

Presentation Materials for the First Quarter of the Fiscal Year Ending March 31, 2026

July 30, 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 2026 First Quarter: Financial Highlights

- Sales and operating income increased year on year.
- Operating margin hit the 11% level, driven by improvement in gross profit margin.
- Orders received and order backlog steadily increased, driven by Software Development.

Decision on Basic Policy for the Merger between TIS and INTEC

- TIS and INTEC have merged to further enhance corporate value.
- The new company name will be changed to TISI Inc.
- The company will transition to a company with an Audit and Supervisory Committee to further enhance governance.

(Note) The change in trade name and the transition to a company with an Audit and Supervisory Committee are subject to approval of the necessary amendments to the Articles of Incorporation at the ordinary general meeting of shareholders scheduled for late June 2026.

- 1 Fiscal 2026 First Quarter: Financial Highlights**
- 2 Fiscal 2026: Performance Forecast**
- 3 Decision on Basic Policy for the Merger between TIS and INTEC**
- 4 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 20]



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Fiscal 2026 First Quarter:

Performance Highlights (YOY change)

- Sales and income increased, supported by contribution from business expansion realized by responding accurately to clients' IT investment demand, including digital transformation, and by promoting the provision of services.

[Millions of yen]	Fiscal 2025 Q1	Fiscal 2026 Q1	YoY change	
Net Sales	134,055	140,316	+6,261	[+4.7%]
Operating Income	14,061	16,353	+2,291	[+16.3%]
Operating Margin	10.5%	11.7%	+1.2P	-
Net Income Attributable to Owners of the Parent Company	10,679	12,520	+1,841	[+17.2%]
Net Income to Net Sales Ratio	8.0%	8.9%	+0.9P	-

• Non-operating income: ¥1,015 million (YOY change -¥201 million)
→ Dividend income ¥672 million, etc.

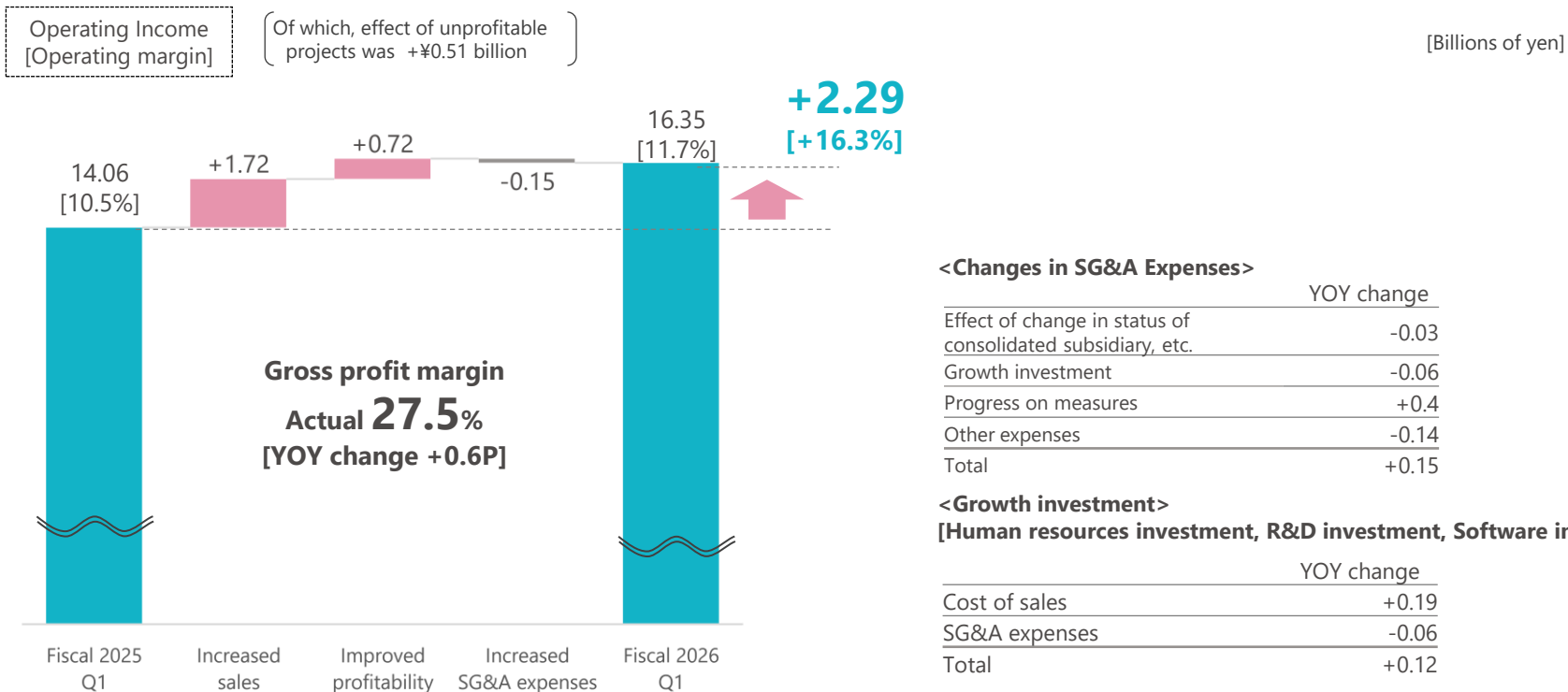
• Non-operating expenses: ¥304 million (YOY change +¥97 million)

• Extraordinary income: ¥2,054 million (YOY change +¥67 million)
→ Gain on sale of investment securities ¥1,354 million, etc.

• Extraordinary loss: ¥56 million (YOY change -¥659 million)

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

- Operating income increased, driven by the promotion of high-value-added businesses and productivity improvements. Gross profit margin rose to 27.5%.

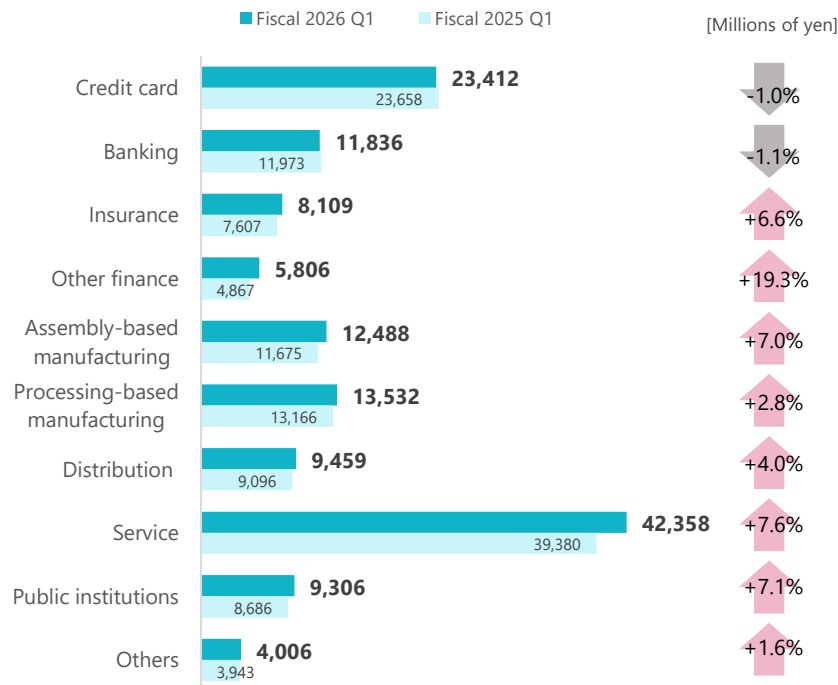


Fiscal 2026 First Quarter:

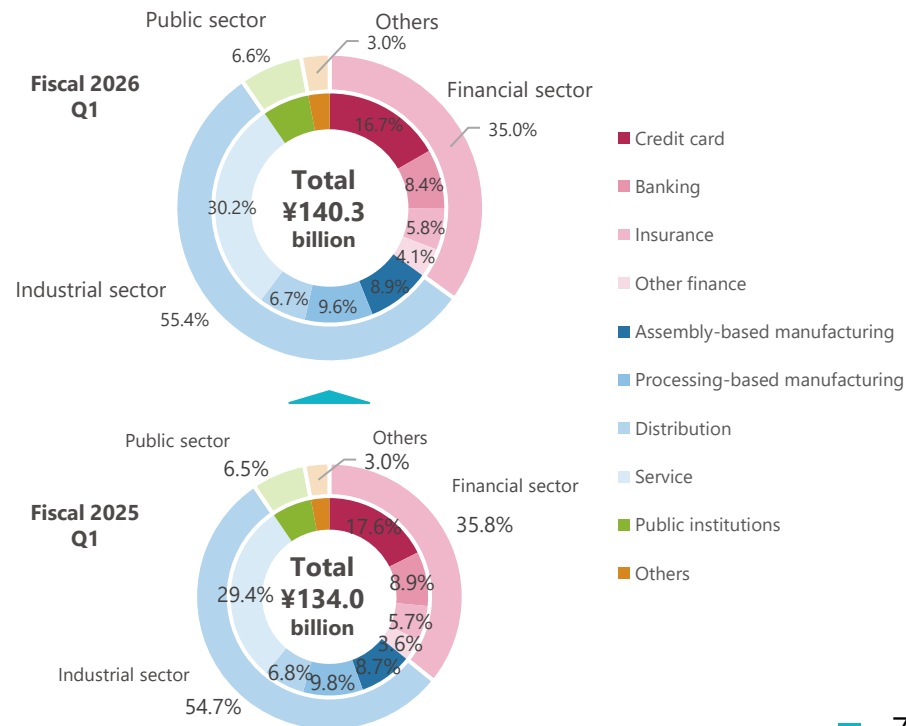
Sales by Client Sector

- Strong overall trend continued, with solid contributions from services, other finance, and assembly-based manufacturing, despite a slight decline in the credit card and banking sectors.

Net Sales by Client Sector



Net Sales Breakdown by Client Sector



Fiscal 2026 First Quarter:

Sales and Income by Key Business Segment (YOY change)

[Millions of yen]		Fiscal 2025 Q1	Fiscal 2026 Q1	YOY change		Overview
Offering Service Business	Net Sales	34,001	36,246	+2,244	[+6.6%]	Higher sales but lower income, driven by increased IT investment in the enterprise and settlement sectors, while demand related to the system renewal cycle for tax accountant offices tapered off, and up-front investment in the settlement sector increased.
	Operating Income	2,206	1,730	-476	[-21.6%]	
	Operating Margin	6.5%	4.8%	-1.7P	-	
Business Process Management	Net Sales	10,008	10,686	+678	[+6.8%]	Sales and income increased, driven by project wins in the DX Business and continued cost control efforts.
	Operating Income	836	1,423	+586	[+70.1%]	
	Operating Margin	8.4%	13.3%	+4.9P	-	
Financial IT Business	Net Sales	24,974	23,631	-1,343	[-5.4%]	Sales and income declined, as large-scale development projects fell from peak levels, and certain clients' system operations ended—despite contributions from new client acquisition in modernization-related areas.
	Operating Income	3,075	2,979	-95	[-3.1%]	
	Operating Margin	12.3%	12.6%	+0.3P	-	
Industrial IT Business	Net Sales	29,840	32,349	+2,508	[+8.4%]	Sales and income grew, driven by increased IT investment across a wide range of industries, including services, manufacturing, and distribution.
	Operating Income	4,359	5,107	+748	[+17.2%]	
	Operating Margin	14.6%	15.8%	+1.2P	-	
Regional IT Solutions	Net Sales	41,060	43,800	+2,739	[+6.7%]	Sales and income grew, supported by strong IT investment demand from a wide range of clients, including municipalities, medical institutions, and other industrial sectors, as well as efforts to reduce unprofitable projects.
	Operating Income	3,355	4,837	+1,482	[+44.2%]	
	Operating Margin	8.2%	11.0%	+2.8P	-	

Fiscal 2026 First Quarter:

Order Status (Orders received during first quarter)

- Software development, mainly in the Financial IT and Regional IT businesses, drove year-on-year growth.
- The decline in development within Industrial IT was mainly due to a reactionary drop following multiple projects acquired in the previous fiscal year.

[Millions of yen]		Fiscal 2025 Q1	Fiscal 2026 Q1	YOY change	
Orders received		91,391	100,352	+8,961	[+9.8%]
Software development		62,124	70,123	+7,998	[+12.9%]
Key Business Segments					
Offering Service Business	Orders received	18,117	19,142	+1,024	[+5.7%]
	Software development	12,228	13,807	+1,578	[+12.9%]
Business Process Management	Orders received	9,204	9,897	+693	[+7.5%]
	Software development	2,677	3,152	+475	[+17.7%]
Financial IT Business	Orders received	10,933	13,135	+2,202	[+20.1%]
	Software development	8,581	12,208	+3,627	[+42.3%]
Industrial IT Business	Orders received	24,274	24,298	+23	[+0.1%]
	Software development	20,699	19,624	-1,074	[-5.2%]
Regional IT Solutions	Orders received	28,862	33,878	+5,016	[+17.4%]
	Software development	17,937	21,330	+3,392	[+18.9%]

Fiscal 2026 First Quarter:

Order Status (Order backlog at quarter-end)

- While there was a decline in Financial IT due to the termination of certain clients' system operations, overall performance showed steady growth, centered on software development.

[Millions of yen]		Fiscal 2025 Q1	Fiscal 2026 Q2	YOY change	
Order backlog		146,042	157,304	+11,262	[+7.7%]
Software development		96,687	104,856	+8,169	[+8.4%]
Key Business Segments					
Offering Service Business	Order backlog	29,510	34,507	+4,997	[+16.9%]
	Software development	16,663	18,526	+1,862	[+11.2%]
Business Process Management	Order backlog	7,224	7,519	+294	[+4.1%]
	Software development	6,982	7,302	+319	[+4.6%]
Financial IT Business	Order backlog	32,252	30,659	-1,592	[-4.9%]
	Software development	20,900	20,728	-171	[-0.8%]
Industrial IT Business	Order backlog	31,541	35,114	+3,572	[+11.3%]
	Software development	23,940	26,732	+2,791	[+11.7%]
Regional IT Solutions	Order backlog	45,512	49,503	+3,990	[+8.8%]
	Software development	28,200	31,566	+3,366	[+11.9%]



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Fiscal 2026: Performance Forecasts

***No change**

- 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).

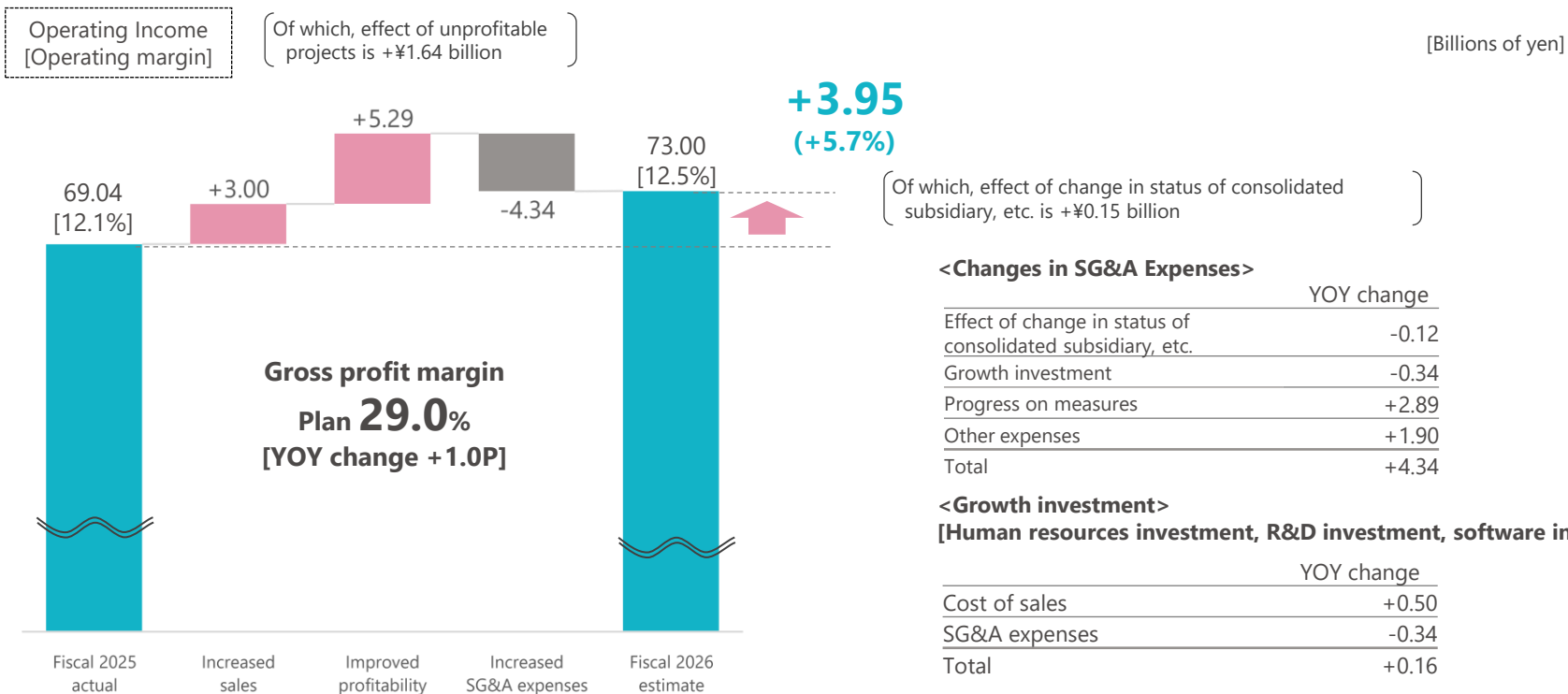
[Millions of yen]	Fiscal 2025 actual	Fiscal 2026 estimate	YOY change	
Net Sales	571,687	582,000	+10,312	[+1.8%]
Operating Income	69,047	73,000	+3,952	[+5.7%]
Operating Margin	12.1%	12.5%	+0.4P	-
Net Income Attributable to Owners of the Parent Company	50,012	49,000	-1,012	[-2.0%]
Net Income to Net Sales 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 Factor (Forecast)

*No change

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



Sales and Income by Key Business Segment (Forecast)

*No change

[Millions of yen]		Fiscal 2025 actual	Fiscal 2026 estimate	YOY change		Overview
Offering Service Business	Net Sales	145,515	150,000	+4,484	[+3.1%]	Strong demand, particularly for payment, enterprise and platform-related services, should buoy operating income. Structural transformation and other initiatives will underpin improvement in profitability from overseas operations.
	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 caused by peak in number 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 efforts to cultivate demand 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, thanks to 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	-	

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Accelerating Growth by Concentrating Management Capital to Achieve Group Vision 2032

- Through the management integration that began with the establishment of IT Holdings Corporation in April 2008 and the transition to an operating holding company structure in July 2016, TIS and INTEC have functioned as core companies of the Group, working to generate synergies, enhance the value delivered to customers, and increase corporate value.
- However, given changes in the management environment surrounding our Group, we believe that the early and certain realization of our long-term management policy, Group Vision 2032, is of critical importance. To achieve this, we have determined that merging TIS and INTEC is essential to build a stronger management and business foundation than ever before.
- Through this merger, we aim to strengthen value co-creation with customers and society, vigorously promote the optimal allocation of management capital—including strategic investment in technology and top talent—and further enhance the value provided by our core operations, ultimately leading to greater corporate value.



Vision for the New Company



Become the best partner, further relied on by strategic clients

By vigorously promoting one-stop services and vertical integration, we aim to further deepen partnerships with strategic clients in the financial and industrial sectors by providing even more seamless, full value chain services than ever before.

Realize a sustainable future and greater happiness for more people

Based on the characteristics of each region, country, and enterprise, we will more effectively, efficiently, and rapidly deploy digital solutions—starting from leading examples and best practices in Japan's major cities and large enterprises—to regional areas across the country and eventually to global markets.

Become an even more indispensable presence in driving social change

We aim to maximize the value we provide by integrating management capital—including human resources, research, and M&A—toward addressing the four key social issues our Group seeks to solve through its business: financial inclusion, overconcentration in cities and regional decline, decarbonization, and health challenges. We will strengthen co-creation with customers and partners while also enhancing our own service offerings.

(Reference) Group Vision 2032

Reposted from "TIS INTEC Group Medium-Term Management Plan (2024–2026)" announced on May 8, 2024



- Update management direction from long-term perspective, based on major changes in internal and external environments, and set as new Group vision

External Environment

Heightened uncertainty in competitive circles, fueled by technology development and growing interest in SDGs

- ✓ Technologies with potential to change business models, industrial structures and state of society over next 10 years will enter practical stage one after another.
- ✓ Various services utilizing these technologies will be required as measures to address social issues become more top-priority for companies.
- ✓ Related to this, opportunities to co-create and compete with various players, including those from other industries, are increasing.

Internal Environment

Good progress toward medium- to long-term management objectives but **need to revise targets, given changes in external environment**

- ✓ Generally exceeded targets stated in Medium-Term Management Plan (2021–2023)
- ✓ Progress on strategic domain ratio set under group vision tracking as expected
- ✓ Various activities at nascent stage, like buds ready to blossom, so need rethink corporate position and set new targets given changes in external environment but based on these emerging activities

Must update management policy with long-term perspective based on current conditions

Group
VISION
2032

Society oriented, operationally diverse, globally active

Business policy guiding progress toward successful conclusion

Seek to possess insight into future and ability to solve issues, integrate capabilities of various players, maintain position conducive to co-creation, and be indispensable to social change

- ✓ Deepen dialogue with market by engaging top companies in co-creation and providing services that will dominate market, and acquire insight into real issues of concern to clients
- ✓ Be a corporate group that extends accumulated power of integration to future-matched approaches, such as greater cooperation across different industries, improves methods for solving issues, and constantly creates social innovation on world stage

Overview of the Merger

- TIS and INTEC have merged to expand the scale of the Group's core company. The new company name is TISI Inc.
- To further enhance corporate governance, the company will transition to a company with an Audit and Supervisory Committee.
- Preparations, including detailed discussions on the merger, have begun. Any undecided matters will be announced promptly once determined.

(Note) The change in trade name and the transition to a company with an Audit and Supervisory Committee are subject to approval of the necessary amendments to the Articles of Incorporation at the ordinary general meeting of shareholders scheduled for late June 2026.



July 1, 2026 (scheduled)



TISI Inc.

Yasushi Okamoto, President

Net Sales
383.9 billion yen

Operating Income
46.2 billion yen

Number of Employees
9,497 persons

Simple total of results for fiscal 2025 for both companies (on a non-consolidated basis)

Headquarters functions to be located in Tokyo, Toyama, Nagoya, and Osaka

The new company name reflects our aspiration to respect the histories of both merging companies, while refining our core competencies—system integration and service integration—and pursuing technology and innovation. Through these efforts, we aim to become an even more indispensable presence amid social change.

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Fiscal 2026 First Quarter:

Sales by Key Business Segment and Operating Activity

*For external clients

[Millions of yen]		Fiscal 2025 Q1	Fiscal 2025 Q1	YOY change	
Offering Service Business		30,951	32,740	+1,789	[+5.8%]
Software development		11,742	13,368	+1,625	[+13.8%]
Operating/cloud services		10,483	10,779	+295	[+2.8%]
Product/software sales		8,724	8,593	-130	[-1.5%]
Business Process Management		9,522	10,322	+799	[+8.4%]
Software development		2,954	3,376	+422	[+14.3%]
Operating/cloud services		6,270	6,551	+280	[+4.5%]
Product/software sales		297	394	+97	[+32.7%]
Financial IT Business		24,635	23,297	-1,337	[-5.4%]
Software development		12,420	12,913	+493	[+4.0%]
Operating/cloud services		10,812	9,483	-1,329	[-12.3%]
Product/software sales		1,402	901	-501	[-35.7%]
Industrial IT Business		29,741	32,217	+2,475	[+8.3%]
Software development		19,824	22,319	+2,494	[+12.6%]
Operating/cloud services		6,319	6,197	-121	[-1.9%]
Product/software sales		3,597	3,700	+102	[+2.9%]
Regional IT Solutions		38,639	41,211	+2,572	[+6.7%]
Software development		19,906	20,986	+1,080	[+5.4%]
Operating/cloud services		14,418	15,355	+936	[+6.5%]
Product/software sales		4,314	4,869	+555	[+12.9%]
Others	Others	564	525	-38	[-6.9%]
Total		134,055	140,316	+6,261	[+4.7%]
	Software development	66,848	72,963	+6,115	[+9.1%]
	Operating/cloud services	48,305	48,367	+61	[+0.1%]
	Product/software sales	18,336	18,459	+122	[+0.7%]
	Others	564	525	-38	[-6.9%]

Sales and Income by Key Business Segment (Forecast)

*No change

[Millions of yen]		Fiscal 2025 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 Segment (Forecast)

*No change

[Millions of yen]		Fiscal 2025 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	-

Make society's wishes come true through IT.

