dividend payment:	—	
Preparation of explanatory materials for annual financial results:	Yes	
Holding of a briefing on annual financial results:	None	

(Amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Third Quarter of Fiscal 2025 Ending March 31, 2026 (April 1, 2025 to December 31, 2025)

(1) Consolidated operating results (cumulative) (Percentages represent 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)	%
Third quarter of fiscal year ending March 31, 2026	35,197	9.0	4,068	6.0	4,254	8.5	3,000	13.1
Third quarter of fiscal year ended March 31, 2025	32,287	12.3	3,836	31.7	3,921	16.6	2,653	17.1

Note: Comprehensive income

Third quarter of fiscal year ending March 31, 2026: ¥3,316 million[23.3%]

Third quarter of fiscal year ended March 31, 2025: ¥2,689 million[15.5%]

	Earnings per share	Diluted earnings per share
	Yen Sen	Yen Sen
Third quarter of fiscal year ending March 31, 2026	63.51	—
Third quarter of fiscal year ended March 31, 2025	56.30	—

(2) Consolidated financial position

	Total assets	Net assets	Owners' equity ratio
	(Millions of yen)	(Millions of yen)	%
As of December 31, 2025	29,457	22,961	77.9
As of March 31, 2025	28,286	20,881	73.8

Reference: Owners' equity

As of December 31, 2025: ¥22,961 million

As of March 31, 2025: ¥20,881 million

2. Dividends

	Dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total
Fiscal year ended March 31, 2025	Yen Sen —	Yen Sen 0.00	Yen Sen —	Yen Sen 27.00	Yen Sen 27.00
Fiscal year ending March 31, 2026	—	0.00	—	—	—
Fiscal year ending March 31, 2026 (forecast)	—	—	—	30.00	30.00

Note: Revisions to the most recently announced dividend forecast: None

3. Consolidated Financial Results Forecasts for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	
Full year	48,000	8.1	5,100	6.9	5,200	6.6	3,520	2.5	Yen Sen 74.67

Note: Revisions to the most recently announced financial results forecast: None

* Notes

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

New: — (company name(s))

Excluded: — (company name(s))

(2) Application of Special Accounting Methods for Presenting Quarterly Consolidated Financial Statements : Yes

Note: For details, please refer to “(3) Notes on the Quarterly Consolidated Financial Statements (Application of Special Accounting Methods for Presenting Quarterly Consolidated Financial Statements)” under “2. Quarterly Consolidated Financial Statements and Primary Notes” on Page 9 of the appendix.

(3) Changes in accounting policies and accounting-based estimates, and restatements

- a. Changes in accounting policies due to revisions in accounting standards, etc. : None
- b. Changes in accounting policies other than a. above : None
- c. Changes in accounting-based estimates : None
- d. Restatements : None

(4) Number of issued shares (common stock)

- a. Number of issued shares at the end of period (including treasury stock)
- b. Number of treasury shares at the end of period
- c. Average number of shares during the quarter (cumulative)

As of December 31, 2025	50,227,200 shares	As of March 31, 2025	50,227,200 shares
As of December 31, 2025	2,916,105 shares	As of March 31, 2025	3,088,605 shares
Third quarter of fiscal year ending March 31, 2026	47,241,359 shares	Third quarter of fiscal year ended March 31, 2025	47,129,609 shares

Note: The number of treasury shares at the end of period includes the Company's shares (527,900 shares as of December 31, 2025; 700,400 shares as of March 31, 2025) held by Custody Bank of Japan, Ltd. (Trust Account E) as trust assets in a Board Benefit Trust (BBT) and an Employee Stock Ownership Plan (J-ESOP). In addition, the Company's shares held by Custody Bank of Japan, Ltd. (Trust Account E) are included in the treasury shares deducted from the calculation of the average number of shares during the period (As of December 31, 2025: 597,636 shares; as of December 31, 2024: 709,433 shares).

* Review by certified public accountant or audit firm of the attached quarterly consolidated financial statements: None

* Explanation about the proper use of financial results forecasts and other noteworthy items

The report contains statements about the future such as forecasts for financial results that are based on information available to the Company at the time of disclosure and certain assumptions the Company believes to be reasonable. The Company gives no assurance that these statements will prove to be accurate. Actual results may differ significantly from these forecasts due to various factors.

Please see page 4 of the appendix “(3) Explanation about Information on Projections Including Consolidated Forecasts” for information about the above forecasts.

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1. Qualitative Information about the Quarterly Financial Results

(1) Explanation about Operating Results

During the Current Cumulative Consolidated Third Quarter Accounting Period (April 1, 2025 to December 31, 2025), Japan's economy maintained a moderate recovery trend, driven by improved employment and income conditions as well as increased inbound demand. On the other hand, due to factors such as rising prices and uncertainty in overseas conditions, the outlook remains uncertain. In the information services industry, investment in digital transformation (hereinafter "DX") aimed at strengthening corporate competitiveness has continued, with ongoing progress in cloud migration including core business systems, as well as expanding initiatives for data utilization and business process sophistication. Furthermore, discussions regarding generative AI have progressed from the proof-of-concept stage for operational efficiency improvements to company-wide adoption, including governance frameworks, and its importance has been growing from the perspective of productivity enhancement.

Amid this environment, our Group has formulated the medium-term management plan "Be a Visionary System Integrator" covering the period from April 2025 to March 2028. As customer issues grow increasingly complex and diverse due to further changes in social conditions and technological trends, with demands for essential and high-value contributions intensifying, this medium-term management plan establishes a vision to be an unparalleled partner for our customers by enhancing TDC's foresight for the future and delivering exceptional development technologies and services while pursuing long-term growth.

To make this vision a reality, we have two Group-wide core strategies.

The first strategy, "diversification and enhancement of expertise and knowledge," aims to enhance our capacity to address increasingly complex customer issues by possessing a broader range of highly specialized fields.

The second strategy, "enhancement of our ability to create proposals that deliver value for customers," aims to enhance our capability to create proposals that maximize customer value through effective IT utilization, based on a deep understanding of both the characteristics of elemental technologies and our customers' situations and strategies.

During the current cumulative consolidated third quarter accounting period, each business field performed well, achieving an increase in net sales. In terms of profit, although we continued to make aggressive investments and M&A for future business expansion in accordance with the medium-term management plan, the growth of high-value-added businesses and the effects of increased revenue resulted in higher operating profit. As specific investment initiatives, we are expanding recruitment, including mid-career professionals, and strengthening education programs to acquire advanced elemental technologies such as AI and security as well as invest in human capital.

Additionally, extraordinary profit has been recorded due to the sale of shares in NTT DATA Group Corporation following the reorganization of the NTT Group.

As a result, for the current cumulative consolidated third quarter accounting period, net sales amounted to ¥35,197 million (up 9.0% YOY), operating profit was ¥4,068 million (up 6.0% YOY), ordinary profit was ¥4,254 million (up 8.5% YOY), and profit attributable to owners of parent was ¥3,000 million (up 13.1% YOY).

Status of activities by field

<IT consulting and services>

In the IT consulting and services field, we offer services that include developing IT strategies and systematization planning to facilitate customers' DX and providing technical consulting and educational services about the latest technologies and development methodologies. We also provide our internally developed cloud application services, along with solution services, such as BI (Note 1)/DWH (Note 2) and ERP (Note 3)/CRM (Note 4). During the current cumulative consolidated third quarter accounting period, the Group made solid progress on SaaS (Note 5) solution service projects related to IT service management and cloud managed services for financial institutions and the manufacturing industry. As a result, net sales in this field increased 18.6% year on year to ¥6,514 million.

<IT solutions for financial services>

In the field of IT solutions for financial services, we offer integrated IT solutions for the financial sector, including systematization planning, design, development, and maintenance. During the current cumulative consolidated third quarter accounting period, the Group made solid progress on development projects for bank- and insurance-related systems. As a result, net sales in this field increased 5.2% year on year to ¥14,979 million.

<IT solutions for public corporations>

In the field of IT solutions for public corporations, we offer integrated IT solutions for the logistics, manufacturing, and service industries as well as the public sector, including systematization planning, design, development, and maintenance. During the current cumulative consolidated third quarter accounting period, the Group made solid progress on development projects for the steel sector, public agencies, and educational institutions. As a result, net sales in this field increased 6.3% year on year to ¥9,235 million.

<Platform solutions>

In the field of platform solutions, we offer services such as the environmental design and construction of IT infrastructure, along with operational support, network product development, and network integration. During the current cumulative consolidated third quarter accounting period, the Group made solid progress on projects to build cloud-related infrastructure for businesses in the bank, insurance, transportation, and energy sectors. As a result, net sales in this field increased 15.4% year on year to ¥4,468 million.

(Unit: Millions of yen)

Field	Previous cumulative consolidated third quarter period		Current cumulative consolidated third quarter period		Year-on-year percentage change
	Amount	Share	Amount	Share	
IT consulting and services	5,492	17.0%	6,514	18.5%	+18.6%
IT solutions for financial services	14,236	44.1%	14,979	42.6%	+5.2%
IT solutions for public corporations	8,685	26.9%	9,235	26.2%	+6.3%
Platform solutions	3,872	12.0%	4,468	12.7%	+15.4%
Total	32,287	100.0%	35,197	100.0%	+9.0%

Notes: 1. BI: Business intelligence. A process for analyzing a company's internal information to harness it in business management.

2. DWH: Data warehouse. An integrated database that collects necessary data from multiple systems, including core systems, to sort the data by objective and accumulate it chronologically for data analysis and decision-making.

3. ERP: Enterprise resource planning. A core information system.

4. CRM: Customer relationship management. A customer management system.

5. SaaS: Software as a Service. A model in which software that runs on a server is provided as a service.

(2) Explanation about Financial Status

State of assets, liabilities, and net assets

Total assets at the end of the consolidated third quarter accounting period increased by ¥1,170 million from the end of the previous consolidated fiscal year to ¥29,457 million.

Current assets decreased by ¥587 million from the end of the previous consolidated fiscal year to ¥22,660 million. This is mainly due to decreases of ¥2,921 million in cash and deposits and ¥135 million in prepaid expenses included in Other, despite increases of ¥2,103 million in securities and ¥424 million in work in process.

Non-current assets increased by ¥1,758 million from the end of the previous consolidated fiscal year to ¥6,797 million. This is mainly due to an increase of ¥1,754 million in investment securities.

Current liabilities decreased by ¥802 million from the end of the previous consolidated fiscal year to ¥6,068 million. This is mainly due to decreases of ¥822 million in accrued expenses, ¥195 million in accounts payable – other, and ¥172 million in accrued consumption taxes, despite increases of ¥192 million in deposits received included in Other and ¥155 million in accounts payable – trade.

Non-current liabilities decreased by ¥107 million from the end of the previous consolidated fiscal year to ¥428 million. This is mainly due to decreases of ¥47 million in long-term accrued expenses included in Other and ¥35 million in provision for share-based remuneration for directors (and other officers).

Net assets increased by ¥2,080 million from the end of the previous consolidated fiscal year to ¥22,961 million. This is mainly due to increases of ¥1,709 million in retained earnings and ¥316 million in valuation difference on available-for-sale securities.

(3) Explanation about Information on Projections Including Consolidated Forecasts

There is no change to the financial results forecast announced in the “Consolidated Financial Report for Fiscal 2024 Ended March 31, 2025” dated May 12, 2025.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

	Fiscal 2024 (as of March 31, 2025)	(Thousands of yen) Current consolidated third quarter accounting period (as of December 31, 2025)
Assets		
Current assets		
Cash and deposits	13,250,091	10,328,270
Notes and accounts receivable - trade, and contract assets	7,474,236	7,370,170
Securities	2,000,000	4,103,432
Work in process	95,290	519,514
Other	428,081	338,884
Total current assets	23,247,699	22,660,272
Non-current assets		
Property, plant and equipment	916,212	824,875
Intangible fixed assets	90,312	196,782
Investments and other assets:		
Investment securities	3,077,253	4,831,972
Shares of subsidiaries and associates	—	30,692
Deferred tax assets	138,650	69,070
Guarantee deposits	779,597	804,949
Other	37,095	39,031
Total investments and other assets	4,032,597	5,775,716
Total non-current assets	5,039,122	6,797,374
Total assets	28,286,821	29,457,647
Liabilities		
Current liabilities		
Accounts payable – trade	1,885,043	2,041,026
Short-term borrowings	531,000	610,000
Accounts payable – other	656,804	461,148
Accrued expenses	2,124,663	1,302,329
Income taxes payable	848,043	777,830
Accrued consumption taxes	507,999	335,600
Provision for bonuses for directors (and other officers)	156,272	70,210
Provision for loss on orders received	—	45,414
Other	160,515	424,673
Total current liabilities	6,870,341	6,068,233
Non-current liabilities		
Provision for share-based remuneration for employees	48,259	34,091
Provision for share-based remuneration for directors (and other officers)	89,720	54,331
Retirement benefit liabilities	41,563	39,592
Asset retirement obligations	233,322	235,086
Other	122,335	64,976
Total non-current liabilities	535,201	428,079
Total liabilities	7,405,542	6,496,312

		(Thousands of yen)
	Fiscal 2024 (as of March 31, 2025)	Current consolidated third quarter accounting period (as of December 31, 2025)
Net assets		
Shareholders' equity		
Share capital	970,400	970,400
Capital surplus	986,256	986,256
Retained earnings	18,588,901	20,298,344
Treasury shares	(1,278,964)	(1,224,411)
Total shareholders' equity	<u>19,266,592</u>	<u>21,030,589</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,614,686	1,930,744
Total accumulated other comprehensive income	<u>1,614,686</u>	<u>1,930,744</u>
Total net assets	20,881,279	22,961,334
Total liabilities and net assets	<u>28,286,821</u>	<u>29,457,647</u>

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income
 Quarterly Consolidated Statement of Income
 Cumulative consolidated third quarter accounting period

	(Thousands of yen)	
	Previous cumulative consolidated third quarter accounting period (from April 1, 2024 to December 31, 2024)	Current cumulative consolidated third quarter accounting period (from April 1, 2025 to December 31, 2025)
Net sales	32,287,212	35,197,123
Cost of sales	25,256,182	27,741,427
Gross profit	7,031,030	7,455,696
Selling, general and administrative expenses	3,194,169	3,387,003
Operating profit	3,836,861	4,068,693
Non-operating income		
Interest income	3,618	11,989
Interest on securities	26	18,488
Dividend income	82,253	103,764
Gain on investments in partnerships	—	22,771
Subsidy income	402	10,402
Other	8,659	22,823
Total non-operating income	94,959	190,240
Non-operating expenses		
Interest expenses	4,006	4,159
Loss on investments in partnerships	6,248	—
Other	0	—
Total non-operating expenses	10,255	4,159
Ordinary profit	3,921,565	4,254,773
Extraordinary profit		
Gain on sales of investment securities	—	166,275
Total extraordinary profit	—	166,275
Profit before income taxes	3,921,565	4,421,049
Income taxes	1,268,084	1,420,717
Profit	2,653,481	3,000,331
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	2,653,481	3,000,331

Quarterly Consolidated Statement of Comprehensive Income
Cumulative consolidated third quarter accounting period

(Thousands of yen)

	Previous cumulative consolidated third quarter accounting period (from April 1, 2024 to December 31, 2024)	Current cumulative consolidated third quarter accounting period (from April 1, 2025 to December 31, 2025)
Profit	2,653,481	3,000,331
Other comprehensive income		
Valuation difference on available-for-sale securities	35,555	316,058
Total other comprehensive income	35,555	316,058
Comprehensive income	2,689,036	3,316,389
Breakdown:		
Comprehensive income attributable to owners of parent	2,689,036	3,316,389
Comprehensive income attributable to non-controlling interests	—	—

(3) Notes on the Quarterly Consolidated Financial Statements
(Notes on Going Concern Assumption) Not applicable.

(Notes on Substantial Changes in the Amount of Shareholders' Equity) Not applicable.

(Application of Special Accounting Methods for Presenting Quarterly Consolidated Financial Statements)
Calculation of tax expenses

To calculate tax expenses, we reasonably estimate the effective tax rate after tax effect accounting applied to profit for the period before taxes for the consolidated fiscal year that includes this consolidated third quarter accounting period, and multiply profit for the quarterly period before taxes by the estimated effective tax rate.

(Segment Information and Related Matters)

Previous cumulative consolidated third quarter accounting period (from April 1, 2024 to December 31, 2024) and current cumulative consolidated third quarter accounting period (from April 1, 2025 to December 31, 2025)

The TDC SOFT Group runs an information system development business that integrates the sale of information system products with system development services spanning the whole process from development to operation and maintenance. The Group is thus classified into the single segment of information system development, and thus we have provided no statement in this section.

(Notes on Consolidated Statement of Cash Flows)

The quarterly consolidated statement of cash flows for the current cumulative consolidated third quarter accounting period has not been prepared. Depreciation (including amortization of intangible fixed assets excluding goodwill) and amortization of goodwill for the cumulative consolidated third quarter accounting period are as follows.

	Previous consolidated third quarter cumulative accounting period (from April 1, 2024 to December 31, 2024)	Current consolidated third quarter cumulative accounting period (from April 1, 2025 to December 31, 2025)
Depreciation and amortization	¥116,160 thousand	¥103,275 thousand
Amortization of goodwill	¥17,447 thousand	¥17,447 thousand