

Financial Results for the Fiscal Year Ended March 31, 2025

May 8, 2025

TIS Inc.

Note : This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Fiscal 2025: Financial Highlights

- Despite impact of decline in number of large development projects from peak, sales and income increased year on year. Results exceeded estimates.
- Operating margin rose 0.3 percentage points to 12.1%.
- Orders received and order backlog build up strongly.

Fiscal 2026: Performance Forecast

- Despite continuing growth investment, including investment in human resources, projections are for higher sales and higher income, with an operating income margin of 12.5%.

Return to Shareholders

- ¥2 year-end dividend increase (annual dividend of ¥70 per share) in Fiscal 2025, in line with business growth exceeding estimates.
- For Fiscal 2026, we plan to pay an annual dividend of ¥76 per share, up ¥6. In addition to ordinary return to shareholders, aiming to improve capital efficiency, the company decided to repurchase treasury stock at a total cost of ¥42 billion.

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- 3 Return to Shareholders**
- 4 Progress on Medium-Term Management Plan (2024-2026)**
- 5 Reference Materials**

- All statements described in these materials are based on information available to management regarding the TIS INTEC Group-that is, TIS and the subsidiaries under its umbrella-as of the presentation date and certain assumptions deemed reasonable at this time. No intent is implied of promise by TIS INTEC to achieve such forward-looking statements. Actual results may differ significantly from the forecasts due to various factors.
- Amounts for each three-month quarter are calculated by subtracting data for the respective period from the cumulative total.
- Segment sales include intersegment sales. [Excluding page 49 and 50]



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Fiscal 2025: Performance Highlights (YOY change)

- Despite impact of decline in number of large development projects from the peak, sales and income increased, supported by contribution from business expansion by responding accurately to clients' IT investment demand, including digital transformation, and by promoting the provision of services.

[Millions of yen]	Fiscal 2024	Fiscal 2025	YoY change	
Net Sales	549,004	571,687	+22,682	[+4.1%]
Operating Income	64,568	69,047	+4,479	[+6.9%]
Operating Margin	11.8%	12.1%	+0.3P	-
Net Income Attributable to Owners of the Parent Company	48,873	50,012	+1,138	[+2.3%]
Net Income to Net Sales Ratio	8.9%	8.7%	-0.2P	-
Net Income per Share [Yen]	203.28	215.00	+11.72	[+5.8%]
ROE	16.0%	15.3%	-0.7P	-

• Non-operating income: ¥2,620 million (YOY change -¥2,392 million)
→ Equity in earnings of affiliates ¥833 million
Dividend income ¥775 million, etc.

• Non-operating expenses: ¥1,164 million (YOY change +¥137 million)
→ Interest expenses ¥495 million, etc.

• Extraordinary income: ¥9,570 million (YOY change +¥6,278 million)
→ Gain on sale of investment securities ¥8,558 million, etc.

• Extraordinary loss: ¥5,926 million (YOY change +¥3,274 million)
→ Impairment loss ¥4,242 million
Loss on valuation of shares in subsidiaries ¥827 million, etc.

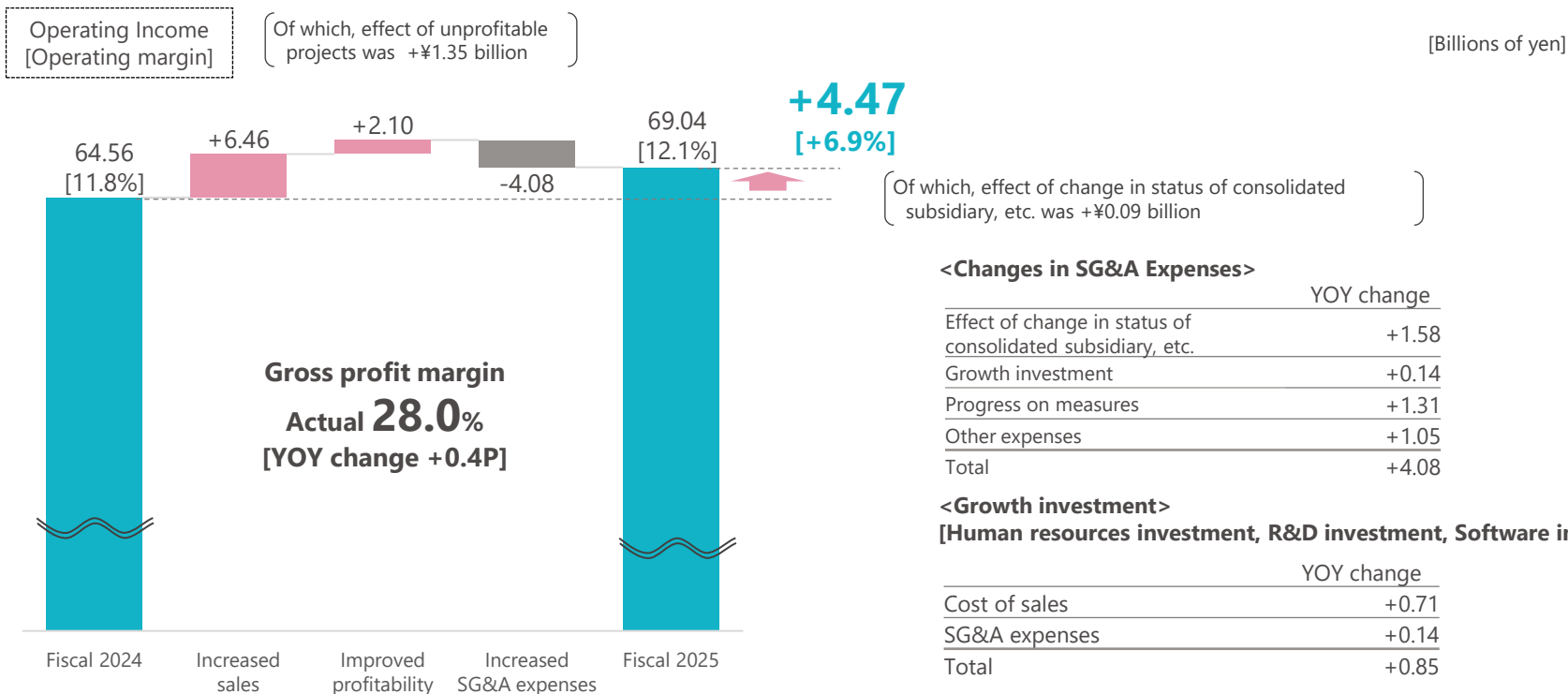
Fiscal 2025: Performance Highlights (Compared with estimate)

- All items settled above estimate.

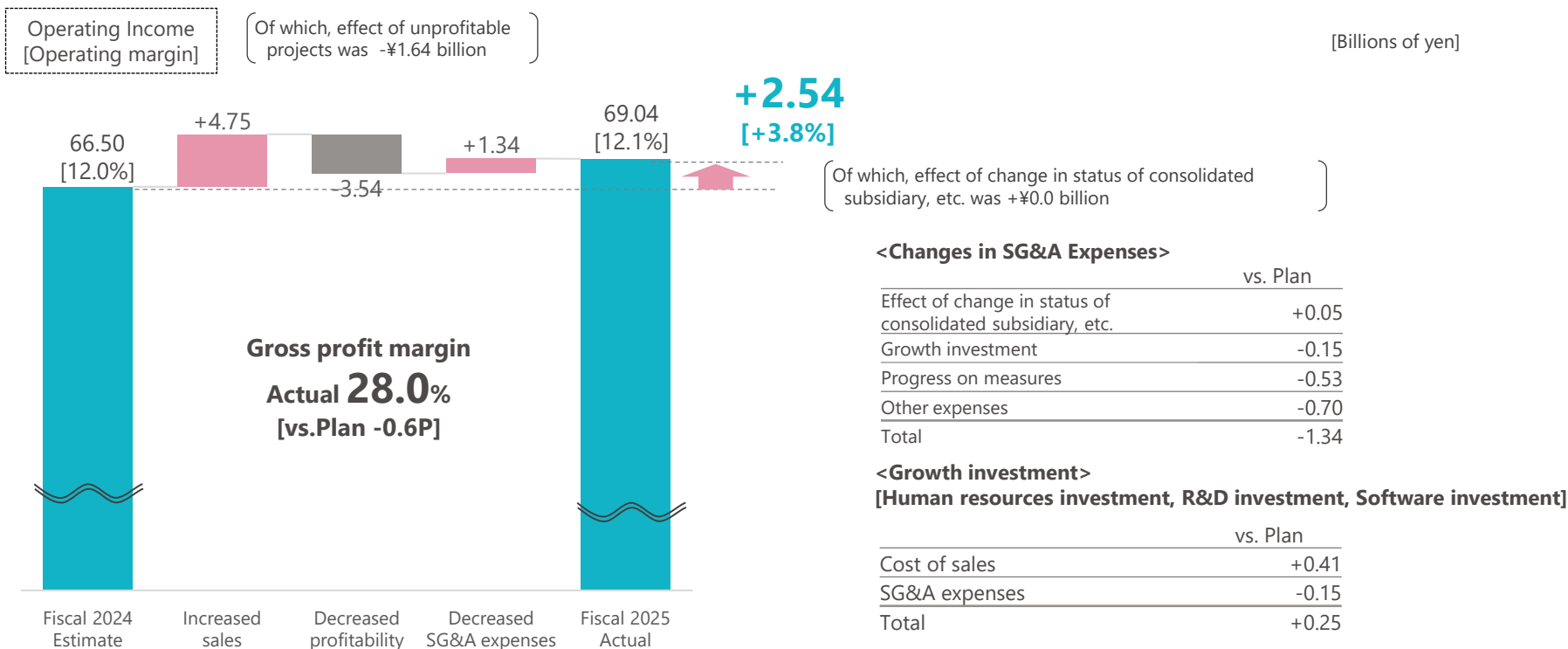
[Millions of yen]	Fiscal 2025 Estimate	Fiscal 2025 Actual	Compared with estimate	
Net Sales	555,000	571,687	+16,687	[+3.0%]
Operating Income	66,500	69,047	+2,547	[+3.8%]
Operating Margin	12.0%	12.1%	+0.1P	-
Net Income Attributable to Owners of the Parent Company	44,800	50,012	+5,212	[+11.6%]
Net Income to Net Sales Ratio	8.1%	8.7%	+0.6P	-
Net Income per Share [Yen]	192.55	215.00	+22.45	[+11.7%]
ROE	13.9%	15.3%	+1.4P	-

Analysis of Changes in Operating Income by Factors (YOY change)

- Despite impact of decline in number of large projects from the peak and impact of unprofitable projects, gross profit margin improved and operating income increased.



Analysis of Changes in Operating Income by Factors (Compared with estimate)

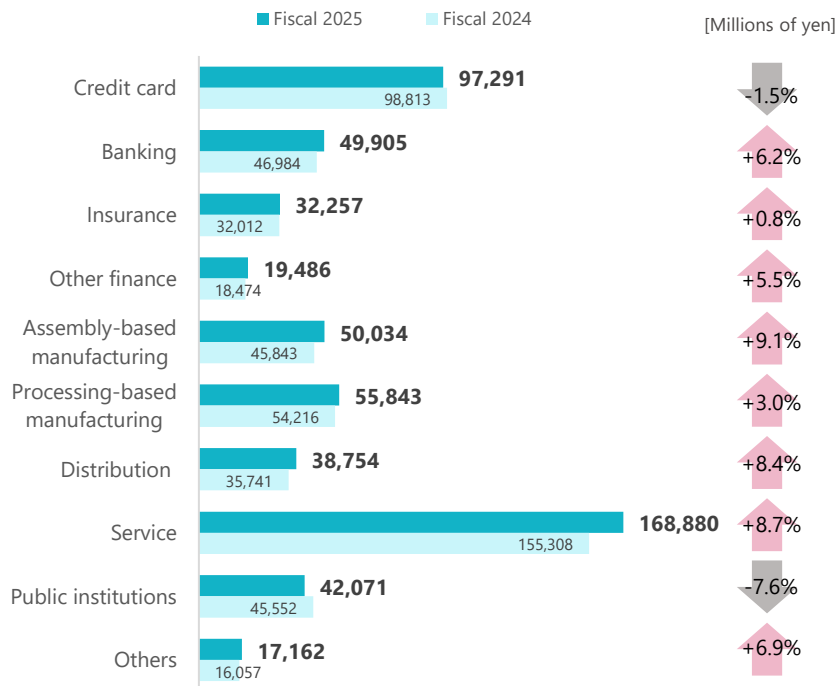


Fiscal 2025:

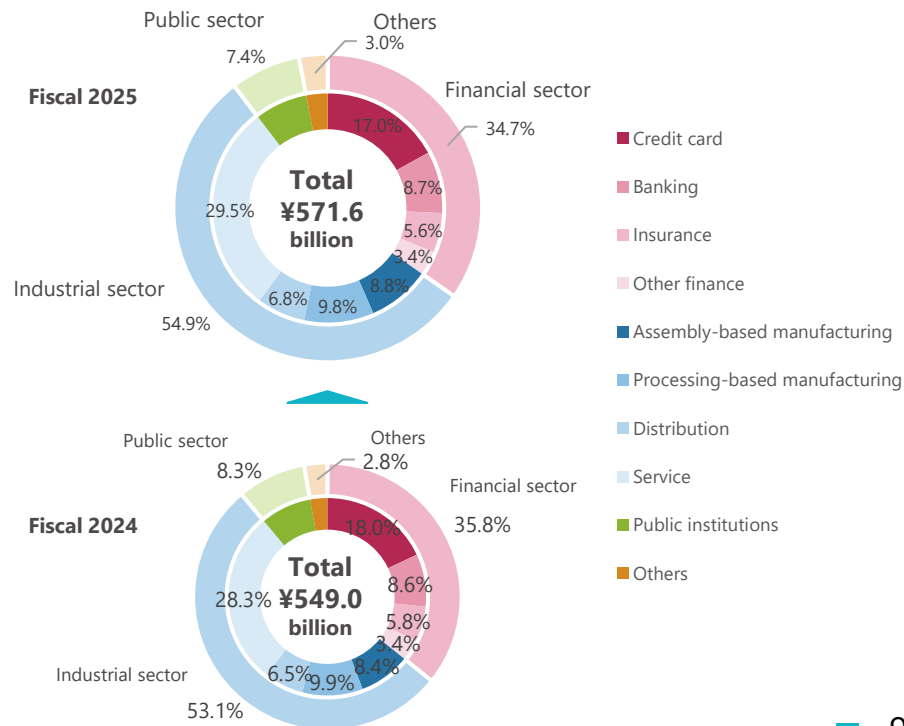
Sales by Client Sector

- Overall, trends remained favorable. Decrease recorded by Credit card and Public institutions were mainly due to decrease in number of large projects from peak.

Net Sales by Client Sector



Net Sales Breakdown by Client Sector



Sales and Income by Key Business Segments (YOY change)

[Millions of yen]		Fiscal 2024	Fiscal 2025	YOY change		Overview
Offering Service Business	Net Sales	130,759	145,515	+14,755	[+11.3%]	Higher sales and higher income, as higher IT investment demand in enterprise, platform, and payment settlement sectors offset impact from unprofitable projects. Overseas business also contributed.
	Operating Income	7,659	9,937	+2,277	[+29.7%]	
	Operating Margin	5.9%	6.8%	+0.9P	-	
Business Process Management	Net Sales	41,953	42,646	+693	[+1.7%]	Despite ongoing difficulties faced by some existing BPO services, sales and income grew, reflecting efforts to acquire projects in the DX Business and other areas as well as cost control measures.
	Operating Income	4,551	5,326	+775	[+17.0%]	
	Operating Margin	10.8%	12.5%	+1.7P	-	
Financial IT Business	Net Sales	106,304	100,252	-6,051	[-5.7%]	Sales and income declined, as large-scale projects for core clients in credit card sector as well as public-sector financial institutions fell from peak.
	Operating Income	15,185	12,321	-2,863	[-18.9%]	
	Operating Margin	14.3%	12.3%	-2.0P	-	
Industrial IT Business	Net Sales	121,896	128,120	+6,224	[+5.1%]	Sales and income grew, as wider IT investment across industries, including services, manufacturing and distribution, offset impact from reactionary drop in large development projects in manufacturing sector as well as unprofitable projects.
	Operating Income	18,287	19,330	+1,042	[+5.7%]	
	Operating Margin	15.0%	15.1%	+0.1P	-	
Regional IT Solutions	Net Sales	172,376	177,425	+5,049	[+2.9%]	Despite negative impact from reactionary drop in projects related to medical services, sales and income grew, reflecting widespread demand for IT investment, particularly among municipalities and life and non-life insurance companies, as well as a significant decrease in unprofitable projects.
	Operating Income	18,497	21,576	+3,078	[+16.6%]	
	Operating Margin	10.7%	12.2%	+1.5P	-	

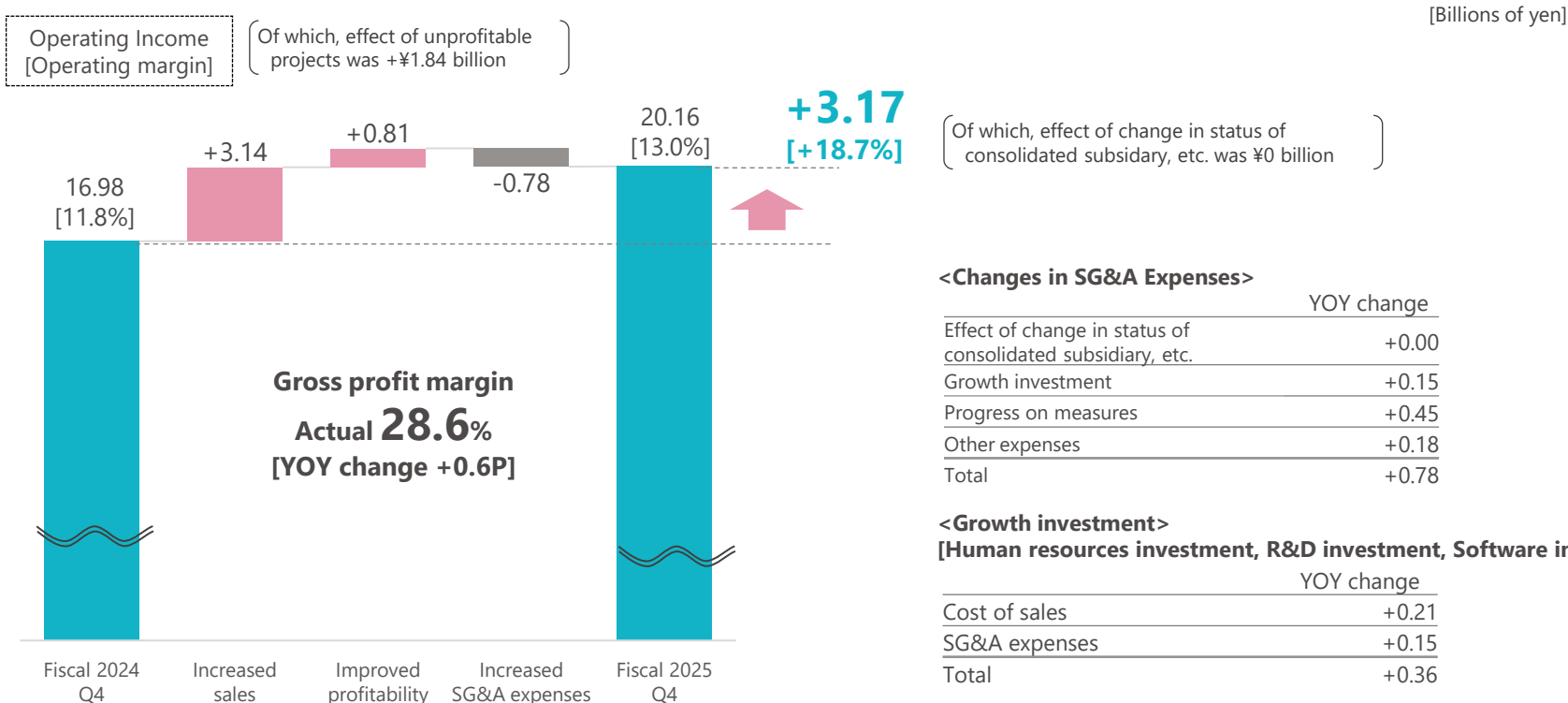
Sales and Income by Key Business Segments (Compared with estimate)

[Millions of yen]		Fiscal 2025 Estimate	Fiscal 2025 Actual	Compared with estimate		Overview
Offering Service Business	Net Sales	140,800	145,515	+4,715	[+3.3%]	Despite impact from unprofitable projects, sales and income both reached. This was due to favorable performance by Nihon ICS and better-than anticipated demand for enterprise services. Overseas business also contributed.
	Operating Income	8,600	9,937	+1,337	[+15.6%]	
	Operating Margin	6.1%	6.8%	+0.7P	-	
Business Process Management	Net Sales	43,000	42,646	-353	[-0.8%]	Sales fell short of the target due to fewer-than-expected project wins in the DX business. However, profit met expectations thanks to effective cost control.
	Operating Income	4,500	5,326	+826	[+18.4%]	
	Operating Margin	10.5%	12.5%	+2.0P	-	
Financial IT Business	Net Sales	98,500	100,252	+1,752	[+1.8%]	Impact of decline in number of large development projects from peak was slightly smaller than anticipated, achieving both sales and income.
	Operating Income	12,000	12,321	+321	[+2.7%]	
	Operating Margin	12.2%	12.3%	+0.1P	-	
Industrial IT Business	Net Sales	125,500	128,120	+2,620	[+2.1%]	Demand from clients in service and distribution sectors better than anticipated, boosting sales to estimated level. But negative factors, notably, unprofitable projects, prevented income from reaching estimate.
	Operating Income	19,600	19,330	-269	[-1.4%]	
	Operating Margin	15.6%	15.1%	-0.5P	-	
Regional IT Solutions	Net Sales	171,000	177,425	+6,425	[+3.8%]	Demand from clients in the life and non-life insurance sectors, local government-related IT investment, and higher orders for sales projects in industrial sectors better than anticipated. Sales were higher than anticipated, but income was in line with estimate due to factors such as recognition of temporary expenses.
	Operating Income	21,500	21,576	+76	[+0.4%]	
	Operating Margin	12.6%	12.2%	-0.4P	-	

Performance Highlights / Sales and Income by Key Business Segments

[Millions of yen]		Fiscal 2024 Q4	Fiscal 2025 Q4	YOY change	
Net Sales		144,260	155,125	+10,865	[+7.5%]
Operating Income		16,989	20,163	+3,174	[+18.7%]
Operating Margin		11.8%	13.0%	+1.2P	-
Net Income Attributable to Owners of the Parent Company		16,683	15,538	-1,145	[-6.9%]
Net Income to Net Sales Ratio		11.6%	10.0%	-1.6P	-
Key Business Segments					
Offering Service Business	Net Sales	37,058	38,909	+1,851	[+5.0%]
	Operating Income	2,166	2,538	+372	[+17.2%]
	Operating Margin	5.8%	6.5%	+0.7P	-
Business Process Management	Net Sales	10,713	11,124	+411	[+3.8%]
	Operating Income	1,477	1,563	+85	[+5.8%]
	Operating Margin	13.8%	14.1%	+0.3P	-
Financial IT Business	Net Sales	26,484	25,649	-834	[-3.2%]
	Operating Income	3,928	3,208	-719	[-18.3%]
	Operating Margin	14.8%	12.5%	-2.3P	-
Industrial IT Business	Net Sales	32,216	34,600	+2,383	[+7.4%]
	Operating Income	5,018	5,202	+183	[+3.7%]
	Operating Margin	15.6%	15.0%	-0.6P	-
Regional IT Solutions	Net Sales	45,091	50,424	+5,333	[+11.8%]
	Operating Income	4,319	7,578	+3,258	[+75.4%]
	Operating Margin	9.6%	15.0%	+5.4P	-

Analysis of Changes in Operating Income by Factors (YOY change)



Order Status (Orders received during fiscal year)

- Orders received were up year on year, driven by software development.
- In Financial IT Business, although there was a reactionary drop in large development projects, sales grew for Industrial IT Business and Offering Service Business.

[Millions of yen]		Fiscal 2024	Fiscal 2025	YOY change	
Orders received		552,940	577,091	+24,151	[+4.4%]
Software development		278,508	295,838	+17,330	[+6.2%]
Key Business Segments					
Offering Service Business	Orders received	123,518	136,740	+13,221	[+10.7%]
	Software development	47,799	53,632	+5,832	[+12.2%]
Business Process Management	Orders received	39,976	40,922	+945	[+2.4%]
	Software development	13,030	13,395	+365	[+2.8%]
Financial IT Business	Orders received	101,977	93,787	-8,190	[-8.0%]
	Software development	52,209	48,637	-3,571	[-6.8%]
Industrial IT Business	Orders received	120,253	133,659	+13,405	[+11.1%]
	Software development	79,248	92,404	+13,156	[+16.6%]
Regional IT Solutions	Orders received	167,214	171,983	+4,768	[+2.9%]
	Software development	86,221	87,768	+1,547	[+1.8%]

Order Status (Order backlog at year-end)

- Despite lingering impact from peak decline in large development projects in Financial IT Business, overall there will be a steady increase, mainly in software development.

[Millions of yen]		Fiscal 2024	Fiscal 2025	YOY change	
Order backlog		188,044	197,590	+9,545	[+5.1%]
Software development		101,386	107,993	+6,607	[+6.5%]
Key Business Segments					
Offering Service Business	Order backlog	42,248	48,954	+6,705	[+15.9%]
	Software development	16,152	18,383	+2,231	[+13.8%]
Business Process Management	Order backlog	7,543	7,943	+400	[+5.3%]
	Software development	7,259	7,526	+266	[+3.7%]
Financial IT Business	Order backlog	45,954	40,822	-5,131	[-11.2%]
	Software development	24,739	21,433	-3,305	[-13.4%]
Industrial IT Business	Order backlog	37,009	43,033	+6,024	[+16.3%]
	Software development	23,065	29,427	+6,361	[+27.6%]
Regional IT Solutions	Order backlog	55,289	56,835	+1,546	[+2.8%]
	Software development	30,169	31,222	+1,053	[+3.5%]

Order Status (Orders received during the fourth quarter)

[Millions of yen]		Fiscal 2024 Q4	Fiscal 2025 Q4	YOY change	
Orders received		188,389	194,217	+5,828	[+3.1%]
Software development		84,619	87,705	+3,086	[+3.6%]
Key Business Segments					
Offering Service Business	Orders received	45,375	50,523	+5,147	[+11.3%]
	Software development	13,210	16,156	+2,946	[+22.3%]
Business Process Management	Orders received	11,032	11,150	+117	[+1.1%]
	Software development	4,105	3,967	-138	[-3.4%]
Financial IT Business	Orders received	39,353	34,084	-5,269	[-13.4%]
	Software development	17,795	14,393	-3,402	[-19.1%]
Industrial IT Business	Orders received	37,381	42,908	+5,526	[+14.8%]
	Software development	22,162	27,292	+5,129	[+23.1%]
Regional IT Solutions	Orders received	55,245	55,550	+305	[+0.6%]
	Software development	27,344	25,895	-1,448	[-5.3%]

Balance Sheets and Cash Flow Status

- The equity ratio improved, supported by stable profit generation. Free cash flow increased due to limited investment activities, further strengthening financial soundness.

Balance Sheets

[Millions of yen]	As of March 31, 2024	As of March 31, 2025	YoY change	Key Factors for YoY Change
Current assets	291,556	319,080	+27,524	Marketable securities +38,435 Cash and deposits -19,541
Fixed Liabilities	233,899	238,970	+5,071	Tangible fixed assets +11,286 Intangible assets -7,078
Assets	525,456	558,051	+32,595	
Current liabilities	140,277	153,210	+12,933	Short-term borrowings +4,815
Fixed Assets	60,453	48,775	-11,677	Long-term borrowings -5,742
Liabilities	200,730	201,986	+1,255	
Shareholders' equity	299,453	326,709	+27,255	Retained earnings +32,843
Accumulated other comprehensive income	25,271	29,355	+4,084	
Net Assets	324,725	356,064	+31,339	
Equity ratio	59.5%	61.5%	+2.0P	
Interest-bearing debt	37,972	37,012	-959	

Cash Flows

[Millions of yen]	Fiscal 2024	Fiscal 2025	YoY change	Key Factors for YoY Change
Cash flow from operating activities	62,578	63,748	+1,169	Income before income taxes +4,954 Income taxes paid +7,801 Gain on sale of investment-securities -6,303
Cash flow from investing activities	-32,817	-17,741	+15,075	Acquisitions of investments in securities -6,146 Proceeds from sales of investment securities +10,680 Acquisition of shares of subsidiaries +20,724
Free cash flow	29,761	46,006	+16,245	
Cash flow from financing activities	-21,889	-27,791	-5,902	Net increase (decrease) in borrowings and bonds -22,345 Purchase of treasury shares +26,720
Cash and cash equivalents at the end of the term	102,722	121,288	+18,566	

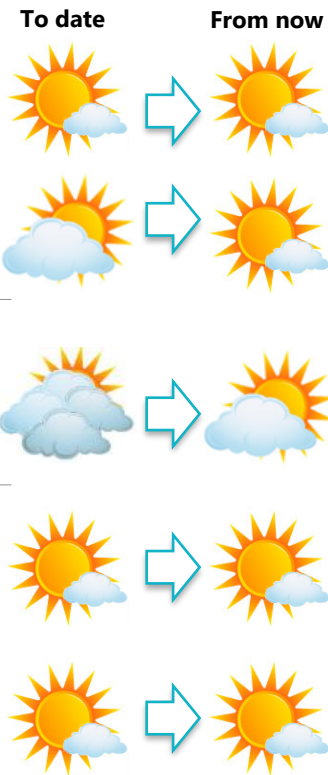


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Fiscal 2025: Understanding the Business Environment

- Prospects for long-term expansion in IT investment continue. Attention should be paid to environmental changes.

Offering Service Business	<ul style="list-style-type: none"> ✓ Continued growth in cashless market. Policy, DX and inbound tourists will strengthen their tailwinds. ✓ Variety of themes and services through efforts by financial x operating companies (BaaS, Smart City Digital Accounts, etc.). ✓ Continued growth in cloud and security markets due to increase and sophistication of cyber-attacks and diversification of work styles. Active accounting and business management domains. ✓ The ASEAN economy continued to grow, supported by firm domestic demand, despite political instability.
Business Process Management	<ul style="list-style-type: none"> ✓ Due to factors such as insufficient human resources and rising wages, there is an urgent need for enterprises to shift to value-added operations, and the growth outlook for the BPO market remains unchanged. ✓ Simple outsourcing, which depends on labor, is in a shrinking equilibrium due to progress in digitization, and downward pressure on prices intensifies. ✓ Preferences are given to consulting services and AI services that use data to help clients transform their businesses, grow them, and enhance their competitiveness.
Financial IT Business	<ul style="list-style-type: none"> ✓ Financial markets revitalized against backdrop of upward movement in policy interest rates. The outlook remains unchanged for IT investment to strengthen competitiveness. ✓ Growth and expansion in code settlements intensified competition to lower commission rates, causing card operators to search for new business models. ✓ Along with the growth in the cashless market, competition with emerging players intensified, particularly in the company's own economic zone, and moves to reorganize. ✓ Individually, large-scale development projects have continued to decline from their peak, but opportunities for modernization demand, particularly in the leasing industry, increased.
Industrial IT Business	<ul style="list-style-type: none"> ✓ The impact of soaring crude oil prices, exchange rate fluctuations, and pressure on wages and prices, etc. should be monitored closely, particularly in manufacturing. ✓ Demand for modernization and ERP renewals was firm. ✓ Performance was strong in restaurants and services, but personnel shortages were severe despite resurgence. Focus on balance between IT investment and allocation of management resources.
Regional IT Solutions	<ul style="list-style-type: none"> ✓ Demand for IT investment continues in municipalities due to system standardization, etc. ✓ IT investment is expected to strengthen, especially among megabanks. Regional banks are facing increasingly severe business conditions and are closely watching IT investments associated with regional oligopolistic restructuring. ✓ Life and non-life insurance companies benefited from the elimination of cross-shareholdings, etc. and IT utilization expanded, with the aim of adopting cloud computing, utilizing AI, and expanding services. ✓ In medical services, progress has been made in establishing and integrating data bases and using ICT. Needs for IT investment, including medical safety measures, continue to increase.



Fiscal 2026: Performance Forecasts

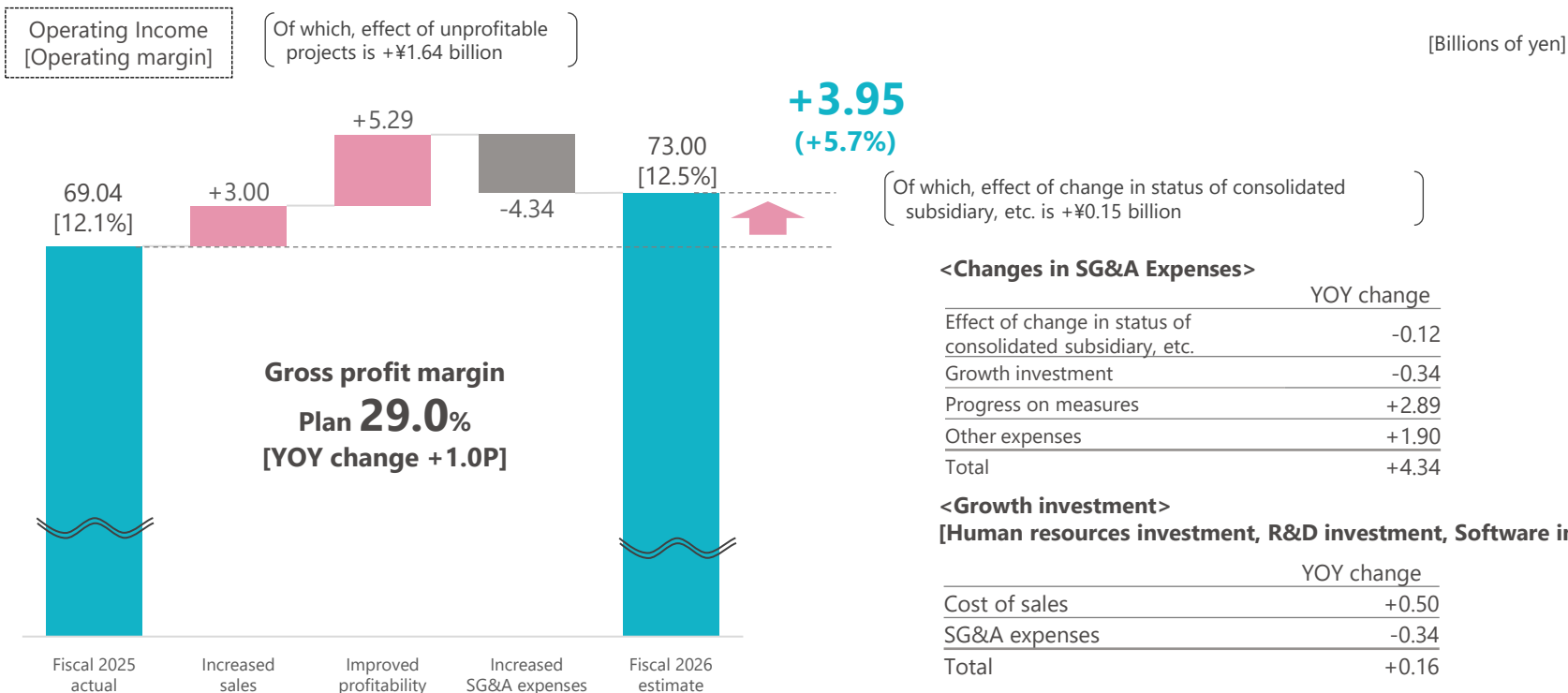
- Expect higher sales and higher operating income, reflecting business expansion and progress on measures to improve productivity.
- Net income is expected to decrease mainly due to a reduction in extraordinary income and expenses (net).

[Millions of yen]	Fiscal 2025 actual	Fiscal 2026 estimate	YOY change	
Net Sales	571,687	582,000	+10,312	[+1.8%]
Operating Income	69,047	73,000	+3,952	[+5.7%]
Operating Margin	12.1%	12.5%	+0.4P	-
Net Income Attributable to Owners of the Parent Company	50,012	49,000	-1,012	[-2.0%]
Net Income to Net Sales Ratio	8.7%	8.4%	-0.3P	-
Net Income per Share [Yen]	215.00	216.86	+1.86	[+0.9%]
ROE	15.3%	14.5%	-0.8P	-

* ROE estimate for fiscal 2026 is a calculated value.

Analysis of Changes in Operating Income by Factors (Forecast)

- Despite ongoing growth investment, including investment in human resources, operating income is expected to increase, reflecting efforts to provide high-value-added businesses and promote measures to improve productivity.



Sales and Income by Key Business Segments (Forecast)

[Millions of yen]		Fiscal 2025 Actual	Fiscal 2026 Forecast	YOY change		Overview
Offering Service Business	Net Sales	145,515	150,000	+4,484	[+3.1%]	Sales and operating income are expected to increase by capturing strong demand, particularly for payment, enterprise, and platform-related services. We aim to improve profitability in overseas operations through structural transformation and other initiatives.
	Operating Income	9,937	10,600	+662	[+6.7%]	
	Operating Margin	6.8%	7.1%	+0.3P	-	
Business Process Management	Net Sales	42,646	44,000	+1,353	[+3.2%]	Sales and operating income are expected to increase, mainly driven by growth in the DX Business and BPM Business, which are positioned as focus areas.
	Operating Income	5,326	6,050	+723	[+13.6%]	
	Operating Margin	12.5%	13.8%	+1.3P	-	
Financial IT Business	Net Sales	100,252	98,500	-1,752	[-1.7%]	The impact of the peak-out of large-scale development projects is expected to continue. Although a recovery in new client acquisition through modernization is anticipated, sales and income are projected to decline due to the completion of certain operation services.
	Operating Income	12,321	11,850	-471	[-3.8%]	
	Operating Margin	12.3%	12.0%	-0.3P	-	
Industrial IT Business	Net Sales	128,120	131,000	+2,879	[+2.2%]	Sales and operating income are expected to increase, supported by successful demand cultivation among existing clients—particularly in the manufacturing and service sectors—and by capturing ERP-related IT investment demand.
	Operating Income	19,330	21,200	+1,869	[+9.7%]	
	Operating Margin	15.1%	16.2%	+1.1P	-	
Regional IT Solutions	Net Sales	177,425	181,500	+4,074	[+2.3%]	Sales and operating income are expected to increase, despite a reactionary decline in industrial sales projects, by capturing steady IT investment demand in healthcare and network-related services.
	Operating Income	21,576	22,950	+1,373	[+6.4%]	
	Operating Margin	12.2%	12.6%	+0.4P	-	

1 Fiscal 2025: Financial Highlights

2 Fiscal 2026: Performance Forecast



3 Return to Shareholders

4 Progress on Medium-Term Management Plan (2024-2026)

5 Reference Materials

Basic Policy on Return to Shareholders

- Aim to improve capital efficiency by promoting appropriate capital structure based on balance between promoting growth investment, securing financial soundness, and strengthening return to shareholders.



Promote growth investment

- Total growth investment of **about ¥100 billion** over three years
- Robust investment to optimize business portfolio
- Will pursue sustainable creation of returns exceeding cost of capital and broaden equity spread

Strengthen return to shareholders

- **Total return ratio target: 50%**
- Continue to enrich dividends per share
- Maintain upper limit on treasury stock holdings at 5% of total shares outstanding, and cancel the excess

Maintain financial health

- Allow debt-equity ratio up to 0.5, understanding **optimization of capital structure** comes with improved ability to generate cash
- Maintain “A rating” * A+ as of November 18, 2024
- Maintain level of cash and deposits, plus commitment line, equivalent to two months’ worth of sales

Total return ratio
50%*

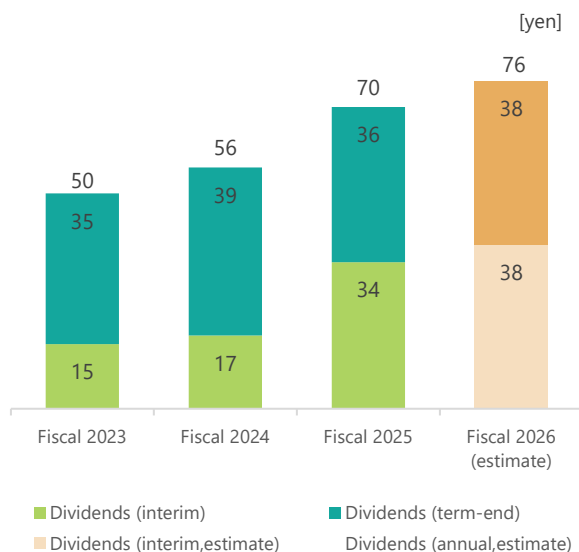
Dividends per share
**Constantly enrich
the dividend**

Upper limit
on treasury stock holdings
at 5%

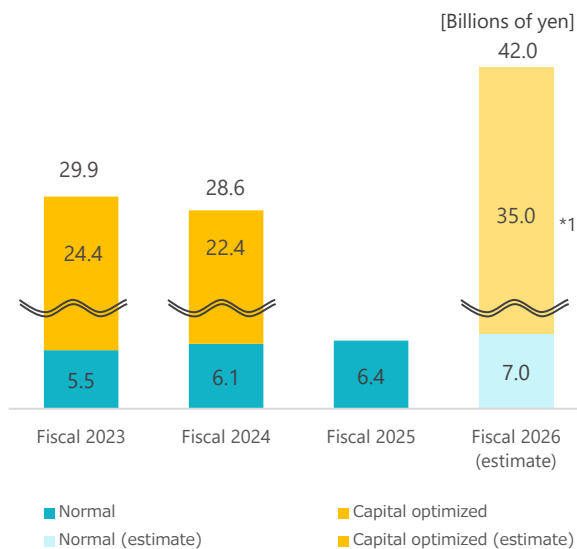
Status/Targets for Return to Shareholders

- In fiscal 2025, the company increased its year-end dividend by ¥2 per share, bringing the annual dividend to ¥70. Increased dividends for 13 consecutive years.
- In fiscal 2026, in line with the basic policy on shareholder returns, we plan to pay an annual dividend of ¥76 per share, an increase of ¥6 from the previous fiscal year, and to repurchase treasury stock worth ¥7 billion. In addition, we plan to repurchase an additional ¥35 billion of treasury stock to optimize our capital structure, bringing the total to ¥42 billion.

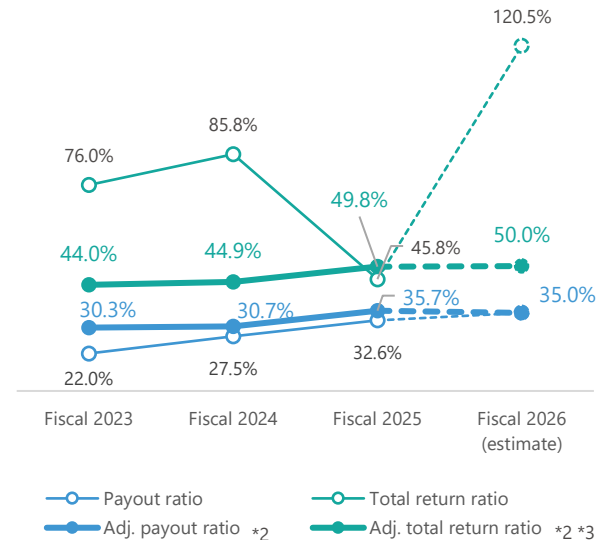
Dividends per Share



Total Acquired Treasury Shares



Payout Ratio and Total Return Ratio



*1: Upper limit on treasury stock buyback announced May 8, 2025

*2: Calculated based on profit (after income taxes and income attributable to non-controlling interests)

*3: Calculated by excluding treasury stock buybacks as part of efforts to optimize capital structure

1 Fiscal 2025: Financial Highlights

2 Fiscal 2026: Performance Forecast

3 Return to Shareholders



4 Progress on Medium-Term Management Plan (2024-2026)

5 Reference Materials

Efforts for Sustainable Corporate Value Improvement

(1) Basic Policy

- We will create social and economic value through management hinging on OUR PHILOSOPHY, contribute to a sustainable society and realize sustainable improvement in corporate value.

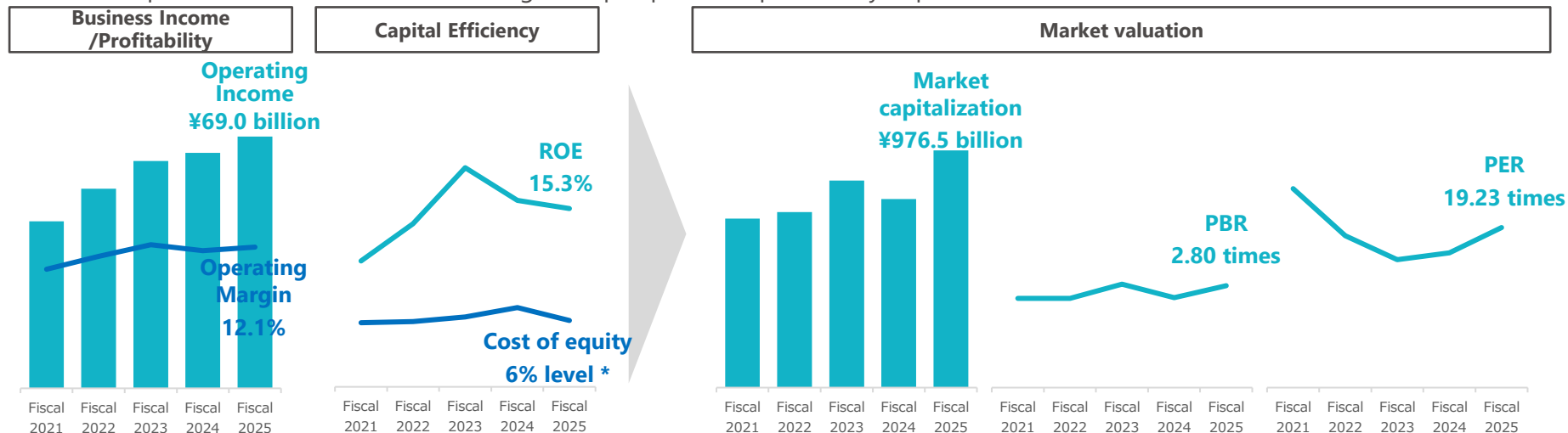
<Overall Picture of Sustainability Management Targeted by TIS INTEC Group>



Efforts for Sustainable Corporate Value Improvement

(2) Analysis and Evaluation of Current Status

- Promoted measures from both business and financial perspectives. Sustainably generate returns above the cost of capital and, accordingly, improve market assessments.
- However, in order for our corporate value to be fairly reflected in market valuation, we recognize that increasing growth expectations from a medium- to long-term perspective is particularly important.



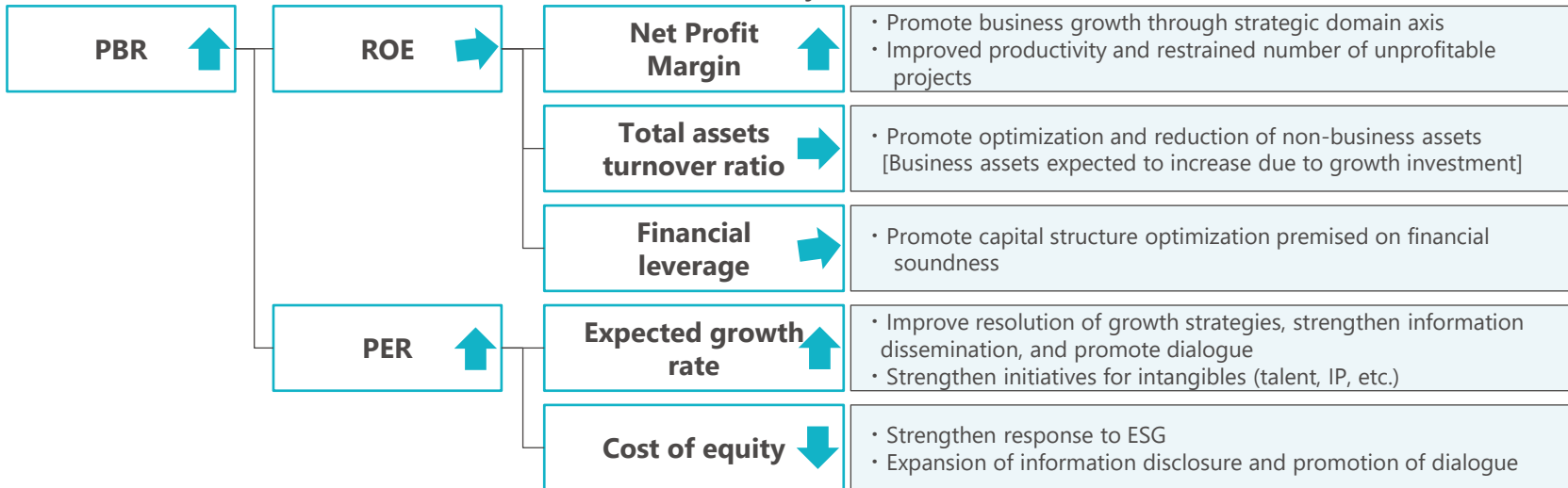
Business Income /Profitability	Achieved sustainable business growth and improved profitability even as we aggressively pursue growth investment for the future, including for human resources.
Capital Efficiency	In addition to improving EPS through business growth, promote financial measures, including capital structure optimization. ROE exceeded cost of equity.
Market valuation	Use active information disclosure and constructive dialogue to improve management practices. Promoted understanding and confidence in management and improved market valuation.

Efforts for Sustainable Corporate Value Improvement

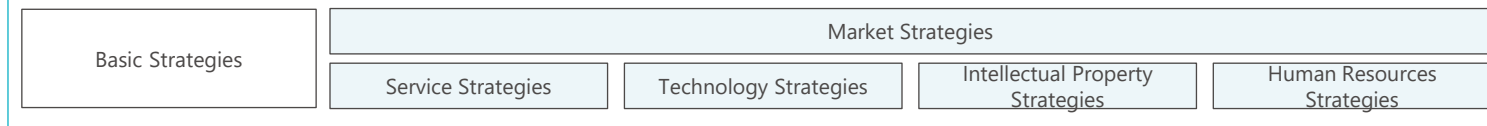
(3) Overview of Plans and Efforts

- Aim to achieve further increase in corporate value through execution of Medium-Term Management Plan (2024-2026).

Overview of Corporate Value Improvement Targets under Medium-Term Management Plan (2024-2026) and Key Points of Initiatives



Medium-Term Management Plan (2024-2026) [Frontiers 2026]



Medium-Term Management Plan (2024-2026) Overview

Basic Policy	<h2>Frontiers 2026</h2> <p>We will set frontier development as a fundamental strategy and strive for sustainable growth paralleling higher added value. We will strive to achieve changes in society and for corporate clients by enhancing quality across all value chains, starting with forward-looking market development and business domain expansion.</p>				
Key performance indicators	Human resources growth and added value cycle	Improved earning power	Asset (=intellectual property) value creation	Winning confidence of society	Meaningful growth
	Operating income per person More than ¥3.5 million	Operating margin 13.1% Adjusted operating margin 13.4%*1	ROIC/ROE Above 13%/above16%	Sales ¥620 billion	EPS CAGR Above 10%
Priority strategies	<h3>Market Strategies</h3> <ul style="list-style-type: none">Concentrate investment of management resources into defined growth areas, based on social issues and in-house strengthsBalancing efforts to increase added value of services and reinforce technology investment, expand business with sense of speed, especially in ASEAN region				
	<h4>Service Strategies</h4> <ul style="list-style-type: none">All services, from upstream to business process outsourcing, will benefit under full value chain statusEnrich pure services*3, focusing on four social issues*2	<h4>Technology Strategies</h4> <ul style="list-style-type: none">Leverage knowledge distribution, IT architect development and redeployment structurePromote process redevelopment using AI x automation	<h4>Intellectual Property Strategies</h4> <ul style="list-style-type: none">Seek balance between higher added value and expanded business scale, with greater accumulation and utilization of intellectual propertyAccelerate intellectual property creation through internal use of information on points of client contact	<h4>Human Resources Strategies</h4> <ul style="list-style-type: none">Bolster issue resolution capabilities by increasing number consultants to create 700-person structure and by standardizing basic consulting skillsSecure and develop top talent and establish structure for flexible redeployment of human resources	

*1 Adjusted operating income margin: Calculated by adding goodwill amortization cost back to operating income.

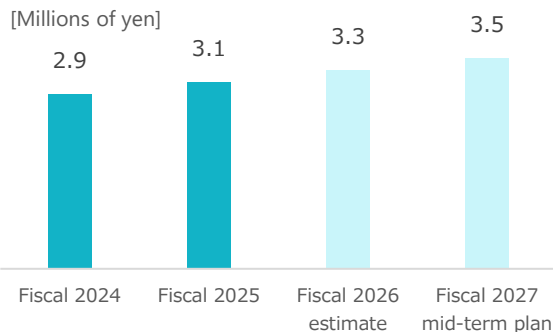
*2 Financial inclusion, urban concentration/rural decline, low-carbon/decarbonization, and health concerns. These issues were determined by backcasting from what the world might be like in 2050 and selected on the basis of TIS INTEC Group's ability to contribute to issue resolution.

*3 Type of services essentially offered under uniform specifications applicable to all clients.

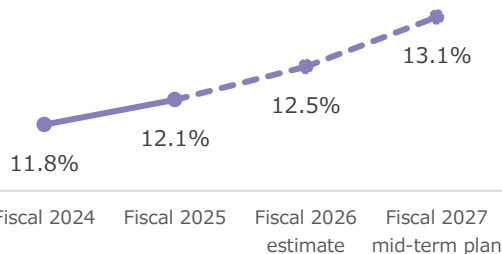
Progress on Key performance indicators

- Overall, results were generally on track with estimates. Efforts are also underway to improve indicators that address issues.

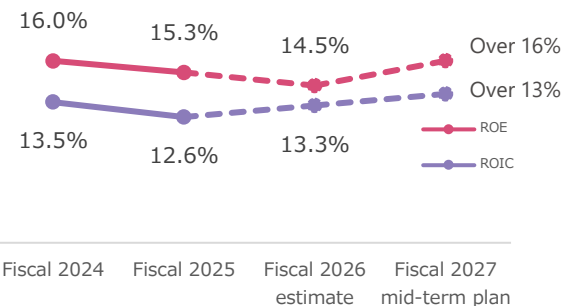
Operating income per person



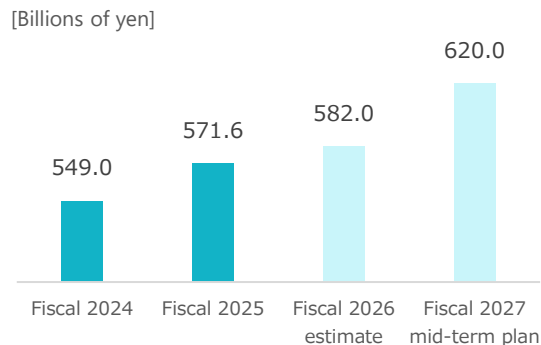
Operating Margin



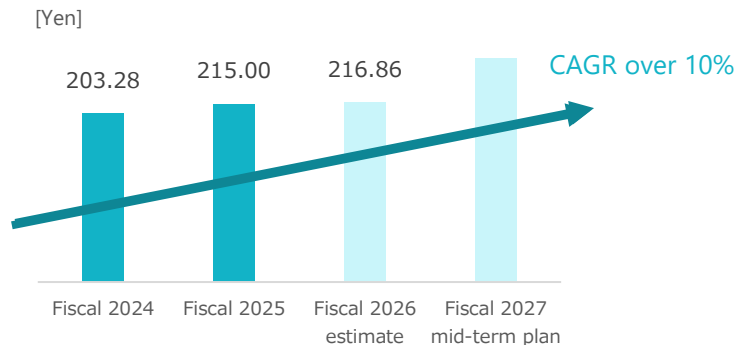
ROIC/ROE



Net Sales



EPS



- While promotion of the five basic strategies produced certain results, it will be necessary to respond to the rapidly changing external environment and to qualitatively strengthen initiatives.

Market Strategies



- Business expansion, driven by accurate responses to clients' demand for IT investment, including digital transformation, and promotion of service provision, contributed to overall results for each segment.
- Steadily capturing demand for social issues such as legacy system modernization, completion of SAP ERP standard support, and standardization and standardization of local government information systems
- In global business, pursue capital and business alliances and expand business scale, especially in ASEAN countries

Service Strategies



- On the industry front, roll out Xenlon for finance
- On the functional axis, we will develop credit (light version) in the payment domain, but order expansion will continue
- Progress in development of ERP+ complementary services, but IOS expansion effect is limited

Technology Strategies



- Utilization of generated AI for indirect operations became routine, but application to system development process is in verification phase
- [GitHub Copilot] Publish knowledge gained through its use in offshore and large-scale development projects. Improve presence.
- Full-fledged efforts to create higher added value for businesses are expected to come forward.

Intellectual Property Strategies



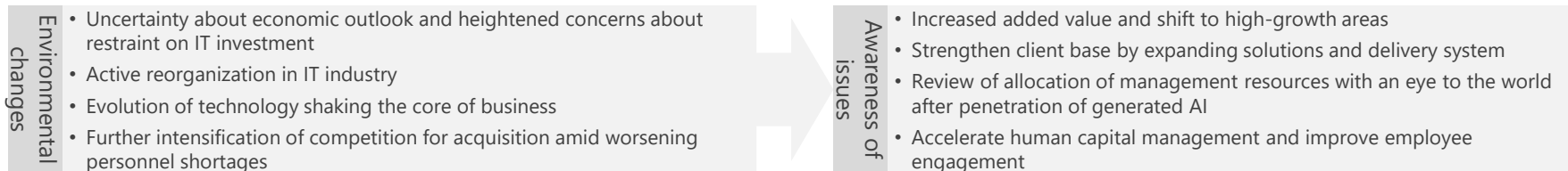
- Consolidate knowledge and problem-solving know-how in providing solutions as intellectual property to create a foundation for creating new value provision. Further strengthen decision-making support through use of generated AI
- Formulate education programs to more effectively use information and platform and promote development of advanced sales personnel to drive high value-added proposals

Human Resources Strategies



- Develop human capital scenarios and promote internal and external dialogues and priority measures to support 8% year-on-year increase in operating income per person
- Thanks in part to our efforts to date [Nikkei Smart Work Grand Prize 2025], we received the Special Award for Examiners.
- Further strengthen training for next-generation leaders in addition to cultivating advanced human resources

Toward Medium-Term Management Plan (2024-2026) Targets



Key themes

Accelerate market development based on industry axis and function axis

Industry axis

Achieve renewed growth in financial IT by further acquiring new clients through Xenlon, and invade core domains in Industrial IT Strategies by Industry

Functional axis

Accelerate the development of payment services in response to rising IT investment in payment domains, and expand income from offering services by optimizing portfolios, including enterprise and IT platform domains.

Strengthen initiatives to support growth

Restraint on unprofitable projects

Early realization of within ¥1 billion per year

Early practical application of generated AI

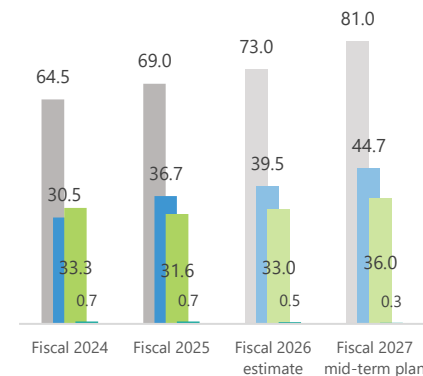
Dramatic improvement in productivity

Aggressive investment in human capital

Achieving attractive compensation levels

Operating Income Forecast (Billions of yen)

■ Operating income ■ Functional axis ■ Industry axis ■ Others



Related segments

Industry axis: Financial IT Business, Industrial IT Business
Function axis: Offering Service Business, Business Process Management, Regional IT Solutions

Medium-Term Management Plan (2024-2026) Basic Policies

Frontiers 2026

Frontier development

We will strive to achieve changes in society and for corporate clients by enhancing quality across all value chains, starting with forward-looking market development and business domain expansion.

Establish position, capabilities and organizational strength as value-creating co-creation partner for society/clients

Win confidence of society

Sustainable growth
paralleling addition of value

Concentrate Group's collective strength into markets identified through segment management

Meaningful growth

Improved earning power

Hone strengths of Group by driving capabilities of human resources and organization higher and by turning experience into asset that can be effectively utilized

Human resources growth
and added value cycle

Assets (intellectual
property) value creation

Fiscal 2026 Group Management Policy

Sustainable growth in value provided to society and corporate value through sustainability management

- Accelerate efforts to continuously increase corporate value by strengthening management with consideration for capital cost and stock price
- Achieve sustainable growth by enhancing risk management and optimizing priority strategy monitoring, aiming for [presence essential to social transformation]

Increased added value by strengthening problem-solving capabilities

- Further strengthen measures to expand consultants, IT architects, and highly skilled sales personnel, in order to enhance problem-solving, insight, and integration capabilities and increase provided value
- Enhance service portfolio management to maximize added value through service deployment on industry and function axes

Increased profitability due to changes in business structure, etc. through continued active investment

- Strengthen efforts to cultivate new clients and cultivate existing clients toward becoming an SPB
- Promote thorough initiatives to curb unprofitable projects
- Create results by establishing use of generated AI in direct and indirect operations

Business expansion and establishment of governance aimed at becoming ASEAN top-class IT corporate alliance

- Targeting Asia, which has enormous market potential, as a long-term target, strengthen relationships with investees to expand business in ASEAN countries and continuously promote joint business development
- Promotion of more sophisticated global governance management

Maximize provision of added value by strengthening human resources growth and use of intellectual property

- By actively investing in human resources based on the human capital scenario and responding to human resource issues, highly skilled personnel with expertise will provide high added value
- Promote further accumulation and utilization of intellectual property, such as by creating intellectual property by strengthening feedback on points of contact with clients

Service Strategies - Payment Business

- The cashless market remained steady. In the B2C market, mobile payments are gaining momentum, while in the B2B market, there are great expectations for revitalization not only in major companies but also in the SME market. We will continue to strive to evolve PAYCIERGE by securing share in existing areas, especially processing services, and establishing ourselves as a business operator in new areas.

Fiscal 2025: Key Initiatives

Credit

- Focus on development of **light-version credit card processing service**
April 2024: **Entered into a capital and business alliance with Nudge**
February 2025: Develop [startup suite] to provide comprehensive support from business start-up through to business development

Digital account

- **Strengthen initiatives in B2B market - B2B transactions DX -**
April 2025: Announced **new services for Hiroshima Bank, Nihon ICS, and SMEs** (launch scheduled for June 2025)
- **Strengthen platform services to enhance innovative services and responsiveness to clients**
September 2024: Launched **digital platform offering service**

Next-generation payments

- **Considering commercialization of stable coins (digital currency)**
Started joint study with **SMBC Group** toward commercialization of stable coins

Creating New Value

- Accelerate **consideration of commercialization of themes** in sports and insurance domains

Fiscal 2026: Key themes

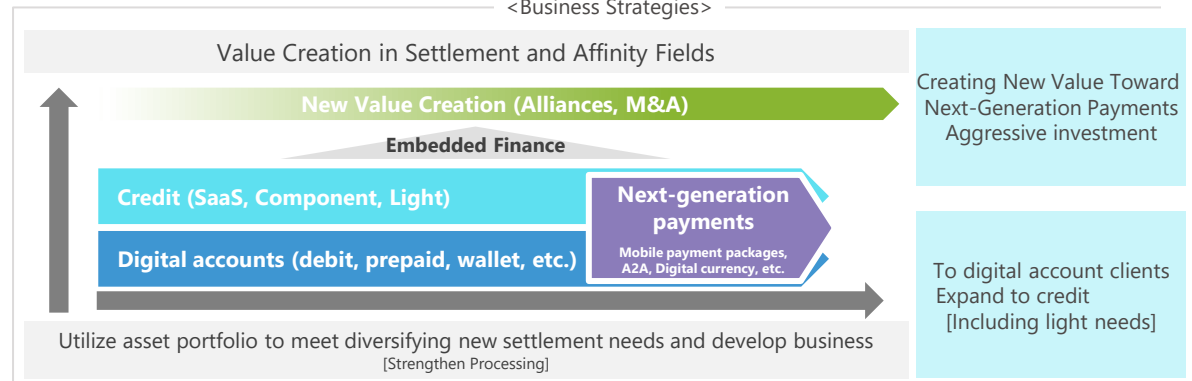
Secure share in emerging platform market [Strengthen Processing]

- Develop credit functions for digital account clients Expand orders in the credit domain, especially for light versions.
- Expansion of [B2B transaction DX] initiatives for other regional banks and commercial launch of stable coin-related services
- Improve profitability through delivery, structural optimization, etc.

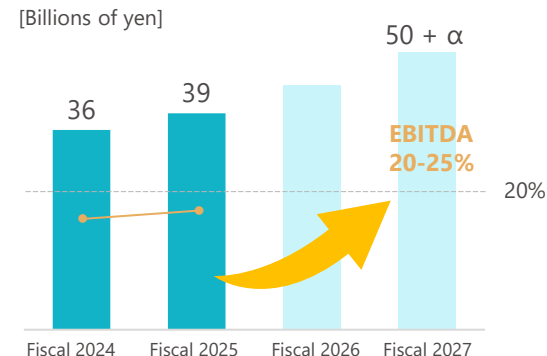
Solving Social Issues and Creating New Value [Evolving Beyond Payment]

- Accelerate joint study with business partners on commercialization in areas with high affinity for payments

<Business Strategies>



Payment Business: Business Size (Sales)



Market Strategies - Modernization Business

- Continue to further evolve strengths to meet steady demand for modernization services. Pipeline business expanded and progress steadily toward target.

Fiscal 2025: Key Initiatives

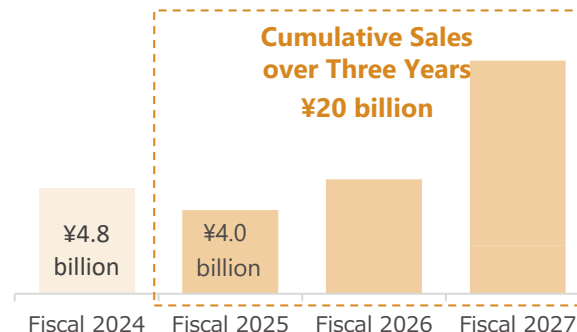
- Assigned **specialized modernization organizations** for financial IT and industrial IT services respectively.
- Collaborated with JFE Steel to expand support functions **for promotion from an operational perspective** to meet previous system approach (XMS), and promote joint sales and promotional activities.
- Entered into a partnership agreement with Pega to achieve integrated **modernization from the front end to the back end**.
- Enhance services and functions to **improve added value**: Expand rewrite area, start using tools to improve efficiency and generate AI to **improve productivity**.

⇒ Acquired orders from new clients in financial sector (April 2025)

Fiscal 2026: Key themes

- Jointly promote projects with group companies.
- Construct continuous relationships by surrounding maintenance and development activities and acquiring projects for peripheral systems.
- [Agility] Continue upfront investment to secure.
- Expand modernization business to front areas

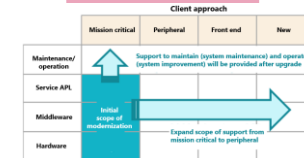
Desired business scale*



Securing Future stock business*

*Business generating recurring revenue

Turn into strategic partnership business (SPB)



Build lasting relationship by using mission critical innovation as hook

Improving advantages



Activities under Medium-Term Management Plan (Topics):

Market Strategies - Global Business

- Establish [ASEAN IT Federation of Top Class] by enhancing global partners and pursuing investment strategy, and aim to expand competitiveness globally and achieve consolidated net sales of ¥100 billion in FY2026.

Fiscal 2025: Key Initiatives

January 2025: Capital-and-business alliance with **major Vietnamese IT service provider "NTQ Solution"**

Become a new base for cultivating overseas markets, especially in Asia

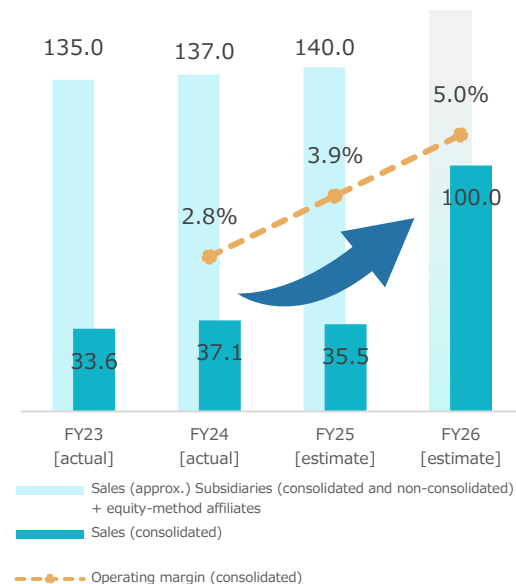
July 2024: **Established Japanese joint venture with automated driving EV "PIX Moving" (CH)**

Accelerate innovation in MaaS and Smart City domains



Global business scale

[Billions of yen]



Fiscal 2026: Key themes

Value-Up on Channel

Selection and concentration of businesses/shift to consulting and high-value-added services

Expansion of Value Chain

Cross-border services and business development utilizing NTQ's business platform

Diversification of investment targets

Global sourcing centered on bases in North America and Singapore + Promote investment locally in each country

Acquire and develop human resources to create new businesses

Acquire young entrepreneurial human resources through alliances with top-class universities in Asia

Activities under Medium-Term Management Plan (Topics):

Technology Strategies - Using Generative AI

- The demand for AI consulting services has expanded, with inquiries increasing due to the enhanced functionality through integration into company services.
- Promote the development and internal rollout of an environment where each employee can use generative AI in daily tasks and achieve high productivity.

For business Increased added value



Supporting clients in creating value through generative AI via consulting and solution-based offerings

Supporting clients in adopting generative AI

- Growing interest in our Generative AI Introduction Support Service, which provides end-to-end assistance from planning to development and operation
- Launched Generative AI Platform in January 2025 (available in both custom-developed and SaaS formats), with increasing orders and published use cases

Embedding generative AI into services

- Gradually rolling out enhanced functions and services using generative AI across front- and back-office areas such as sales, customer support, business management, expense management, and HR
- Promoting pilot programs through co-creation with clients to address social issues such as labor shortages and revitalizing local economies

For operations Productivity innovation

Establishing an environment where every employee, regardless of role, can achieve high productivity by making generative AI a standard tool

Application to engineering (direct operations)

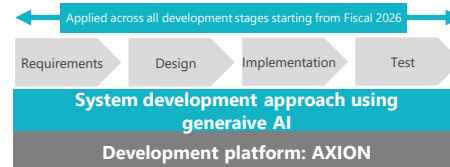
- Used in over one-third of system development projects, mainly in manufacturing and unit testing
- Shared knowledge from offshore and large-scale development using GitHub Copilot, boosting visibility

Application to in-house data utilization (indirect operations)

- TIS AIChatLab used to efficiently share knowledge and gather internal information
- More than half of employees* use generative AI for business

Fiscal 2026: Key themes

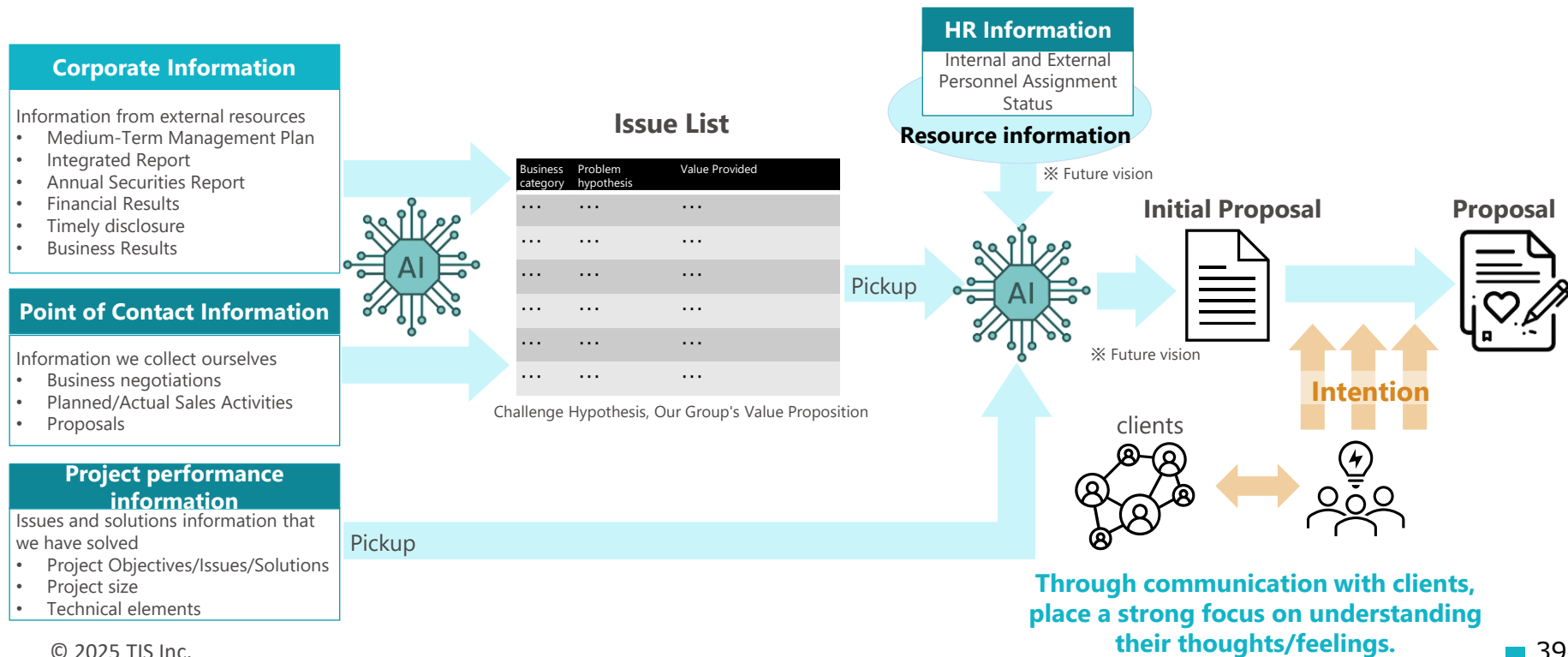
- across all system development stage
- Standard integration into development platforms



Activities under Medium-Term Management Plan (Topics):

Intellectual Property Strategies

- Consolidating solution knowledge as intellectual property to support value creation for new clients. Using generative AI to accelerate knowledge extraction and decision-making.
- Future plans include linking with HR data and auto-generating draft proposals to enhance value delivery.



Activities under Medium-Term Management Plan (Topics):

Human Resources Strategies

- Refine scenarios, key measures, and indicators through feedback from ongoing dialogue with stakeholders based on human capital scenarios. Progress toward the fiscal 2027 target through initiatives under three key themes aimed at increasing added value through human resources investment.



Fiscal 2025: Key Initiatives

Theme 1	<ul style="list-style-type: none"> Implementation of an advanced development curriculum and strategic rotation in collaboration with consulting and technical expert organizations
Theme 2	<ul style="list-style-type: none"> Implementation of experienced worker recruitment in collaboration between HRBP and the field Promote new graduate recruitment in alignment with branding Enhance the development and promotion of core human resources by advancing talent reviews and upgrading education plans in alignment with business strategies
Theme 3	<ul style="list-style-type: none"> Optimize the human resources management platform to enhance employee engagement Examine short-term and medium- to long-term compensation strategies and improve compensation based on the conditions of group companies
Fiscal 2026 Key themes	<ul style="list-style-type: none"> Enhance management by monitoring key indicators optimized according to human capital scenarios Further strengthen collaboration with specialist organizations and accelerate the expansion of cutting-edge talent Develop and promote next-generation leaders to adapt to the current and future business environment

Job Satisfaction*



Percentage of female employees in management positions*



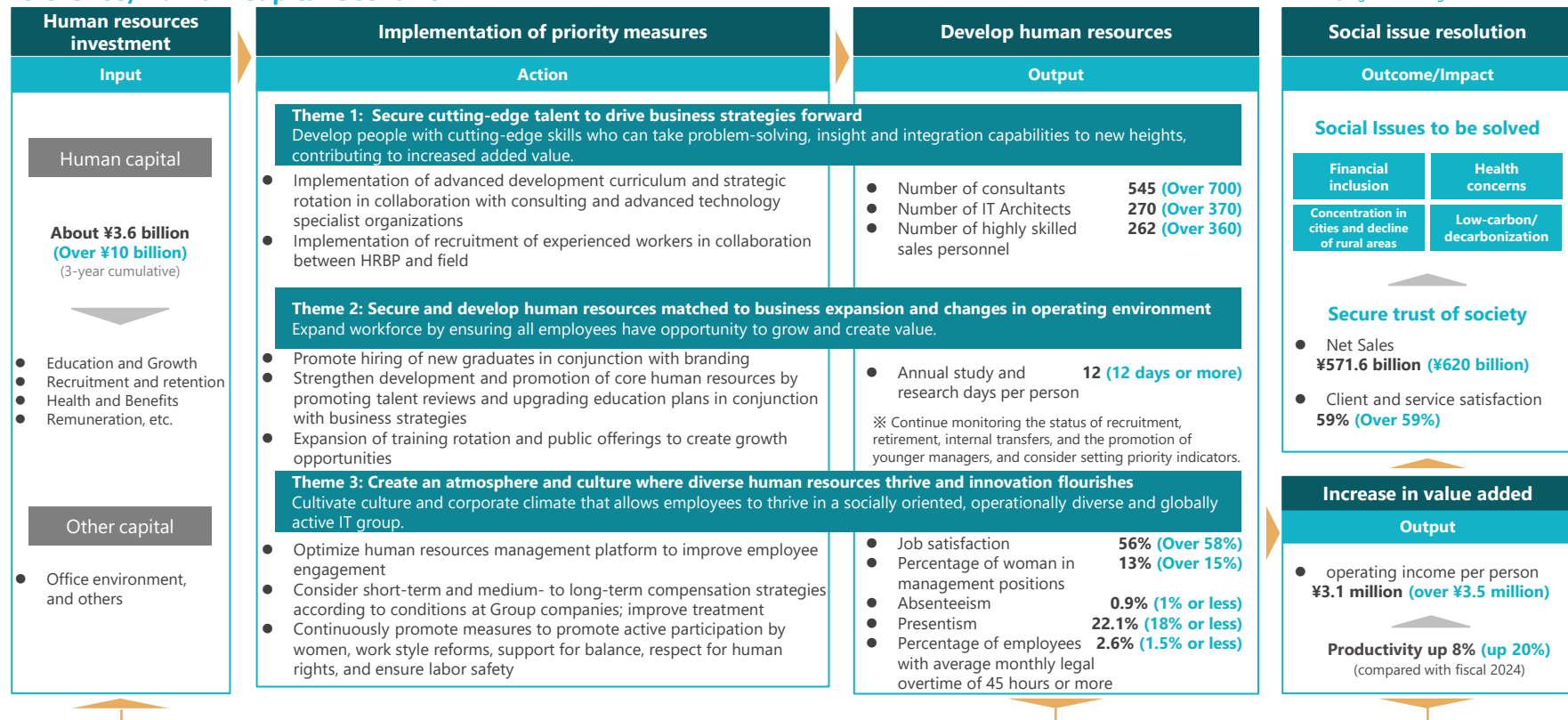
Number of cutting-edge talent for focused expansion

	Fiscal 2025	Fiscal 2027
• Consultants	545	More than 700
• IT Architect	270	More than 370
• Advanced sales talent	262	More than 360

Activities under Medium-Term Management Plan (Topics):

Human Resources Strategies

Reference/Human Capital Scenario



※() Figures are targets for fiscal 2027.

Activities under Medium-Term Management Plan (Topics):

Financial Investment Strategies Cash Allocation

- Optimizing capital structure and maintaining financial soundness, we decided on an additional ¥35 billion share repurchase.
- We will continue active investment in M&A and strategic partnerships, maintaining the ¥100 billion growth investment framework. Cash allocation will remain flexible, leveraging cash on hand as needed.

Progress	Medium-Term Plan: Updated Three-Year Cumulative Outlook		Progress	
	Cash in	Cash out		Fiscal 2025 actual Fiscal 2026 estimate
Steady Progress Toward Medium-Term Plan Targets <ul style="list-style-type: none"> Operating Income Fiscal 2025 ¥69.0 billion Fiscal 2026 ¥73.0 billion Fiscal 2027 ¥81.0 billion 	Cash Generation from Business Operations	Growth investment ¥100 billion	M&A Investment ¥70 billion	¥8.2 billion Not yet determined (Active consideration)
			HR R&D SW	¥11.3 billion ¥11 billion
		Capital Expenditures ¥65 billion		¥20.2 billion ¥20 billion
		Dividends and share buyback ¥110 billion (+¥35 billion compared to initial estimate)		¥22.7 billion ¥59 billion
<ul style="list-style-type: none"> Reduction in strategic shareholdings 	Asset Optimization /Financing			
	Use of Cash on Hand			

Activities under Medium-Term Management Plan (Topics): Enhancing Management Capabilities

- In fiscal 2025, the company focused particularly on initiatives in human capital, the environment, and the supply chain.
- Focus on measures to further deepen sustainability management in light of changes in the business environment.

Fiscal 2025: Key Initiatives

Contribution to decarbonisation society and recycling-oriented society

- Early switch to renewable energy-derived electricity at data centers and offices
→ Steady Progress Toward Achieving Medium-Term GHG Emissions Targets (Scope 1+2)
- Conducted risk analysis on natural capital using the TNFD framework
→ No targets set due to limited impact on natural capital; risk analysis ongoing.

Providing value to society through strengthening human capital and supply chains

- Focus on securing high-impact talent to lead frontier development based on the human capital investment framework
- Promoting Co-Creation with Supply Chains
Promote initiatives
 - ✓ Update multi-stakeholder policy
 - ✓ Renewal of Declaration of Establishment of Partnerships
 - ✓ Preparation of procurement guidelines

Continuously enhancing corporate governance to build trust with society

- Revised to executive compensation system designed to maximize corporate value
 - ✓ Increase ratio of variable compensation (performance-linked)
 - ✓ Review to competitive compensation level
 - ✓ Changed assessment method to respond to shareholder trust
- Enhancing Board Diversity and Monitoring Functions
 - ✓ Developing an agenda for discussing and enriching the basic management policy
 - ✓ Clarifying the roles and codes of conduct of directors
→ Fostering a shared understanding among directors to enhance the Board's effectiveness

Fiscal 2026: Key themes

- Strengthen integrated systems for managing risks and opportunities in response to the rapidly changing business environment
- Improved quality of dialogue with stakeholders, starting with enhanced disclosure (preparations for future responses to sustainability information disclosure based on SSBJ standards, etc.)

Non-Financial Management Indicators

- While progress in increasing the number of consultants remains a challenge, other metrics are tracking well. We will further strengthen our focus on expanding human capital.

Materiality themes	Perspective/policy on measuring progress	Indicators	Scope*1	Fiscal 2024 Results	Fiscal 2025 Results	Fiscal 2027 Targets
1	Create a society in which diverse human resources are engaged and thrive Demonstrate capabilities of employees Human resources with specialized expertise will be at forefront of frontier development and provide high added Value	Job satisfaction	B	52%	56%	58%
		Number of consultants	B	510 persons	545 persons	700 persons
		Number of female employees in management positions	B	12%	13%	15%
2	Create a society in which diverse human resources are engaged and thrive Provide value to society Aim to integrate business and sustainability so that promoting business aligned to strategic domains itself creates social value	Strategic domain ratio	A	48%	51%	52%
		Operating income per person	A	¥2.9 million	¥3.1 million	Over ¥3.5 million
		Growth investment	A	Three-year total ¥72.0 billion	Annual ¥19.5 billion	Three-year total ¥100.0 billion
3	Create a safe society through highquality services Quality demanded by society Realize management attitude/practices supporting accumulation/distribution of intellectual property, and create appealing quality	Client/service satisfaction	C	54%	59%	59%
		Business partner satisfaction	D	77%	74%	81%
4	Enhance corporate governance and earn the trust of society Company chosen by society Constantly reinforce internal controls on groupwide basis, and contribute to decarbonized society and recycling-oriented society	GHG emissions (Scope 1+2)*2 [Compared with fiscal 2020]	A	60% reduction	65% reduction (preliminary)	70% reduction
		Renewable energy utilization rate*2 (Offices and data centers)	B	Introduced 57%	Introduced at 62% (preliminary)	Fiscal 2031: 100% introduction

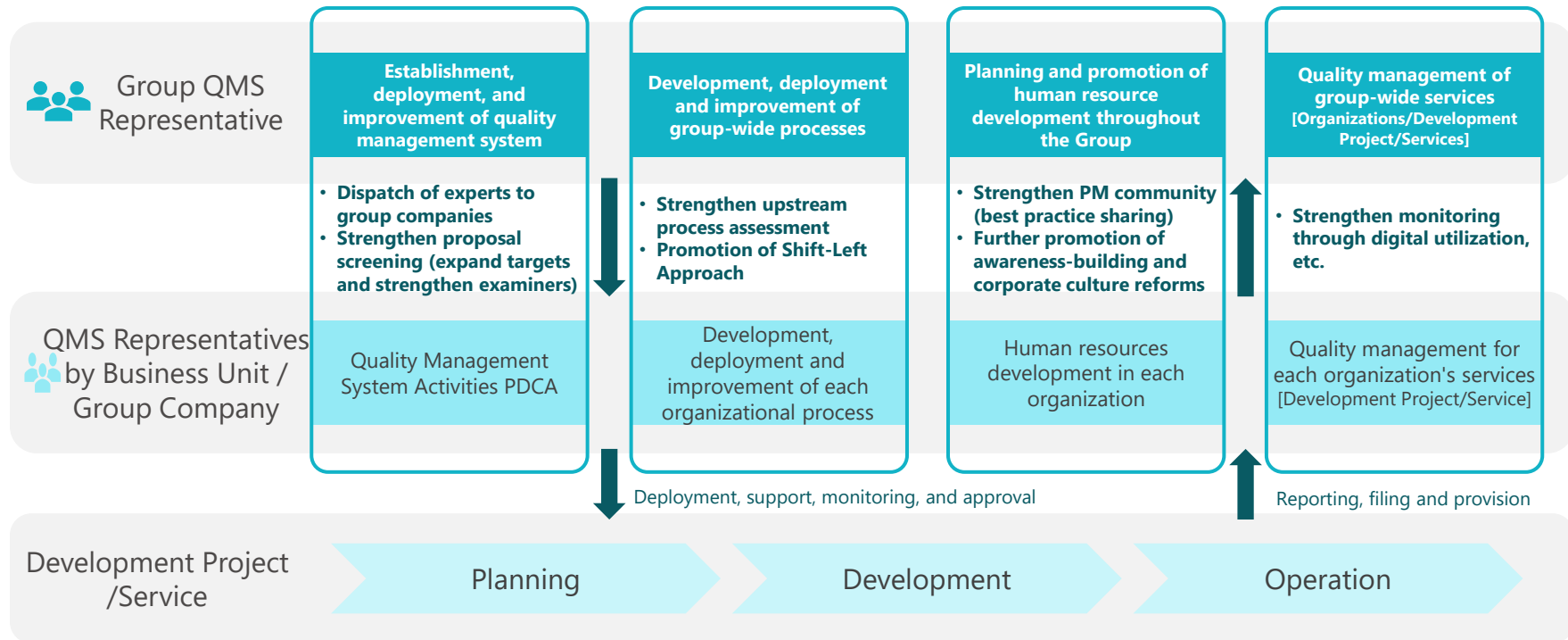
*1 A: Consolidated / B: Consolidated (domestic) / C: TIS, INTEC, AGREX, QUALICA, AJS, TIS Solutions Link / D: TIS, INTEC

*2 Fiscal 2024 results only include TIS, INTEC, AGREX, QUALICA, AJS, TIS Solution Link, TIS System Service, TIS Tohoku, TIS Nagano, TIS West Japan, TIS Hokkaido, TIS Business Service, SorunPure, MFEC Public, Business Application, Motif Technology Public, Hongson, MISO Digital, Prain Fintech, Mysne Innovations, and Playtorium Solutions

Activities under Medium-Term Management Plan (Topics):

Efforts to Curb Unprofitable Projects and Improve Quality

- Continuously strengthen preventive and discovery measures from all perspectives, including strengthening the Group-wide quality management system to prevent unprofitable projects and reviewing processes for early detection of unprofitable projects to minimize losses.



Brand Strategies

- Aim to be the corporate group of choice for all stakeholders and continue to focus on enhancing brand value.
- Through sponsorships at the Osaka-Kansai Exposition and B.LEAGUE, we will deepen ties with local communities and strive to be a company that grows together with society.

Osaka-Kansai Expo (EXPO2025)



TIS supports the Osaka-Kansai Expo and serves as a Super Premium Partner of the Osaka Healthcare Pavilion. As a sponsor, TIS provides the healthcare platform and official apps that support the pavilion, contributing to a vibrant vision for the future of healthcare.

- For more information (in Japanese), please visit <https://www.tis.co.jp/company/sponsorship/expo2025/>

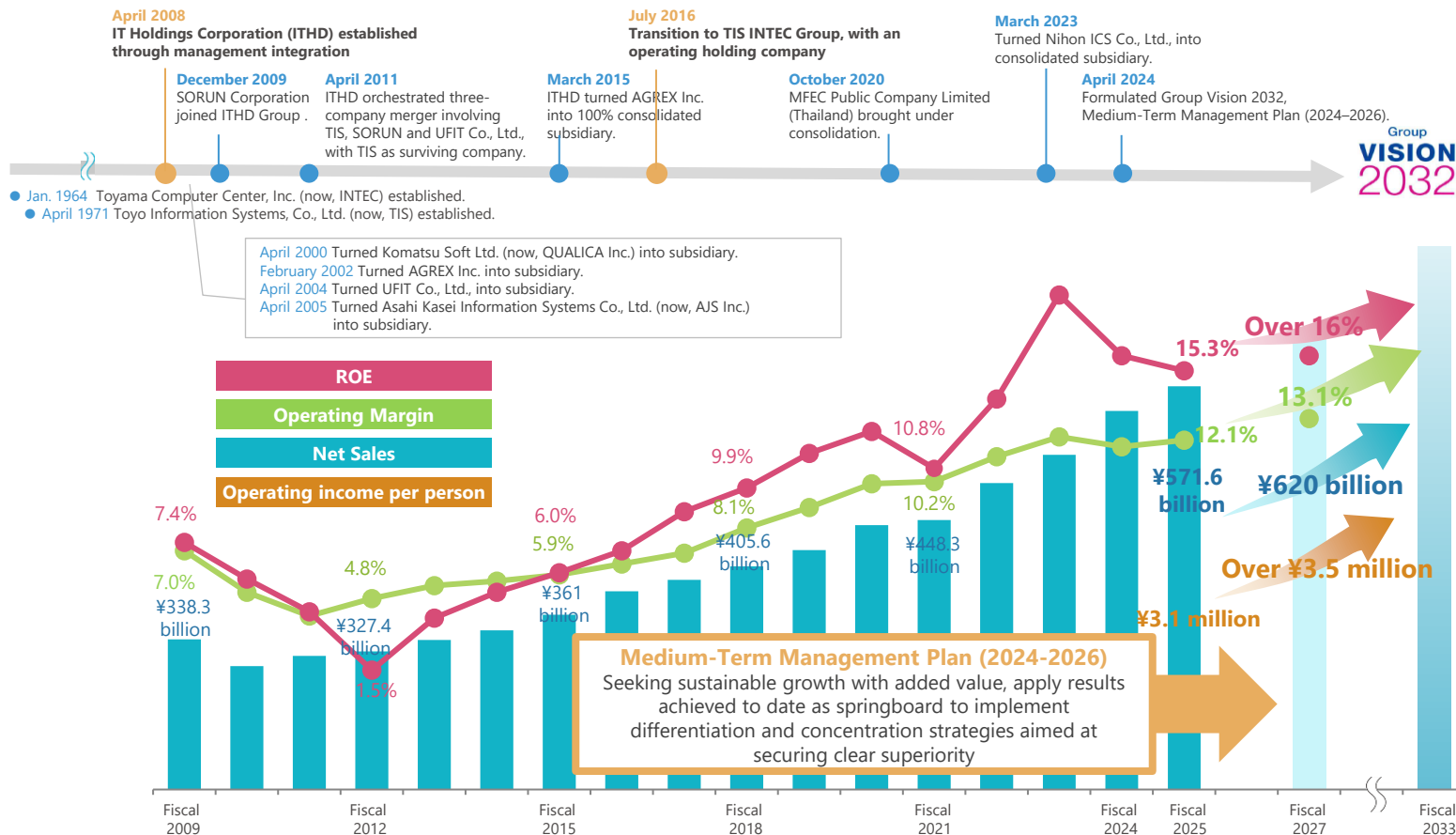
B.LEAGUE(2024-25)



TIS supports Japan's professional men's basketball league, B.LEAGUE, as a Supporting Company. To help increase attendance, we contributed to the development of marketing strategies based on user research. Currently, measures based on these strategies are being implemented. Moving forward, we will continue to work alongside B.LEAGUE to make basketball even more exciting and emotionally engaging as a form of entertainment.

- For more information (in Japanese), please visit <https://www.tis.co.jp/company/sponsorship/bleague2024/>

Seeking Further Improvement in Corporate Value



- 1 **Fiscal 2025: Financial Highlights**
- 2 **Fiscal 2026: Performance Forecast**
- 3 **Return to Shareholders**
- 4 **Progress on Medium-Term Management Plan (2024-2026)**
- 5 **Reference Materials**



Sales by Key Business Segments and Operating Activity *For external clients

[Millions of yen]		Fiscal 2024	Fiscal 2025	YOY change	
Offering Service Business		116,115	131,667	+15,551	[+13.4%]
Software development		45,618	51,836	+6,217	[+13.6%]
Operating/cloud services		39,491	42,228	+2,737	[+6.9%]
Product/software sales		31,006	37,602	+6,596	[+21.3%]
Business Process Management		39,882	40,521	+639	[+1.6%]
Software development		13,219	13,129	-90	[-0.7%]
Operating/cloud services		25,536	25,804	+268	[+1.0%]
Product/software sales		1,125	1,587	+461	[+41.0%]
Financial IT Business		104,822	98,918	-5,903	[-5.6%]
Software development		59,294	51,942	-7,351	[-12.4%]
Operating/cloud services		40,167	41,938	+1,771	[+4.4%]
Product/software sales		5,361	5,037	-323	[-6.0%]
Industrial IT Business		121,309	127,634	+6,325	[+5.2%]
Software development		78,877	86,042	+7,165	[+9.1%]
Operating/cloud services		26,532	24,624	-1,908	[-7.2%]
Product/software sales		15,899	16,967	+1,067	[+6.7%]
Regional IT Solutions		164,786	170,437	+5,650	[+3.4%]
Software development		83,750	86,714	+2,964	[+3.5%]
Operating/cloud services		56,571	58,370	+1,799	[+3.2%]
Product/software sales		24,465	25,352	+886	[+3.6%]
Others	Others	2,088	2,507	+419	[+20.1%]
Total		549,004	571,687	+22,682	[+4.1%]
Software development		280,759	289,665	+8,906	[+3.2%]
Operating/cloud services		188,299	192,966	+4,667	[+2.5%]
Product/software sales		77,857	86,546	+8,689	[+11.2%]
Others		2,088	2,507	+419	[+20.1%]

Reference: Fiscal 2025 Fourth Quarter (Jan-Mar) :

Sales by Key Business Segments and Operating Activity *For external clients

[Millions of yen]		Fiscal 2024 Q4	Fiscal 2025 Q4	YOY change	
Offering Service Business		31,949	35,286	+3,337	[+10.4%]
Software development		12,421	14,232	+1,810	[+14.6%]
Operating/cloud services		10,758	10,919	+160	[+1.5%]
Product/software sales		8,769	10,135	+1,365	[+15.6%]
Business Process Management		10,181	10,568	+387	[+3.8%]
Software development		3,355	3,558	+202	[+6.0%]
Operating/cloud services		6,479	6,555	+75	[+1.2%]
Product/software sales		345	454	+108	[+31.5%]
Financial IT Business		26,139	25,304	-834	[-3.2%]
Software development		14,128	13,770	-358	[-2.5%]
Operating/cloud services		10,644	10,233	-411	[-3.9%]
Product/software sales		1,366	1,301	-65	[-4.8%]
Industrial IT Business		32,049	34,515	+2,466	[+7.7%]
Software development		20,763	22,519	+1,755	[+8.5%]
Operating/cloud services		6,617	6,185	-432	[-6.5%]
Product/software sales		4,668	5,811	+1,142	[+24.5%]
Regional IT Solutions		43,406	48,863	+5,457	[+12.6%]
Software development		21,373	23,440	+2,066	[+9.7%]
Operating/cloud services		14,382	14,833	+450	[+3.1%]
Product/software sales		7,650	10,589	+2,939	[+38.4%]
Others	Others	534	586	+52	[+9.8%]
Total		144,260	155,125	+10,865	[+7.5%]
	Software development	72,041	77,520	+5,478	[+7.6%]
	Operating/cloud services	48,883	48,726	-156	[-0.3%]
	Product/software sales	22,800	28,292	+5,491	[+24.1%]
	Others	534	586	+52	[+9.8%]

Sales and Income by Key Business Segments (Forecast)

[Millions of yen]		Fiscal 2026 1st half	Fiscal 2026 1st half	YOY change	
Net Sales		275,558	285,000	+9,441	[+3.4%]
Operating Income		30,509	33,000	+2,490	[+8.2%]
Operating Margin		11.1%	11.6%	0.5P	-
Net Income Attributable to Owners of the Parent Company		20,840	22,000	+1,159	[+5.6%]
Net Income to Net Sales Ratio		7.6%	7.7%	0.1P	-
Key Business Segments					
Offering Service Business	Net Sales	70,405	74,000	+3,594	[+5.1%]
	Operating Income	4,468	4,650	+181	[+4.1%]
	Operating Margin	6.3%	6.3%	+0.0P	-
Business Process Management	Net Sales	20,848	21,500	+651	[+3.1%]
	Operating Income	2,317	2,800	+482	[+20.8%]
	Operating Margin	11.1%	13.0%	+1.9P	-
Financial IT Business	Net Sales	50,041	48,000	-2,041	[-4.1%]
	Operating Income	6,090	5,500	-590	[-9.7%]
	Operating Margin	12.2%	11.5%	-0.7P	-
Industrial IT Business	Net Sales	61,295	64,000	+2,704	[+4.4%]
	Operating Income	9,022	9,900	+877	[+9.7%]
	Operating Margin	14.7%	15.5%	+0.8P	-
Regional IT Solutions	Net Sales	83,948	89,000	+5,051	[+6.0%]
	Operating Income	8,300	10,000	+1,699	[+20.5%]
	Operating Margin	9.9%	11.2%	+1.3P	-

Fiscal 2026 Second Half:

Sales and Income by Key Business Segments (Forecast)

[Millions of yen]		Fiscal 2026 2nd half	Fiscal 2026 2nd half	YOY change	
Net Sales		296,128	297,000	+871	[+0.3%]
Operating Income		38,538	40,000	+1,461	[+3.8%]
Operating Margin		13.0%	13.5%	0.5P	-
Net Income Attributable to Owners of the Parent Company		29,171	27,000	-2,171	[-7.4%]
Net Income to Net Sales Ratio		9.9%	9.1%	-0.8P	-
Key Business Segments					
Offering Service Business	Net Sales	75,109	76,000	+890	[+1.2%]
	Operating Income	5,468	5,950	+481	[+8.8%]
	Operating Margin	7.3%	7.8%	+0.5P	-
Business Process Management	Net Sales	21,798	22,500	+701	[+3.2%]
	Operating Income	3,009	3,250	+240	[+8.0%]
	Operating Margin	13.8%	14.4%	+0.6P	-
Financial IT Business	Net Sales	50,210	50,500	+289	[+0.6%]
	Operating Income	6,231	6,350	+118	[+1.9%]
	Operating Margin	12.4%	12.6%	+0.2P	-
Industrial IT Business	Net Sales	66,824	67,000	+175	[+0.3%]
	Operating Income	10,308	11,300	+991	[+9.6%]
	Operating Margin	15.4%	16.9%	+1.5P	-
Regional IT Solutions	Net Sales	93,476	92,500	-976	[-1.0%]
	Operating Income	13,275	12,950	-325	[-2.4%]
	Operating Margin	14.2%	14.0%	-0.2P	-

Trends in Sales and Income by Key Business Segments

[Millions of yen]		Fiscal 2024 Actual	Fiscal 2025 Actual	Fiscal 2026 Estimate	Fiscal 2027 Medium-term Management Plan
Offering Service Business	Net Sales	130,759	145,515	150,000	163,000
	Operating Income	7,659	9,937	10,600	14,500
	Operating Margin	5.9%	6.8%	7.1%	8.9%
Business Process Management	Net Sales	41,953	42,646	44,000	46,000
	Operating Income	4,551	5,326	6,050	5,200
	Operating Margin	10.8%	12.5%	13.8%	11.3%
Financial IT Business	Net Sales	106,304	100,252	98,500	103,500
	Operating Income	15,185	12,321	11,850	13,500
	Operating Margin	14.3%	12.3%	12.0%	13.0%
Industrial IT Business	Net Sales	121,896	128,120	131,000	141,000
	Operating Income	18,287	19,330	21,200	22,500
	Operating Margin	15.0%	15.1%	16.2%	16.0%
Regional IT Solutions	Net Sales	172,376	177,425	181,500	191,000
	Operating Income	18,497	21,576	22,950	25,000
	Operating Margin	10.7%	12.2%	12.6%	13.1%

Offering Service Business

Definition

Configures services through **own investment** based on **best practices** accumulated groupwide and provides **knowledge-intensive IT services**.

Business Process Management

Definition

Applies such strengths as IT expertise, business know-how and skilled human resources to realize and provide **higher-level, more-efficient outsourcing solutions** targeting business process-related

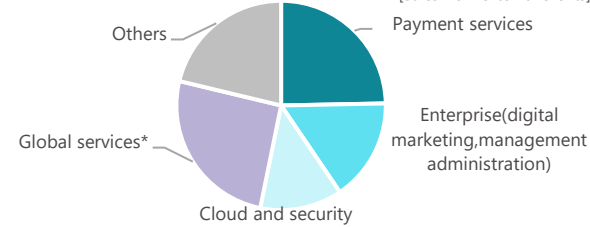
Financial IT Business

Definition

Considers business and IT strategies together and leverages both, and supports business progress using expert business and operating know-how specific to the finance industry.

[Supplement] Business composition of Offering Service Businesses

[Sales from external clients]



*Partial transactions are amounted on other segments

Industrial IT Business

Definition

Considers business and IT strategies together and leverages both, and supports business progress using expert business and operating know-how specific to industry sectors other than finance.

Regional IT Solutions

Definition

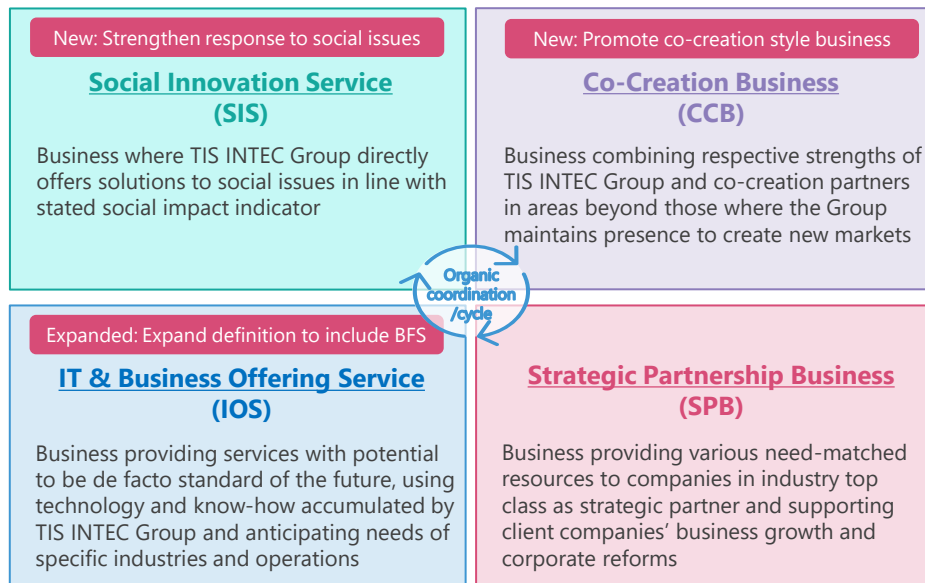
Provides IT professional services **extensively, across regions and client sites**, and **collects and develops** this know-how **as the source of solutions** to support efforts to address issues and promote business activities.

New Strategic Domains, Desired Status

- We will partially revise strategic domains, based on long-term business direction, with aim of developing business pursuits hinging on social issue resolution and co-creation and commercializing services that go beyond IT alone.

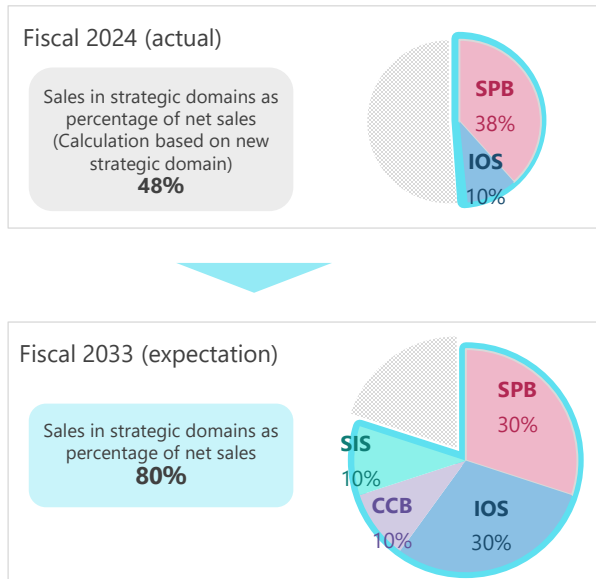
Redefined Strategic Domains under Group Vision 2032

- ✓ Since 2017, when Group Vision 2026 was prepared, very clearly highlighted social role that TIS INTEC Group must fulfill and best business approach to take over next 10 years, shaping new priority business areas.



Strategic Domains: Desired Composition

- ✓ SPB and IOS domains will be much bigger, new CCB and SIS domains will have grown to certain size, and business portfolio will be well-balanced mix of diverse business models.



Make society's wishes come true through IT.



TIS INTEC
Group