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August 7, 2026

Non-consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: ASAHI INTELLIGENCE SERVICE CO., LTD.
Listing: Tokyo Stock Exchange
Securities code: 9799
URL: https://www.aiskk.co.jp/
Representative: Hironori Hamada, President and Representative Director
Inquiries: Katsunori Mizushima, Director and Department Manager of Finance and Accounting Dept.
Telephone: +81-3-5224-8281
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: None
Holding of financial results briefing: None

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

1. Non-consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	4,163	5.8	323	20.7	350	23.7	237	19.1
June 30, 2025	3,936	5.2	267	(7.8)	283	(5.7)	199	(2.5)

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	15.56	-
June 30, 2025	12.82	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2026	14,918	12,141	81.4	796.05
March 31, 2026	15,235	12,180	79.9	795.48

Reference: Equity
As of June 30, 2026: ¥12,141 million
As of March 31, 2026: ¥12,180 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	16.00	-	18.00	34.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		17.00	-	17.00	34.00

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

3. Non-consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	8,550	5.3	729	2.1	760	2.6	520	(3.7)	33.32
Full year	17,500	5.8	1,750	6.3	1,814	6.6	1,221	(4.3)	78.25

(Note) Revisions to the financial result forecasts most recently announced: None

*** Notes**

(1) Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements: Yes

(Note) For further details, please refer to "(3) Notes to Quarterly Non-consolidated Financial Statements (Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements)" under "2. Quarterly Non-consolidated Financial Statements and Principal Notes" of the Attachments.

(2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2026	16,179,700 shares
As of March 31, 2026	16,529,700 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2026	927,076 shares
As of March 31, 2026	1,217,416 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2026	15,257,919 shares
Three months ended June 30, 2025	15,544,736 shares

(Notes)

1. Based on a resolution at the Board of Directors meeting held on November 5, 2025, the Company cancelled 350,000 treasury shares on June 30, 2026. As a result, the total number of issued shares (including treasury shares) at the end of the three months ended June 30, 2026 decreased by 350,000 shares compared to the end of the previous fiscal year.
2. The number of treasury shares deducted in the calculation of the number of treasury shares at the end of the period and the average number of shares outstanding during the period (cumulative from the beginning of the fiscal year) for the three months ended June 30, 2026 includes shares of the Company held by the employee stock ownership plan (ESOP) trust.

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

* Proper use of earnings forecasts and other special matters

(Cautions on forward-looking statements, etc.)

1. The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable as of the date of publication of this document. The Company makes no warranty as to the feasibility of its projections. Actual results may differ significantly from these forecasts due to a wide range of factors. For assumptions underlying the financial results forecast and precautions regarding their use, please refer to "(3) Explanation of Financial Results Forecast and Other Forward-looking Information" under "1. Overview of Operating Results, etc." of the Attachments.
2. The Company will announce its consolidated financial result forecasts at a later date. As stated in the "Significant subsequent events," the Company plans to transition to consolidated financial reporting starting with the financial results for the six months ending September 30, 2026.

Table of Contents - Attachments

1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Period Under Review

During the three months ended June 30, 2026, the Japanese economy continued a moderate recovery, supported by a rebound in private consumption, improvements in corporate earnings, and firm employment and income conditions. Looking ahead, however, the outlook remains uncertain, and continued attention is required regarding factors such as U.S. trade policy trends, energy supply risks caused by the situation in the Middle East, prolonged inflation, and fluctuations in financial and capital markets.

In the information services industry, strategic IT investments aimed at business expansion and addressing labor shortages have been increasing. Demand is expanding for initiatives related to digital transformation (DX), including AI, cloud services, security measures, and RPA, as well as for the renewal of conventional systems.

Under these circumstances, the Company achieved revenue growth by promptly identifying customer needs and enhancing its proposal capabilities, thereby securing new projects and improving contract pricing. In particular, increased orders in the automotive-related sector made a significant contribution. On the profit side, costs increased due to strengthened recruitment to secure engineers, investments in training, and wage improvements, but the Company recorded an increase in profit compared with the same period of the previous year due to factors such as an increase in net sales and a decrease in office relocation-related expenses incurred in the same quarter of the previous year.

As a result, for the period under review, net sales were ¥4,163 million (up 5.8% year-on-year), operating profit was ¥323 million (up 20.7% year-on-year), ordinary profit was ¥350 million (up 23.7% year-on-year), and profit was ¥237 million (up 19.1% year-on-year).

An overview by division is as follows.

(Network Services)

As a result of strengthening proposal activities to customers, orders, primarily in the automotive-related sector, expanded, resulting in net sales of ¥3,523 million (up 6.8% year-on-year).

(System Development)

As a result of the Company’s efforts to secure projects related to customers’ DX initiatives and business applications, net sales were ¥588 million (up 5.2% year-on-year).

(System Operations)

In mainframe-related operations and operational services, prices continue to decline amid market contraction. Accordingly, the Company has been continuously promoting a shift from mainframe technologies to network-based technologies, resulting in net sales of ¥51 million (down 34.7% year-on-year).

(Millions of yen, unless otherwise noted.)

		Three months ended June 30, 2025	Three months ended June 30, 2026	Year-on-year change (%)
Network Services	Net sales	3,298	3,523	6.8
	Gross profit	641	692	7.9
System Development	Net sales	559	588	5.2
	Gross profit	136	148	8.4
System Operations	Net sales	78	51	(34.7)
	Gross profit	13	16	21.5
Total	Net sales	3,936	4,163	5.8
	Gross profit	792	857	8.2

(2) Overview of Financial Position for the Period Under Review

(Assets)

At the end of the period under review, current assets decreased by ¥536 million compared with the end of the previous fiscal year, to ¥9,685 million. This was mainly due to increases in contract assets of ¥203 million, cash and deposits of ¥153 million, and prepaid expenses of ¥94 million, partially offset by decreases in accounts receivable - trade of ¥816 million and deposits paid included in other of ¥215 million. Non-current assets increased by ¥218 million to ¥5,233 million. This was primarily attributable to an increase in investment securities of ¥392 million, partially offset by a decrease in insurance funds of ¥169 million.

As a result, total assets decreased by ¥317 million from the end of the previous fiscal year, to ¥14,918 million.

(Liabilities)

At the end of the period under review, current liabilities decreased by ¥268 million compared with the end of the previous fiscal year, to ¥2,663 million. This was mainly due to increases in accrued expenses of ¥153 million, deposits received included in other of ¥257 million, and accrued consumption taxes of ¥76 million, partially offset by decreases in provision for bonuses of ¥603 million and income taxes payable of ¥123 million. Non-current liabilities decreased by ¥10 million from the end of the previous fiscal year, to ¥112 million. This was primarily attributable to a decrease in long-term accounts payable - other included in other of ¥8 million.

As a result, total liabilities decreased by ¥278 million compared with the end of the previous fiscal year, to ¥2,776 million.

(Net assets)

At the end of the period under review, net assets decreased by ¥38 million compared with the end of the previous fiscal year, to ¥12,141 million. This was mainly attributable to an increase resulting from the recognition of profit of ¥237 million and a decrease due to the dividends paid of ¥281 million.

(3) Explanation of Financial Results Forecasts and Other Forward-looking Information

The first-half and full-year forecasts of non-consolidated financial results for the fiscal year ending March 31, 2027, which the Company announced on May 1, 2026, remain unchanged.

If the Company determines that it is necessary to revise the financial result forecasts in light of future market trends, order conditions or other factors, the Company will promptly disclose such revisions.

2. Quarterly Non-consolidated Financial Statements and Principal Notes

(1) Quarterly Non-consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	5,842,779	5,995,851
Accounts receivable - trade	3,366,447	2,549,940
Contract assets	1,331	204,770
Securities	696,860	698,061
Work in process	7,063	44,570
Prepaid expenses	66,253	160,697
Other	240,301	31,129
Total current assets	10,221,038	9,685,022
Non-current assets		
Property, plant and equipment	116,271	113,629
Intangible assets	16,607	15,059
Investments and other assets		
Investment securities	2,731,019	3,123,333
Leasehold and guarantee deposits	246,947	229,861
Insurance funds	831,466	662,312
Prepaid pension costs	842,150	889,212
Deferred tax assets	215,031	185,872
Other	15,059	13,996
Total investments and other assets	4,881,674	5,104,590
Total non-current assets	5,014,554	5,233,279
Total assets	15,235,593	14,918,302

(Thousands of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Short-term borrowings	210,000	210,000
Accounts payable - other	279,657	286,299
Accrued expenses	629,631	782,766
Income taxes payable	260,411	137,235
Provision for bonuses	1,174,380	571,367
Other	377,729	675,986
Total current liabilities	2,931,809	2,663,654
Non-current liabilities		
Lease liabilities	37,556	35,887
Other	85,590	76,840
Total non-current liabilities	123,146	112,727
Total liabilities	3,054,956	2,776,382
Net assets		
Shareholders’ equity		
Share capital	733,360	733,360
Capital surplus	814,167	623,845
Retained earnings	11,319,128	11,243,996
Treasury shares	(841,335)	(677,948)
Total shareholders' equity	12,025,321	11,923,253
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	172,600	235,952
Revaluation reserve for land	(17,285)	(17,285)
Total valuation and translation adjustments	155,315	218,667
Total net assets	12,180,636	12,141,920
Total liabilities and net assets	15,235,593	14,918,302

(2) Quarterly Non-consolidated Statements of Income

Three Months Ended June 30

(Thousands of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Net sales	3,936,973	4,163,697
Cost of sales	3,144,920	3,306,472
Gross profit	792,053	857,225
Selling, general and administrative expenses	524,142	533,923
Operating profit	267,910	323,301
Non-operating income		
Interest income	8,611	13,529
Dividend income	6,407	7,434
Proceeds of real estate rent	249	249
Subsidy income	330	1,000
Surrender value of insurance policies	-	5,806
Miscellaneous income	452	526
Total non-operating income	16,050	28,545
Non-operating expenses		
Interest expenses	389	537
Expenses of real estate rent	198	203
Miscellaneous losses	-	499
Total non-operating expenses	587	1,240
Ordinary profit	283,374	350,607
Profit before income taxes	283,374	350,607
Income taxes	83,987	113,082
Profit	199,387	237,525

(3) Notes to Quarterly Non-consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements)

(Method for calculating income tax expense)

Income tax expense is calculated by reasonably estimating the effective tax rate after applying tax effect accounting to profit before income taxes for the fiscal year that includes the first three months ended June 30, 2026, and multiplying profit before income taxes by the estimated effective tax rate. However, if calculating taxes using this estimated effective tax rate would result in a significantly unreasonable outcome, the statutory tax rate is used.

(Segment information, etc.)

The Company operates a single business segment consisting of the Information Services Business and related ancillary services. Accordingly, there are no reportable segments, and disclosure has been omitted.

(Notes on statements of cash flows)

Quarterly statements of cash flows for the three months ended June 30, 2026 have not been prepared. Depreciation (including depreciation on intangible assets) for the three months ended June 30, 2026 is as follows:

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Depreciation	¥16,763 thousand	¥5,357 thousand

(Significant subsequent events)

(Formation of a Subsidiary through Acquisition of Shares)

At a Board of Directors meeting held on August 7, 2026, the Company resolved to acquire all shares of Think Corporation and make it a subsidiary, as described below.

1. Reason for the acquisition of shares

   Think Corporation is a system development company that engages in contract development work such as software design and development, and it possesses advanced know-how and highly skilled engineers in upstream processes such as requirements definition and basic design. Think Corporation has earned the long-term, deep trust of major clients through its track record of flexibly responding to the diverse needs of its customers.

   Meanwhile, under our three-year Mid-Term Management Plan, which outlines our business strategies of "strengthening profitability through business structural reforms" and "exploring new business areas," we are focusing on expanding our core businesses, centered on network services, while also working to strengthen our capabilities in service areas and the human resources and business foundation that support them.

   By acquiring shares in Think Corporation, a company with strong capabilities in upstream processes, we aim to improve the value provided to our mutual customers, strengthen our structure in the Tokai region, and ultimately enhance corporate value over the medium to long term.

2. Names of the parties from whom the Company will acquire shares
   Mr. Shigeo Kitazawa and three other individuals

3. Name of the company to be acquired, its business details, and its size

(1) Name	Think Corporation
(2) Location	Room 601, Square Office Meieki Kita Bldg. 2-12-21-1 Nagono, Nishi-ku, Nagoya, Aichi Prefecture
(3) Representative's title and name	Shigeo Kitazawa, President and Representative Director
(4) Business details	Contract software development General temporary staffing services
(5) Share capital	¥3 million

4. Date of acquisition of shares
   September 1, 2026

5. Number of shares to be acquired, acquisition price, and share ownership status before and after acquisition

(1) Number of shares owned before the acquisition	0 shares (Percentage of voting rights: 0%)
(2) Number of shares to be acquired	60 shares
(3) Acquisition price	The share acquisition price will not be disclosed in light of consultations with the counterparty and confidentiality obligations. To ensure fairness and appropriateness, the share acquisition price was determined through consultations with the counterparty after an appropriate share valuation was conducted by a third-party organization and the appropriateness of the amount was verified.
(4) Number of shares owned after the acquisition	60 shares (Percentage of voting rights: 100%)

6. Method of fund procurement
   The entire acquisition consideration will be funded from the Company's own funds (cash reserves), and will be paid in cash.

7. Other important matters
   The Company plans to transition to consolidated financial reporting starting with the financial results for the second quarter of the fiscal year under review.