

NOTE: This document is to be used only as a reference, and in cases any differences occur between the English version and the original Japanese version, the Japanese version shall prevail. The consolidated financial statements in this document are unaudited.



毎日、発明する会社



Consolidated Financial Results for the Fiscal Year Ended April 30, 2026 (Under Japanese GAAP)

October 28, 2026

Company name: FreeBit Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 3843
 URL: <https://freebit.com/>
 Representative: Takumi Shibata, President and Representative Director
 Inquiries: Ikuko Wada, Director and General Manager of Group Corporate Planning Division
 Telephone: +81-3-5459-0522
 Date of ordinary general meeting of shareholders: July 23, 2026
 Date to commence dividend payments: July 9, 2026
 Scheduled date to file annual securities report: October 28, 2026
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: None

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended April 30, 2026 (May 1, 2025 to April 30, 2026)

(1) Consolidated Operating Results

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended April 30, 2026	62,742	13.9	6,888	17.1	6,619	26.5	4,154	51.2
Fiscal year ended April 30, 2025	55,073	-	5,883	-	5,230	-	2,748	-

Note: Comprehensive income For the fiscal year ended April 30, 2026: 4,120 million yen [5.9%]
 For the fiscal year ended April 30, 2025: 3,889 million yen [-%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended April 30, 2026	190.53	188.82	50.9	16.2	11.0
Fiscal year ended April 30, 2025	135.81	134.96	30.4	13.3	10.7

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended April 30, 2026: 0 million yen

For the fiscal year ended April 30, 2025: 0 million yen

Note: A consolidated subsidiary GIGA PRIZE Co., Ltd. and its subsidiaries changed the date of their fiscal year-end from March 31 to April 30 in the fiscal year ended April 30, 2024. As the fiscal year ended April 30, 2024 was a transitional period for changing the date of their fiscal year-end, the percentages representing year-on-year changes for the fiscal year ended April 30, 2025 have been omitted.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of April 30, 2026	41,071	12,064	23.9	450.51
As of April 30, 2025	40,558	8,536	16.0	297.46

Reference: Equity As of April 30, 2026: 9,831 million yen
 As of April 30, 2025: 6,479 million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended April 30, 2026	6,506	(495)	(5,849)	20,861
Fiscal year ended April 30, 2025	4,573	(687)	(1,924)	20,677

2. Dividends

	Annual dividends per share					Total dividends	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended April 30, 2025	-	0.00	-	30.00	30.00	653	22.1	6.8
Fiscal year ended April 30, 2026	-	0.00	-	41.00	41.00	894	21.5	11.0
Fiscal year ending April 30, 2027 (forecast)	-	0.00	-	62.00	62.00		30.0	

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending April 30, 2027 (May 1, 2026 to April 30, 2027)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	66,000	5.2	7,250	5.2	6,950	5.0	4,500	8.3	206.36

(Note) Since we manage our operations on an annual basis, we have omitted the presentation of the consolidated financial results forecast for the first six months of the fiscal year ending April 30, 2027. For details, please refer to Attachment page 6 “1. Overview of Operating Results and Financial Position (4) Outlook.”

* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes of accounting estimates and restatements
- (i) Changes in accounting policies due to revisions to accounting standards, etc.: None
 - (ii) Changes in accounting policies other than (i): None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatements: None

(3) Number of shares issued (common shares)

- (i) Total number of shares issued at the end of the period (including treasury shares)

As of April 30, 2026	23,414,000 shares
As of April 30, 2025	23,414,000 shares

- (ii) Number of treasury shares at the end of the period

As of April 30, 2026	1,591,685 shares
As of April 30, 2025	1,632,541 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended April 30, 2026	21,806,989 shares
Fiscal year ended April 30, 2025	20,238,797 shares

Non-consolidated Financial Results for the Fiscal Year Ended April 30, 2026 (May 1, 2025 to April 30, 2026)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended April 30, 2026	11,421	14.1	1,155	53.5	890	13.7	376	(50.5)
Fiscal year ended April 30, 2025	10,013	8.9	752	(8.0)	783	(4.9)	760	(4.4)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended April 30, 2026	17.26	17.10
Fiscal year ended April 30, 2025	37.55	37.32

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of April 30, 2026	36,463	10,211	27.9	466.65
As of April 30, 2025	31,585	10,618	33.5	486.51

Reference: Equity	As of April 30, 2026:	10,183 million yen
	As of April 30, 2025:	10,596 million yen

* Explanations concerning the appropriate use of earnings forecasts, and other special notes

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and on certain assumptions deemed to be reasonable, but are not promises by the Company of future performance. Actual results may differ materially from the forecast depending on a range of factors. Please refer to Attachment page 6 “1. Overview of Operating Results and Financial Position (4) Outlook” for assumptions for earnings forecasts and points to consider in utilizing them.

Attachment: Table of Contents

1. Overview of Operating Results and Financial Position.....	2
(1) Operating Results.....	2
(2) Financial Position.....	5
(3) Cash Flows.....	5
(4) Outlook.....	6
2. Basic Approach to the Selection of Accounting Standards.....	6
3. Consolidated Financial Statements and Major Notes.....	7
(1) Consolidated Balance Sheets.....	7
(2) Consolidated Statements of Income and Comprehensive Income.....	9
Consolidated Statements of Income.....	9
Consolidated Statements of Comprehensive Income.....	10
(3) Consolidated Statements of Changes in Equity.....	11
(4) Consolidated Statements of Cash Flows.....	13
(5) Notes to Consolidated Financial Statements.....	14
<i>Going Concern Assumption</i>	14
<i>Segment Information</i>	14
<i>Per Share Information</i>	17
<i>Significant Subsequent Events</i>	17

1. Overview of Operating Results and Financial Position

(1) Operating Results

The forward-looking statements contained in this document are based on the Group's judgments as of the end of the fiscal year ended April 30, 2026 (the "fiscal year under review").

The full forms and explanations of the terms used in "Overview of Operating Results and Financial Position" are as follows:

Term used in this section	Full form	Explanation
web3	web3	A concept of the next-generation, distributed internet, which enables users to exchange data and content directly with each other without involving a giant platform provider
AI	Artificial Intelligence	Technologies that use computers to study or perform human intellectual behavior
DX	Digital Transformation	To transform products, services, business models, and others by utilizing data and digital technologies
5G	5th Generation	An abbreviation for the fifth generation mobile communication systems, which is one of the next generation communications standards
Web 2.0	Web 2.0	A form of the internet that allows users to share and distribute contents generated on the internet through centralized platforms such as social media
MVNO	Mobile Virtual Network Operator	An acronym for Mobile Virtual Network Operator
IoT	Internet of Things	A system that enables automatic recognition and automatic control without human intervention by equipping things with communication function, allowing them to interact with each other
MVNE	Mobile Virtual Network Enabler	An operator that provides support for MVNOs
Cloud	Cloud computing	A general term for systems that provide software and other computing resources to users over networks as well as data centers and servers in which the data of such resources are accumulated or operated
Trusted Web	Trusted Web	A concept regarding mechanisms for ensuring the trustworthiness of information and data distributed on the web, advocated in "Trusted Web White Paper" issued by the Headquarters for Digital Market Competition of the Cabinet Secretariat of Japan A mechanism that aims to increase the level of trust by expanding the domain where data and data exchange can be verified, without relying excessively on a specific service
Decentralized ID (DID)	Decentralized Identity	A mechanism for IDs that enables individuals to control their own IDs by using technologies such as the blockchain and share only the necessary information within the required scope

The reportable segments for the fiscal year under review are as follows:

Reportable segment	Main services
5G Infrastructure Support Business	• Business support services for ISPs • Business support services for MVNOs (MVNE) • Cloud services for corporate customers
5G Lifestyle Support Business	• Mobile communications-related services for individual customers • Internet connection-related services for individual customers • Internet connection-related services for housing complexes • Real estate-related services • web3-related platforms
Enterprise/Creator 5G DX Support Business	• Internet marketing-related services • Ad technology-related services • Support platforms for creators

(a) Management policies and strategies

Guided by our corporate philosophy, "Being The NET Frontier! (We work to expand the Internet to contribute to society)," we provide internet-related services primarily to corporations and individuals by leveraging our accumulated technological capabilities, such as the development of internet-related core technologies and the operation of large-scale systems.

The Group has been promoting corporate management with a view to the 10-year plan from 2021 to 2030. We started a three-year medium-term management plan "SiLK VISION 2027" (the "MTMP SiLK VISION 2027"), which ends in the fiscal year ending April 30, 2027, in the fiscal year ended April 30, 2025. The theme of the "MTMP SiLK VISION 2027" is to pursue

becoming a company *Where Trust Belongs* as what is needed to solve social issues we face on a global scale. We are working to achieve our goals aligned with this theme by utilizing our web3 and patented technologies, among other things.

(b) Business environment

The business environment surrounding the Group remained uncertain with factors such as uncertainty over trends in U.S. trade policies and rising geopolitical risks as well as the continued trend of rising prices. Meanwhile, the domestic IT market continued to grow at a solid rate, driven by growing interest in investing in cutting-edge technologies such as generative AI and by accelerating DX. In addition, amid the spread of 5G and the advancement of communications infrastructure, the rise of a new concept of shifting from Web 2.0 to web3 in the internet services sector is actively promoting initiatives to create new businesses in Japan and abroad by utilizing decentralized infrastructure and services.

Under such an environment, in the fiscal year under review, the second year of the “MTMP SiLK VISION 2027,” we strived for continuous growth based on the net sales CAGR target of 7%-10% set forth in “SiLK VISION 2027” while investing for growth and refactoring our business to achieve the final year targets. By leveraging the capital and business alliance with SoftBank Corp. and GIGA PRIZE Co., Ltd. becoming a wholly owned subsidiary on a voting rights basis as key drivers, we have worked to reform the business structure, including the group-wide management system and joint procurement, joint sales, and joint technology/service development systems, to accelerate transforming into a web3 implementation company leveraging expertise in telecommunications.

During the fiscal year under review, we launched the ALL 10 Gigabit Building-Wide Internet Access Service (with 1, 2.5, and 5 Gbps options also available), powered by SoftBank Hikari Plus, as the first tangible outcome of the capital and business alliance with SoftBank Corp. Eligible for SoftBank Corp.’s Home Bundle Discount Hikari Set, this fixed-line internet service represents a key step toward developing next-generation infrastructure for housing complexes that integrates fixed-line and mobile-line networks while leveraging our existing customer base of 1,400 thousand housing-complex units served by our internet services.

(c) The Group’s operating results

The operating results of each reportable segment are as follows:

(i) 5G Infrastructure Support Business

In the fixed-line network sector, with changes in working styles and lifestyles, the internet usage continued to increase, driven by the spread of rich content, such as online video viewing and video game playing, the widespread adoption of online meetings, and other data-intensive activities. In response to the challenges of network costs remaining persistently high associated with this increase in demand, we have promoted improvements in profitability not only through mere line provision but also through high-value-added services for corporate customers and the advancement of MVNO support.

In the mobile-line network sector, as the competitive environment has become increasingly severe, the Company has focused on capturing diverse demand, including expanding demand in the IoT field and inbound tourism. In addition, going forward, medium-term market expansion is expected, driven by the creation of new uses in various sectors by leveraging the characteristics of 5G and other factors.

Against this backdrop, the 5G Infrastructure Support Business posted net sales of 11,857,324 thousand yen (up 12.2% year on year) and segment profit of 1,881,738 thousand yen (up 33.9% year on year), which were attributable to solid growth in the size of business support services for MVNOs we offer as an MVNE.

(ii) 5G Lifestyle Support Business

5G Homestyle services, internet services for housing complexes, performed steadily, supported by the establishment of the internet services for housing complexes as an essential infrastructure that determines the asset value of the properties. In view of such a business environment, we have enhanced the security-related services such as cloud-based security and surveillance camera services, based on internet services for housing complexes and those for single-family houses for rent. By further expanding the scope of services we offer, we endeavored to strengthen our revenue base.

In addition, this segment serves as the primary platform for advancing our collaboration with SoftBank Corp. on next-generation infrastructure for housing complexes. Under *One freebit*, our group-wide strategy, we have made steady progress in developing our new service infrastructure that integrates fixed-line and mobile-line networks.

GIGA PRIZE Co., Ltd., which provides the 5G Homestyle services, has steadily increased the number of units served in both new and existing properties to 1,465 thousand units at the end of the fiscal year under review.

In addition, as to the 5G Lifestyle services, mobile communications and internet-related services for individual customers, we have promoted the TONE IN strategy to make the technologies and services cultivated in a smartphone service TONE Mobile, which utilizes the Group's proprietary technologies, available on other companies' smartphones and other diverse IoT devices as well.

Against this backdrop, the 5G Lifestyle Support Business posted net sales of 28,796,158 thousand yen (up 9.5% year on year) and segment profit of 4,218,908 thousand yen (up 19.0% year on year), mainly as a result of steady growth in the number of units served by the 5G Homestyle services (internet services for housing complexes).

(iii) Enterprise/Creator 5G DX Support Business

As for the areas of internet marketing and ad technology services offered primarily by consolidated subsidiaries Full Speed Inc. and For it Inc., amid the recovery trend in the advertising market as a whole, enterprises' investment interests are strong, driven by the advancement of advertising measures through the use of generative AI, and we have promoted the expansion of the scale of transaction particularly in the affiliate business.

In addition, as a next-generation growth engine, we have further accelerated the offering of the StandAlone platform with the intention to form fan communities and expand the creator economy, looking ahead to the 5G and web3 era. We have continued upfront investments to build the creator economy, which allows individual creators to disseminate information without involving major platform providers to maximize their own value, and have striven to establish a new revenue model at an early stage.

Against this backdrop, the Enterprise/Creator 5G DX Support Business posted net sales of 24,374,675 thousand yen (up 17.8% year on year) and segment profit of 800,926 thousand yen (down 16.1% year on year). While net sales grew on the back of steady demand capture, mainly in the affiliate business, profit declined due to costs associated with expanding the affiliate business for growth and upfront investment in building an overseas business foundation.

As a result of the above, the Group posted net sales of 62,742,030 thousand yen (up 13.9% year on year), operating profit of 6,888,934 thousand yen (up 17.1% year on year), ordinary profit of 6,619,124 thousand yen (up 26.5% year on year), and profit attributable to owners of parent of 4,154,975 thousand yen (up 51.2% year on year) for the fiscal year under review.

Net sales and segment profit (loss) by segment

(Thousands of yen)

Classification	Net sales	Segment profit (loss)
5G Infrastructure Support Business	11,857,324	1,881,738
5G Lifestyle Support Business	28,796,158	4,218,908
Enterprise/Creator 5G DX Support Business	24,374,675	800,926
Other	-	(21,113)
Adjustment	(2,286,127)	8,475
Total	62,742,030	6,888,934

Comparison of business results for the fiscal year under review and the previous fiscal year

(Thousands of yen)

	FY4/2025 (A) (May 1, 2024-Apr. 30, 2025)	FY4/2026 (B) (May 1, 2025-Apr. 30, 2026)	YoY change (B-A)	YoY change (%)
Net sales	55,073,206	62,742,030	7,668,823	13.9
Gross profit	15,713,347	16,590,583	877,235	5.6
SG&A expenses	9,829,564	9,701,648	(127,916)	(1.3)
Operating profit	5,883,783	6,888,934	1,005,151	17.1
Ordinary profit	5,230,578	6,619,124	1,388,545	26.5
Profit attributable to owners of parent	2,748,537	4,154,975	1,406,438	51.2

(2) Financial Position

Assets

Total assets at the end of the fiscal year under review increased by 512,275 thousand yen from the end of the previous fiscal year to 41,071,171 thousand yen. This was primarily due to a decrease of 619,117 thousand yen in raw materials and supplies, offset by increases of 836,907 thousand yen in accounts receivable and 530,236 thousand yen in accounts receivable - other. Although long-term loans receivable of 1,496,914 thousand yen from the consolidated subsidiary GIGA PRIZE Co., Ltd. decreased due to the sale of receivables, the allowance for doubtful accounts (non-current), which had been recorded in the same amount, also decreased; therefore, there was no impact on total assets or profit and loss.

Liabilities

Total liabilities for the fiscal year under review amounted to 29,006,227 thousand yen, a decrease of 3,016,131 thousand yen from the end of the previous consolidated fiscal year.

This was primarily due to a decrease of 5,065,292 thousand yen in long-term borrowings, despite an increase of 1,544,260 thousand yen in long-term borrowings due within one year.

Net assets

Total net assets for the fiscal year under review increased by 3,528,406 thousand yen compared to the end of the previous consolidated fiscal year, reaching 12,064,943 thousand yen, due in part to an increase in retained earnings. As a result, the equity ratio stood at 23.9%.

(3) Cash Flows

The balance of cash and cash equivalents (hereinafter “net cash”) at the end of the fiscal year under review was 20,861,314 thousand yen, an increase of 183,777 thousand yen from the end of the previous fiscal year.

The status of each cash flow for the fiscal year under review and its factors are as follows.

Cash flows from operating activities

Net cash provided by operating activities amounted to 6,506,277 thousand yen (compared with 4,573,382 thousand yen provided for the previous fiscal year). This was mainly due to the recording of profit before income taxes of 6,477,719 thousand yen.

Cash flows from investing activities

Net cash used in investing activities was 495,881 thousand yen (compared with 687,485 thousand yen used for the previous fiscal year). This was mainly due to purchase of investment securities of 119,840 thousand yen, payments of guarantee deposits of 92,793 thousand yen, and payments for asset retirement obligations of 270,219 thousand yen.

Cash flows from financing activities

Net cash used in financing activities was 5,849,627 thousand yen (compared with 1,924,976 thousand yen used for the previous fiscal year). This was mainly due to repayments of long-term borrowings of 5,521,032 thousand yen and purchase of shares of subsidiaries not resulting in change in scope of consolidation of 1,295,690 thousand yen, which were partially offset by proceeds from long-term borrowings of 2,000,000 thousand yen.

(4) Outlook

Investigation Report described in the “Notice Regarding Publication of the Investigation Report of the Special Investigation Committee and Formulation of Measures to Prevent Recurrence” dated October 6, 2026. The Group sincerely apologizes to its shareholders, business partners, and other stakeholders for the concern caused by this matter.

Based on the contents of the Investigation Report, the Group will steadily implement measures to prevent recurrence and strengthen its corporate governance and internal control systems. The Group will also work to build a sound and highly transparent management structure and strive to regain the trust of its shareholders, investors, and other stakeholders.

In the fiscal year ending April 30, 2027, which marks the final year of “MTMP SiLK VISION 2027,” we will steadily advance the transformation of our business portfolio into *a web3 implementation company leveraging expertise in telecommunications* by deploying mechanisms that ensure the trustworthiness and security of information into practical services across the telecommunications, lifestyle, and corporate digital transformation (DX) sectors. These initiatives will be centered on Portfolia, the Group’s proprietary social implementation platform that integrates decentralized IDs (DIDs), blockchain technology, and Edge AI.

In addition, through the capital and business alliance with SoftBank Corp., we will promote the establishment of an identity federation platform using technologies like web3, the development of lines and services for IoT and unmanned devices, and the joint development and expansion of safe and secure smartphone services.

Furthermore, with GIGA PRIZE Co., Ltd. playing a central role, we will strengthen our customer base, construction capabilities, maintenance operations, and support systems for internet connection-related services for housing complexes. By integrating the Group’s telecommunications technologies and web3-related technologies, we will seek to maximize synergies through joint procurement, joint sales activities, joint technology development, and the creation of new services.

In the fiscal year ending April 30, 2027, in addition to the continued growth of our existing businesses as outlined in “SiLK VISION 2027,” we will pursue initiatives aimed at accelerating growth in areas including collaborative areas with GIGA PRIZE Co., Ltd., new B2B platforms, the TONE IN strategy, web3-related services, and creator DX solutions, with the goal of further expanding both net sales and profit. Through these efforts, we will strengthen and further enhance our stable earnings base we have cultivated through our telecommunications business while promoting the creation and expansion of high-value-added, socially implemented businesses. In doing so, we aim to achieve sustainable growth and enhance corporate value.

In addition to the above, taking into account the impact of rising prices, costs associated with the implementation of measures to prevent recurrence, and audit-related costs such as internal audit costs and fees for reviews of quarterly financial statements, the Group has set its consolidated earnings forecast for the fiscal year ending April 2027 at net sales of 66,000 million yen, operating profit of 7,250 million yen, ordinary profit of 6,950 million yen, and profit attributable to owners of parent of 4,500 million yen.

Note: The above forecasts are based on information available to the Company as of the date when this document was released. Actual results may differ from the forecasts due to various factors in the future.

2. Basic Approach to the Selection of Accounting Standards

Considering the time-series and cross-sectional comparability of the Group’s consolidated financial statements, our policy for the time being is to prepare the consolidated financial statements in accordance with Japanese GAAP.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheets

(Thousands of yen)

	FY4/2025 (As of April 30, 2025)	FY4/2026 (As of April 30, 2026)
Assets		
Current assets		
Cash and deposits	20,677,536	20,861,314
Accounts receivable - trade	8,704,019	9,540,927
Contract assets	10,718	24,962
Lease receivables and investments in leases	1,088,001	1,297,901
Merchandise	137,180	220,714
Work in process	290,854	173,337
Raw materials and supplies	1,800,705	1,181,588
Prepaid expenses	648,382	740,153
Accounts receivable - other	435,245	965,481
Other	400,817	439,189
Allowance for doubtful accounts	(89,061)	(129,013)
Total current assets	34,104,399	35,316,556
Non-current assets		
Property, plant, and equipment		
Buildings and structures, net	308,964	261,824
Land	162,135	162,135
Assets for lease, net	1,527,069	1,426,916
Leased assets, net	592,248	184,005
Other, net	185,592	151,814
Total property, plant and equipment	2,776,010	2,186,697
Intangible assets		
Goodwill	90,912	70,109
Software	668,759	531,704
Software in progress	23,078	28,613
Other	21,330	21,086
Total intangible assets	804,079	651,513
Investments and other assets		
Investment securities	1,076,831	1,254,288
Long-term loans receivable	1,496,914	-
Deferred tax assets	1,127,025	956,404
Guarantee deposits	515,300	593,173
Other	393,027	342,438
Allowance for doubtful accounts	(1,734,693)	(229,901)
Total investments and other assets	2,874,405	2,916,403
Total non-current assets	6,454,496	5,754,614
Total assets	40,558,896	41,071,171

(Thousands of yen)

	FY4/2025 (As of April 30, 2025)	FY4/2026 (As of April 30, 2026)
Liabilities		
Current liabilities		
Accounts payable - trade	104,665	170,455
Short-term borrowings	300,000	300,000
Current portion of long-term borrowings	5,465,475	7,009,735
Lease liabilities	369,989	236,132
Accounts payable - other	7,324,160	6,405,417
Income taxes payable	511,559	1,381,324
Contract liabilities	454,395	443,303
Provision for bonuses	208,465	194,870
Provision for special investigation expenses, etc.	-	190,070
Other provisions	37,649	34,066
Other	1,070,046	1,312,695
Total current liabilities	15,846,408	17,678,071
Non-current liabilities		
Long-term borrowings	15,158,208	10,092,916
Lease liabilities	456,369	283,383
Provision for retirement benefits for directors (and other officers)	60,527	60,527
Other provisions	36,382	83,876
Retirement benefit liability	73,290	84,879
Other	391,173	722,573
Total non-current liabilities	16,175,950	11,328,156
Total liabilities	32,022,359	29,006,227
Net assets		
Shareholders' equity		
Share capital	4,514,185	4,514,185
Capital surplus	-	26,855
Retained earnings	3,361,628	6,863,159
Treasury shares	(1,536,820)	(1,498,378)
Total shareholders' equity	6,338,993	9,905,822
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	155,839	(81,798)
Foreign currency translation adjustments	(15,772)	7,236
Total accumulated other comprehensive income	140,067	(74,562)
Share award rights	21,733	28,341
Non-controlling interests	2,035,742	2,205,342
Total net assets	8,536,536	12,064,943
Total liabilities and net assets	40,558,896	41,071,171

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Thousands of yen)

	FY4/2025 (May 1, 2024-April 30, 2025)	FY4/2026 (May 1, 2025-April 30, 2026)
Net sales	55,073,206	62,742,030
Cost of sales	39,359,859	46,151,447
Gross profit	15,713,347	16,590,583
Selling, general and administrative expenses	9,829,564	9,701,648
Operating profit	5,883,783	6,888,934
Non-operating income		
Interest and dividend income	10,923	36,429
Share of profit of entities accounted for using equity method	245	243
Foreign exchange gains	-	13,490
Gain on sale of investment securities	108,860	-
Penalty income	19,291	16,314
Other	14,494	24,033
Total non-operating income	153,816	90,512
Non-operating expenses		
Interest expenses	111,550	217,955
Commission expenses	609,608	63,241
Other	85,861	79,125
Total non-operating expenses	807,020	360,322
Ordinary profit	5,230,578	6,619,124
Extraordinary income		
Gain on sale of investment securities	203	401
Gain on sale of shares of subsidiaries and associates	-	43,144
Gain on reversal of share acquisition rights	780	-
Gain on liquidation of investment partnerships	-	467,227
Total extraordinary income	983	510,773
Extraordinary losses		
Impairment losses	142,869	444,433
Loss on sale and retirement of non-current assets	5,076	16,849
Loss on sale of investment securities	-	418
Loss on liquidation of subsidiaries and associates	2,854	-
Cost contribution for communication equipment removal	6,753	-
Special investigation expenses, etc.	-	190,070
Other	-	405
Total extraordinary losses	157,554	652,178
Profit before income taxes	5,074,007	6,477,719
Income taxes - current	1,174,369	1,860,302
Income taxes - deferred	(14,699)	282,566
Total income taxes	1,159,669	2,142,869
Profit	3,914,338	4,334,850
Profit attributable to non-controlling interests	1,165,801	179,874
Profit attributable to owners of parent	2,748,537	4,154,975

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	FY4/2025 (May 1, 2024-April 30, 2025)	FY4/2026 (May 1, 2025-April 30, 2026)
Profit	3,914,338	4,334,850
Other comprehensive income		
Valuation difference on available-for-sale securities	(19,084)	(237,638)
Foreign currency translation adjustments	(5,757)	23,008
Total other comprehensive income	(24,841)	(214,629)
Comprehensive income	3,889,496	4,120,220
Comprehensive income attributable to:		
Owners of the parent	2,723,695	3,940,345
Non-controlling interests	1,165,801	179,874

(3) Consolidated Statements of Changes in Equity

FY4/2025 (May 1, 2024-April 30, 2025)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,514,185	1,496,844	8,693,075	(3,240,129)	11,463,975
Changes during period					
Dividends of surplus			(539,245)		(539,245)
Profit (loss) attributable to owners of parent			2,748,537		2,748,537
Disposal of treasury shares		536,186		1,506,187	2,042,373
Transfer from retained earnings to capital surplus		7,540,738	(7,540,738)		-
Change in ownership interest of parent due to transactions with non-controlling interests		(9,578,023)			(9,578,023)
Restricted stock compensation		4,254		197,122	201,376
Net changes in items other than shareholders' equity					
Total changes during period	-	(1,496,844)	(5,331,446)	1,703,309	(5,124,982)
Balance at end of period	4,514,185	-	3,361,628	(1,536,820)	6,338,993

	Accumulated other comprehensive income			Share award rights	Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income				
Balance at beginning of period	174,924	(10,015)	164,909	133,359	780	3,433,802	15,196,827
Changes during period							
Dividends of surplus							(539,245)
Profit (loss) attributable to owners of parent							2,748,537
Disposal of treasury shares							2,042,373
Transfer from retained earnings to capital surplus							-
Change in ownership interest of parent due to transactions with non-controlling interests							(9,578,023)
Restricted stock compensation							201,376
Net changes in items other than shareholders' equity	(19,084)	(5,757)	(24,841)	(111,625)	(780)	(1,398,060)	(1,535,308)
Total changes during period	(19,084)	(5,757)	(24,841)	(111,625)	(780)	(1,398,060)	(6,660,290)
Balance at end of period	155,839	(15,772)	140,067	21,733	-	2,035,742	8,536,536

FY4/2026 (May 1, 2025-April 30, 2026)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,514,185	-	3,361,628	(1,536,820)	6,338,993
Changes during period					
Dividends of surplus			(653,443)		(653,443)
Profit (loss) attributable to owners of parent			4,154,975		4,154,975
Purchase of treasury shares				(43)	(43)
Change in ownership interest of parent due to transactions with non-controlling interests		(405)			(405)
Restricted stock compensation		27,261		38,485	65,746
Net changes in items other than shareholders' equity					
Total changes during period	-	26,855	3,501,531	38,441	3,566,828
Balance at end of period	4,514,185	26,855	6,863,159	(1,498,378)	9,905,822

	Accumulated other comprehensive income			Share award rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	155,839	(15,772)	140,067	21,733	2,035,742	8,536,536
Changes during period						
Dividends of surplus						(653,443)
Profit (loss) attributable to owners of parent						4,154,975
Purchase of treasury shares						(43)
Change in ownership interest of parent due to transactions with non-controlling interests						(405)
Restricted stock compensation						65,746
Net changes in items other than shareholders' equity	(237,638)	23,008	(214,629)	6,607	169,600	(38,421)
Total changes during period	(237,638)	23,008	(214,629)	6,607	169,600	3,528,406
Balance at end of period	(81,798)	7,236	(74,562)	28,341	2,205,342	12,064,943

(4) Consolidated Statements of Cash Flows

(Thousands of yen)

	FY4/2025 (May 1, 2024-April 30, 2025)	FY4/2026 (May 1, 2025-April 30, 2026)
Cash flows from operating activities		
Profit before income taxes	5,074,007	6,477,719
Depreciation	692,553	610,954
Impairment losses	142,869	444,433
Amortization of goodwill	11,650	22,580
Increase (decrease) in allowance for doubtful accounts	38,422	31,074
Interest and dividend income	(10,923)	(36,429)
Interest expenses	111,550	217,955
Foreign exchange losses (gains)	306	(296)
Share of loss (profit) of entities accounted for using equity method	(245)	(243)
Loss (gain) on sale of shares of subsidiaries and associates	-	(43,144)
Loss (gain) on liquidation of investment partnerships	-	(467,227)
Special investigation expenses, etc.	-	190,070
Decrease (increase) in trade receivables	(147,459)	(892,639)
Decrease (increase) in inventories	32,741	653,001
Decrease (increase) in accounts receivable - other	(45,699)	(300,739)
Increase (decrease) in accounts payable - other	796,505	299,564
Increase (decrease) in other current liabilities	(142,575)	288,416
Increase (decrease) in other non-current liabilities	59,165	386,490
Other, net	(24,861)	(202,520)
Subtotal	6,588,005	7,679,022
Interest and dividends received	10,925	15,207
Interest paid	(103,235)	(200,268)
Income taxes paid	(1,929,818)	(1,090,154)
Income taxes refund	7,504	102,470
Net cash provided by operating activities	4,573,382	6,506,277
Cash flows from investing activities		
Purchase of property, plant and equipment	(194,220)	(34,412)
Purchase of intangible assets	(372,542)	(84,037)
Purchase of investment securities	(199,920)	(119,840)
Proceeds from sale of investment securities	171,202	38,381
Payments of guarantee deposits	(57,114)	(92,793)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(38,834)	-
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	8,273
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	-	50,384
Payments for asset retirement obligations	-	(270,219)
Other, net	3,944	8,381
Net cash provided by (used in) investing activities	(687,485)	(495,881)
Cash flows from financing activities		
Proceeds from long-term borrowings	13,250,000	2,000,000
Repayments of long-term borrowings	(5,204,484)	(5,521,032)
Dividends paid	(537,496)	(651,872)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(12,740,094)	(1,295,690)
Proceeds from share issuance to non-controlling shareholders	2,000,000	-
Repayments of lease liabilities	(568,121)	(378,672)
Proceeds from sale of treasury shares	2,042,373	-
Other, net	(167,153)	(2,360)
Net cash provided by (used in) financing activities	(1,924,976)	(5,849,627)
Effect of exchange rate change on cash and cash equivalents	(5,757)	23,009
Net increase (decrease) in cash and cash equivalents	1,955,163	183,777
Cash and cash equivalents at beginning of period	18,722,373	20,677,536
Cash and cash equivalents at end of period	20,677,536	20,861,314

(5) Notes to Consolidated Financial Statements

Going Concern Assumption

Not applicable.

Segment Information

1. Overview of reportable segments

The reportable segments of the Group are components for which discrete financial information is available and whose operating results are regularly reviewed by the Board of Directors to make decisions about resource allocation and to assess performance.

The Group develops comprehensive domestic and overseas strategies for each of its services and conducts business activities accordingly. Its business segments are therefore determined based on services. The Group has three reportable segments: 5G Infrastructure Support Business, 5G Lifestyle Support Business, and Enterprise/Creator 5G DX Support Business.

The 5G Infrastructure Support Business provides business support services for ISPs, business support services for MVNOs (MVNE), and cloud services for corporate customers. The 5G Lifestyle Support Business provides mobile communications-related services for individual customers, internet connection-related services for individual customers, internet connection-related services for housing complexes, real estate-related services, and web3-related platforms. The Enterprise/Creator 5G DX Support Business provides internet marketing-related services, ad technology-related services, and support platforms for creators.

2. Calculation method for net sales, profit or loss, assets, and other items by reportable segment

The method of accounting for reportable business segments is in accordance with the accounting policies used to prepare the consolidated financial statements.

Profit (loss) of reportable segment is based on operating profit.

Intersegment profits and transfers are based on prevailing market prices.

3. Information on net sales, profit (loss), assets, and other items by reportable segment
FY4/2025 (May 1, 2024-April 30, 2025)

(Thousands of yen)

	Reportable Segments			Other (Note 1)	Total
	5G Infrastructure Support Business	5G Lifestyle Support Business	Enterprise/Creator 5G DX Support Business		
Net sales					
Sales to customers	8,551,490	26,153,767	20,367,948	-	55,073,206
Intersegment sales and transfers	2,016,386	153,855	331,474	-	2,501,716
Total	10,567,877	26,307,622	20,699,423	-	57,574,922
Segment profit (loss)	1,405,438	3,545,579	954,448	(21,101)	5,884,365
Segment assets	4,485,041	11,531,760	4,211,628	330,372	20,558,803

(Thousands of yen)

	Adjustment (Note 2)	Amount recorded in consolidated financial statements (Note 3)
Net sales		
Sales to customers	-	55,073,206
Intersegment sales and transfers	(2,501,716)	-
Total	(2,501,716)	55,073,206
Segment profit (loss)	(581)	5,883,783
Segment assets	20,000,092	40,558,896

Notes: 1. The “Other” category is a business segment not included in any reportable segments and includes the startup investment development business.

2. The adjustments are as follows:

(1) The “Adjustment” of segment profit (loss) of minus 581 thousand yen includes the elimination of intersegment transactions.

(2) The “Adjustment” of segment assets of 20,000,092 thousand yen includes cash and deposits of 20,677,536 thousand yen and other consolidation adjustments of minus 677,444 thousand yen.

3. Segment profit (loss) is adjusted with operating profit in the consolidated financial statements.

FY4/2026 (May 1, 2025-April 30, 2026)

(Thousands of yen)

	Reportable Segments			Other (Note 1)	Total
	5G Infrastructure Support Business	5G Lifestyle Support Business	Enterprise/Creator 5G DX Support Business		
Net sales					
Sales to customers	10,033,273	28,626,638	24,082,118	-	62,742,030
Intersegment sales and transfers	1,824,050	169,519	292,557	-	2,286,127
Total	11,857,324	28,796,158	24,374,675	-	65,028,157
Segment profit (loss)	1,881,738	4,218,908	800,926	(21,113)	6,880,459
Segment assets	4,766,294	10,703,947	5,093,793	260,160	20,824,196

(Thousands of yen)

	Adjustment (Note 2)	Amount recorded in consolidated financial statements (Note 3)
Net sales		
Sales to customers	-	62,742,030
Intersegment sales and transfers	(2,286,127)	-
Total	(2,286,127)	62,742,030
Segment profit (loss)	8,475	6,888,934
Segment assets	20,246,974	41,071,171

Notes: 1. The “Other” category is a business segment not included in any reportable segments and includes the startup investment development business.

2. The adjustments are as follows:

(1) The “Adjustment” of segment profit (loss) of 8,475 thousand yen includes the elimination of intersegment transactions.

(2) The “Adjustment” of segment assets of 20,246,974 thousand yen includes cash and deposits of 20,861,314 thousand yen and other consolidation adjustments of minus 614,339 thousand yen.

3. Segment profit (loss) is adjusted with operating profit in the consolidated financial statements.

Per Share Information

(Yen)

	FY4/2025 (May 1, 2024 to April 30, 2025)	FY4/2026 (May 1, 2025 to April 30, 2026)
Net assets per share	297.46	450.51
Basic earnings per share	135.81	190.53
Diluted earnings per share	134.96	188.82

Note: The basis for calculating basic earnings per share and diluted earnings per share is as follows.

(Thousands of yen, unless otherwise noted)

	FY4/2025 (May 1, 2024 to April 30, 2025)	FY4/2026 (May 1, 2025 to April 30, 2026)
Basic earnings per share		
Profit attributable to owners of parent	2,748,537	4,154,975
Amount not attributable to common shareholders	-	-
Profit attributable to common shareholders of parent	2,748,537	4,154,975
Average number of common shares outstanding during the period (shares)	20,238,797	21,806,989
Diluted earnings per share		
Increase in common shares (shares)	127,112	197,932
[of which restricted stock compensation with performance conditions (shares)]	[127,112]	[197,932]
Summary of potential shares not included in the calculation of diluted earnings per share due to anti-dilutive effect	-	-

Significant Subsequent Events

Not applicable.