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The formal official document is in Japanese

Summary of Consolidated Financial Results for the Fiscal Year ended September 30, 2026 (Japanese Accounting Standards)

November 10, 2026

Listed Company Name: MTI Ltd. Listing Exchanges: Tokyo Stock Exchange
Securities Code: 9438 URL: https://ir.mti.co.jp/eng/
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Scheduled date of annual meeting of shareholders: December 19, 2026
Scheduled date to submit the Securities Report (Yuka Shoken Houkokusho): December 18, 2026
Scheduled date of dividend payment: December 21, 2026
Supplementary documents for financial results: Yes
Financial results briefing: Yes (for securities analysts and institutional investors (online))

(Figures less than one million yen are omitted)

1. Consolidated financial results for the year ended September 30, 2026 (October 1, 2025 – September 30, 2026)

(1) Consolidated operating results

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
For the year ended September 30, 2026	31,105	4.0	2,625	(10.9)	3,055	0.9	2,224	(34.6)
For the year ended September 30, 2025	29,910	8.1	2,946	23.1	3,027	7.1	3,404	44.0

(Note) Comprehensive income: Year ended September 30, 2026: 2,482 million yen ((32.5) %)
Year ended September 30, 2025: 3,677 million yen, (49.0%)

	Net income per share	Net income per share/diluted	Return on Equity	Return on Total Assets	Operating income to net sales
	Yen	Yen	%	%	%
For the year ended September 30, 2026	40.07	-	11.5	9.2	8.4
For the year ended September 30, 2025	61.62	61.55	20.1	9.6	9.8

(Reference) Equity in earnings (losses) of affiliates: Year ended September 30 2026: 470 million yen
Year ended September 30 2025: 107 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Year ended September 30, 2026	33,158	23,832	60.7	362.15
Year ended September 30, 2025	33,347	22,446	55.2	331.86

(Reference) Shareholders' equity: Year ended September 30, 2026: 20,112 million yen
Year ended September 30, 2025: 18,413 million yen

(3) Consolidated cash flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents
	Million yen	Million yen	Million yen	Million yen
For the year ended September 30, 2026	2,760	(2,774)	(1,821)	16,026
For the year ended September 30, 2025	5,661	(1,706)	(943)	17,816

2. Dividends

	Dividend per share					Amount of dividends paid (Total)	Dividend ratio (Consolidated)	Dividends on equity (Consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year end	Annual			
	Yen	Yen	Yen	Yen	Yen		%	%
For the year ended September 30, 2025	-	9.00	-	10.00	19.00	1,056	30.8	6.2
For the year ended September 30, 2026	-	10.00	-	10.00	20.00	1,114	49.9	5.8
For the year ending September 30, 2027 (Forecast)	-	10.00	-	10.00	20.00		158.7	

3. Forecast for consolidated financial results for the fiscal year ending September 30, 2027 (October 1, 2026 – September 30, 2027)

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
For the first half	16,000	2.1	800	(52.4)	800	(61.2)	(400)	-	(7.20)
Full year	33,000	6.1	2,800	6.7	2,800	(8.4)	700	(68.5)	12.60

* Notes

(1) Important changes of subsidiaries during the term (changes in specified subsidiaries resulting in change in scope of consolidation): Not applicable
New: – Excluded: –

(2) Changes in accounting policies and changes or restatement of accounting estimates
(i) Changes in accounting policies due to the modification in accounting methods: None
(ii) Changes in accounting policies other than (i): None
(iii) Changes in accounting estimates: Yes
(iv) Restatement: None

(3) Number of outstanding shares (common shares)
(i) Number of outstanding shares at the end of period (including treasury shares):
9/26: 60,435,200 shares 9/25: 60,435,200 shares
(ii) Number of treasury shares at the end of period
9/26: 4,897,514 shares 9/25: 4,947,414 shares
(iii) Average number of shares during the period
9/26: 55,519,594 shares 9/25: 55,247,865 shares

(Reference) Summary of financial results

1. Nonconsolidated financial results for the year ended September 30, 2026 (From October 1, 2025 - September 30, 2026)

(1) Nonconsolidated operating results (Percentages are shown as year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
For the year ended September 30, 2026	24,278	4.2	2,455	6.7	3,191	50.3	3,695	21.4
For the year ended September 30, 2025	23,291	5.7	2,301	(2.0)	2,123	(26.6)	3,045	63.1

	Net income per share	Fully diluted net income per share
	Yen	Yen
For the year ended September 30, 2026	66.33	-
For the year ended September 30, 2025	54.92	54.86

(2) Nonconsolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
For the year ended September 30, 2026	31,565	24,110	76.4	432.57
For the year ended September 30, 2025	30,337	21,343	70.4	383.28

(Reference) Shareholders' equity
As of September 30, 2026: 24,110 million yen As of September 30, 2025: 21,343 million yen

* Status of review
This financial results report is not subject to audit by certified public accountants or an audit firm.
* Cautionary statement with respect to forward-looking statements
The forward-looking statements included in this material are based on the Company's judgments, assumptions, and convictions based on information available to the Company at the time of publication of this document and may differ materially from actual results for a range of factors, including conditions of Japanese and overseas economies, changes in the situation of operations in Japan and overseas, and uncertainties and potential risks inherent in forward-looking statements. The risks and uncertainties include unforeseeable effects of future events. For the assumptions underlying the forecasts and other notice on the use of earnings forecasts, please refer to "(4) Future outlook" on page 4 in the accompanying material.
The company plans to hold an online earnings briefing (Japanese) for institutional investors and analysts on Wednesday, November 11, 2026. The materials for the earnings briefing will be posted on the company's IR website.

Accompanying materials – Contents

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1. Overview of operating results

(1) Overview of operating results for the current fiscal year

The Group has been actively engaged in the healthcare business and the school DX business, both of which are expected to expand in the future, in order to enhance its corporate value over the medium- to long-term.

Regarding net sales, due to sales growth in the healthcare business and school DX business, net sales amounted to 31,105 million yen (up 4.0% YoY), while gross profit increased to 22,807 million yen (up 2.6% YoY) due to the increase in net sales.

Regarding operating income, although there was an increase in gross profit, development expenses increased in preparation for the launch of the system for pharmacy DX (next-generation cloud-based electronic claims system), and selling, general and administrative expenses (SG&A) increased due to the cost burden for "LunaLuna Mirai Support," etc., resulting in operating income decreasing to 2,625 million yen (down 10.9% YoY).

On the other hand, ordinary income remained flat at 3,055 million yen (up 0.9% YoY) due to an increase of 362 million yen in equity-method investment gains.

With respect to profit attributable to owners of parent, although ordinary income remained flat, profit decreased to 2,224 million yen (down 34.6% YoY), primarily due to a 1,248 million yen decrease in consumption taxes refund (Extraordinary income).

Consolidated operating results

(Period from October 1, 2025 to September 30, 2026)

	Fiscal year ended September 30, 2026	Fiscal year ended September 30, 2025	Change	
			Amount	Percentage
	Million yen	Million yen	Million yen	%
Net sales	31,105	29,910	+1,194	+4.0
Cost of sales	8,297	7,687	+609	+7.9
Gross profit	22,807	22,223	+584	+2.6
SG&A	20,182	19,276	+905	+4.7
Operating income	2,625	2,946	(320)	(10.9)
Ordinary income	3,055	3,027	+28	+0.9
Profit attributable to Owners of parent	2,224	3,404	(1,179)	(34.6)

Breakdown of SG&A

(Period from October 1, 2025 to September 30, 2026)

	Fiscal year ended September 30, 2026	Fiscal year ended September 30, 2025	Change	
			Amount	Percentage
	Million yen	Million yen	Million yen	%
Total	20,182	19,276	+905	+4.7
Advertising expenses	3,639	3,660	(21)	(0.6)
Personnel expenses	7,612	7,504	+107	+1.4
Commission fee	3,386	3,113	+272	+8.8
Subcontract expenses	2,104	1,734	+370	+21.4
Depreciation	1,277	1,224	+53	+4.3
Other	2,161	2,039	+122	+6.0

Operating results by segment are as follows.

(i) Content business

The content business includes B2C monthly billing services (excluding the *LunaLuna* healthcare service for women and the "CARADA medica" health Q&A service in cooperation with healthcare professionals) and the B2B original comic distribution business that offers original comic content to comic distributors.

The number of paid members in this business was 3.15 million (a decrease of 90,000 from the end of September 2025), due to a decrease in the number of paid members of Video Market, Inc. (60,000 members) associated with the transfer of all shares of the consolidated subsidiary. As the number of paid members of security-related app AdGuard, etc. continues to expand, the number of paid members in this business has remained almost flat.

Net sales amounted to 16,429 million yen, a 5.1% decrease from the previous fiscal year, due to the exclusion of Video Market Corporation from the scope of consolidation.

Operating income amounted to 4,655 million yen (up 9.0% YoY) due to a decrease in SG&A through cost control.

(ii) Healthcare business

The healthcare business includes B2C monthly billing services under the "LunaLuna" and "CARADA medica" brands and B2B and B2B2C healthcare services for medical institutions and local governments, such as the cloud drug record service, the maternal health record book app and the childcare DX service.

The number of paid members of this business was 430,000 (a decrease of 40,000 compared with the end of September 2025). In addition, as a result of focusing on expanding the adoption of cloud-based medication history at medium-sized and larger dispensing pharmacies, the number of such stores increased to 5,094 as of the end of September 2026 (an increase of 1,283 compared with the end of September 2025).

Net sales amounted to 7,786 million yen (up 16.6% YoY), mainly due to an increase in sales of cloud-based medication history services.

Operating loss amounted to 1,043 million yen (operating loss of 80 million yen in the Previous period) due to increased system development expenses for pharmacy DX and child-rearing DX, as well as the cost burden of "LunaLuna Mirai Support."

(iii) School DX business

The school DX business includes school DX business developed for educational institutions by the consolidated subsidiary Motivation Works Inc.

Net sales increased substantially to 2,444 million yen (up 29.3% YoY), as the cumulative number of schools adopting the cloud-based school administration support system BLEND from April 2026 reached 1,359 schools (an increase of 292 schools compared with April 2025), resulting in increased monthly usage fee revenue, as well as the expansion of initial development sales for public schools.

Regarding operating income, the increase in SG&A was absorbed by a significant increase in net sales, resulting in a significant increase in profit to 759 million yen (up 38.0% YoY).

(iv) Other business

Other business includes the B2B AI business operated by Automagi Inc., a consolidated subsidiary, and the corporate DX support business and solution business.

Net sales amounted to 6,019 million yen (up 8.6% YoY), due to solid orders in the corporate DX support business.

Regarding operating income, due to an increase in SG&A, it was 977 million yen (up 3.0% YoY).

(2) Overview of financial position for the current fiscal year

At the end of the current period, total assets amounted to 33,158 million yen, a decrease of 188 million yen compared with the end of September 2025.

With respect to assets, current assets decreased by 1,407 million yen, mainly due to a decrease in cash and deposits, while non-current assets increased by 1,218 million yen, mainly due to increases in investment securities, software, and goodwill.

Regarding liabilities, current liabilities decreased by 716 million yen mainly due to a decrease in income taxes payable, while non-current liabilities decreased by 859 million yen primarily due to a decrease in long-term borrowings.

Regarding net assets, although dividend payments were made, net assets increased by 1,386 million yen due to recording 2,224 million yen as profit attributable to owners of parent.

(3) Overview of cash flow position for the current fiscal year

Cash and cash equivalents at the end of the current period amounted to 16,026 million yen, a decrease of 1,789 million yen compared with the end of September 2025. The cash flows and factors for the current period are as follows.

Cash flows from operating activities resulted in a cash inflow of 2,760 million yen due to the recognition of net income before income taxes and other adjustments and depreciation, etc. (Previous period: cash inflow of 5,661 million yen).

Cash flows from investing activities resulted in a cash outflow of 2,774 million yen due mainly to expenditures for the acquisition of intangible assets (mainly software) and other factors (Previous period: cash outflow of 1,706 million yen).

Cash flows from financing activities resulted in an outflow of 1,821 million yen (an outflow of 943 million yen in the previous period), mainly due to repayment of long-term borrowings and payment of dividends, despite proceeds from capital increases at consolidated subsidiaries.

(4) Future outlook

The Company will focus on expanding sales and earnings in the school DX business, which will drive future growth in business performance, and expanding sales in the healthcare business, where growth in business performance is expected over the medium to long term, while striving to maintain earnings in the content business by working to expand the number of paid members of security-related app AdGuard.

Regarding the school DX business, as the government's promotion of school operations DX at the prefectural level progresses as a growth opportunity, we aim to achieve sustainable growth by actively developing the business while leveraging the competitive advantages of the full cloud-based integrated service. The full cloud-based school administration support system BLEND continued to receive strong inquiries for orders, and as of April 2026, the cumulative number of schools adopting the system reached 1,359 (an increase of 292 schools compared with April 2025).

Order acquisition activities for private schools have been focused mainly on junior and senior high schools, but we will also conduct order acquisition activities for elementary schools and vocational schools. In addition, by actively expanding order acquisition activities for public schools, we will strive for further sales and profit growth.

The healthcare business, which we are pursuing over the medium to long term, has significant future growth potential and can become a stable, stock-based business by building long-term business relationships with customers compared with the BtoC model, so we will develop various measures to achieve sales growth.

Regarding cloud-based medication history, as dispensing pharmacies continue to show strong interest in its adoption and it is expected to contribute to sustainable sales and profit growth in this business, we will further expand the number of pharmacies adopting the service by strengthening collaboration with our business partners. In addition, in order to comprehensively promote operational efficiency across dispensing pharmacies, a next-generation cloud-based electronic claims system, which will serve as its core, is scheduled to be launched shortly. By combining AI and the cloud, it will make operations from reception through settlement seamless while aiming to realize efficient pharmacy operations with a minimum number of personnel. Interest from dispensing pharmacies is also strong, and we are working diligently to expand sales following its launch. Furthermore, by actively promoting support for the transition of dispensing pharmacies to the cloud through a combination of multiple pharmacy DX products developed by the Group, we will work to further improve profitability.

Regarding childcare DX, as the government makes progress in promoting the digitalization of maternal and child health information, we will further expand the number of municipalities adopting maternal and child health app Boshimo, while aggressively developing sales of multiple high-functionality childcare DX services, primarily among these municipalities. The government is promoting the digitalization of administrative procedures related to vaccinations, which is expected to provide a growth opportunity. In addition, through promoting the "Boshimo" platform strategy aimed at realizing digital collaboration among municipalities, hospitals, and residents, we will work to contribute to medium- to long-term profits in the healthcare business.

Regarding the women's health information service "LunaLuna," progress has been made in concluding cooperation agreements at the prefectural level for "LunaLuna Mirai Support" for local governments. As it has a high potential to contribute to measures addressing the declining birthrate, which is a social issue, we will work diligently to expand the conclusion of cooperation agreements among local governments, including those in other prefectures, and to make the service chargeable sequentially, thereby making it a new source of revenue for "LunaLuna."

[Assumptions for forecast values]

The impact of undetermined new businesses and low-probability mergers and acquisitions in the Group are not taken into account and are not incorporated in the forecast figures. The Company will promptly disclose any deviation between forecasts and results that should be disclosed.

Earnings forecast for the six months of the fiscal year ending September 30, 2027
(Period from October 1, 2026 to March 31, 2027)

Consolidated	(Million yen)	YoY(%)
Net sales	16,000	+2.1
Operating income	800	(52.4)
Ordinary income	800	(61.2)
Profit attributable to owners of parent	(400)	-

Earnings forecast for the fiscal year ending September 30, 2027
(Period from October 1, 2026 to September 30, 2027)

Consolidated	(Million yen)	YoY(%)
Net sales	33,000	+6.1
Operating income	2,800	+6.7
Ordinary income	2,800	(8.4)
Profit attributable to owners of parent	700	(68.5)

2. Basic policy for the selection of accounting standards

The Group intends to compile its consolidated financial statements based on the Japanese accounting standard for the time being, considering the possibility of comparing the terms of financial statements and performances between companies.

The Group will consider the adoption of IFRS as appropriate, taking into account circumstances in Japan and overseas.

3. Consolidated financial statements and important notes

(1) Consolidated balance sheet

(Unit: Thousands of yen)

	Previous fiscal year (As of September 30, 2025)	Current fiscal year (As of September 30, 2026)
Assets		
Current assets		
Cash and deposits	17,816,556	16,026,721
Notes and accounts receivable - trade, and contract assets	4,085,621	4,143,154
Advance payments to suppliers	195,177	46,866
Prepaid expenses	674,848	710,787
Accounts receivable - other	195,437	173,703
Income taxes refund receivable	17,354	197,320
Other	244,691	515,505
Allowance for doubtful accounts	(17,046)	(8,530)
Total current assets	23,212,641	21,805,529
Non-current assets		
Property, plant and equipment		
Facilities attached to buildings	327,165	546,144
Accumulated depreciation	(252,988)	(281,647)
Facilities attached to buildings, net	74,176	264,497
Vehicles	382	382
Accumulated depreciation	(244)	(341)
Vehicles, net	137	40
Tools, furniture and fixtures	703,166	866,662
Accumulated depreciation	(558,172)	(609,851)
Tools, furniture and fixtures, net	144,994	256,810
Total property, plant and equipment, net	219,308	521,348
Intangible assets		
Software	2,127,980	2,362,945
Goodwill	61,788	344,168
Customer-related assets	58,555	30,448
Other	227,530	211,691
Total intangible assets	2,475,854	2,949,254
Investments and other assets		
Investment securities	4,691,414	5,433,064
Leasehold and guarantee deposits	280,563	401,045
Deferred tax assets	2,393,184	1,967,149
Other	86,793	92,304
Allowance for doubtful accounts	(12,004)	(10,704)
Total investment and other assets	7,439,950	7,882,859
Total non-current assets	10,135,113	11,353,461
Total assets	33,347,754	33,158,991

	Previous fiscal year (As of September 30, 2025)	Current fiscal year (As of September 30, 2026)
Liabilities		
Current liabilities		
Accounts payable - trade	1,020,636	941,502
Current portion of long-term borrowings	737,500	737,500
Accounts payable - other	1,569,951	1,913,505
Accrued expenses	673,914	594,304
Income taxes payable	894,150	178,487
Accrued consumption taxes	213,232	170,200
Contract liabilities	2,726,348	2,610,398
Provision for bonuses for directors (and other officers)	48,134	32,610
Other	190,320	179,663
Total current liabilities	8,074,190	7,358,172
Non-current liabilities		
Long-term borrowings	956,250	218,750
Retirement benefit liability	1,825,742	1,724,579
Deferred tax liabilities	20,746	10,788
Other	24,699	13,949
Total non-current liabilities	2,827,438	1,968,067
Total liabilities	10,901,628	9,326,239
Net assets		
Shareholders' equity		
Share capital	5,511,199	5,530,430
Capital surplus	6,317,535	6,597,024
Retained earnings	8,709,727	9,783,978
Treasury shares	(2,596,900)	(2,571,891)
Total shareholders' equity	17,941,562	19,339,541
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	195,642	296,533
Foreign currency translation adjustment	57,021	109,195
Remeasurements of defined benefit plans	219,696	367,492
Total accumulated other comprehensive income	472,360	773,221
Non-controlling interests	4,032,203	3,719,988
Total net assets	22,446,125	23,832,751
Total liabilities and net assets	33,347,754	33,158,991

(2) Consolidated statement of income and consolidated comprehensive income

Consolidated Statement of Profit or Loss

(Unit: Thousands of yen)

	Previous consolidated fiscal year (For the fiscal year ended September 30, 2025)	For the fiscal year ended September 30, 2026
Net sales	29,910,940	31,105,210
Cost of sales	7,687,798	8,297,280
Gross profit	22,223,141	22,807,930
Selling, general and administrative expenses	19,276,946	20,182,715
Operating income	2,946,195	2,625,215
Non-operating income		
Interest income	4,731	10,367
Dividend income	2,294	2,484
Share of profit of entities accounted for using equity method	107,404	470,347
Other	50,827	19,457
Total non-operating income	165,258	502,657
Non-operating expenses		
Interest expenses	18,508	18,629
Foreign exchange losses	26,719	36,452
Delinquent taxes, etc.	12,492	7,318
Consumption tax difference	5,745	9,217
Other	20,821	991
Total non-operating expenses	84,288	72,609
Ordinary income	3,027,165	3,055,263
Extraordinary income		
Gain on sale of non-current assets	441	-
Gain on sale of investment securities	22,500	-
Gain on sale of shares of subsidiaries and associates	-	39,103
Gain on reversal of share acquisition rights	7,518	-
Consumption taxes refund	1,775,356	526,793
Gain on transfer of business	51,000	1,000
Gain on liquidation of subsidiaries	7,495	-
Total extraordinary income	1,864,312	566,896
Extraordinary losses		
Loss on sale of non-current assets	48	43
Loss on retirement of non-current assets	19,400	10,042
Impairment losses	-	224,951
Loss on valuation of investment securities	207,671	200,499
Loss on sale of businesses	3,113	-
Other	3,089	-
Total extraordinary losses	233,323	435,538
Income before income taxes	4,658,154	3,186,620
Income taxes - current	1,310,874	656,642
Income taxes - deferred	(198,919)	344,628
Total income taxes	1,111,955	1,001,270
Net income	3,546,198	2,185,349
Net income attributable to non-controlling interests (loss)	142,068	(39,340)
Profit attributable to owners of parent	3,404,130	2,224,690

Consolidated Statement of Comprehensive Income

(Unit: Thousands of yen)

	Previous consolidated fiscal year (For the fiscal year ended September 30, 2025)	Current consolidated fiscal year (For the fiscal year ended September 30, 2026)
Net income	3,546,198	2,185,349
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,902)	7,660
Foreign currency translation adjustment	(23,176)	47,527
Remeasurements of defined benefit plans, net of tax	95,369	147,795
Share of other comprehensive income of entities accounted for using equity method	62,256	93,888
Total other comprehensive income	131,546	296,872
Comprehensive income	3,677,745	2,482,222
Breakdown		
Comprehensive income attributable to owners of parent	3,535,677	2,525,551
Comprehensive income attributable to non-controlling interests	142,068	(43,328)

(3) Consolidated Statement of changes in equity

Previous consolidated fiscal year (For the fiscal year ended September 30, 2025)

(Unit: Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of previous period	5,310,108	6,376,663	6,626,029	(3,207,144)	15,105,656
Changes during period					
Issuance of new shares	201,091	201,091			402,182
Cash dividends			(997,291)		(997,291)
Profit attributable to owners of parent			3,404,130		3,404,130
Acquisitions of treasury shares				(53)	(53)
Cancellation of treasury shares		(610,297)		610,297	-
Changes in interests in consolidated subsidiaries		26,937			26,937
Change in scope of equity method					-
Change in treasury shares arising from change in equity in entities accounted for using equity method					-
Transfer to capital surplus from retained earnings		323,140	(323,140)		-
Changes during period (net) for items other than Shareholders' equity					
Total changes during period	201,091	(59,128)	2,083,698	610,243	2,835,906
Balance at end of previous period	5,511,199	6,317,535	8,709,727	(2,596,900)	17,941,562

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of previous period	136,358	80,126	124,327	340,813	22,732	3,675,568	19,144,770
Changes during period							
Issuance of new shares							402,182
Cash dividends							(997,291)
Profit attributable to owners of parent							3,404,130
Acquisitions of treasury shares							(53)
Cancellation of treasury shares							-
Changes in interests in consolidated subsidiaries							26,937
Change in scope of equity method							-
Change in treasury shares arising from change in equity in entities accounted for using equity method							-
Transfer to capital surplus from retained earnings							-
Changes during period (net amount) for items other than Shareholders' equity	59,283	(23,105)	95,369	131,546	(22,732)	356,634	465,448
Total changes during period	59,283	(23,105)	95,369	131,546	(22,732)	356,634	3,301,354
Balance at end of previous period	195,642	57,021	219,696	472,360	-	4,032,203	22,446,125

For the fiscal year ended September 30, 2026

(Unit: Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	5,511,199	6,317,535	8,709,727	(2,596,900)	17,941,562
Changes during period					
Issuance of new shares	19,230	19,230			38,461
Cash dividends			(1,114,264)		(1,114,264)
Profit attributable to owners of parent			2,224,690		2,224,690
Acquisitions of treasury shares					-
Cancellation of treasury shares		(26,993)		26,993	-
Changes in interests in consolidated subsidiaries		260,258			260,258
Change in scope of equity method			(9,182)		(9,182)
Change in treasury shares arising from change in equity in entities accounted for using equity method				(1,984)	(1,984)
Transfer to capital surplus from retained earnings		26,993	(26,993)		-
Changes during period (net) of items other than Shareholders' equity					
Total changes during period	19,230	279,489	1,074,250	25,008	1,397,978
Balance at end of current period	5,530,430	6,597,024	9,783,978	(2,571,891)	19,339,541

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	195,642	57,021	219,696	472,360	-	4,032,203	22,446,125
Changes during period							
Issuance of new shares							38,461
Cash dividends							(1,114,264)
Profit attributable to owners of parent							2,224,690
Acquisitions of treasury shares							-
Cancellation of treasury shares							-
Changes in interests in consolidated subsidiaries							260,258
Change in scope of equity method							(9,182)
Change in treasury shares arising from change in equity in entities accounted for using equity method							(1,984)
Transfer to capital surplus from retained earnings							-
Changes during period (net) for items other than Shareholders' equity	100,890	52,174	147,795	300,861	-	(312,214)	(11,352)
Total changes during period	100,890	52,174	147,795	300,861	-	(312,214)	1,386,626
Balance at end of current period	296,533	109,195	367,492	773,221	-	3,719,988	23,832,751

（4）Consolidated statement of cash flows

(Unit: Thousands of yen)

	Previous consolidated fiscal year (For the fiscal year ended September 30, 2025)	Current consolidated fiscal year (For the fiscal year ended September 30, 2026)
Cash flows from operating activities		
Net income before income taxes and other	4,658,154	3,186,620
Depreciation	1,310,284	1,361,560
Impairment losses	-	224,951
Amortization of goodwill	37,755	47,620
Increase (decrease) in allowance for doubtful accounts	(12,827)	(9,685)
Increase (decrease) in liabilities for retirement benefits	161,485	151,482
Interest income and dividends income	(7,026)	(12,851)
Interest expenses	18,508	18,629
Share of loss (profit) of investments accounted for using the equity method	(107,404)	(470,347)
Loss (gain) on sale of fixed assets	(393)	43
Loss on retirement of non-current assets	19,400	10,042
Loss (gain) on sale of investment securities	(22,500)	-
Loss (gain) on valuation of investment securities	207,671	200,499
Loss (gain) on sale of shares of subsidiaries and associates	-	(39,103)
Gain on reversal of share acquisition rights	(7,518)	-
Loss (gain) on sale of businesses	(47,886)	(1,000)
Decrease (increase) in trade receivables	94,974	(154,935)
(Increase) decrease in inventories	(72,606)	(208,750)
Decrease (increase) in advance payments to suppliers	61,555	(17,631)
Decrease (increase) in prepaid expenses	(233,332)	(37,421)
Change in other receivables (- indicates an increase)	(55,905)	21,539
Increase (decrease) in trade payables	(76,878)	48,556
Increase/decrease in Accounts payable - other (- indicates a decrease)	212,667	350,766
Increase (decrease) in accrued expenses	55,113	(76,620)
Increase and decrease in consumption taxes receivable or payable	14,265	(125,809)
Other	28,017	(215,910)
Subtotal	6,235,574	4,252,248
Interest and dividends received	33,974	39,799
Interest paid	(18,508)	(18,629)
Income taxes refund (paid)	(589,378)	(1,512,677)
Cash flows from operating activities	5,661,660	2,760,741

	Previous consolidated fiscal year (from October 1, 2024 to September 30, 2025)	For the fiscal year ended September 30, 2026
Cash flows from investing activities		
Purchase of property and equipment	(85,115)	(393,897)
Proceeds from sales of property and equipment	1,246	87
Purchase of intangible assets	(1,279,255)	(1,672,803)
Purchase of investment securities	(200,620)	(200,500)
Proceeds from the sale of investment securities	30,000	-
Purchase of shares of subsidiaries and associates	(103,900)	(204,800)
Payments for acquisition of businesses	(30,000)	(30,000)
Proceeds from transfer of business	55,921	1,000
Payment for acquisition of subsidiaries resulting in change in scope of consolidation	(99,000)	(289,132)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	640
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	-	146,531
Other	4,142	(131,867)
Cash flows from investing activities	(1,706,580)	(2,774,742)
Cash flows from financing activities		
Repayment of long-term borrowings	(737,500)	(737,500)
Proceeds from issuance of shares	386,968	38,461
Acquisition of treasury shares	(53)	-
Proceeds from share issuance to non-controlling shareholders	687,785	694,103
Repayments to non-controlling shareholders	(2,940)	(1,960)
Cash dividends paid	(997,291)	(1,114,264)
Dividends paid to non-controlling interests	-	(18,750)
Payment for acquisition of subsidiaries resulting in no change in scope of consolidation	(780,000)	-
Proceeds from sale of subsidiaries resulting in no change in scope of consolidation	500,000	-
Purchase of treasury shares of subsidiaries	-	(682,020)
Cash flows from financing activities	(943,031)	(1,821,929)
Effect of exchange rate change on cash and cash equivalents	(24,236)	46,096
Increase (decrease) in cash and cash equivalents	2,987,811	(1,789,834)
Cash and cash equivalents at the beginning of the period	14,828,744	17,816,556
Cash and cash equivalents at end of the period	17,816,556	16,026,721

(5) Notes to Consolidated Financial Statements

(Notes regarding the assumption of a going concern)

There are no applicable items.

(Changes in accounting estimates)

In points-based transactions in the Content Business, revenue is recognized in proportion to the pattern of customers exercising their rights with respect to point balances that have not been exercised by customers. The pattern of exercising rights had previously been estimated based on the results of sampling surveys; however, during the Current consolidated fiscal year, a system was established to obtain data on the exercise and expiration of all points without relying on sampling surveys, making it possible to estimate the unexercised portion and the pattern of exercising rights more precisely. Accordingly, a change in the estimate was made.

As a result of this change, Contract liabilities at the end of the current consolidated fiscal year decreased by 136,290 thousand yen, while Net sales, Operating income, Ordinary income and Net income before income taxes increased by the same amount.

(Segment Information, etc.)

(Segment Information)

1 Overview of Reportable Segments

(1) Method for determining reportable segments

The reporting segments of our group are components of our group for which separate financial information is available and which are subject to regular review by the Board of Directors for the purpose of making decisions regarding the allocation of management resources and evaluating performance.

Our Group consists of segments classified by business division and service category, and has four reportable segments: "Content Business," "Healthcare Business," " School DX Business," and "Other Businesses."

(2) Types of finished goods and services belonging to each reportable segment

The “Content Business” includes BtoC-type monthly subscription services (excluding the women’s healthcare service “LunaLuna” and the doctor consultation service “CARADA medica”), as well as the original comic business, which provides original comic works to BtoB-type comic distribution operators, among others.

The “Healthcare Business” includes BtoC-type monthly subscription services such as “LunaLuna” and “CARADA medica,” as well as BtoB-type and BtoBtoC-type healthcare services offered to individual medical institutions and local governments (cloud-based medication history, maternal and child health handbook apps, parenting DX, etc.).

The “School DX Business” includes the school DX business operated by consolidated subsidiary Motivation Works Inc. for school corporations.

The “Other Businesses” segment includes the AI business operated by Automagi Inc., a BtoB-type consolidated subsidiary, as well as the DX support business and solutions business for corporations operated by the Company.

2 Method of calculation for amounts of Net sales, profit or loss, assets, liabilities, and other items by reportable segment

The accounting methods for the reported business segments are generally the same as the accounting methods adopted in preparing the consolidated financial statements.

Profits of reporting segments are based on Operating income. Internal revenues and transfer amounts between segments are based on prevailing market prices.

3 Information on amounts of Net sales, profit or loss, assets, liabilities, and other items by reportable segment, and disaggregation of revenue

Previous fiscal year (from October 1, 2024 to September 30, 2025)

(Unit: Thousands of yen)

	Reporting segments					Adjustments (Note) 1	Amounts recorded in consolidated financial statements (Note) 2
	Content Business	Healthcare Business	School DX business	Other businesses	Total		
Net sales							
Goods or services transferred at a point in time	17,018,050	6,632,558	1,655,542	3,908,834	29,214,985	-	29,214,985
Goods or services transferred over a certain period of time	59,331	33,497	234,810	368,316	695,954	-	695,954
Revenue from contracts with customers	17,077,382	6,666,055	1,890,352	4,277,150	29,910,940	-	29,910,940
Net sales to external customers	17,077,382	6,666,055	1,890,352	4,277,150	29,910,940	-	29,910,940
Internal Net sales or transfers between segments	236,870	10,107	-	1,262,848	1,509,826	(1,509,826)	-
Total	17,314,252	6,676,163	1,890,352	5,539,999	31,420,766	(1,509,826)	29,910,940
Segment profit or loss (-)	4,270,581	(80,148)	550,380	949,073	5,689,886	(2,743,691)	2,946,195
Other items							
Depreciation	586,914	274,424	295,998	35,250	1,192,587	117,697	1,310,284
Goodwill amortization amount	36,449	1,305	-	-	37,755	-	37,755

(Note) 1 The adjustment of segment profit or loss (-) -2,743,691 thousand yen includes the elimination of inter-segment transactions 62,779 thousand yen and unallocated corporate expenses -2,806,470 thousand yen. Corporate expenses are mainly General and administrative expenses not attributable to the reporting segments.

2 Segment profit or loss (-) is adjusted to operating income in the consolidated financial statements.

3 Segment assets are not disclosed because assets are not allocated to business segments.

For the fiscal year ended September 30, 2026

(Unit: Thousands of yen)

	Reporting segments					Adjustments (Note) 1	Amounts reported in consolidated financial statements (Note) 2
	Content Business	Healthcare Business	School DX business	Other businesses	Total		
Net sales							
Goods or services transferred at a point in time	16,166,858	7,691,559	2,148,734	4,040,882	30,048,034	-	30,048,034
Goods or services transferred over a period of time	31,107	85,796	283,389	656,883	1,057,176	-	1,057,176
Revenue from contracts with customers	16,197,965	7,777,355	2,432,124	4,697,765	31,105,210	-	31,105,210
Net sales to external customers	16,197,965	7,777,355	2,432,124	4,697,765	31,105,210	-	31,105,210
Internal Net sales or transfer amount between segments	231,513	8,833	12,000	1,321,297	1,573,644	(1,573,644)	-
Total	16,429,478	7,786,189	2,444,124	6,019,062	32,678,855	(1,573,644)	31,105,210
Segment profit or loss (-)	4,655,504	(1,043,488)	759,513	977,716	5,349,246	(2,724,031)	2,625,215
Other items							
Depreciation	519,392	364,003	350,556	45,927	1,279,879	81,681	1,361,560
Amortization of Goodwill	12,374	35,245	-	-	47,620	-	47,620

(Note) 1 The adjustment amount for segment profit or loss (-) of -2,724,031 thousand yen includes inter-segment transaction eliminations of 17,887 thousand yen and corporate expenses not allocated to each reportable segment of -2,741,918 thousand yen. Corporate expenses are mainly General and administrative expenses not attributable to the reportable segments.

2 Segment profit or loss (-) is adjusted to operating income in the consolidated financial statements.

3 Segment assets are not disclosed because assets are not allocated to business segments.

[Information on Impairment Losses on Non-current Assets by Reportable Segment]

Previous consolidated fiscal year (For the fiscal year ended September 30, 2025)

There are no applicable matters.

For the fiscal year ended September 30, 2026

(Unit: Thousands of yen)

	Reportable segment					Adjustment amount	Amounts recorded in the consolidated financial statements
	Content Business	Healthcare Business	School DX Business	Other businesses	Total		
Impairment losses	65,033	159,917	-	-	224,951	-	224,951

(Per share information)

	For the fiscal year ended September 30, 2025	For the fiscal year ended September 30, 2026
Net assets per share amount	331.86 yen	362.15 yen
Basic earnings per share	61.62 yen	40.07 yen
Diluted earnings per share	61.55 yen	-

(Note) The basis for calculating Basic earnings per share and Diluted earnings per share is as follows.

Item	Previous consolidated fiscal year (For the fiscal year ended September 30, 2025)	For the fiscal year ended September 30, 2026
Basic earnings per share		
Profit attributable to owners of parent	3,404,130 thousand yen	2,224,690 thousand yen
Amounts not attributable to common shareholders	- thousand yen	- thousand yen
Profit attributable to owners of parent pertaining to common shares	3,404,130 thousand yen	2,224,690 thousand yen
Common shares' Average number of shares	55,247,865 shares	55,519,594 shares
Diluted earnings per share		
Profit attributable to owners of parent adjustment amount	-	-
Increase in number of common shares	57,227 shares	-Shares
(of which Subscription rights to shares)	57,227 shares	-Shares
Overview of potential shares not included in the calculation of the Diluted earnings per share amount because they have no dilutive effect	-	-

(Significant Subsequent Events)

At the Board of Directors meeting held on November 6, 2026, the Company resolved to enter into an agreement with MSE Co., Ltd. (the "Tender Offeror") under which the Company will tender all of the common shares it holds in Shobunsha Holdings, Inc., an equity-method affiliate of the Company, in the tender offer for the common shares of that company to be conducted by the Tender Offeror.

For details, please refer to the "Notice Regarding the Execution of a Tender Agreement for the Tender Offer for Shares of Shobunsha Holdings, Inc. (an Equity-Method Affiliate) and Recording of Extraordinary Loss (Consolidated) and Extraordinary Income (Non-consolidated)," announced on November 6, 2026.