

To Our Shareholders

We are pleased to notify you that the 57th Ordinary General Meeting of Shareholders will be held on Thursday, June 25, 2026.

We hope that you will find this notice informative.

June 2026

Yoshikazu Imajo  
President & CEO, NSD Co., Ltd.

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Note:

This is unofficial translation of the Japanese Language original version, and is provided for your convenience only, without any warranty as to its accuracy or as to the completeness of information. The Japanese original version of the report is the sole official version.

Security code: 9759

(Date sent) June 4, 2026

(Start date of measures for electronic provision) June 2, 2026

To Our Shareholders

NSD Co., Ltd.

2-101, Kanda-awajicho, Chiyoda-ku, Tokyo, Japan

Yoshikazu Imajo

President & CEO

NOTICE OF CONVOCATION OF  
THE 57th ORDINARY GENERAL MEETING OF  
SHAREHOLDERS

We are pleased to notify you that the 57th Ordinary General Meeting of Shareholders will be held as stated below.

The Company takes measures for electronic provision on the information contained in the Reference for the Ordinary General Meeting of Shareholders, etc. (the items subject to measures for electronic provision), and we post them on the Company's website on the Internet. Please access the following website to check the details.

The Company's website:

[https://www.nsd.co.jp/ir/kabu\\_material/oshirase.html](https://www.nsd.co.jp/ir/kabu_material/oshirase.html) (Full text of measures for electronic provision is available only in Japanese language)

In addition to the above, the items subject to measures for electronic provision are also posted on the Tokyo Stock Exchange (TSE) website. Access the "Listed Company Search" below, enter "NSD" in "Issue name (company name)" or "9759" in "Code" and select "Basic information" and "Documents for public inspection/PR information" in order to view.

"Listed Company Search"

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (Full text of measures for electronic provision is available only in Japanese language)

In the event that you exercise your voting rights in writing, or via the Internet, please take a time to examine the "Reference for the Ordinary General Meeting of Shareholders" (pages 4 through 18), and exercise your voting rights in accordance with the "Guidance on the Exercise of Voting Rights" (pages 3 through 4 of the Japanese original).

## Particulars

1. **Date and Time:** 10:00 a.m., Thursday, June 25, 2026  
(The reception is scheduled to open at 9:00 a.m.)
2. **Place:** sola city Hall (2F) at ochanomizu sola city  
4-6 Kandasurugadai, Chiyoda-ku, Tokyo.
3. **Purpose of Meeting:**  
**Matters to be reported** Report on business report, consolidated financial statements, non-consolidated financial statements, and audit results of consolidated financial statements by the Accounting Auditor and the Audit & Supervisory Board for the 57th fiscal year (from April 1, 2025 to March 31, 2026)  
  
**Matters to be resolved**  
**Proposal 1:** Election of Eight (8) Directors  
**Proposal 2:** Election of One (1) Audit & Supervisory Board Member

## 4. Decisions on the Convocation

The following items among the items subject to measures for electronic provision are not included in the document to be delivered to shareholders who have requested delivery of the document (document stating the items subject to measures for electronic provision) pursuant to the provisions of laws and regulations and the Articles of Incorporation of the Company. The subject documents that were audited by the Audit & Supervisory Board Members and Accounting Auditor included the following items.

### (i) Business Report

#### Matters Concerning the Current Status of the Group

- Issues to be Addressed
- Changes in Assets and Profit and Loss
- Principal Businesses
- Principal Offices
- Status of Employees
- Status of Principal Lenders
- Matters Concerning the Company's Stock

#### Matters Concerning the Company's Directors and Audit & Supervisory Board Members

- Matters concerning Outside Directors and Outside Audit & Supervisory Board Members
- Matters concerning Directors, Audit & Supervisory Board Members and Officers  
Liability Insurance Agreement
- Status of Accounting Auditors

- Corporate Structure and Policies
- (ii) Consolidated Financial Statements
  - Consolidated Statement of Changes in Equity
  - Notes on Consolidated Financial Statements
- (iii) Financial Statements
- (iv) Audit Report
  - Audit Report on Consolidated Financial Statements
  - Audit Report on Financial Statements

- In the event of any modifications to the items subject to measures for electronic provision, the Company will post such modifications on the Company's website and the TSE's website.

## Reference for the Ordinary General Meeting of Shareholders

### Proposals and References

#### Proposal 1: Election of Eight (8) Directors

The term of all eight (8) Directors will expire at the close of this Ordinary General Meeting of Shareholders. Therefore, the Board proposes that eight (8) Directors including four (4) Outside Directors be elected.

The candidates are as follows.


Candidate No.	Name	Gender	Position and Responsibility in the Company	Attendance of the meetings of the Board of Directors
1	Yoshikazu Imajo 【Reappointment】	Male	President & CEO	15/15 (100%)
2	Hidetaka Kikawada 【Reappointment】	Male	Representative Director, Senior Managing Executive Officer Chief General Manager, Business Headquarter	15/15 (100%)
3	Osamu Yamoto 【Reappointment】	Male	Director, Senior Managing Executive Officer Chief Group Governance Officer In charge of Development Support Division	15/15 (100%)
4	Mayuko Miike 【Reappointment】	Female	Director, Executive Officer Chief General Manager, Corporate Service Division	11/11 (100%)
5	Yuriko Kajiwara 【Reappointment】 【Outside】 【Independent】	Female	Outside Director	15/15 (100%)
6	Atsuhiko Kawamata 【Reappointment】 【Outside】 【Independent】	Male	Outside Director	15/15 (100%)
7	Toru Takeuchi 【Reappointment】 【Outside】 【Independent】	Male	Outside Director	15/15 (100%)
8	Kazumi Yoshida 【New appointment】 【Outside】 【Independent】	Female	—	—


【Reappointment】 : Candidate for Director to be reappointed


【New appointment】 : Candidate for Director to be newly appointed


【Outside】 : Candidate for Outside Director


【Independent】 : Independent Officer


Candidate No.	Name (Date of Birth)	Resume, Position and Responsibility in the Company and Principal Concurrent Positions	Number of shares of the Company Owned
1	 Yoshikazu Imajo (October 13, 1961) [Reappointment]	April 1984    Joined NSD Co., Ltd. (NSD) April 2001    General Manager, Tokyo Systems Sales Department 4 April 2005    Executive Officer Chief General Manager, Systems Division 1 June 2006    Director & Executive Officer Deputy Chief General Manager, Sales Promotion & Planning Division June 2007    Managing Director & Executive Officer Deputy Chief General Manager, Sales Promotion & Planning Division April 2008    Senior Managing Director Chief General Manager, Sales Promotion & Planning Division April 2009    President & COO Chief General Manager, Sales Promotion & Planning Division April 2011    President & CEO (Present Position)	266,405
Attendance of the meetings of the Board of Directors		15/15 (100%)	
[Reasons for the appointment as a candidate for Director] Mr. Yoshikazu Imajo has sufficient experience and a proven track record as the President & CEO of the Company, as well as his deep insight for management. Accordingly, the Company expects him to continue executing business, making decisions and supervising the activities of management appropriately.			


Candidate No.	Name (Date of Birth)	Resume, Position and Responsibility in the Company and Principal Concurrent Positions	Number of shares of the Company Owned		
2	 Hidetaka Kikawada (May 18, 1973) [Reappointment]	April 1998      Joined NSD April 2011      General Manager, Industry & Distribution Systems Business Unit Department 6 April 2014      General Manager, Office of President July 2015        Chairman & CEO, Chengdu Renbenxindong Technology Ltd. April 2017      Executive Officer Chief General Manager, Public & Telecommunication Business Division 1 April 2018      Executive Officer Chief General Manager, Advanced Technology Promotion Division April 2019      President & CEO, NSD Advanced Technology Research Institute Co., Ltd. (Currently, NSD AI Technology Co., Ltd.) October 2021    Managing Executive Officer Head of Advanced Technology Strategic Business Unit June 2022        Director, Managing Executive Officer Head of Advanced Technology Strategic Business Unit In charge of Market Development Business Division April 2024      Director, Managing Executive Officer Head of Innovation Strategy Business Unit Chief General Manager, Enterprise Business Division April 2025      Director, Managing Executive Officer Head of Innovation Strategy Business Unit In charge of Consulting Business Unit October 2025    Director, Senior Managing Executive Officer Head of Innovation Strategy Business Unit In charge of Consulting Business Unit, Enterprise Business Division April 2026      Representative Director, Senior Managing Executive Officer Chief General Manager, Business Headquarter (Present Position)	33,932		
		Attendance of the meetings of the Board of Directors		15/15 (100%)	
		[Reasons for the appointment as a candidate for Director] Mr. Hidetaka Kikawada has sufficient experience and a proven track record with respect to the business execution of our system development division, technology strategic business division focused on AI and digital transformation (DX), as well as our affiliated companies in Japan and abroad, as well as his insight for management as a Director. Accordingly, the Company expects him to continue executing business, making decisions and supervising the activities of management appropriately.			


Candidate No.	Name (Date of Birth)	Resume, Position and Responsibility in the Company and Principal Concurrent Positions	Number of shares of the Company Owned
3	 Osamu Yamoto (February 20, 1963) [Reappointment]	April 1987    Joined NSD February 2004    General Manager, Systems Sales Division 5 Department 1 September 2007    Executive Officer Chief General Manager, Systems Division 5 April 2014        Senior Executive Officer COO, Public & Telecommunication Business Division June 2014        Director & Senior Executive Officer COO, Public & Telecommunication Business Division June 2016        Managing Director COO, Public & Telecommunication Business Division Senior General Manager, Business Sales Division June 2017        Director, Managing Executive Officer COO, Public & Telecommunication Business Division Senior General Manager, Business Sales Division April 2018        Director, Senior Managing Executive Officer Chief General Manager, Business Headquarter April 2026        Director, Senior Managing Executive Officer Chief Group Governance Officer In charge of Development Support Division (Present Position)	75,199
	Attendance of the meetings of the Board of Directors		
[Reasons for the appointment as a candidate for Director] Mr. Osamu Yamoto has sufficient experience and a proven track record with respect to the business execution of our system development division and sales division, as well as his insight for management as a Director. Accordingly, the Company expects him to continue executing business, making decisions and supervising the activities of management appropriately.			

Candidate No.	Name (Date of Birth)	Resume, Position and Responsibility in the Company and Principal Concurrent Positions		Number of shares of the Company Owned
4	 <p data-bbox="284 656 480 707">Mayuko Miike (December 3, 1981)</p> <p data-bbox="300 725 464 754">[Reappointment]</p>	<p data-bbox="555 320 671 342">March 2013</p> <p data-bbox="555 353 660 376">April 2022</p> <p data-bbox="555 405 660 427">April 2023</p> <p data-bbox="555 477 660 499">April 2024</p> <p data-bbox="555 573 660 595">June 2025</p>	<p data-bbox="746 320 863 342">Joined NSD</p> <p data-bbox="746 353 1283 405">General Manager, Human Resources Department, Corporate Service Division</p> <p data-bbox="746 405 919 427">Executive Officer</p> <p data-bbox="746 427 1283 477">General Manager, Human Resources Department, Corporate Service Division</p> <p data-bbox="746 477 919 499">Executive Officer</p> <p data-bbox="746 499 1011 521">Corporate Service Division</p> <p data-bbox="746 521 1283 573">In charge of Human Resources Department, General Affairs Department</p> <p data-bbox="746 573 1011 595">Director, Executive Officer</p> <p data-bbox="746 595 1251 647">Chief General Manager, Corporate Service Division (Present Position)</p>	9,771
Attendance of the meetings of the Board of Directors		11/11 (100%)		
<p data-bbox="236 857 791 880">[Reasons for the appointment as a candidate for Director]</p> <p data-bbox="252 887 1485 978">Ms. Mayuko Miike has sufficient experience with respect to the business execution of our human resources department, along with her insight into human capital management and compliance. She also has experience in the general affairs department and has been involved in management as a Director of the Company's subsidiary. Accordingly, the Company expects her to appropriately carry out decision-making and supervision of management based on her broad experience and insight.</p>				

Candidate No.	Name (Date of Birth)	Resume, Position and Responsibility in the Company and Principal Concurrent Positions		Number of shares of the Company Owned	
5	 <p data-bbox="284 651 480 701">Yuriko Kajiwara (October 13, 1963)</p> <p data-bbox="268 723 496 824">[Reappointment] [Candidate for Outside Director] [Independent Officer]</p>	<p data-bbox="555 320 655 342">April 1988</p> <p data-bbox="555 353 655 376">June 2017</p> <p data-bbox="555 387 655 409">June 2019</p> <p data-bbox="555 421 655 443">June 2021</p> <p data-bbox="555 454 655 477">June 2024</p> <p data-bbox="555 533 655 555">June 2024</p>	<p data-bbox="746 320 1129 342">Joined Japan Broadcasting Corporation</p> <p data-bbox="746 353 1198 376">Head of Programming Division, Osaka Station</p> <p data-bbox="746 387 970 409">Director, Chiba Station</p> <p data-bbox="746 421 1257 465">Deputy Director, Secretariat for Board of Governors (Retired in March 2023)</p> <p data-bbox="746 477 1289 521">Outside Director, DAISUE CONSTRUCTION CO., LTD. (Present Position)</p> <p data-bbox="746 533 970 577">Outside Director, NSD (Present Position)</p>	1,100	
	Term of office as Outside Director at the close of this Ordinary General Meeting of Shareholders	Attendance of the meetings of the Board of Directors			
	2 years	15/15 (100%)			
	<p data-bbox="236 947 1161 969">[Reasons for the appointment as a candidate for Outside Director and outline of roles expected]</p> <p data-bbox="252 981 1485 1122">Ms. Yuriko Kajiwara has great insight into social issues and sufficient experience in governance gained in the public broadcasting corporation. The Company believes that its corporate governance will be further reinforced with her advice for the Board of Directors and the Governance Committee from an objective, extensive and highly professional viewpoint leveraging her experience and expertise. Ms. Yuriko Kajiwara has not been involved in corporate management other than as an Outside Director, but the Company believes, for the reason above, that she is suitable to appropriately perform her duty as an Outside Director.</p>				
	<p data-bbox="236 1122 762 1144">[Supplementary explanations regarding independence]</p> <p data-bbox="252 1155 1481 1272">The Company believes that Ms. Yuriko Kajiwara is suitable to appropriately perform her duty from an independent standpoint as an Outside Director because although the Company's group has business relationship for system development with Japan Broadcasting Corporation, which she worked for, the percentage of the transaction amount in the fiscal year ended March 31, 2026 was less than 0.08% of its business revenue and the consolidated net sales of the Company's group, which is immaterial and accordingly does not affect her independence.</p>				

Candidate No.	Name (Date of Birth)	Resume, Position and Responsibility in the Company and Principal Concurrent Positions	Number of shares of the Company Owned	
6	 <p data-bbox="272 651 480 707">Atsuhiro Kawamata (August 14, 1961)</p> <p data-bbox="268 725 491 819">[Reappointment] [Candidate for Outside Director] [Independent Officer]</p>	<p data-bbox="552 315 1286 344">April 1984      Joined Japan Tobacco Inc. (JT)</p> <p data-bbox="552 349 1286 400">November 2005      Director, Business Planning Department, Food Business Division</p> <p data-bbox="552 405 1286 456">July 2008      Senior Vice President, Head of China Division, Tobacco Business Headquarters</p> <p data-bbox="552 461 1286 591">January 2015      President &amp; CEO, TableMark Holdings Co., Ltd. (Retired in December 2018) President &amp; CEO, TableMark Co., Ltd. (Retired in December 2018)</p> <p data-bbox="552 595 1286 647">January 2019      Senior Vice President, Head of Food Business, Food Business Planning Division, JT</p> <p data-bbox="552 651 1286 680">January 2020      Advisor, Food Business (Retired in December 2024)</p> <p data-bbox="552 685 1286 736">June 2020      Outside Director, NSD (Present Position)</p>	-	
	Term of office as Outside Director at the close of this Ordinary General Meeting of Shareholders	Attendance of the meetings of the Board of Directors		
	6 years	15/15 (100%)		
	<p data-bbox="233 920 1158 949">[Reasons for the appointment as a candidate for Outside Director and outline of roles expected]</p> <p data-bbox="252 954 1469 1043">Mr. Atsuhiro Kawamata has sufficient experience and great insight into management gained in Japan and overseas as a member of management of a manufacturing company, and has high capability for supervision. The Company believes that its corporate governance will be further reinforced with his advice for the Board of Directors and the Governance Committee from an objective, extensive and highly professional viewpoint leveraging his experience and expertise.</p>			
	<p data-bbox="233 1055 759 1084">[Supplementary explanations regarding independence]</p> <p data-bbox="252 1088 1422 1151">The Company believes that Mr. Atsuhiro Kawamata is suitable to appropriately perform his duty from an independent standpoint as an Outside Director because the Company's group had no business relationship with JT's group companies (including TableMark Co., Ltd.) during the fiscal year ended March 31, 2026.</p>			

Candidate No.	Name (Date of Birth)	Resume, Position and Responsibility in the Company and Principal Concurrent Positions	Number of shares of the Company Owned	
7	 Toru Takeuchi (January 1, 1959) [Reappointment] [Candidate for Outside Director] [Independent Officer]	April 1981	Joined Nitto Denko Corporation	1,400
		April 2002	General Manager of Accounting & Finance Department	
		June 2010	Vice President, General Manager of Corporate Accounting Division	
		June 2011	Director, Vice President, General Manager of Corporate Accounting Division	
		June 2014	Director, Senior Vice President, General Manager of Corporate Sector	
		June 2015	Director, Executive Vice President, General Manager of Corporate Strategy Sector	
		June 2018	Director, Senior Executive Vice President (Retired in June 2020)	
		June 2021	Outside Director, NSD (Present Position)	
		Term of office as Outside Director at the close of this Ordinary General Meeting of Shareholders	Attendance of the meetings of the Board of Directors	
		5 years	15/15 (100%)	
		[Reasons for the appointment as a candidate for Outside Director and outline of roles expected] Mr. Toru Takeuchi has sufficient experience and great insight into management gained in Japan and overseas as a member of management of a manufacturing company, and has high capability for supervision. The Company believes that its corporate governance will be further reinforced with his advice for the Board of Directors and the Governance Committee from an objective, extensive and highly professional viewpoint leveraging his experience and expertise.		
		[Supplementary explanations regarding independence] The Company believes that Mr. Toru Takeuchi is suitable to appropriately perform his duty from an independent standpoint as an Outside Director because the Company's group had no business relationship with Nitto Denko Corporation's group companies during the fiscal year ended March 31, 2026.		

Candidate No.	Name (Date of Birth)	Resume, Position and Responsibility in the Company and Principal Concurrent Positions	Number of shares of the Company Owned
8	 <p data-bbox="293 651 480 707">Kazumi Yoshida (February 5, 1973)</p> <p data-bbox="276 725 497 824">[New appointment] [Candidate for Outside Director] [Independent Officer]</p>	<p data-bbox="555 320 1281 376">April 1995      Joined Nomura Research Institute, Ltd., Researcher and Quantitative Analyst</p> <p data-bbox="555 376 1281 432">April 1998      Researcher, Nomura Securities Co., Ltd. (Retired in October 2006)</p> <p data-bbox="555 432 1281 533">December 2013      Registered as an attorney-at-law (Tokyo Bar Association) Joined Akitoshi Ishimoto Law Office (Present Position)</p> <p data-bbox="555 533 1281 611">May 2022      Outside Director and Member of Supervisory Committee, Keiyo Co., Ltd. (Retired in February 2024)</p>	-
<p data-bbox="240 831 1161 857">[Reasons for the appointment as a candidate for Outside Director and outline of roles expected]</p> <p data-bbox="261 857 1461 1025">Ms. Kazumi Yoshida has engaged in duties as a researcher and quantitative analyst at a think tank and a securities company, and has a broad insight in the finance field. In addition, she has sufficient experience and expertise in overall legal affairs as an attorney-at-law. The Company believes that its corporate governance will be further reinforced with her advice for the Board of Directors and the Governance Committee from an objective, extensive and highly professional viewpoint leveraging her experience and expertise. Ms. Kazumi Yoshida has not been involved in corporate management other than as an Outside Director and Member of Supervisory Committee, but the Company believes, for the reason above, that she is suitable to appropriately perform her duty as an Outside Director.</p>			
<p data-bbox="240 1032 770 1059">[Supplementary explanations regarding independence]</p> <p data-bbox="261 1059 1461 1153">The Company believes that Ms. Kazumi Yoshida is suitable to appropriately perform her duty from an independent standpoint as an Outside Director because the Company's group has not concluded an advisory agreement with Akitoshi Ishimoto Law Office for which Ms. Kazumi Yoshida belongs, and had no payment of fees to Akitoshi Ishimoto Law Office during the fiscal year ended March 31, 2026.</p>			


## Notes

1. The candidates have no special interests in the Company.
2. Ms. Yuriko Kajiwara, Mr. Atsuhiko Kawamata, Mr. Toru Takeuchi, and Ms. Kazumi Yoshida are candidates for Outside Directors. As of the close of this Ordinary General Meeting of Shareholders, Ms. Yuriko Kajiwara, Mr. Atsuhiko Kawamata, and Mr. Toru Takeuchi will have held their positions as Outside Directors for two (2) years, six (6) years, and five (5) years, respectively.
3. The Company entered into liability limitation agreements with Ms. Yuriko Kajiwara, Mr. Atsuhiko Kawamata, and Mr. Toru Takeuchi. If election of the candidates is approved at this General Meeting of Shareholders, such agreement will continue to be in effect. If election of Ms. Kazumi Yoshida is approved at this General Meeting of Shareholders, the Company plans to enter into the liability limitation agreement with her. The summary of the contents of the agreement is pursuant to Article 427, Paragraph 1 of the Companies Act and the Articles of Incorporation of the Company and the maximum amount of potential liability will be set as the statutory amount for such purpose.
4. The Company has entered into Directors, Audit & Supervisory Board Members and Officers Liability Insurance Agreement with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act to compensate for damages, expenses arising from litigation, and other losses incurred by the insureds due to their assuming liability for their execution of duties. The insurance premiums are fully borne by the Company. If election of the candidates is approved at this General Meeting of Shareholders, each candidate will be insured under the said insurance agreement. The Company plans to renew the insurance agreement during the term of office of each candidate.
5. The Company has registered Ms. Yuriko Kajiwara, Mr. Atsuhiko Kawamata, and Mr. Toru Takeuchi as Independent Directors with Tokyo Stock Exchange, Inc. If election of Ms. Kazumi Yoshida is approved at this General Meeting of Shareholders, the Company plans to register her as an Independent Director with Tokyo Stock Exchange, Inc.

## Proposal 2: Election of One (1) Audit & Supervisory Board Member

The term of Audit & Supervisory Board Member, Mr. Kunio Kawa, will expire at the close of this General Meeting of Shareholders. Therefore, the Board proposes that one (1) Audit & Supervisory Board Member be elected. This proposal has already gained the consent of the Audit & Supervisory Board.

The candidate is as follows.

Name (Date of Birth)	Resume, Position and Responsibility in the Company and Principal Concurrent Positions	Number of shares of the Company Owned
 <p>Tetsuo Tamura (February 3, 1983)</p> <p>[New appointment] [Candidate for Outside Audit &amp; Supervisory Board Member] [Independent Officer]</p>	<p>December 2010 Registered as an attorney-at-law (Tokyo Bar Association) Joined Takasu Takabayashi &amp; Endo Law Office (Currently, Toranomonhougakusha Law Office)</p> <p>April 2025 Director, Toranomonhougakusha Law Office (Present Position)</p>	-
<p>[Reasons for the appointment as a candidate for Outside Audit &amp; Supervisory Board and outline of roles expected]</p> <p>Mr. Tetsuo Tamura has sufficient experience and a wide range of expertise in overall corporate legal affairs as an attorney-at-law. The Company believes that its corporate governance will be further reinforced with his advice for the Board of Directors and the Audit &amp; Supervisory Board from an objective, extensive and highly professional viewpoint leveraging his experience and expertise. Mr. Tetsuo Tamura has not been directly involved in corporate management, but the Company believes, for the reason above, that he is suitable to appropriately perform his duty as an Outside Audit &amp; Supervisory Board Member.</p>		
<p>[Supplementary explanations regarding independence]</p> <p>The Company believes that Mr. Tetsuo Tamura is suitable to appropriately perform his duty from an independent standpoint as an Outside Audit &amp; Supervisory Board Member because the Company's group has not concluded an advisory agreement with Toranomonhougakusha Law Office for which Mr. Tetsuo Tamura himself serves as the Director, and had no payment of fees to Toranomonhougakusha Law Office during the fiscal year ended March 31, 2026.</p>		

#### Notes

1. Mr. Tetsuo Tamura is a candidate for Outside Audit & Supervisory Board Member. He has no special interests in the Company.
2. If election of Mr. Tetsuo Tamura is approved at this General Meeting of Shareholders, the Company plans to enter into the liability limitation agreement with him. The summary of the contents of the agreement is pursuant to Article 427, Paragraph 1 of the Companies Act and the Articles of Incorporation of the Company and the maximum amount of potential liability will be set as the statutory amount for such purpose.
3. The Company has entered into Directors, Audit & Supervisory Board Members and Officers Liability Insurance Agreement with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act to compensate for damages, expenses arising from litigation, and other losses incurred by the insureds due to their assuming liability for their execution of duties. The insurance premiums are fully borne by the Company. If election of Mr. Tetsuo Tamura is approved at this General Meeting of Shareholders, he will be insured under the said insurance agreement.
4. If election of Mr. Tetsuo Tamura is approved at this General Meeting of Shareholders, the Company plans to register him as an Independent Director with Tokyo Stock Exchange, Inc.

<Reference>

**Composition of the Board of Directors**

If Proposal 1 and Proposal 2 are approved as originally proposed, the composition of the Board of Directors will be as follows.

	Name	Gender	Present Position
Directors	Yoshikazu Imajo	Male	President & CEO
	Hidetaka Kikawada	Male	Representative Director, Senior Managing Executive Officer
	Osamu Yamoto	Male	Director, Senior Managing Executive Officer
	Mayuko Miike	Female	Director, Executive Officer
	Yuriko Kajiwara <b>【Outside】 【Independent】</b>	Female	Outside Director
	Atsuhiko Kawamata <b>【Outside】 【Independent】</b>	Male	Outside Director
	Toru Takeuchi <b>【Outside】 【Independent】</b>	Male	Outside Director
	Kazumi Yoshida <b>【Outside】 【Independent】</b>	Female	Outside Director
Audit & Supervisory Board Members	Kiyokimi Yagi	Male	Full-Time Audit & Supervisory Board Member
	Tetsuo Tamura <b>【Outside】 【Independent】</b>	Male	Outside Audit & Supervisory Board Member
	Chieko Nishiura <b>【Outside】 【Independent】</b>	Female	Outside Audit & Supervisory Board Member

<Reference>

**Major Areas of Experience and Expertise of the Members of the Board of Directors (Skills Matrix)**

The followings are the expected expertise as the members of the Board of Directors.

	Name	Basic Skills				Operational Skills	
		Corporate management	Legal & Compliance	Finance & Accounting	Global business	Technology	Operational expertise
Directors	Yoshikazu Imajo	○	○			○	○
	Hidetaka Kikawada	○				○	○
	Osamu Yamoto	○				○	○
	Mayuko Miike	○	○				
	Yuriko Kajiwara	○	○				
	Atsuhiko Kawamata	○		○	○		
	Toru Takeuchi	○		○	○		
	Kazumi Yoshida		○	○			
Audit & Supervisory Board Members	Kiyokimi Yagi	○	○	○			
	Tetsuo Tamura		○				
	Chieko Nishiura	○	○	○			

\*The table above indicates the main categories of skills (up to four) of ones each person holds.

Skill categories, reasons for selection, and skill requirements are shown on the next page.

■ Skill categories and reasons for selection

In implementing the management strategy, the Company has categorized the skills that the members of the Board of Directors of the Company should possess into “basic skills” and “operational skills.”

For the basic skills, we have selected four general skills that are necessary for effective supervision of management: corporate management, legal & compliance, finance & accounting, and global business.

For the operational skills, we have selected the skills required in consideration of the Company’s management strategy and business characteristics. Our mission is to propose and provide customers and society with IT solutions that are truly needed. For this purpose, we believe that we must have advanced technical skills to give shape to customers’ needs and a deep understanding of their business operations, and we have selected technology and operational expertise based on this belief.

■ Skill requirements

Skill		Requirements
Basic skills	Corporate management	Experience as a director of a listed company or equivalent
	Legal & Compliance	Experience as an attorney-at-law, experience as an auditor of a listed company, or experience working in a legal or compliance department
	Finance & Accounting	Experience working as a certified public accountant or in a finance or accounting department
	Global business	Experience working overseas
Operational skills	Technology	Expertise in IT or experience in system development in an IT company or department
	Operational expertise	Extensive insight into the business, products, etc. of customers or experience in system design and consulting

Note: “Experience” refers to three or more years in basic skills and five or more years in operational skills.

## Business Report (April 1, 2025 - March 31, 2026)

### ■ Current Situation of Corporate Group

#### □ Operating Results

##### 【Business Environment】

During the fiscal year under review, the Japanese economy gradually recovered, as employment and income environment improved, even though there were uncertainties such as rising prices and impact from fluctuations in financial and capital markets, including interest rate hikes by the Bank of Japan, as well as the agreement details of mutual tariffs with the U.S. However, there remains risks of an economic downturn due to the worsening situation in the Middle East.

Under these circumstances, in the information service industry, where the NSD Group operates, the order environment remained favorable, due to IT investment in AI and digital transformation (DX) to solve management issues, as well as needs for core system renewal remaining strong, underpinned by favorable corporate performances.

##### 【Measures and Initiatives】

The NSD Group aimed to achieve the target of posting consolidated net sales of more than 100 billion yen under its five-year Medium-term Management Plan with the current fiscal year as the final year, and has strengthened AI and DX capabilities and expanded its business through M&A. As a result, the Group achieved this target two years ahead of schedule in the fiscal year ended March 31, 2024. During the current fiscal year, as the final year of the Medium-term Management Plan, the Group steadily implemented the measures set out in the strategies to further expand its business.

In the System Development Business, the Group is pursuing sustainable expansion of the business by focusing on systems related to DX utilizing new technologies, as a growth driver, for which there are ever-increasing social needs. During the current fiscal year, the Group created a system to identify and quantify chemical substances in the customer's factories by leveraging own algorithms which utilize AI. The Group also promoted initiatives to utilize new technologies such as automating production planning in the manufacturing industry and creating algorithms for optimal shelf placement in the warehouse and logistics industry. In addition, the Group also identified challenges and considered measures related to the "DX of next-generation water supply operation" initiative being implemented by water utilities.

In the Solution Business, the Group is creating problem-solving solutions that meet market needs and bolstering its sales capabilities to make the business into its second earnings pillar. The Group is particularly focused on utilizing generative AI and as a business efficiency solution, the Group is providing a private generative AI platform "BizInsight" for customers with needs to use generative AI in their own dedicated environment, such as on-premises.

##### 【Operating Results】

Under the favorable order environment, the operating results become as follows.

Net sales increased by 9.3% year on year to 117,813 million yen as a result of continued high orders in Financial IT and significant increase in orders in Industry IT in System Development

Business, as well as significant growth in orders for security products in Solution Business. Net sales of DAS Business, which the Group focuses on, increased by 15.8% year on year to 57,578 million yen as a result of the growth of System Development Business related to DX utilizing cloud technologies. Operating income increased by 13.2% year on year to 19,073 million yen, as a result of an increased sales in Solution Business, in addition to steady increase in System Development Business. As a result, ordinary income increased by 13.4% year on year to 19,326 million yen and net income attributable to owners of the parent company increased by 10.3% year on year to 13,009 million yen.

In the Medium-term Management Plan (from fiscal year ended March, 2022 to fiscal year ended March, 2026), thanks also to the effects of M&A, the Group achieved the target of 100 billion yen in net sales two years ahead of schedule and net sales grew by 78.0% (an average annual growth of 12.2%) during the planned period. Furthermore, DAS Business, which the Group focuses on, grew by 219.8% (an average annual growth of 26.2%) during the same period. Operating income also grew by 93.8% (an average annual growth of 14.1%) during the planned period, absorbing expenses associated with M&A and investments in human capital. Operating income margin in the final year was 16.2%, with ROE of 18.4%, demonstrating steady progress in strengthening profitability and improving earnings performance.

\* DAS Business consists of System Development Business related to DX, System Development Business utilizing new technologies such as AI, and Solution Business.

(Unit: Millions of yen)

	FY ended March, 2025	FY ended March, 2026	YoY	
System Development Business	92,392	100,106	7,713	8.3%
Solution Business	15,398	17,707	2,308	15.0%
Net sales	107,791	117,813	10,022	9.3%
DAS Business	49,702	57,578	7,875	15.8%
DX/AI and other new technologies	34,303	39,870	5,566	16.2%
Operating income	16,849	19,073	2,223	13.2%
Ordinary income	17,038	19,326	2,288	13.4%
Net income attributable to owners of the parent	11,795	13,009	1,214	10.3%
EBITDA	19,472	21,596	2,123	10.9%
EBITDA margin	18.1%	18.3%	0.3 points	—

Note: EBITDA is calculated by operating income + depreciation + amortization of goodwill.

**【Operating Results by Segment】**

Operating Results by Segment are as below.

(Net Sales by Segment) (Unit: Millions of yen)

		FY ended March, 2025	FY ended March, 2026	YoY	
System Development Business	Financial IT	32,487	35,073	2,585	8.0%
	Industry IT	25,635	28,286	2,650	10.3%
	Social Infrastructure IT	22,441	24,200	1,759	7.8%
	IT Infrastructure Construction	12,403	13,296	893	7.2%
Solution Business		15,411	17,720	2,309	15.0%
Adjustment		(588)	(764)	(175)	—
Total		107,791	117,813	10,022	9.3%

(Operating Income by Segment) (Unit: Millions of yen)

		FY ended March, 2025	FY ended March, 2026	YoY	
System Development Business	Financial IT	6,326	6,774	448	7.1%
	Industry IT	3,746	4,410	663	17.7%
	Social Infrastructure IT	4,552	4,759	206	4.5%
	IT Infrastructure Construction	2,167	2,309	142	6.6%
Solution Business		772	1,488	715	92.6%
Adjustment		(715)	(668)	47	—
Total		16,849	19,073	2,223	13.2%

\* Numbers are written including inter-segment sales and incomes.

\* Adjustments are the total of inter-segment sales eliminations and costs of whole company (mainly G&A costs which do not attribute to the segments).

<System Development Business (Financial IT)>

Net sales increased by 8.0% year on year to 35,073 million yen and operating income increased by 7.1% to 6,774 million yen due to a significant increase in orders from major banks caused by expansion of existing projects including core system renewal, while there was an end of large-scale projects in insurance companies.

<System Development Business (Industry IT)>

Net sales increased by 10.3% year on year to 28,286 million yen due to a steady increase in orders from manufacturing sector related to automobiles. Operating income increased by 17.7% to 4,410 million yen due in part to improvement of profit margins.

<System Development Business (Social Infrastructure IT)>

Net sales increased by 7.8% year on year to 24,200 million yen due to a steady increase in orders from telecommunication sector, as well as from public and electricity, gas, water sector. Operating income slightly increased by 4.5% to 4,759 million yen partly due to the impact of some less profitable project.

<System Development Business (IT Infrastructure Construction)>

Net sales increased by 7.2% year on year to 13,296 million yen and operating income increased by 6.6% to 2,309 million yen due to a steady increase in orders of infrastructure construction projects across various industries, particularly from financial sector such as banks and public sector.

<Solution Business>

Net sales increased by 15.0% year on year to 17,720 million yen and operating income was 1,488 million yen, approximately double that of the previous period, due to the increased needs for strengthened securities in public organizations and acquisition of major clients in shareholder relation services, in addition to a surge in demand related to promotion of medical DX by the Japanese government.

The parent company and significant subsidiaries

- The parent company  
Not applicable.

- Significant subsidiaries (as of March 31, 2026)

Company name	Capital	Percentage of voting rights of subsidiaries held by the Company	Principal business
NSD-DX Technology Co., Ltd.	184 million yen	56.8%	Research and development of solutions utilizing AI, DX, and other technologies
ART Holdings Co., Ltd.	63 million yen	100.0%	Holding company
NHOSA Corporation	95 million yen	91.6%	Development and sales of dental receipt computers and dialysis work support systems
FSK Co., Ltd.	16 million yen	82.2%	System development business, solutions business, outsourcing business
StellaS Co., Ltd.	25 million yen	100.0%	Human resource-related solutions, business warehouse-related solutions
Shareholders Relation Service, Inc.	100 million yen	100.0%	Shareholder benefit program-related solutions, IR consulting for individual shareholders
NSD International, Inc.	2,956 million yen (US\$27.7 million)	100.0%	System development business and solutions business for Japanese companies in the United States
Chengdu Renbenxindong Technology Ltd.	33 million yen (CNY2 million)	70.0%	System development business (offshore development), system development business for Japanese companies in China

(Note) Effective April 1, 2026, the following changes have been made.

1. NSD-DX Technology Co., Ltd. has changed its company name to NSD AI Technology Co., Ltd.
2. ART Holdings Co., Ltd. was dissolved through an absorption merger, with ART Technology Co., Ltd. (its wholly-owned subsidiary) serving as the surviving company.
3. StellaS Co., Ltd. has changed its company name to NSD Digital Solutions Co., Ltd.

Capital expenditure and financing of the Group

The total amount of capital investment made by the Group during the fiscal year under review was 1,200 million yen. The required funds were sourced from its own funds.

## ■ Policy to Determine Dividends of Surplus

The Company regards the return of profits to shareholders as the most important management issue, and the basic policy is to maintain total return ratio of 70% or more and payout ratio of 50% or more (both consolidated basis).

In addition, in order to strengthen growth potential and increase corporate value, a portion of profits will be retained to be used for investments to further strengthen existing businesses and pursue new growth opportunities in new businesses and new technology areas, as well as for M&A and forming alliances.

In consideration of the above basic policy and the operating results for the fiscal year under review, the Board of Directors has resolved to pay a year-end dividend per share of 96 yen (an increase of 9 yen from the previous fiscal year) for the fiscal year under review.

As a result, the payout ratio for the fiscal year under review was 56.3%, and the total return ratio was 71.4%.

■ Status of Corporate Officers

□ Status of Directors and Audit & Supervisory Board Members (as of March 31, 2026)

Position in the Company	Name	Responsibility in the Company and principal concurrent positions
President & CEO	Yoshikazu Imajo	
Director	Osamu Yamoto	Senior Managing Executive Officer Chief General Manager, Business Headquarter
Director	Hidetaka Kikawada	Senior Managing Executive Officer Head of Innovation Strategy Business Unit In charge of Consulting Business Unit, Enterprise Business Division President & CEO, NSD-DX Technology Co., Ltd.
Director	Mayuko Miike	Executive Officer Chief General Manager, Corporate Service Division
Outside Director	Yuriko Kajiwara	Outside Director, DAISUE CONSTRUCTION CO., LTD.
Outside Director	Atsuhiko Kawamata	
Outside Director	Kumiko Jinnouchi	Representative Attorney-at-law, Jinnouchi Law Offices
Outside Director	Toru Takeuchi	
Full-Time Audit & Supervisory Board Member	Kiyokimi Yagi	
Outside Audit & Supervisory Board Member	Kunio Kawa	Outside Audit & Supervisory Board Member, Toshiba Tec Corporation
Outside Audit & Supervisory Board Member	Chieko Nishiura	Chief, Nishiura certified public accountant office Of Counsel, S&N Partners LAW AND ACCOUNTING OFFICE External Director and Full-Time Member of the Audit & Supervisory Committee, TSUKURUBA Inc.

- Notes: 1. Ms. Yuriko Kajiwara, Mr. Atsuhiko Kawamata, Ms. Kumiko Jinnouchi, and Mr. Toru Takeuchi are Outside Directors. Mr. Kunio Kawa and Ms. Chieko Nishiura are Outside Audit & Supervisory Board Members. The Company has registered these six persons as Independent Officers with Tokyo Stock Exchange, Inc.
2. Mr. Kiyokimi Yagi has served as responsible for the finance and accounting department of Mitsubishi UFJ Trust and Banking Corporation for many years and has extensive knowledge in finance and accounting.
3. Mr. Kunio Kawa has served as responsible for the finance and accounting department of Mitsubishi Gas Chemical Company, Inc. for many years and has extensive knowledge in finance and accounting.
4. Ms. Chieko Nishiura is a certified public accountant and has extensive knowledge in finance and accounting.
5. There are no special interests between the Company and the principal concurrent positions held by the Outside Directors and Outside Audit & Supervisory Board Members.

Matters concerning the policy for determining the amount of remuneration, etc. for officers or the method for calculating the amount thereof

■ Policy and procedures for determining director remuneration, etc.

[Policy and details of director remuneration]

The remuneration of the Company's directors is calculated based on the roles and responsibilities of each position, while also emphasizing links with performance in order to strengthen the incentive for enhancing the Company's performance. Therefore, director remuneration consists of base remuneration as fixed remuneration, bonuses as short-term incentive-based remuneration, and stock remuneration as medium- to long-term incentive-based remuneration. The ratio of incentive-based remuneration to the total remuneration of each individual director is at least 40%.

However, outside directors, who occupy a position of independence from business execution and who are responsible for the supervision of management, only receive base remuneration, which is fixed remuneration, because incentive-based remuneration is not suited to their roles.

Base remuneration

Base remuneration is paid monthly as fixed remuneration for the performance of duties.

It is paid according to the base remuneration table following the roles and responsibilities of each position.

Bonuses

Bonuses are paid annually as short-term incentive-based remuneration for achieving the business plan for each fiscal year.

They are calculated by reflecting the performance and qualitative evaluation results in the standard amount of bonus prescribed by position following the bonus calculation standards.

Performance evaluations use net sales, operating income, ordinary income, and net income (on a consolidated basis) as financial indicators for appropriately reflecting performance in each year under evaluation. The ratios calculated based on the rate of achievement of these targets is used as an evaluation indicator. Qualitative evaluations consider the directors' roles, implementation of responsibilities, and their activities for the year under evaluation that cannot be assessed using financial indicators.

Stock remuneration

Stock remuneration provides an incentive for continuously enhancing the Company's corporate value and promotes shared value between directors and shareholders. It comprises restricted shares delivered annually as medium- to long-term incentive-based remuneration.

<Transfer restriction period and termination of transfer restrictions>

The period from the date of delivery to the date of resignation or retirement from any position of director, executive officer, or the equivalent ("Officer, etc.") of the Company shall be the transfer restriction period, and the transfer restrictions shall be terminated upon the expiration of the transfer restriction period, provided that such person has remained in the position of Officer, etc. continuously throughout the transfer restriction period.

<Acquisition without consideration>

The Company will acquire all of the restricted shares without consideration in the event that an Officer, etc. resigns or retires from the position of officer, etc. for any reason other than the justifiable reasons or conducts an act that seriously undermines the Company's social credibility, etc. during the transfer restriction period.

However, if an Officer, etc. resigns or retires from the position of officer, etc. due to death or other reasons that the Board of Directors deems justifiable, the timing of termination of the transfer restrictions and the number of shares shall be reasonably adjusted.

The number of shares to be delivered will be calculated based on the standard amount of stock remuneration determined for each position and the closing price of the Company's common stock on the business day immediately prior to the Board of Directors' resolution concerning the allotment of shares.

However, the total number of shares to be delivered to directors shall be 40,000 or less per year (the total number of shares shall be adjusted to a reasonable extent if necessitated by a stock split, stock consolidation or other factor that requires an adjustment to the total number of shares).

[Procedures for determining director remuneration]

The details and procedures for determining director remuneration are stipulated in the Policy on Remuneration for Directors and Executive Officers. This policy is determined by the Board of Directors based upon deliberations held at meetings of the Governance Committee.

The Governance Committee, entrusted by the Board of Directors, approves the base remuneration table, bonus calculation standards and standard amount of bonus, and standard amount of stock remuneration based on this policy.

With regard to bonuses, executive directors conduct performance and qualitative evaluations of those eligible for payment through consultation, and formulate a plan for the amount of bonuses for each individual. The Governance Committee verifies the appropriateness of the individual payment amounts, and then the total payment amount is to be resolved at a meeting of the Board of Directors.

The Governance Committee verified the proposed payment of bonuses for each individual for the fiscal year under review on March 11, 2026, and the Board of Directors resolved on March 13, 2026, the total payment amount of bonuses.

As stated above, remuneration for each individual director is determined or verified by the Governance Committee from a fair and objective perspective in accordance with the Policy on Remuneration for Directors and Executive Officers, and therefore, the Board of Directors believes that it is appropriate.

The Company has established a Governance Committee to ensure fairness, transparency, and objectivity in decision-making on personnel matters and remuneration for officers, and utilizes it as an advisory body and entrusts it to approve the base remuneration table and other matters. In addition, the Governance Committee is composed mainly of independent outside directors in order to ensure the neutrality and objectivity of its decisions and verifications, as follows.

Chair	Yoshikazu Imajo	President & CEO
Member	Yuriko Kajiwara	Independent Outside Director
Member	Atsuhiro Kawamata	Independent Outside Director
Member	Kumiko Jinnouchi	Independent Outside Director
Member	Toru Takeuchi	Independent Outside Director

■ Policy and procedures for determining remuneration, etc. for Audit & Supervisory Board Members

Remuneration for Audit & Supervisory Board Members consists only of base remuneration, which is fixed remuneration, from the viewpoint of ensuring independence and objectivity from the execution of business operations, since the Audit & Supervisory Board Members are engaged in a supervising function of management.

The amount of remuneration for each individual is discussed at the Audit & Supervisory Board and determined by unanimous consent of all Audit & Supervisory Board Members.

- Total amount of remuneration, etc., total amount by type of remuneration, etc. and number of recipients for each officer category

Category	Payment amount	Total amount by type of remuneration, etc.			Number of recipients
		Fixed remuneration	Performance-linked remuneration	Non-monetary remuneration	
		(Unit: Millions of yen)			
Directors (Outside Directors)	215 (37)	134 (37)	45 (-)	35 (-)	9 (4)
Audit & Supervisory Board Members (Outside Audit & Supervisory Board Members)	30 (14)	30 (14)	-	-	3 (2)
Total	245	165	45	35	12

- Notes: 1. Director remuneration, etc. do not include any other remuneration that is paid to directors who have duties as employees for carrying out such duties.
2. Fixed remuneration is the amount of base remuneration paid during the fiscal year under review, performance-linked remuneration is the amount of bonus with the fiscal year as an eligible period, and non-monetary remuneration is the amount of stock remuneration that should be expensed during the fiscal year under review.
3. As of March 31, 2026, there were 8 Directors (including 4 Outside Directors) and 3 Audit & Supervisory Board Members (including 2 Outside Audit & Supervisory Board Members). The reason for the discrepancy in the number of Audit & Supervisory Board Members above is that one Director retired due to the expiration of term of office at the close of the 56th Ordinary General Meeting of Shareholders held on June 25, 2025 is included.
4. The targets of the indicators for performance evaluation, which are the basis for the above performance-linked remuneration, are net sales of 113,200 million yen, operating income of 17,100 million yen, ordinary income of 17,300 million yen, and net income of 12,000 million yen, and the actual results are 117,813 million yen, 19,073 million yen, 19,326 million yen, and 13,009 million yen, respectively.
5. As for director remuneration, a resolution was passed at the 45th Ordinary General Meeting of Shareholders held on June 26, 2014 that the annual amount of remuneration, including bonuses, shall be no more than 420 million yen (of which remuneration for Outside Directors shall be no more than 30 million yen per year). As of the close of the 45th Ordinary General Meeting of Shareholders, the number of Directors was 8 (including 1 Outside Director). As for the remuneration for Outside Directors, a resolution was passed at the 56th Ordinary General Meeting of Shareholders held on June 25, 2025 that the annual amount of remuneration for Outside Directors shall be revised to no more than 60 million yen. As of the close of the 56th Ordinary General Meeting of Shareholders, the number of Directors was 8 (including 4 Outside Directors). In addition, a resolution was passed at the 52nd Ordinary General Meeting of Shareholders held on June 24, 2021 that stock remuneration shall be delivered within the above remuneration limit, with the amount of stock remuneration no more than 60 million yen per year and the number of shares no more than 40,000 per year (outside directors are not eligible for stock remuneration). As of the close of the said Ordinary General Meeting of Shareholders, the number of Directors was 3 (excluding Outside Directors).

As for remuneration for Audit & Supervisory Board Members, a resolution was passed at the 45th Ordinary General Meeting of Shareholders held on June 26, 2014 that the annual amount of remuneration for Audit & Supervisory Board Members shall be no more than 60 million yen. As of the close of the said Ordinary General Meeting of Shareholders, the

number of Audit & Supervisory Board Members was 4 (including 2 Outside Audit & Supervisory Board Members).

## Consolidated Financial Statements

### Consolidated Balance Sheet

(As of March 31, 2026)

(Unit: Millions of yen)

Description	Amount	Description	Amount
<b>(Assets)</b>		<b>(Liabilities)</b>	
<b>Current assets</b>	<b>59,995</b>	<b>Current liabilities</b>	<b>15,278</b>
Cash and deposits	30,905	Notes and accounts payable - trade	6,126
Notes, accounts receivable, and contract assets	23,555	Income taxes payable	3,200
Lease receivables and lease investment assets	9	Provision for bonuses	588
Securities	4,000	Provision for shareholder benefit program	69
Merchandise and finished goods	606	Other current liabilities	5,292
Work in process	13	<b>Non-current liabilities</b>	<b>7,364</b>
Raw materials and supplies	189	Deferred tax liabilities	5,264
Other current assets	790	Retirement benefit liabilities	1,453
Allowance for doubtful accounts	(74)	Other non-current liabilities	647
<b>Non-current assets</b>	<b>37,446</b>	<b>Total liabilities</b>	<b>22,642</b>
<b>Property and equipment</b>	<b>5,355</b>	<b>(Net assets)</b>	
Buildings and structures	1,832	<b>Shareholders' equity</b>	<b>67,784</b>
Land	2,592	<b>Capital stock</b>	<b>7,205</b>
Other property and equipment	930	<b>Capital surplus</b>	<b>6,898</b>
<b>Intangible assets</b>	<b>16,806</b>	<b>Retained earnings</b>	<b>69,012</b>
Goodwill	8,194	<b>Treasury stock</b>	<b>(15,332)</b>
Software	962	<b>Accumulated other comprehensive income</b>	<b>5,969</b>
Customer-related assets	7,359	Net unrealized gains or losses on available-for-sale securities	702
Other intangible assets	290	Revaluation reserve for land	(8)
<b>Investments and other assets</b>	<b>15,284</b>	Foreign currency translation adjustments	607
Investment securities	1,664	Remeasurements of retirement benefit plans	4,668
Retirement benefit assets	10,995	<b>Non-controlling interests</b>	<b>1,045</b>
Deferred tax assets	204		
Other assets	2,421	<b>Total net assets</b>	<b>74,799</b>
Allowance for doubtful accounts	(2)	<b>Total liabilities and net assets</b>	<b>97,442</b>
<b>Total assets</b>	<b>97,442</b>		

## Consolidated Statement of Income

(April 1, 2025-March 31, 2026)

(Unit: Millions of yen)

Description	Amount	
<b>Net sales</b>		<b>117,813</b>
Cost of sales		87,989
<b>Gross profit</b>		<b>29,824</b>
Selling, general and administrative expenses		10,751
<b>Operating income</b>		<b>19,073</b>
<b>Non-operating income</b>		
Interest income	80	
Dividend income	44	
Insurance dividend income	101	
Other	98	325
<b>Non-operating expense</b>		
Interest expenses	22	
Foreign exchange losses	27	
Other	22	72
<b>Ordinary income</b>		<b>19,326</b>
<b>Extraordinary income</b>		
Gain on sales of investment securities	66	
Gain on liquidation of subsidiaries and associates	12	
Other	1	80
<b>Extraordinary loss</b>		
Impairment losses	215	
Loss on valuation of investment securities	266	482
<b>Income before income taxes</b>		<b>18,924</b>
Income taxes-current	5,711	
Income taxes-deferred	53	5,764
<b>Net income</b>		<b>13,159</b>
Net income attributable to non-controlling interests		150
<b>Net income attributable to owners of the parent company</b>		<b>13,009</b>