October 31, 2025

Company Name:	TIS Inc.
Representative:	Yasushi Okamoto, President and Representative Director
Stock Listing:	Prime Market of the Tokyo Stock Exchange
Stock Code:	3626
Contact:	Makoto Nakagawa, Section Manager of Investor Relations & Shareholder Relations Office
Phone:	+81-50-1702-4115 (in Japan, 050-1702-4115)

Notice regarding Absorption-type Merger (Simplified and Short-form Merger) of Our Subsidiary (INTEC Inc.)

TIS Inc. (hereinafter "TIS" or "the Company") hereby announces that, as stated in the "*Notice regarding Decision on Basic Policy for Merger with Subsidiary (Intec Inc.), Change of Trade Name, and Transition to a Company with an Audit and Supervisory Committee*" dated July 30, 2025, the Company resolved to adopt a basic policy (the "Basic Policy") to implement an absorption-type merger (the "Merger") with its wholly owned subsidiary, INTEC Inc. ("INTEC"), and has since been making necessary preparations, including detailed examinations for the Merger. At the meeting of its Board of Directors held on October 31, 2025, as scheduled, the Company resolved to implement the Merger and concluded an absorption-type merger agreement with INTEC, as outlined below.

As this Merger is a reorganization (simplified merger and short-form merger) involving the Company and its wholly owned subsidiary, certain disclosure items and details have been omitted.

Details

1. Purpose of the Merger

Following the management integration through the establishment of IT Holdings Corporation in April 2008 and the transition to a holding company structure in July 2016, both TIS and INTEC have served as core companies of the Group, working to enhance the value provided to customers and to increase corporate value by generating synergies.

Meanwhile, in light of changes in the business environment surrounding the Group, the early and reliable realization of our long-term management policy, Group Vision 2032, has become critically important. To that end, we have determined that the merger of TIS and INTEC is essential in order to build a stronger and more resilient management and business foundation.

Through this merger, we aim to further enhance our corporate value by improving value exchange with clients and society, promoting the optimal allocation of management capital through strategic investments in technology and top talent, and further improving the value delivered by our core business locations.

2. Summary of the merger

(1) Schedule of the merger

Date of resolution on basic merger policy	July 30, 2025
Date of Board of Directors' approval of merger agreement	October 31, 2025
Date of execution of merger agreement	October 31, 2025
Effective date of the merger	July 1, 2026 (scheduled)

(Note) As the Merger constitutes a simplified merger as stipulated in Article 796, Paragraph 2 of the Companies Act for TIS and a short-form merger as stipulated in Article 784, Paragraph 1 of the Companies Act for INTEC, it will be conducted without obtaining approval at a shareholders' meeting of either company.

(2) Method of the merger

TIS will be the surviving company, and INTEC will be the absorbed company in an absorption-type merger.

(3) Details of allotment under the merger

No allotment of shares or other consideration will be made in connection with the Merger.

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights

Not applicable.

3. Outline of the parties involved in the merger

	Surviving company	Absorbed company
(1) Name	TIS Inc.	INTEC Inc.
(2) Head Office Location	17-1, Nishi-Shinjuku 8-chome, Shinjuku-ku, Tokyo	5-5, Ushijima-shinmachi, Toyama, Toyama
(3) Representative	Yasushi Okamoto, President	Shuzo Hikida, President
(4) Business Activities	Outsourcing services, software development, solution services related to IT investment, and management and administration of group companies and related operations	Software development, system integration, network services, outsourcing, and IT consulting
(5) Capital	¥10,001 million	¥20,830 million
(6) Date of establishment	April 1, 2008	January 11, 1964
(7) Number of shares issued	236,233,000 shares	48,808,000 shares
(8) Fiscal year-end	March 31	March 31
(9) Major shareholders and shareholding ratio (As of March 31, 2025)	The Master Trust Bank of Japan, Ltd. (Trust Account) 13.7% ICHIGO TRUST PTE. LTD. 9.9% Custody Bank of Japan, Ltd. (Trust Account) 5.1% STATE STREET BANK AND TRUST COMPANY 505001 3.3% Nippon Life Insurance Company 3.1%	TIS Inc. 100%
(10) Financial position and operating results for the fiscal year ended March 31, 2025		
	(Consolidated)	(Non-Consolidated)
Net assets	¥356,064 million	¥99,093 million
Total assets	¥558,051 million	¥149,600 million

Net assets per share	¥1,477.61	¥2,030.24
Net sales	¥571,687 million	¥124,765 million
Operating income	¥69,047 million	¥14,344 million
Ordinary income	¥70,503 million	¥15,196 million
Profit attributable to owners of parent/Net income	¥50,012 million	¥11,865 million
Net income per share	¥215.00	¥243.10

4. Situation after the merger

We plan to change our name after the Merger to "TISI Inc.". For details, please refer to the July 30, 2025 announcement "*Notice regarding Decision on Basic Policy for Merger with Subsidiary (Intec Inc.), Change of Trade Name, and Transition to a Company with an Audit and Supervisory Committee*". There will be no changes to the Company's head office location, the title and name of the representative, the nature of its business, capital, or fiscal year-end following the Merger.

Name	TISI Inc. (Note1)
Head Office Location	17-1, Nishi-Shinjuku 8-chome, Shinjuku-ku, Tokyo
Representative	Yasushi Okamoto, President (Note 1)
Business Activities	Outsourcing services, software development, solution services related to IT investments, and management and administration of group companies and related operations
Capital	¥10,001 million
Fiscal year-end	March 31

Shuzo Hikida, President of INTEC, currently also serves as a Director of the Company and is scheduled to continue serving in that role following the Merger (Note 2). In addition, the Company plans to maintain headquarters functions in Tokyo, Toyama, Nagoya, and Osaka.

(Note 1) Subject to approval of a proposal for an amendment to the Articles of Incorporation necessary to change the trade name at the 18th Ordinary General Meeting of Shareholders scheduled to be held in late June 2026.

(Note 2) Subject to approval of a proposal for the election of directors required for reappointment at the 18th Ordinary General Meeting of Shareholders scheduled to be held in late June 2026.

5. Future outlook

As this reorganization is a reorganization between the Company and its wholly owned subsidiary, the impact on the Company's consolidated business results for the current fiscal year is expected to be minor. However, the Company believes that this reorganization will contribute to improving the Group's medium- to long-term performance through, among other things, the enhancement of its business competitiveness. If any matters requiring disclosure arise in the future, the Company will promptly announce them.

(Reference) Consolidated Earnings Forecast for Fiscal 2026 (Announced on October 31, 2025) and Fiscal 2025 Consolidated Results

	Net sales	Operating income	Recurring profit	Net income attributable to owners of the parent company
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ending March 31, 2026 (forecast)	588,000	75,000	75,000	50,000
Fiscal year ended March 31, 2025 (actual)	571,687	69,047	70,503	50,012

END

Overview of the TIS–INTEC Merger

October 31, 2025

TIS Inc.

Background and Objectives of the Merger

Unite management capital and strongly drive accelerated growth to realize “Group Vision 2032”

- **Through the management integration following the establishment of IT Holdings Corporation in April 2008 and the transition to an operating holding company structure in July 2016, TIS and INTEC, as the Group’s core companies, have worked to enhance value provided to clients and improve corporate value through the creation of synergies.**
- **Meanwhile, in light of changes in the management environment surrounding the Group, the early and steady realization of our long-term management policy, “Group Vision 2032,” has become increasingly important. To achieve this, we determined that it is essential to merge TIS and INTEC and establish a stronger management and business foundation than ever before.**
- **Through this merger, we will further enhance value creation and exchange with clients and society, while vigorously promoting the optimal allocation of management capital — centered on strategic investments in technology and cutting-edge talent — to further strengthen the value provided by our core operational hubs and achieve greater corporate value.**

TIS TIS INTEC Group

INTEC TIS INTEC Group

July 1, 2026 (scheduled)

TIS INTEC Group

TISI Inc.

Yasushi Okamoto, President and Representative Director

(Headquarters functions: scheduled to be installed in Tokyo, Toyama, Nagoya, and Osaka)

The new name embodies our aspiration to honor the history of both companies while refining our core competencies in system and service integration. By pursuing technology and innovation, we aim to become an even more indispensable presence that drives social transformation.

(Reference) Group Vision 2032

In May 2024, we updated our long-term management direction in response to major environmental changes and set a 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

Updated long-term management policies 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

Aim of the Merger

By becoming One Company, accelerate organizational and business integration.
Advance to a new stage of growth through agile allocation of management capital.

Create Growth Opportunities

Maximize potential through integration of our client base

Enhance Profitability

Pursue valuable sales and drive business structure transformation

Strengthen Competitiveness

Build sustainable advantage through R&D and intellectual assets

One Company

TISI
TIS INTEC Group

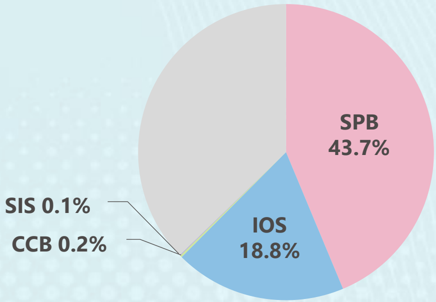
Overview of the New Company, TISI Inc.

Note: Fiscal 2025 Simple Aggregate Basis of TIS and INTEC

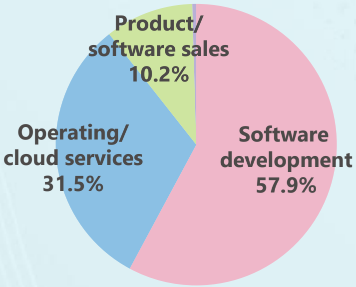
TISI
TIS INTEC Group

Net Sales	383.92 billion yen
Operating Income	46.271 billion yen
Number of Employees	9,497 persons
Gross Profit Margin	25.8%
Operating Margin	12.1%

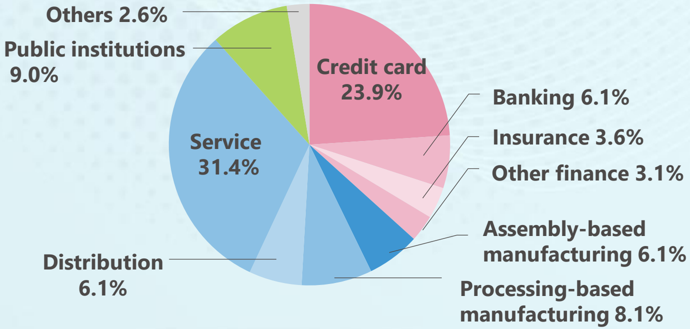
[Business Portfolio]
(Strategic domain ratio)



[Sales by Operating Activity]



[Sales by Client Sector]



Main IT Services *

Supporting safe and secure daily credit card settlement	Promoting cashless settlement in Japan	Supporting promotion of overall banking business through use of digital data generated from client contact points	Supporting business DX (optimization, greater efficiency) in business-to-business transactions	Contributing to the business of new electric power companies in the wake of electricity deregulation	Contributing to stable insurance system platform creation
Credit cards	**Branded debit cards**	**fcube**	**EDI**	**EneLink**	**For Federation of National Health Insurance Associations**
Core system development results	Related service provision/ system development results	Implementation	SaaS market	50 systems deployed at 30 companies	Track record in system implementation/ operation/maintenance
Domestic market share About50% (On annual transaction volume basis for clients served)	**Domestic market share Above 80%**	**53 of 97 banks** (regional banks)	**Market share About20%**	**New electric power businesses 10 of 30 leading PPSs**	**11 of 47 prefectures**

* Source: Integrated Report 2025

Strengths of the New Company, TISI Inc.

TIS
TIS INTEC Group

- Previous TIS&INTEC -
Leveraged business transfers to maximize strengths in each company's area of expertise

Dominant share in finance and payments

Supporting growth strategies of over 3,000 clients

Leveraging 200+ service offerings for strong proposal and problem-solving capabilities

TIS
Robust client base centered on major enterprises in the Tokyo metropolitan area

INTEC
Extensive nationwide reach from the Tokyo metropolitan area

Extensive network covering all of Japan

Comprehensive network and system integration capabilities

Industry-specific solutions and strong on-site capabilities through locally rooted talent

TISI
TIS INTEC Group

Powerful and multifaceted solution capabilities driven by synergies between a robust client base and on-site expertise

Areas jointly developed by both companies (defense and deepening)
Maintain existing revenue and expand LTV

× AI ×

Areas independently developed by each company (growth and expansion)
Create new growth drivers

Position AI at the core of corporate transformation and foster a culture of innovation where all employees create new value.

Profit growth through productivity improvement	Establish technological superiority	Strengthen competitiveness over the medium to long term

Synergies Created by the New Company, TISI Inc.

TIS
TIS INTEC Group

By becoming One Company, accelerate organizational and business integration.
Advance to a new stage of growth through agile allocation of management capital.

1) Create Growth Opportunities

- **Deepen client engagement**
  – Enhance capabilities to handle wide-area and large-scale projects
- **Promote cross-selling**
  – Generate new business opportunities by combining the solutions and client bases of both companies

2) Enhance Profitability

- **Pursuit of valuable sales**
  – Enhance client issue–driven and proposal-based business models
  – Aggregate and share knowledge to drive productization
- **Optimize business structure**
  – Strengthen collaboration between regions and projects to optimize resource allocation and productivity

3) Strengthen Competitiveness

- **Promote integration and use of intellectual assets**
  – Promote cross-sectional use of intellectual assets accumulated by both companies, and strengthen business promotion capabilities and organizational strength
  – Optimize operations and systems to maximize value provided to clients through operational excellence
- **Strengthen R&D capabilities**
  – Accelerate the transition from technology development to business application through integration of R&D resources, and expand initiatives to promote industry-government-academia collaboration and new business creation.

Vision for the New Company, TISI Inc.

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.

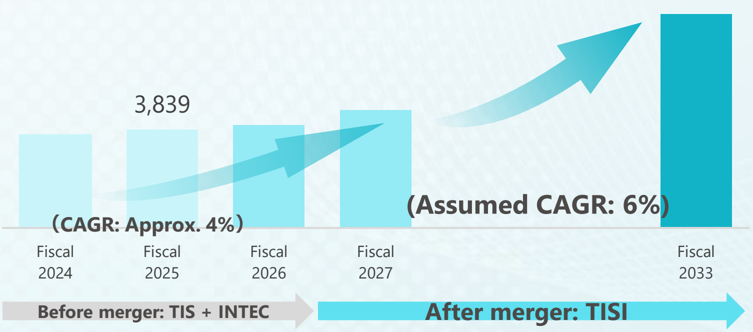
Realize a sustainable future and greater happiness for more people

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.

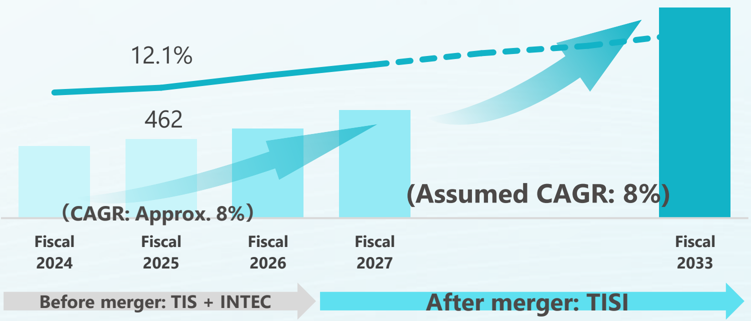
Become an even more indispensable presence in driving social change

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 clients and partners while also enhancing our own service offerings.

Fiscal 2033 (Non-consolidated)
Sales ¥600 billion



Fiscal 2033 (Non-consolidated)
Operating Income/Margin ¥90 billion/15%



Expected Synergies from the New Company, TISI Inc.

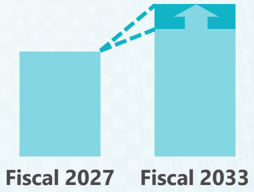
Build a stronger management and business foundation than ever before by expanding the scale of the standalone company as the core of the TIS INTEC Group, and by enhancing agility in capital allocation and decision-making through management integration.

On this strengthened foundation, we will enhance value co-creation with clients and society, while further improving corporate value through medium- to long-term synergies—optimizing the allocation of management capital focused on strategic investments in technology and cutting-edge talent, and enhancing the value delivered from our key locations.

Expected Synergy Effects for TISI Inc. (Fiscal 2033, Single Year Basis)

Business Synergies

Sales over ¥60 billion



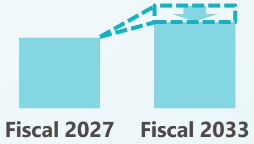
[Net Sales]

- Create growth opportunities by deepening client engagement and promoting cross-selling
- Enhance profitability by shifting to high-value-added business areas
- Strengthen competitiveness through integration and utilization of intellectual assets and stronger R&D capabilities

Etc.

Cost synergies

Operating income effect over ¥3 billion



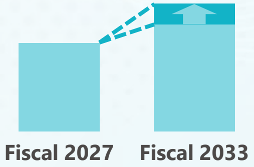
[SG&A]

- Group-wide consolidation and integration of back-office operations
- Office optimization and internal system standardization
- Optimization of indirect costs

Etc.

Strengthen strategic investment

Up ¥12 billion



[Cost and SG&A]

- Accelerate investment in compensation to strengthen human capital over the medium to long term
- Increase R&D investment in advanced technologies and new business development

Etc.

Note: Merger-related expenses are expected to total about ¥20–30 billion in fiscal 2026–fiscal 2027

Organizational Structure of the New Company, TISI Inc.

We have been promoting the TIS INTEC Group Philosophy, "OUR PHILOSOPHY," as a shared value.
Building on this foundation, we will pursue integration aimed at maximizing the medium- to long-term effects of the merger to achieve sustainable growth and enhance corporate value.
We aim to complete all integrations by the start of the next medium-term management plan.

Organizational Structure

Business Organization

Immediately after the merger, the two companies' organizations will temporarily coexist, with full integration scheduled for April 2027 in line with the launch of the next medium-term management plan.

From July 2026, we will begin full-scale co-creation in each business domain to generate synergies and optimize our organizational structure, enabling continuous enhancement of problem-solving capabilities through the integration of knowledge and expertise across industries, clients, functions, and regions.

Technology Strategy Organization

At the time of the merger in July 2026, the two companies will combine their strengths to integrate systems and business foundations, and update their technology strategies to maximize value creation and corporate value, driving the development of future core businesses.

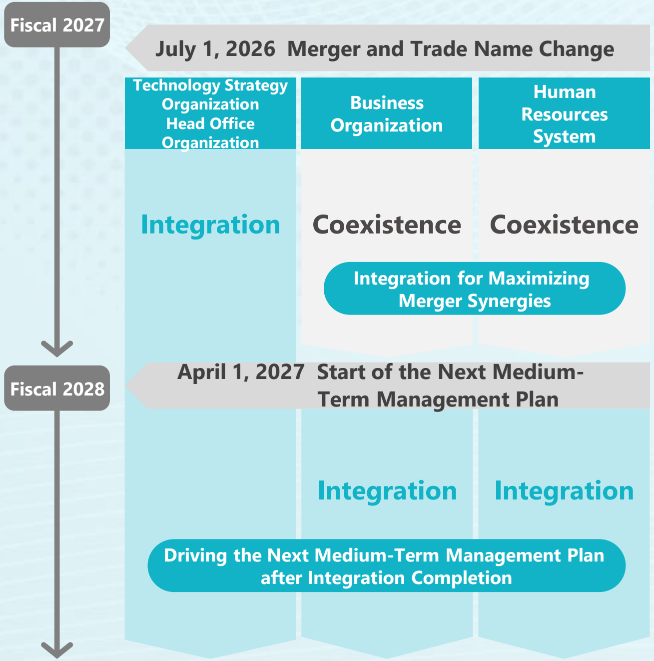
Head Office Organization

At the time of the merger in July 2026, we will integrate both head office organizations and promote unified operations to further advance Group management sophistication. We will also strengthen our quality control framework through consolidation, aiming for a higher level of quality management.

In addition, we are promoting, ahead of the merger, the consolidation of back-office functions into Group shared-service companies, building on our ongoing initiatives.

Human Resources System

Immediately after the merger, both companies will maintain their existing human resources systems, with the new company's human resources system to be implemented from April 2027.



Make society's wishes come true through IT.

TIS INTEC

Group