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Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

May 15, 2026

Company name Digital Media Professionals, Inc.

Stock exchange listings: Tokyo Growth

Securities code 3652 URL <https://www.dmprof.com/en>

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Date of general shareholders' meeting (as planned) June 23, 2026 Dividend payable date (as planned) —

Annual securities report filing date (as planned) June 22, 2026

Supplemental material of annual results : None

Convening briefing of annual results : Yes (For Institutional Investors and Analysts)

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

1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	2,432	-21.0	-311	-219.0	-293	209.6	-327	-313.6
March 31, 2025	3,077	2.0	261	19.7	267	18.3	153	-53.3

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	-104.28	—	-9.6	-8.3	-12.8
March 31, 2025	48.81	—	4.4	3.8	8.5

Reference: Investment profit (loss) on equity method For the fiscal year ended March 31, 2026 —Millions of yen For the fiscal year ended March 31, 2025 —Millions of yen

Note: 1. For March 31, 2025, consolidated financial results were disclosed; however, from the current fourth quarter, financial results are disclosed on a non-consolidated basis.

2. Diluted net income per share is not presented because there are no dilutive potential shares. In addition, diluted net income per share for March 31, 2026 is not presented because a net loss per share was recorded.

(2) Non-consolidated financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	3,831	3,266	85.3	1,038.69
March 31, 2025	4,078	3,594	88.1	1,142.98

Reference: Owner's equity As of March 31, 2026 3,266Millions of yen As of March 31, 2025 3,594Millions of yen

(3) Non-consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and equivalents, end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	-648	-72	-0	1,797
March 31, 2025	—	—	—	—

Note: For March 31, 2025, consolidated financial results were disclosed; however, from the current fourth quarter, financial results are disclosed on a non-consolidated basis. Accordingly, the cash flow status for March 31, 2025 is not presented.

2. Cash dividends

	Dividend per share					Total dividend paid	Payout ratio	Ratio of total amount of dividends to net assets
	Q1	Q2	Q3	Year end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ended March 31, 2026	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ending March 31, 2027 (Forecast)	—	0.00	—	0.00	0.00	—	—	—

3. Non-consolidated financial forecast for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	3,640	49.6	30	—	45	—	30	—	9.54

* Notes

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

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

(2) Number of issued shares (common shares)

1) Number of issued and outstanding shares at the end of fiscal year (including treasury stock)

As of March 31, 2026	3,152,400 shares	As of March 31, 2025	3,152,400 shares
As of March 31, 2026	7,277 shares	As of March 31, 2025	7,240 shares
Fiscal year ended March 31, 2026	3,145,123 shares	Fiscal year ended March 31, 2025	3,145,160 shares

2) Number of treasury stock at the end of fiscal year

3) Average number of shares

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

Forward-looking statements, including earnings forecasts, contained in this document are based on information currently available to the Company and on certain assumptions deemed reasonable by the Company, and are not intended as a commitment by the Company to achieve them. Actual results may differ due to various factors. For the assumptions underlying the earnings forecasts and cautionary notes regarding the use of such forecasts, please refer to page 4 of the attached materials, "1. Overview of Operating Results (4) Future Outlook."

Table of contents of attached documents

1. Overview of Operating Results	2
(1) Overview of Operating Results	2
(2) Overview of Financial Position	4
(3) Overview of Cash Flows	4
(4) Future Outlook	4
2. Basic Policy Regarding the Selection of Accounting Standards	5
3. Financial Statements and Major Notes	6
(1) Balance Sheet	6
(2) Statement of Income	8
(3) Statement of Changes in Equity	10
(4) Statement of Cash Flows	12
(5) Notes to Financial Statements	13
(Notes on Going Concern Assumption)	13
(Notes on Equity in Earnings/Losses of Affiliates, etc.)	13
(Notes on Segment Information, etc.)	13
(Notes on Per Share Information)	13
(Notes on Significant Subsequent Events)	13
4. Other	14
(1) Recent Quarterly Trends in Operating Results	14

1. Overview of Operating Results

(1) Overview of Operating Results

The Company no longer has any consolidated subsidiaries following the transfer, on February 9, 2026, of all the capital contribution of its consolidated subsidiary Digital Media Professionals Vietnam Company Limited (“DMP Vietnam”), which ceased operations as of September 30, 2025, to a third party. Accordingly, these financial results have been prepared on a non-consolidated basis. Please take this into account when making comparisons with the same period of the previous year.

During the fiscal year ended March 31, 2026, the Japanese economy recovered moderately overall. However, downside risks to the economy have increased due to factors including rising prices affecting people’s daily lives, as well as the impact of the situation in the Middle East and U.S. trade policy. The global economy also requires close attention to the impact of the situation in the Middle East and U.S. trade policy.

In the semiconductor industry to which the Company belongs, demand for generative AI is driving the market, which bottomed out in 2023. Over the medium term, demand is also expected to expand for IoT, in which all types of devices are connected to the Internet, AI, big data, next-generation high-speed communications standards, and autonomous driving applications. In the AI/visual computing field, which is the Company’s business domain, innovation is expected to accelerate and the role of AI is expected to grow toward resolving social and environmental issues such as the decline in the working-age population due to the declining birthrate and aging population, and climate change, as well as toward realizing a safe and secure society.

Under this environment, guided by its Purpose of “Making the Image Intelligent,” the Company is working to solve real-world issues through the power of image intelligence, which has been its strength since its founding, and to create innovative products and services that deliver value to stakeholders. Based on a solid business foundation supported by stable growth in the amusement and IP fields, the Company aims to expand earnings and enhance corporate value over the medium term through two new growth engines: the edge AI semiconductor business and the FA business. With an integrated development structure covering algorithms, software, and hardware, which is the Company’s strength, the Company operates IP core license, product, and professional service businesses. By providing added value across the entire development lifecycle of customers’ products and services, from planning to mass production, the Company seeks to maximize LTV (lifetime value).

Specific initiatives and results in focus areas during the fiscal year ended March 31, 2026 were as follows. In the robotics and safety field, the Company generated recurring revenue from existing projects spanning edge to cloud for safe driving assistance and provided professional services for semiconductor manufacturing equipment, safe driving assistance, and AMRs (Autonomous Mobile Robots). For semiconductor manufacturing equipment, the Company is considering a future transition from PoC for an object detection system to the mass production phase. In addition, the vision system for picking robots of Cambrian, with which the Company has a capital and business alliance, has been recognized for its competitive advantages, including its recognition accuracy for transparent and glossy parts and its robustness against environmental changes such as ambient light. As a result, product deliveries and business opportunities progressed, while the Company also promoted lead generation through participation in various exhibitions. Furthermore, the FA business, launched in April 2025, progressed steadily, mainly providing AMR units and components for AMRs. In September 2025, the Company also began offering “Vision-LLM Insight,” an action recognition AI platform that understands the “context” of video footage and detects potential risks. This product combines LLMs (Large Language Models) with the Company’s proprietary vision AI technology and contributes to more efficient and advanced safety management in a wide range of areas, including public facilities, commercial facilities, and construction sites. As the first deployment, the Company began field operation of a skateboarder detection system at a public facility.

In the amusement field, the Company continued mass production shipments of the “RS1” image processing semiconductor for pachislot, including smart pachislot, and pachinko machines, while aiming to increase added value by capturing peripheral business opportunities.

With respect to initiatives related to the next-generation edge AI semiconductor “Di1,” the Company developed an ANPR (Automatic Number Plate Recognition) solution using “Di1” and its “ZIA PLATE” license plate recognition software, and began deploying the solution in Japan and overseas markets. Customer evaluations and consideration of adoption are also progressing in Japan and overseas in application markets such as surveillance cameras, drones, and various mobility-related fields. In particular, in the rapidly growing Indian market, the Company has established strategic

partnerships with Sparsh CCTV in the security field and ideaForge in the drone field for product development using “Di1.” Through these partnerships, the Company aims to capture vast demand for social infrastructure and defense in India at an early stage, while also promoting the introduction of ideaForge drones into the Japanese market, thereby expanding the medium- to long-term revenue base for “Di1.”

Regarding business results for the fiscal year ended March 31, 2026, in the product business, the Company continued mass production shipments of the “RS1” image processing semiconductor and shipped Cambrian vision systems, camera modules for drones, FA products, and “Di1” development kits, among other products. In the amusement field, mass production shipments of “RS1” temporarily softened, mainly due to the low approval rates for pachislot machines by the Security Electronics and Communications Technology Association and others. In the IP core license business, the Company recorded AI/GPU running royalty revenue, recurring revenue in the robotics and safety field, and maintenance support revenue. In the professional service business, the Company provided contract development services for semiconductor manufacturing equipment, safe driving assistance, and AMRs.

As a result, net sales for the fiscal year ended March 31, 2026 were ¥2,432 million, down 21.0% year on year; operating loss was ¥311 million, compared with operating profit of ¥261 million in the previous fiscal year; ordinary loss was ¥293 million, compared with ordinary profit of ¥267 million in the previous fiscal year; and net loss was ¥327 million, compared with net income of ¥153 million in the previous fiscal year.

Selling, general and administrative expenses included ¥301 million in development expenses for “Di1.” In addition, as extraordinary losses, the Company recorded a ¥25 million valuation loss on investment securities and a ¥4 million loss on valuation of shares of subsidiaries and associates.

As the Company has a single segment, segment information is not presented. However, the overview of results by business is as follows.

1) IP Core License Business

In addition to the provision of initial licenses for AI IP, the Company recorded AI/GPU running royalty revenue from digital devices such as digital still cameras, 4K televisions, and office automation equipment, recurring revenue in the robotics and safety field, and maintenance support revenue. As a result, net sales were ¥139 million, compared with ¥124 million in the previous fiscal year.

2) Product Business

In addition to mass production shipments of “RS1,” the Company recorded sales of Cambrian vision systems, camera modules for drones, FA products, “Di1” development kits, and other products. As a result, net sales were ¥2,218 million, compared with ¥2,855 million in the previous fiscal year.

3) Professional Service Business

The Company provided AI contract development services and other services in the robotics and safety field. As a result, net sales were ¥74 million, compared with ¥97 million in the previous fiscal year.

The overview of results by field is as follows.

1) Robotics and Safety Field

Net sales were ¥281 million, compared with ¥207 million in the previous fiscal year, mainly due to recurring revenue and maintenance support revenue in the IP core license business, sales of Cambrian vision systems, camera modules for drones, and FA products in the product business, and the provision of professional services for semiconductor manufacturing equipment, safe driving assistance, and AMRs.

Until the fiscal year ended March 2025, this field was divided into the “safety field” and the “robotics field.” However, as demonstrated by collaborative robots and AMRs, the more robotics technology advances and is implemented in society, the more important safety technologies become for detecting contact with people and objects and the associated risks. In light of this, from the fiscal year ending March 2026, the Company has integrated the two fields and refers to them as the “robotics and safety field.”

2) Amusement Field

Net sales were ¥1,951 million, compared with ¥2,779 million in the previous fiscal year, mainly due to the recording of sales from mass production shipments of “RS1.”

3) Other Fields

Net sales were ¥199 million, compared with ¥90 million in the previous fiscal year, mainly due to AI/GPU running royalty revenue and maintenance support revenue for digital devices in the IP core license business, as well as sales of certain

products.

(2) Overview of Financial Position

Assets

Total assets at the end of the fiscal year ended March 31, 2026 were ¥3,831 million, a decrease of ¥247 million from the end of the previous fiscal year. This was mainly due to an increase of ¥248 million in raw materials and supplies, and a decrease of ¥714 million in cash and deposits.

Liabilities

Current liabilities and non-current liabilities at the end of the fiscal year ended March 31, 2026 totaled ¥564 million, an increase of ¥80 million from the end of the previous fiscal year. This was mainly due to an increase of ¥153 million in accounts payable, and decreases of ¥19 million in income taxes payable and ¥6 million in consumption taxes payable.

Net Assets

Total net assets at the end of the fiscal year under review were ¥3,266 million, a decrease of ¥328 million from the end of the previous fiscal year. This was mainly due to a decrease of ¥327 million in retained earnings as a result of the recording of net loss.

As a result, the equity ratio was 85.3%.

(3) Overview of Cash Flows

Cash and cash equivalents at the end of the fiscal year ended March 31, 2026 amounted to ¥1,797 million.

Net cash used in operating activities was ¥648 million. The main factors increasing cash flows were depreciation of ¥22 million and an increase in trade payables of ¥153 million. The main factors decreasing cash flows were loss before income taxes of ¥323 million and an increase in inventories of ¥270 million.

Net cash used in investing activities was ¥72 million. The main factor increasing cash flows was proceeds from redemption of securities and investment securities of ¥400 million. The main factors decreasing cash flows were purchase of investment securities of ¥398 million and purchase of property, plant and equipment and intangible assets of ¥74 million.

Net cash used in financing activities was ¥0 million.

(Reference) Trends in Cash Flow Indicator

	March 2022	March 2023	March 2024	March 2025	March 2026
Equity ratio (%)	—	—	—	—	85.3
Market capitalization-based equity ratio (%)	—	—	—	—	165.5
Cash flow to interest-bearing debt ratio (years)	—	—	—	—	—
Interest coverage ratio (times)	—	—	—	—	—

Equity ratio: Equity / Total assets

Market capitalization-based equity ratio: Market capitalization / Total assets

Cash flow to interest-bearing debt ratio: Interest-bearing debt / Cash flows

Interest coverage ratio: Cash flows / Interest payments

Note 1: Market capitalization is calculated based on the number of shares issued, excluding treasury shares.

Note 2: Cash flows are operating cash flows.

Note 3: Since there was no outstanding balance of interest-bearing debt or interest payments in any fiscal year, the cash flow to interest-bearing debt ratio and interest coverage ratio are not presented.

Note 4: The Company disclosed consolidated financial results for the fiscal years ended March 2022, March 2023, March 2024, and March 2025, but has disclosed non-consolidated financial results from the fiscal year ended March 2026. Accordingly, trends in cash flow indicators for the fiscal years ended March 2022, March 2023, March 2024, and March 2025 are not presented.

(4) Future Outlook

The Japanese and global economies are expected to remain uncertain due to factors including continuing geopolitical

risks, price trends, and exchange rate fluctuations. On the other hand, medium- to long-term growth is expected in markets related to edge AI semiconductors, robotics, and FA, supported by the progress of social implementation of AI, increasing needs for labor-saving and automation in the manufacturing and logistics fields, and expanding demand for safety assistance in the mobility field and other areas.

Under this environment, the Company will work to achieve steady growth in the amusement business, which serves as a stable earnings base, while expanding the edge AI semiconductor business and the robotics and safety business, which are growth areas.

In the amusement business, the Company will seek to secure stable earnings by expanding mass production of RS1 and actively capturing peripheral business opportunities, while also conducting market research and product planning for next-generation products.

In the edge AI semiconductor “Di1” business, the Company will accelerate mass production by promoting product development based on strategic partnerships in the security and drone fields for the Indian market, building a domestic ecosystem through progress in customer evaluations and adoption considerations, and conducting sales activities in Asia and North America.

In the robotics and safety business, the Company will promote the transition from PoC development to mass-produced system products and standard packages, while expanding the business by developing and providing high-value-added solutions integrating Di1. In the FA business, the Company will work to expand sales of AMR units and related components to customers in the manufacturing and logistics industries, as well as to robot manufacturers.

The Company will work to improve revenue and profit by accumulating mass production projects and improving the product mix, while continuing to promote strategic investments, including research and development and the proactive hiring of necessary personnel for medium-term growth.

Based on the above, for the fiscal year ending March 2027, the Company forecasts net sales of ¥3,640 million, operating profit of ¥30 million, ordinary profit of ¥45 million, and net income of ¥30 million.

The forward-looking statements above, including earnings forecasts and medium-term outlook, are based on the Company’s judgments using information available as of the date of this document. Actual results may differ from these forecasts due to various factors.

2. Basic Policy Regarding the Selection of Accounting Standards

In view of the fact that financial statements are also used to calculate distributable amounts under the Companies Act and taxable income under the Corporation Tax Act, the Company applies Japanese accounting standards.

3. Financial Statements and Major Notes

(1) Balance Sheet

(Thousands of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	2,512,620	1,797,634
Accounts receivable - trade, and contract assets	411,881	475,911
Securities	200,000	—
Merchandise and finished goods	45,490	65,216
Work in process	2,585	146
Raw materials and supplies	51,365	299,586
Prepaid expenses	30,549	36,529
Consumption taxes refund receivable	—	81,448
Income taxes refund receivable	—	3,611
Other	23,485	29,962
Total current assets	3,277,977	2,790,048
Non-current assets		
Property, plant and equipment		
Buildings	51,243	63,388
Accumulated depreciation	-46,111	-48,504
Buildings, net	5,131	14,883
Tools, furniture and fixtures	184,440	208,250
Accumulated depreciation	-151,645	-162,801
Tools, furniture and fixtures, net	32,795	45,449
Construction in progress	—	4,936
Total property, plant and equipment	37,927	65,269
Intangible assets		
Software	4,220	7,207
Software in progress	158,170	191,252
Other	25	25
Total intangible assets	162,416	198,485
Investments and other assets		
Investment securities	536,318	708,170
Shares of subsidiaries and associates	11,679	—
Long-term prepaid expenses	—	11,417
Leasehold deposits	52,611	58,229
Total investments and other assets	600,609	777,816
Total non-current assets	800,952	1,041,572
Total assets	4,078,930	3,831,620

(Thousands of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Accounts payable – trade	310,492	463,775
Accounts payable – other	95,317	35,498
Accrued expenses	807	1,825
Income taxes payable	19,076	—
Accrued consumption taxes	6,736	—
Deposits received	8,935	7,958
Contract liabilities	23,542	18,579
Provision for product warranties	319	—
Provision for loss on orders received	—	9,922
Total current liabilities	465,227	537,559
Non-current liabilities		
Asset retirement obligations	18,210	24,909
Deferred tax liabilities	633	2,345
Total non-current liabilities	18,843	27,254
Total liabilities	484,071	564,813
Net assets		
Shareholders' equity		
Share capital	1,838,882	1,838,882
Capital surplus		
Legal capital surplus	1,858,093	1,858,093
Total capital surplus	1,858,093	1,858,093
Retained earnings		
Other retained earnings		
Retained earnings brought forward	-100,101	-428,063
Total retained earnings	-100,101	-428,063
Treasury shares	-2,016	-2,106
Total shareholders' equity	3,594,858	3,266,806
Total net assets	3,594,858	3,266,806
Total liabilities and net assets	4,078,930	3,831,620

(2) Statement of Income

(Thousands of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	3,077,721	2,432,778
Cost of sales		
Beginning inventory of merchandise and finished goods	35,585	45,490
Cost of products manufactured	61,153	68,359
Cost of purchased merchandise and finished goods	1,705,029	1,479,079
Total	1,801,769	1,592,929
Ending inventory of merchandise and finished goods	45,490	65,216
Transfer to other account	—	5,057
Total cost of sales	1,756,278	1,522,655
Gross profit	1,321,442	910,122
Selling, general and administrative expenses	1,059,908	1,221,357
Operating profit (loss)	261,534	-311,234
Non-operating income		
Interest income	2,034	4,747
Interest on securities	6,177	9,310
Foreign exchange gains	—	4,339
Miscellaneous income	—	299
Total non-operating income	8,211	18,697
Non-operating expenses		
Foreign exchange losses	1,897	—
Miscellaneous losses	0	1,012
Total non-operating expenses	1,897	1,012
Ordinary profit (loss)	267,848	-293,550
Extraordinary losses		
Loss on valuation of investment securities	42,546	25,694
Loss on valuation of shares of subsidiaries and associates	—	4,612
Total extraordinary losses	42,546	30,306
Profit (loss) before income taxes	225,301	-323,856
Income taxes – current	26,500	2,392
Income taxes – deferred	45,283	1,711
Total income taxes	71,783	4,104
Profit (loss)	153,518	-327,961

Statement of Manufacturing Costs

		Previous Fiscal Year (Apr. 1, 2024 – Mar. 31, 2025)		Current Fiscal Year (Apr. 1, 2025 – Mar. 31, 2026)	
Category	Notes	Amount (¥ thousand)	Ratio (%)	Amount (¥ thousand)	Ratio (%)
I. Labor costs	*1	34,626	56.8	37,767	57.3
II. Expenses		26,285	43.2	28,153	42.7
Total manufacturing costs for the period		60,911	100.0	65,920	100.0
Work in process at beginning of period		2,827		2,585	
Total		63,739		68,506	
Work in process at end of period		2,585		146	
Cost of products manufactured		61,153		68,359	

Cost Accounting Method

The Company applies job-order cost accounting.

Note: *1 Major components of expenses are as follows.

Item (¥ thousand)	Previous Fiscal Year (Apr. 1, 2024 – Mar. 31, 2025)	Current Fiscal Year (Apr. 1, 2025 – Mar. 31, 2026)
Rent expenses	3,525	3,965
Outsourcing processing costs	11,486	5,418
Software usage fees	2,419	2,713
Depreciation	1,063	1,064

(3) Statement of Changes in Equity

Previous Fiscal Year (Apr. 1, 2024 – Mar. 31, 2025)

(Thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus		Retained earnings		Treasury shares	Total shareholders' equity
		Legal capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance at beginning of period	1,838,882	1,858,093	1,858,093	-253,620	-253,620	-2,016	3,441,340
Changes during period							
Profit (loss)				153,518	153,518		153,518
Purchase of treasury shares							
Net changes in items other than shareholders' equity							
Total changes during period	—	—	—	153,518	153,518	—	153,518
Balance at end of period	1,838,882	1,858,093	1,858,093	-100,101	-100,101	-2,016	3,594,858

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	3,726	3,726	3,445,066
Changes during period			
Profit (loss)			153,518
Purchase of treasury shares			
Net changes in items other than shareholders' equity	-3,726	-3,726	-3,726
Total changes during period	-3,726	-3,726	149,791
Balance at end of period	—	—	3,594,858

Current Fiscal Year (Apr. 1, 2025 – Mar. 31, 2026)

(Thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus		Retained earnings		Treasury shares	Total shareholders' equity
		Legal capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance at beginning of period	1,838,882	1,858,093	1,858,093	-100,101	-100,101	-2,016	3,594,858
Changes during period							
Profit (loss)				-327,961	-327,961		-327,961
Purchase of treasury shares						-90	-90
Net changes in items other than shareholders' equity							
Total changes during period	—	—	—	-327,961	-327,961	-90	-328,051
Balance at end of period	1,838,882	1,858,093	1,858,093	-428,063	-428,063	-2,106	3,266,806

	Total net assets
Balance at beginning of period	3,594,858
Changes during period	
Profit (loss)	-327,961
Purchase of treasury shares	-90
Net changes in items other than shareholders' equity	
Total changes during period	-328,051
Balance at end of period	3,266,806

(4) Statement of Cash Flows

(Thousands of yen)

	Fiscal year ended March 31, 2026
Cash flows from operating activities	
Loss before income taxes	-323,856
Depreciation	22,096
Increase (decrease) in provision for loss on orders received	9,922
Interest and dividend income	-14,058
Loss (gain) on valuation of investment securities	25,694
Foreign exchange losses (gains)	-5,742
Decrease (increase) in trade receivables	-64,030
Decrease (increase) in inventories	-270,565
Increase (decrease) in trade payables	153,282
Loss on valuation of shares of subsidiaries and associates	4,612
Increase (decrease) in contract liabilities	-4,963
Decrease (increase) in prepaid expenses	-5,980
Decrease (increase) in consumption taxes refund receivable	-81,448
Increase (decrease) in accounts payable – other	-60,076
Increase (decrease) in accrued consumption taxes	-6,736
Other, net	-20,317
Subtotal	-642,168
Interest and dividends received	13,507
Income taxes paid	-19,476
Net cash provided by (used in) operating activities	-648,138
Cash flows from investing activities	
Proceeds from redemption of securities	200,000
Purchase of investment securities	-398,090
Proceeds from redemption of investment securities	200,000
Purchase of property, plant and equipment	-36,802
Purchase of intangible assets	-37,736
Payments of leasehold deposits	-5,617
Proceeds from collection of short-term loans receivable	5,532
Net cash provided by (used in) investing activities	-72,713
Cash flows from financing activities	
Purchase of treasury shares	-90
Net cash provided by (used in) financing activities	-90
Effect of exchange rate change on cash and cash equivalents	5,956
Net increase (decrease) in cash and cash equivalents	-714,985
Cash and cash equivalents at beginning of period	2,512,620
Cash and cash equivalents at end of period	1,797,634

(5) Notes to Financial Statements
 (Notes on Going Concern Assumption)
 Not applicable.

(Notes on Equity in Earnings/Losses of Affiliates, etc.)
 Not applicable, as the Company has no affiliates.

(Notes on Segment Information, etc.)

[Segment Information]

Segment information is omitted because the Company operates a single business segment comprising the development, manufacture, and sale of IP cores and related products, as well as ancillary operations.

(Notes on Per Share Information)

(Yen)	Previous Fiscal Year (Apr. 1, 2024 – Mar. 31, 2025)	Current Fiscal Year (Apr. 1, 2025 – Mar. 31, 2026)
Net assets per share	1,142.98	1,038.69
Net income per share or net loss per share (-)	48.81	-104.28

Notes:

1. Diluted net income per share is not presented because there were no dilutive shares. In addition, diluted net income per share for the current fiscal year is not presented because the Company recorded a net loss per share.

2. The basis for calculating net assets per share is as follows.

	Previous Fiscal Year (Mar. 31, 2025)	Current Fiscal Year (Mar. 31, 2026)
Total net assets (¥ thousand)	3,594,858	3,266,806
Amount deducted from total net assets (¥ thousand)	—	—
Net assets attributable to common shares at period-end (¥ thousand)	3,594,858	3,266,806
Number of common shares at period-end used to calculate net assets per share (shares)	3,145,160	3,145,123

3. The basis for calculating net income per share or net loss per share (-) is as follows.

	Previous Fiscal Year (Apr. 1, 2024 – Mar. 31, 2025)	Current Fiscal Year (Apr. 1, 2025 – Mar. 31, 2026)
Net income per share or net loss per share (-)		
Net income or net loss (-) (¥ thousand)	153,518	-327,961
Amount not attributable to common shareholders (¥ thousand)	—	—
Net income attributable to common shares or net loss attributable to common shares (-) (¥ thousand)	153,518	-327,961
Average number of common shares during the period (shares)	3,145,160	3,145,123

(Notes on Significant Subsequent Events)
 Not applicable.

4. Other

(1) Recent Quarterly Trends in Operating Results

Fiscal year ended March 2026

(Thousands of yen)	First Quarter Apr 2025 - Jun 2025	Second Quarter Jul 2025 - Sep 2025	Third Quarter Oct 2025 - Dec 2025	Fourth Quarter Jan 2026 - Mar 2026
Net sales	402,689	499,932	754,588	775,568
Gross profit	141,954	189,622	278,318	300,228
Operating income / loss (-)	-241,876	-58,030	-99,635	78,405
Ordinary income / loss (-)	-240,020	-52,534	-94,907	84,310
Income / Loss (-) before income taxes	-240,020	-72,514	-94,907	77,830
Net income / loss (-)	-240,541	-73,082	-95,406	75,265
Net income / loss (-) attributable to owners of parent	-240,541	-73,082	-95,406	—
Comprehensive income	-241,826	-72,043	-95,406	—
Net income / loss (-) per share (yen)	-76.48	-23.24	-30.33	23.93
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	End of 4th Quarter
Total assets	3,735,126	3,758,266	3,709,974	3,831,620
Net assets	3,369,646	3,297,613	3,202,206	3,266,806
Net assets per share (yen)	1,071.38	1,048.47	1,018.14	1,038.69

* The Company disclosed consolidated financial results through the third quarter of the fiscal year ended March 31, 2026, but has disclosed non-consolidated financial results from the fourth quarter accounting period.

Fiscal year ending March 2026

(Thousands of yen)	First Quarter Apr 2024 - Jun 2024	Second Quarter Jul 2024 - Sep 2024	Third Quarter Oct 2024 - Dec 2024	Fourth Quarter Jan 2025 - Mar 2025
Net sales	740,262	794,976	671,629	870,852
Gross profit	318,359	332,321	288,327	384,275
Operating income / loss (-)	64,742	79,826	-22,790	143,776
Ordinary income / loss (-)	63,493	79,793	-21,522	149,965
Income / Loss (-) before income taxes	63,493	79,793	-21,522	107,418
Net income / loss (-)	59,172	62,217	-20,617	56,350
Net income / loss (-) attributable to owners of parent	59,172	62,217	-20,617	56,350
Comprehensive income	64,114	53,038	-12,927	49,411
Net income / loss (-) per share (yen)	18.81	19.78	-6.56	17.92
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	End of 4th Quarter
Total assets	3,929,870	4,022,238	4,153,158	4,092,428
Net assets	3,521,958	3,574,997	3,562,070	3,611,482
Net assets per share (yen)	1,119.80	1,136.67	1,132.56	1,148.27