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May 12, 2026

Consolidated Financial Results
for the Three Months Ended March 31, 2026
(Under Japanese GAAP)



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Listing: Tokyo Stock Exchange
Securities code: 9343
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Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

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

1. Consolidated financial results for the three months ended March 31, 2026 (from January 1, 2026 to March 31, 2026)

(1) Consolidated operating results (cumulative) (Percentages indicate 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	%
Three months ended								
March 31, 2026	1,460	25.7	373	22.1	383	25.9	278	33.7
March 31, 2025	1,161	-	306	-	304	-	208	-

Note: Comprehensive income For the three months ended March 31, 2026: ¥ 278 million [33.7%]
For the three months ended March 31, 2025: ¥ 208 million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
March 31, 2026	15.11	14.37
March 31, 2025	11.37	10.81

(Notes) The Company implemented a five-for-one stock split of its common shares effective October 1, 2025. Earnings per share and diluted earnings per share presented are calculated assuming that the stock split was implemented at the beginning of the fiscal year ended December 31, 2025.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
March 31, 2026	4,146	2,978	70.7
December 31, 2025	4,187	2,899	67.8

Reference: Equity

As of March 31, 2026: ¥ 2,933 million
As of December 31, 2025: ¥ 2,838 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 December 31, 2025	-	0.00	-	10.00	10.00
Fiscal year ending December 31, 2026	-				
Fiscal year ending December 31, 2026 (Forecast)		0.00	-	12.00	12.00

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

3. Consolidated financial result forecasts for the fiscal year ending December 31, 2026 (from January 1, 2026 to December 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	5,454	9.0	1,355	12.8	1,362	12.1	940	10.8	51.06

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

* Notes

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

Newly included: - companies()
Excluded: - companies()

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

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

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of March 31, 2026	18,419,030 shares
As of December 31, 2025	18,416,095 shares

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

As of March 31, 2026	330 shares
As of December 31, 2025	330 shares

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

Three months ended March 31, 2026	18,418,080 shares
Three months ended March 31, 2025	18,299,890 shares

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

* Proper use of earnings forecasts, and other special matters

The financial results forecast and other forward-looking statements in this document are based on information available to ibis inc. (the "Company") as of the date of this document and certain assumptions it considers reasonable. The Company does not promise that these

will be achieved. Actual results may differ significantly from these forecasts due to various factors. Please refer to page 7 of the attached document “1. Qualitative Information on Quarterly Financial Results (3) Consolidated Earnings Forecast and Caution on Forward-Looking Information” for the conditions that serve as the basis for the performance forecast and notes regarding the use of the performance forecast.

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1. Qualitative Information on Quarterly Financial Results

(1) Overview of Operating Results

During the first quarter of the current fiscal year, the Japanese economy continued its gradual recovery, supported by improvements in the employment and income environment driven by ongoing wage increases. On the other hand, rising prices—due to foreign exchange fluctuations and persistently high energy and raw materials costs—have led to a cautious outlook on the recovery of personal consumption. In addition, the outlook for the global economy remains uncertain, reflecting heightened geopolitical risks such as shifts in trade policies in various countries, the prolonged situation in Russia and Ukraine, and tensions in the Middle East.

Under these circumstances, the Group promoted its business operations across three segments—“Mobile,” “Solutions,” and “AI Singing Voice Synthesis”—leveraging its strengths in advanced technological capabilities, swift decision-making, and improved operational efficiency through the use of AI. By combining its proprietary product business with a global user base, its solutions business with stable domestic demand, and expansion into new areas utilizing AI technologies, the Group aims to achieve sustainable growth.

In the “Mobile” segment, the Group continued the development and operation of the “ibisPaint” series, a mobile painting app used in over 200 countries and regions worldwide, with 40 million monthly active users (MAU) and 530 million cumulative downloads. Reflecting its user base—approximately 90% overseas and primarily under the age of 25—the Group continued to enhance AI-powered drawing support features and improve the user interface to enrich the creative experience. In addition, the efforts were made to strengthen the revenue model, including promoting subscription conversions through in-app house ads, expanding to multi-device usage including a PC version, and enhancing features for professional users. As a result, the Mobile business continued to drive the Group’s growth, achieving both user base expansion and improved profitability.

In the “Solutions” segment, the Group provided web application development for internet-enabled devices and cloud implementation support to domestic corporate clients, addressing growing demand for digital transformation (DX). The Group continued to recruit and develop highly skilled IT engineers, while also working to improve development efficiency through the use of AI and no-code technologies. Furthermore, the Group announced an absorption-type merger of Zeroichi Start Inc., a no-code development company that became a wholly owned subsidiary in November 2025, with the merger scheduled to become effective on April 1, 2026, thereby advancing the strengthening of its development structure and expansion of its business foundation in the domestic market. Through these initiatives, the Group aims to establish a stable and highly reproducible SI (system integration) business model.

In the “AI Singing Voice Synthesis” segment, the Group expanded its business centered on the AI singing voice synthesis application “VoiSona,” leveraging world-class technology from Techno-Speech, Inc., a venture originating from Nagoya Institute of Technology. Efforts included expanding voice libraries featuring well-known artists in Japan and overseas, extending into the mobile domain, and establishing an app-based monetization model to provide a new AI-driven music creation experience leveraging AI technologies. As the creator base continues to grow, the Group is also building a foundation to support next-generation creative activities.

As a result, for the first quarter of the current fiscal year, the Group recorded net sales of 1,460,215 thousand yen (up 25.7% year on year), operating profit of 373,759 thousand yen (up 22.1%), ordinary profit of 383,248 thousand yen (up 25.9%), and quarterly profit attributable to owners of parent of 278,347 thousand yen (up 33.7%), achieving growth exceeding 20% across all profit levels. It should be noted that Techno-Speech, Inc. was not included in the consolidated statement of income in the same period of the previous fiscal year, and the consolidation of Zeroichi Start Inc. from the first quarter of the current fiscal year also contributed to the increase in both net sales and profit.

The performance by business segment is as follow:

< Mobile Segment >

During the first quarter of the current fiscal year, the mobile painting app “ibisPaint,” the Group’s flagship product, continued to expand its global user base. The app surpassed 500 million cumulative downloads on September 10, 2025, and reached 537.91 million downloads as of the end of March 2026 (up 14.9% year on year). The app is used in over 200 countries and regions worldwide, and its large user base of 40 million MAUs continues to support the growth of the Group’s mobile business.

The app has been continuously improved, with multiple updates released from Ver. 13.1.18 to Ver. 14.0.0. In the major update “Ver. 14.0.0” released on March 31, 2026, the Group added features supporting workflows close to those used in printing, publishing, and professional production, including CMYK output and two-tone monochrome output. In addition, the Group released a number of new features that significantly enhance the creative environment, including “Brush Category,” which allows users to intuitively select brushes organized by category, and “Color Palette Grouping,” which enables management of multiple color palettes per artwork or purpose. Some of these features are available only to premium members, contributing to an increase in the number of subscription contracts. In addition, the Group strengthened learning content, including the distribution of tutorial videos on new features via its official YouTube channel, thereby promoting continued user engagement.

Furthermore, in addition to existing subscription promotion measures, a new advertising investment model introduced in late December 2025 to increase ibisPaint subscription contracts also proved effective. As a result, the net increase in subscription contracts for the app during the first quarter of the current fiscal year reached 50,368, marking a record high on a quarterly basis.

In addition, the Group is expanding the application of its technologies beyond the creative domain through its corporate AI cloud service “ibisWorks.” Its core product, the AI meeting minutes service “ibisScribe”, was selected and recognized in the “Meeting Minutes AI Category” at “AI PRODUCTS NEXT AI TREND 2026” held on February 4, 2026, demonstrating that the Group’s advanced AI technologies have received external recognition.

As a result, sales in the Mobile segment increased 20.7% year on year to 809,311 thousand yen. Sales by geographic area (Japan and overseas) are as follows:

		Previous first quarter consolidated cumulative period (January 1, 2025–March 31, 2025)		First quarter consolidated cumulative period of the current fiscal year (January 1, 2026–March 31, 2026)		
		Amount (thousand yen)	Composition (%)	Amount (thousand yen)	Composition(%)	Year-on-year change (%)
Subscription Billing	Domestic Sales	71,165	29.0	97,461	23.4	37.0
	Overseas Sales	174,463	71.0	318,378	76.6	82.5
	Total	245,629	100.0	415,840	100.0	69.3
One-time Purchase App	Domestic Sales	17,098	25.0	15,366	20.3	(10.1)
	Overseas Sales	51,381	75.0	60,409	79.7	17.6
	Total	68,479	100.0	75,775	100.0	10.7
In-app Advertising	Domestic Sales	84,462	23.8	58,604	19.3	(30.6)
	Overseas Sales	270,419	76.2	244,574	80.7	(9.6)
	Total	354,882	100.0	303,179	100.0	(14.6)
Total (including others)	Domestic Sales	174,056	26.0	176,343	21.8	1.3
	Overseas Sales	496,572	74.0	632,967	78.2	27.5
	Total	670,629	100.0	809,311	100.0	20.7

By sales category, the following trends were observed:

- Subscription Billing

Sales of “ibisPaint” increased significantly to 415,840 thousand yen (up 69.3% year on year), driven by the success of the new advertising investment model and subscription promotion measures. Domestic sales increased by 37.0% year on year, while overseas sales in particular showed strong growth of 82.5%. As a result, the number of premium members reached 448,008 (up 63.5% year on year), making it increasingly evident that subscription billing has become the primary revenue driver.

- One-time Purchase App

Although the number of purchases declined due to the shift toward subscription billing, sales increased to 75,775 thousand yen (up 10.7% year on year), supported by factors such as price revisions and the weaker yen. While domestic sales decreased year on year, steady growth in overseas sales resulted in an overall increase in sales for the one-time purchase app.

- In-app Advertising

Usage by free users remained solid, and DAU stayed at a high level. However, due to fluctuations in the advertising market and adjustments to ad delivery algorithms, eCPM declined, resulting in sales of 303,179 thousand yen (down 14.6% year on year). While overseas sales saw only a slight decrease year on year, the larger decline in domestic sales led to an overall decrease in in-app advertising sales.

Segment profit increased to 450,906 thousand yen (up 26.5% year on year), reflecting the shift to organic growth from the fiscal year ended December 2024 and continued effective advertising investment. As planned, subscription billing sales exceeded in-app advertising sales from the first quarter of the current fiscal year, and the revenue structure has evolved into a more stable form.

< Solutions Segment >

In the first quarter of the current fiscal year, in the field of corporate web application development, the use of AI tools continued to expand, leading to increased demand for improved development efficiency and productivity. Under these circumstances, demand for development support for the Group continued to grow steadily, and in particular, progress was made in securing contract development projects through direct transactions with end-user companies.

In the contract development business, the Group made progress in acquiring projects in upstream processes and high-value-added domains, and the strengthening of the development structure centered on the web application domain yielded results. In addition to improved skills among engineers assigned to projects, the development process was further optimized through the use of AI tools, improving both quality and productivity. As a result, contract development sales for the first quarter reached a record high on a quarterly basis. The Group is continuing to advance the sophistication of its business operations through the use of AI, and through internal study sessions and e-learning programs, it is working to improve both engineers' skills and operational efficiency. These initiatives have contributed to reductions in overtime hours and improvements in employee retention, stabilizing on-site operations and enabling multiple projects to be handled in parallel, thereby contributing to improved productivity.

In the IT engineer dispatch business, stable acceptance by multiple corporate clients continued throughout the first quarter. Recruitment of engineers also progressed steadily during the first quarter of the current fiscal year, expanding the foundation for stabilizing development resources, which further strengthened on-site operations and improved operational efficiency.

Furthermore, on February 10, 2026, the Group announced that it would merge its wholly owned subsidiary, Zeroichi Start Inc., on April 1, 2026. By incorporating the company's expertise in business consulting, operational experience in no-code development, and SEO know-how, the Group will accelerate its transition toward an "Sler-type business model," and will work to build a business foundation with higher reproducibility and profitability.

As a result, sales in the Solutions segment amounted to 620,814 thousand yen (up 26.5% year on year). The results of Zeroichi Start Inc. have been included in the consolidated accounts from the first quarter of the current fiscal year. By sales category, the results were as follows:

- Contract Development

Sales amounted to 251,888 thousand yen (up 105.1% year on year). In addition to the acquisition of upstream processes and high value-added projects, the strengthening of the development structure centered on the web application domain contributed to record-high quarterly sales. Improved productivity through the use of AI tools also supported growth, and contract development strongly drove segment performance. The Group will continue to strengthen its execution capabilities and revenue base going forward.

- IT Engineer Dispatch

Sales amounted to 366,877 thousand yen (down 0.3% year on year). Although sales declined slightly due to initiatives to increase the proportion of contract development, stable acceptance by multiple corporate clients continued.

Goodwill amortization amounted to 11,640 thousand yen, with an amortization period of seven years (this goodwill was recognized in connection with the M&A of Zeroichi Start Inc., and represents a provisional amount prior to purchase price allocation (PPA). The allocation to intangible assets and the amortization schedule will be finalized upon completion of the PPA process and will be disclosed appropriately). As a result, segment profit increased to 89,813 thousand yen (up 25.2% year on year).

<AI Singing Voice Synthesis Segment >

In the first quarter of the current fiscal year, Techno-Speech, Inc. promoted business activities using AI voice synthesis and AI singing voice synthesis technologies, focusing on its VoiSona business for BtoC and contract development business for BtoB. The AI singing voice synthesis market continues to expand both in Japan and overseas, driven by the growing creator population and the expansion of video platforms. The Group is expanding its business by leveraging its technological capabilities and development speed.

In the VoiSona business, the Group newly released the song voice library “Futabako Minato” and the talk voice library “Nurse Robot_Type T.” “Futabako Minato” reproduces a free-spirited singing style with intentionally off-pitch vocal expression, enabling forms of expression that were difficult to achieve with conventional voice synthesis software, and attracted significant attention, particularly on social media. In preparation for releases scheduled for the next quarter and beyond, pre-order sales were conducted for two song voice libraries and one talk voice library (one of which is bilingual in Japanese and Chinese), increasing user expectations. In addition, the Group continued to enhance user experience through ongoing updates, including improvements in application processing efficiency and memory usage, the addition of a multilingual display function (six languages) to the PC version of the singing voice application, and the introduction of a 10-second trial feature and a sample-based start screen on the iOS version. These improvements strengthened the foundation for the VoiSona business by creating a more accessible environment for a broad range of users both in Japan and overseas.

In the contract development business, stable revenue was secured through the completion of development projects carried over from the previous fiscal year and continued licensing to a variety of software, services, and games. In addition, research and development activities to improve singing voice synthesis accuracy were conducted to strengthen the technological foundation for future product competitiveness. Both businesses continued to strengthen marketing and sales activities aimed at acquiring new customers in order to support business expansion.

As a result, sales in the AI Singing Voice Synthesis segment amounted to 30,089 thousand yen. By sales category, the results were as follows:

- VoiSona (BtoC)

Sales amounted to 24,937 thousand yen. The release of new libraries, pre-order sales, and application improvements contributed to the expansion of the user base and strengthened the revenue foundation.

- Contract Development (BtoB)

Sales amounted to 5,152 thousand yen. Although sales decreased slightly due to the completion of projects carried over from the previous fiscal year, stable sales were maintained through licensing, while operations continued alongside research and development activities.

Amortization of technology-related assets and goodwill amounted to 15,110 thousand yen, resulting in a segment loss of 19,706 thousand yen.

Year on year comparisons are not provided as the Group did not include the profit and loss of Techno-Speech, Inc. in the consolidated results for the same period of the previous fiscal year.

(2) Explanation of Financial Position

(Assets)

Total assets at the end of the first quarter of the fiscal year ending December 2026 amounted to 4,146,828 thousand yen. This was mainly due to cash and deposits of 2,049,079 thousand yen, accounts receivable and contract assets of 646,506 thousand yen, software of 243,620 thousand yen, goodwill of 593,171 thousand yen, technology-related assets of 181,540 thousand yen and investments and other assets of 264,802 thousand yen.

(Liabilities)

Total liabilities at the end of the first quarter of the fiscal year ending December 2026 amounted to 1,168,730 thousand yen. This was mainly due to income taxes payable of 114,321 thousand yen, provision for bonuses of 70,810 thousand yen and provision for directors' retirement benefits of 63,746 thousand yen.

(Net assets)

Total net assets at the end of the first quarter of the fiscal year ending December 2026 amounted to 2,978,098 thousand yen. The main components were stated capital of 411,342 thousand yen, capital surplus of 408,943 thousand yen and retained earnings of 2,113,102 thousand yen.

(3) Consolidated Earnings Forecast and Caution on Forward-Looking Information

There consolidated earnings forecast for the fiscal year ending December 2026 remains unchanged from that announced in the "Consolidated Financial Results for the Fiscal Year Ended December 2025 (Japanese GAAP)" dated February 10, 2026.

2. Consolidated Quarterly Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

(Thousands of yen)

	As of December 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	2,083,187	2,049,079
Accounts receivable - trade, and contract assets	632,427	646,506
Merchandise and finished goods	1,890	1,612
Supplies	152	201
Allowance for doubtful accounts	(1,960)	(1,952)
Other	130,537	137,271
Total current assets	2,846,236	2,832,719
Non-current assets		
Property, plant and equipment	22,328	29,970
Intangible assets		
Software	227,022	243,620
Goodwill	616,431	593,171
Technology related assets	185,031	181,540
Other	1,050	1,005
Total intangible assets	1,029,535	1,019,337
Investments and other assets	289,577	264,802
Total non-current assets	1,341,442	1,314,109
Total assets	4,187,678	4,146,828
Liabilities		
Current liabilities		
Accounts payable	14,105	12,971
Current portion of long-term borrowings	25,392	14,400
Income taxes payable	231,340	114,321
Provision for bonuses	129,855	70,810
Other	713,400	819,447
Total current liabilities	1,114,093	1,031,950
Non-current liabilities		
Long-term borrowings	43,830	4,000
Provision for retirement benefits for directors (and other officers)	60,136	63,746
Other	70,300	69,033
Total non-current liabilities	174,266	136,779
Total liabilities	1,288,359	1,168,730
Net assets		
Shareholders' equity		
Share capital	411,163	411,342
Capital surplus	408,764	408,943
Retained earnings	2,018,912	2,113,102
Treasury shares	(275)	(275)
Total shareholders' equity	2,838,564	2,933,112

(Thousands of yen)

	As of December 31, 2025	As of March 31, 2026
Share acquisition rights	60,755	44,985
Total net assets	2,899,319	2,978,098
Total liabilities and net assets	4,187,678	4,146,828

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income
Quarterly Consolidated Statement of Income
For the Three-Month Period

(Thousands of yen)

	For the three months ended March 31, 2025	For the three months ended March 31, 2026
Net sales	1,161,399	1,460,215
Cost of sales	442,904	547,197
Gross profit	718,494	913,018
Selling, general and administrative expenses	412,388	539,258
Operating profit	306,105	373,759
Non-operating income		
Interest income	288	1,600
Foreign exchange gains	-	5,609
Received incentive	1,152	593
Other	803	1,913
Total non-operating income	2,243	9,716
Non-operating expenses		
Interest expenses	151	227
Foreign exchange losses	3,591	-
Other	121	-
Total non-operating expenses	3,865	227
Ordinary profit	304,483	383,248
Extraordinary income		
Gain on reversal of share acquisition rights	-	21,940
Total extraordinary income	-	21,940
Extraordinary losses		
Loss on retirement of non-current assets	0	-
Total extraordinary losses	0	-
Profit before income taxes	304,483	405,188
Income taxes - current	60,396	106,736
Income taxes - deferred	35,942	20,104
Total income taxes	96,338	126,840
Profit	208,145	278,347
Profit attributable to owners of parent	208,145	278,347

Quarterly Consolidated Statement of Comprehensive Income
 For the Three-Month Period

(Thousands of yen)

	For the three months ended March 31, 2025	For the three months ended March 31, 2026
Profit	208,145	278,347
Comprehensive income	208,145	278,347
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	208,145	278,347

(3)Notes to Quarterly Consolidated Financial Statements

(Segment Information)

Previous first quarter consolidated cumulative period (From January 1, 2025 to March 31, 2025)

1. Information related to Sales and the amount of profit or loss by reportable segment

(Thousands of yen)

	Reportable Segment				Adjustments (Note 1)	Three months ended Consolidated Profit or Loss Amount Recorded in the Statement of Income (Note 2)
	Mobile	Solutions	AI Singing Voice Synthesis	Total		
Net sales						
Sales to External Customers	670,629	490,769	-	1,161,399	-	1,161,399
Inter-segment Sales or Transferred Volume	-	-	-	-	-	-
Total	670,629	490,769	-	1,161,399	-	1,161,399
Segment profit	356,525	71,757	-	428,282	(122,177)	306,105

Notes:1. Segment profit adjustment minus 122,177 thousand yen is Company-wide Expenses that is not allocated to each reportable segment and is mainly general and administrative expenses not attributable to reportable segments.

2. Segment profit is adjusted for Operating Profit in the quarterly consolidated statements of income.

2. Matters related to changes in reportable segments

Not applicable.

Current first quarter consolidated cumulative period (From January 1, 2026 to March 31, 2026)

1. Information regarding Sales and the amount of profit or loss by reportable segment

(Thousands of yen)

	Reportable Segment				Adjustment (Note 2)	Three months ended Consolidated Profit or Loss Amount Recorded in the Statement of Income (Note 3)
	Mobile	Solutions	AI Singing Voice Synthesis (Note1)	Total		
Net sales						
Sales to external customers	809,311	620,814	30,089	1,460,215	-	1,460,215
Inter-segment Sales or Transferred Volume	-	-	-	-	-	-
Total	809,311	620,814	30,089	1,460,215	-	1,460,215
Segment profit or loss	450,906	89,813	(19,706)	521,012	(147,253)	373,759

Notes:1. The loss of yen (19,706 thousand) in the AI Voice Synthesis segment includes amortization of goodwill of yen (11,619 thousand) and depreciation on technology-related assets of yen (3,491 thousand).

2. Adjustment to segment loss of yen (147,253 thousand) yen is Company-wide Expenses, which is not allocated to any reportable segment, and is mainly administrative expenses not attributable to reportable segments.

3. Segment profit is reconciled with Operating Profit in the Quarterly Consolidated Statements of Income.

2. Changes in reportable segments, etc.

In the previous fiscal year, the Company acquired all of the shares of Techno-Speech, Inc. and made it a wholly-owned subsidiary. Accordingly, the "AI singing voice synthesis segment" was added to the reportable segment.

The segment information for previous first quarter consolidated cumulative period has been prepared based on the new classification method.

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

Not applicable.

(Notes on Going Concern Assumption)

Not applicable.

(Notes on Statement of Cash Flows)

No quarterly consolidated statement of cash flows was prepared for current first quarter consolidated cumulative period. Depreciation and amortization (Including amortization of intangible assets excluding goodwill.) and amortization of goodwill for the first quarter consolidated cumulative period were as follows:

(Thousands of yen)

	Previous first quarter consolidated cumulative period (From January 1, 2025 to March 31, 2025)	Current first quarter consolidated cumulative period (From January 1, 2026 To March 31, 2026)
Depreciation	24,541	36,419
Amortization of goodwill	-	23,260

(Revenue recognition)

Information breaking down revenues arising from contracts with customers

Previous first quarter consolidated cumulative period (from January 1, 2025 to March 31, 2025)

(Thousands of yen)

	Reportable Segment		Total
	Mobile	Solutions	
In-app advertising	354,882	-	354,882
Subscription	245,629	-	245,629
One-time Purchase App	68,479	-	68,479
IT Engineers Dispatch Services	-	367,943	367,943
Contract Development	-	122,826	122,826
Other	1,638	-	1,638
Revenue from contracts with customers	670,629	490,769	1,161,399
Other revenue	-	-	-
Sales to external Customers	670,629	490,769	1,161,399

Current first quarter consolidated cumulative period (from January 1, 2026 to March 31, 2026)

(Thousands of yen)

	Reportable Segment			Total
	Mobile	Solutions	AI Singing Voice Synthesis	
In-app advertising	303,179	-	-	303,179
Subscription	415,840	-	-	415,840
One-time Purchase App	75,775	-	-	75,775
IT Engineers Dispatch Services	-	366,877	-	366,877
Contract Development	-	251,888	5,152	257,040
VoiSona	-	-	24,937	24,937
Other	14,516	2,048	-	16,564
Revenue from contracts with customers	809,311	620,814	30,089	1,460,215
Other revenue	-	-	-	-
Sales to external customers	809,311	620,814	30,089	1,460,215

(Significant Subsequent Events)

(Absorption-Type Merger of Wholly Owned Subsidiary)

At its board of directors meeting held on February 10, 2026, the Company resolved to implement the absorption-type merger of Zeroichi Start Co., Ltd., a wholly owned subsidiary, to consolidate into the Company, effective April 1, 2026 (planned). And it was completed as of April 1, 2026.

1. Overview of the Business Combination

(1) Name of Acquired Company and Its Business Description

Name of the Acquired Company: Zeroichi Start Co., Ltd.

Business Description: No-code low-code system development business

(2) Business Combination Date

April 1, 2026

(3) Legal Form of the Business Combination

Absorption-type merger with the Company as the surviving company and Zeroichi Start Co., Ltd. as the dissolved company

(4) Other Matters Related to the Outline of the Transaction

① Purpose of the Merger

The Company has decided to merge the subsidiary in order to maximize synergies and further accelerate the structure toward the Company's goal of becoming an S1er and increase revenues by incorporating and boosting the strengths of Zeroichi Start Co., Ltd., wholly-owned subsidiary - (1) business consulting insight, (2) knowledge in the operation of no-code tools with extremely high development productivity, and (3) SEO (search engine optimization) know-hows, into the Company's Solutions business.

② Details of Allotment in Relation to Merger

Since the Merger is a merger between wholly owned subsidiaries of the Company, there will be no issuance of new shares or payment to Zeroichi Start Co., Ltd.

2. Summary of Accounting to be Implemented

The transaction will be treated as a transaction under common control, in accordance with the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, January 16, 2019) and the "Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, January 16, 2019).