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February 12, 2026

Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange
 Securities code: 4776
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 Scheduled date of annual general meeting of shareholders: March 28, 2026
 Scheduled date to commence dividend payments: March 30, 2026
 Scheduled date to file annual securities report: March 27, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

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

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 (January 1, 2025 to December 31, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
December 31, 2025	37,430	26.1	10,101	106.4	10,325	93.5	7,081	99.2
December 31, 2024	29,675	16.7	4,892	44.1	5,335	49.0	3,555	42.8

Note: Comprehensive income For the fiscal year ended December 31, 2025: ¥ 7,406 million [86.4%]
 For the fiscal year ended December 31, 2024: ¥ 3,973 million [46.1%]

	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	%	%	%
December 31, 2025	153.17	-	48.1	40.3	27.0
December 31, 2024	74.99	-	31.1	26.5	16.5

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

For the fiscal year ended December 31, 2025: ¥ - million

For the fiscal year ended December 31, 2024: ¥ - million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2025	30,140	17,815	59.1	385.13
December 31, 2024	21,087	11,633	55.2	251.69

Reference: Equity

As of December 31, 2025: ¥ 17,810 million

As of December 31, 2024: ¥ 11,630 million

(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
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2025	10,676	(3,102)	(1,388)	11,694
December 31, 2024	5,601	(3,089)	(3,599)	5,589

2. Cash Dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended December 31, 2024	-	0.00	-	30.00	30.00	1,386	40.0	12.3
Fiscal year ended December 31, 2025	-	0.00	-	40.00	40.00	1,849	26.1	12.6
Fiscal year ending December 31, 2026 (Forecast)	-	0.00	-	50.00	50.00		31.1	

3. Consolidated Financial Results Forecasts for the Fiscal Year Ending December 31, 2026 (January 1, 2026 to December 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	42,168	12.7	10,514	4.1	10,732	3.9	7,445	5.1	160.99

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 company (Company name: Ehime Sports Entertainment Co., Ltd.)

Note: For details, please refer to (5) Notes to Consolidated Financial Statements (Changes in scope of consolidation or scope of equity method application), on page 14 of the attachment.

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

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

Note: For details, please refer to (5) Notes to Consolidated Financial Statements (Changes in scope of consolidation or scope of equity method application), on page 14 of the attachment.

(3) Number of issued shares (common shares)

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

As of December 31, 2025	52,757,800 shares
As of December 31, 2024	52,757,800 shares

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

As of December 31, 2025	6,513,703 shares
As of December 31, 2024	6,550,183 shares

(iii) Average number of shares outstanding during the period

Fiscal Year ended December 31, 2025	46,233,149 shares
Fiscal Year ended December 31, 2024	47,406,986 shares

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Fiscal Year under Review

(Millions of yen)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025	YoY change	YoY % change
Consolidated net sales	29,675	37,430	7,755	26.1%
Operating profit	4,892	10,101	5,208	106.4%
Ordinary profit	5,335	10,325	4,990	93.5%
Profit attributable to owners of parent	3,555	7,081	3,526	99.2%

Cybozu's cloud services, which we launched in November 2011, have been performing steadily with the number of subscriber companies and subscriber user licenses surpassing 70,000 and 3.60 million, respectively.

In terms of our consolidated financial results for the fiscal year under review given these circumstances, consolidated net sales amounted to ¥37,430 million (up 26.1% YoY) as sales of our cloud services continued to build up, with factors such as the revised pricing system also contributing. Of this amount, net sales from cloud-related business amounted to ¥34,485 million (up 28.7% YoY). Operating profit was ¥10,101 million (up 106.4% YoY), with the main factors being an increase in cost of sales, including cloud service operating expenses, an increase in personnel expenses primarily resulting from salary increases and the establishment of special bonuses with the goal of achieving our mid-term target of consolidated net sales of ¥ 50,900 million for the fiscal year ending December 31, 2028, an increase in advertising expenses due to continued active investment in advertising, and an increase in research and development expenses due to the revitalization of long-term research and development activities aimed at the creation of new business with a global perspective. Ordinary profit was ¥10,325 million (up 93.5% YoY). Profit attributable to owners of parent after income taxes was ¥7,081 million (up 99.2% YoY).

1. Status of Major Products and Services

○ Kintone cloud service for building business apps

The number of companies subscribing to our flagship product, Kintone, in Japan has been steadily increasing, standing at 39,000 as of December 31, 2025. Net sales on a consolidated basis totaled ¥21,689 million (up 33.9% YoY). Due to price revisions implemented in October 2024 and other factors, net sales have increased, and average revenue per customer account is also on the rise. While the churn rate has been kept low, the increase in the number of newly acquired customers has been moderate, partly because we have raised the minimum number of users per license.

Kintone has been increasingly adopted, primarily by small and medium-sized enterprises (SMEs), and in January 2025, we established the Enterprise Business Division to focus on business activities targeting large corporates with 1,000 or more employees and have been engaged in proposing solutions to new customers and upselling to our existing customers.

In terms of marketing initiatives, we continue to run advertisements designed to gain and maintain brand awareness. In addition, we have been promoting company-wide adoption through initiatives such as TV commercials that illustrate how interdepartmental collaboration enhances overall company-wide operational efficiency.

Furthermore, the number of local governments adopting Kintone has continued to grow, reaching approximately 460 municipalities as of December 31, 2025. Also, due to expanding adoption of Kintone in the government sector, we held our inaugural Kintone Hive Government event, in September 2025, which attracted many attendees from local governments who shared ideas on how to utilize Kintone.

We aim to achieve further business growth by continuing to focus on acquiring new customers, ranging from SMEs to large corporates, as well as promoting company-wide adoption among existing customers.

○ Other products and services

The number of companies adopting the Cybozu Office groupware for SMEs reached a cumulative total of 83,000 in Japan as of December 31, 2025, and net sales on a consolidated basis totaled ¥6,832 million (up 18.7% YoY), with cloud services generating 91.8% of net sales. The number of corporates deploying our Garoon groupware for medium- and large-sized organizations reached a cumulative total of 8,400 companies in Japan as of December 31, 2025, and net sales on a consolidated

basis totaled ¥6,213 million (up 12.2% YoY), with cloud services generating 73.5% of net sales. The number of companies adopting the Mailwise email sharing service reached a cumulative total of 16,000 in Japan as of December 31, 2025, and net sales on a consolidated basis totaled ¥1,112 million (up 25.9% YoY), with cloud services generating 98.3% of net sales.

The proportion of net sales revenue generated by cloud services is increasing each year across all of our products and services. We will continue to promote customer migration to cloud services to strengthen our stable revenue base.

○ Partnership-based business (ecosystem)

We place importance on partnership-based business working with our partner companies to enhance the value delivered to our customers, and we have been expanding and strengthening our ecosystem for many years. As of December 31, 2025, partner companies totaled around 560 companies, offering over 500 plugins and integrations with the number of both partners and services growing each year.

Currently, partnership-based sales generate 66.0%, or ¥21,956 million, of net sales in our cloud-related business in Japan and that percentage has been increasing year by year. Also, as of December 31, 2025, we are working with more than 20 regional banks nationwide to expand our sales channels, collaboration, which, over the past approximately eight years, has led to about 900 companies adopting our services via the consulting work of these regional banks.

During the fiscal year under review, we broadened the range of what users can create with Kintone and expanded the scope of user applications, including the launch of the optional feature called Cybozu Connector Beta Version, supplied by BizteX, Inc., on an OEM basis.

We will continue to promote collaboration through our partnership program, the Cybozu Partner Network, and through other initiatives, such as organizing events, in an effort to build an even stronger ecosystem and maximize customer value.

○ AI-related initiatives

With AI technology, such as generative AI, becoming widely available, there is growing interest in utilizing AI in business operations. We have prioritized the development of AI features and their integration into each of our services in order to accelerate operational improvement and utilization of data for our customers through the application of AI technology.

For Kintone, we have sequentially launched a total of five features in Kintone AI Lab since April 2025, including an AI search engine and an AI app builder. These features primarily support citizen development and effective utilization of accumulated data. We promote the use of AI across our various services, with Garoon and Cybozu Office also offering AI features such as text summarization and proofreading.

We will continue to strengthen the Company's overall AI development capabilities while staying abreast of technological trends to provide AI features that meet a wide range of customer needs into the future.

○ Efforts to Reinforce Reliability

Since we launched our cloud-related business in 2011, we have continued to develop and operate cloud infrastructure in-house. In the fiscal year under review too, we continued to focus on enhancing reliability, including progressing the migration to NECO, the new cloud infrastructure developed in-house, and investing in security enhancements.

Our cloud services are certified as services that meet the security requirements of the Japanese government under the Information System Security Management and Assessment Program (ISMAP). The Kintone cloud service that we offer overseas has received a SOC 2 Type I Report and a SOC 2 Type II Report. In addition, during the fiscal year under review it also became compliant with the U.S. Health Insurance Portability and Accountability Act of 1996 (HIPAA). We believe this not only prevents missing out on opportunities for adoption by companies and organizations that handle highly confidential information, but also contributes to the expansion of our customer base.

We will continue to maintain internal controls that meet international standards, address security threats, and promote the delivery of safe and secure cloud services.

2. Status of Global Rollout

The Company has a global presence, primarily in North America, Latin America, Greater China, and the APAC region. As of December 31, 2025, the number of companies who had deployed our services was 910 companies in the U.S., 1,430 companies

in Greater China, and 760 companies in APAC.

In North America and Latin America, we have been working to develop our sales network centered on Managed Service Providers (MSP) while also stepping up our direct sales activities. In Greater China, we are focusing on pitching primarily to Japanese companies, considering the local business environment and other factors. In APAC, sales and adoption of our products and services in Thailand remain solid. We are also planning to actively roll out promotional activities in Malaysia.

In September 2025, we held Kintone Days Global 2025 in four cities—Bangkok, Shenzhen, Shanghai, and Taipei - aiming to increase brand awareness in each region and strengthen our ties with our customers and partners.

We will continue to work to increase brand awareness and strengthen our sales network, identify investment opportunities that drive business growth, and promote global rollout from a medium- to long-term perspective.

3. Social and Regional Development Initiatives

Under the Company vision to “Build a society brimming with teamwork,” we strive to address social issues and promote digital transformation (DX) in regional areas.

Our approach to addressing social issues is to provide support mainly for non-profit organizations, regional development, workstyle reform in educational institutions, and the use of ICT in the event of disaster. The Regional Cloud Knowhow & Networking Forum was held 27 times across Japan during the fiscal year under review. In addition, we provided disaster relief using Kintone in three prefectures affected by heavy rain.

Regarding our regional DX initiatives, we signed a capital and business alliance agreement with Ehime Sports Entertainment Co., Ltd., in June 2025, and made it a subsidiary by acquiring shares in the said company through a third-party allotment of new shares. In addition to supporting the further growth of the Ehime Orange Vikings professional basketball club managed by Ehime Sports Entertainment Co., Ltd., we will support the promotion of DX in the region through the deployment and utilization of Kintone, aiming to contribute to the regional development of Ehime Prefecture, where the Company was founded.

We will continue to utilize our teamwork improvement expertise in our efforts to address social issues and promote regional DX.

(2) Overview of Financial Position for the Fiscal Year under Review

(Millions of yen)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025	YoY change
Total assets	21,087	30,140	9,052
Total liabilities	9,454	12,324	2,870
Total net assets	11,633	17,815	6,181

Total assets increased by ¥9,052 million from the end of the previous fiscal year to ¥30,140 million, mainly due to increases in cash and deposits and accounts receivable - trade, and increases in tools, furniture and fixtures resulting from additional servers for cloud services and other factors, as well as an increase in investment securities resulting from rising stock prices of listed shares.

Total liabilities increased by ¥2,870 million from the end of the previous fiscal year to ¥12,324 million, mainly due to increases in income taxes payable and contract liabilities.

Total net assets increased by ¥6,181 million from the end of the previous fiscal year to ¥17,815 million, mainly due to an increase in retained earnings resulting from the recording of ¥7,081 million in profit attributable to owners of parent, offsetting the payment of ¥1,386 million in dividends of surplus. The equity ratio was 59.1%.

(3) Overview of Cash Flows for the Fiscal Year under Review

Cash and cash equivalents (hereinafter, “cash”) on a consolidated basis at the end of the fiscal year under review increased by ¥6,104 million from the end of the previous fiscal year to ¥11,694 million.

The status of cash flows for the fiscal year under review and the major factors involved are described below.

(Millions of yen)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025	YoY change
Cash flows from operating activities	5,601	10,676	5,074
Cash flows from investing activities	(3,089)	(3,102)	(13)
Cash flows from financing activities	(3,599)	(1,388)	2,210

(Cash flows from operating activities)

Net cash provided by operating activities amounted to ¥10,676 million in the fiscal year under review. This was mainly due to the recording of profit before income taxes of ¥10,325 million and depreciation expenses, despite the payment of income taxes.

(Cash flows from investing activities)

Net cash used in investing activities amounted to ¥3,102 million in the fiscal year under review. This was mainly due to expenditure on the acquisition of non-current assets resulting from the acquisition of servers, etc., as part of our investment in cloud services.

(Cash flows from financing activities)

Net cash used in financing activities amounted to ¥1,388 million in the fiscal year under review. This was mainly due to the payment of dividends.

(4) Future Outlook

Consolidated net sales for the fiscal year ending December 31, 2026 are expected to amount to ¥42,168 million as we anticipate continued growth with the number of companies subscribing to our cloud services surpassing 70,000. In light of the solid sales growth in our cloud-related business, we will continue to actively invest in the next fiscal year to enhance future profitability. In particular, personnel expenses are expected to increase, mainly due to hiring and salary increases, as are advertising expenses in Japan and overseas, while data center operations, maintenance, and other expenses are also expected to increase in line with the expansion of our cloud-related business.

As a result, in terms of profits, consolidated operating profit and ordinary profit are expected to come in at ¥10,514 million and ¥10,732 million, respectively. Profit attributable to owners of parent is projected to be ¥7,445 million.

The projected figures are subject to constant change as the Company flexibly responds to changes in the cloud-related business environment and makes the most appropriate investment decisions on a case-by-case basis. We plan to disclose future progress should the situation change, so that there will continue to be no disparities in information between internal and external parties.

2. Basic Policy on Selection of Accounting Standards

The Group prepares its consolidated financial statements in accordance with Japanese GAAP in order to ensure comparability among companies and over time.

The Group intends to consider the application of International Financial Reporting Standards, taking into account various conditions in Japan and overseas.

3. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheet

(Millions of yen)

	As of December 31, 2024	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	5,589	11,694
Accounts receivable - trade	4,212	5,220
Accounts receivable - other	1,027	1,200
Merchandise and finished goods	-	6
Work in process	2	11
Raw materials and supplies	31	33
Other	1,075	1,253
Allowance for doubtful accounts	(5)	(5)
Total current assets	11,933	19,416
Non-current assets		
Property, plant and equipment		
Buildings	1,335	1,363
Accumulated depreciation	(717)	(829)
Buildings, net	617	533
Tools, furniture and fixtures	10,680	13,325
Accumulated depreciation	(6,858)	(9,048)
Tools, furniture and fixtures, net	3,822	4,276
Construction in progress	-	45
Other	4	14
Accumulated depreciation	(0)	(4)
Other, net	3	9
Total property, plant and equipment	4,442	4,865
Intangible assets		
Software	409	579
Goodwill	-	106
Other	29	35
Total intangible assets	438	721
Investments and other assets		
Investment securities	2,261	2,695
Leasehold and guarantee deposits	785	775
Deferred tax assets	1,104	1,482
Other	121	182
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	4,273	5,135
Total non-current assets	9,154	10,723
Total assets	21,087	30,140

(Millions of yen)

	As of December 31, 2024	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	0	0
Current portion of long-term borrowings	-	11
Accounts payable - other	798	901
Accrued expenses	1,663	1,773
Income taxes payable	1,365	2,984
Contract liabilities	4,867	5,424
Provision for point card certificates	38	43
Other	552	970
Total current liabilities	9,287	12,109
Non-current liabilities		
Long-term borrowings	-	24
Asset retirement obligations	161	162
Other	5	28
Total non-current liabilities	166	215
Total liabilities	9,454	12,324
Net assets		
Shareholders' equity		
Share capital	613	613
Capital surplus	5,022	5,105
Retained earnings	8,709	14,404
Treasury shares	(4,275)	(4,251)
Total shareholders' equity	10,069	15,873
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,265	1,591
Foreign currency translation adjustment	294	345
Total accumulated other comprehensive income	1,560	1,936
Non-controlling interests	3	5
Total net assets	11,633	17,815
Total liabilities and net assets	21,087	30,140

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Net sales	29,675	37,430
Cost of sales	2,940	3,736
Gross profit	26,735	33,694
Selling, general and administrative expenses		
Personnel expenses	9,389	9,826
Outsourcing expenses	930	932
Advertising expenses	5,618	6,370
Research and development expenses	1,228	1,491
Retirement benefit expenses	35	35
Other	4,638	4,937
Total selling, general and administrative expenses	21,842	23,593
Operating profit	4,892	10,101
Non-operating income		
Interest income	6	14
Dividend income	17	20
Gain on investments in investment partnerships	-	13
Sponsorship money income	171	184
Foreign exchange gains	270	-
Membership fee income	44	48
Other	33	25
Total non-operating income	543	307
Non-operating expenses		
Interest expenses	0	0
Contract costs	12	10
Loss on sale of trade receivables	46	58
Loss on investments in investment partnerships	31	-
Foreign exchange losses	-	11
Other	9	1
Total non-operating expenses	100	82
Ordinary profit	5,335	10,325
Extraordinary income		
Gain on sale of non-current assets	0	0
Gain on receipt of donated non-current assets	-	81
Total extraordinary income	0	81
Extraordinary losses		
Impairment losses	2	2
Loss on sale and retirement of non-current assets	3	0
Loss on valuation of investment securities	-	79
Business restructuring expenses	150	-
Total extraordinary losses	156	82
Profit before income taxes	5,179	10,325
Income taxes - current	1,961	3,816
Income taxes - deferred	(338)	(521)
Total income taxes	1,623	3,295
Profit	3,555	7,030
Profit (loss) attributable to non-controlling interests	0	(51)
Profit attributable to owners of parent	3,555	7,081

Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Profit	3,555	7,030
Other comprehensive income		
Valuation difference on available-for-sale securities	407	325
Foreign currency translation adjustment	9	50
Total other comprehensive income	417	376
Comprehensive income	3,973	7,406
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,972	7,456
Comprehensive income attributable to non-controlling interests	0	(50)

(3) Consolidated Statement of Changes in Equity

For the fiscal year ended December 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	613	5,022	5,820	(1,346)	10,110
Changes during period					
Dividends of surplus			(666)		(666)
Profit attributable to owners of parent			3,555		3,555
Purchase of treasury shares				(2,929)	(2,929)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	2,888	(2,929)	(41)
Balance at end of period	613	5,022	8,709	(4,275)	10,069

	Accumulated other comprehensive income			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	858	284	1,142	-	11,253
Changes during period					
Dividends of surplus					(666)
Profit attributable to owners of parent					3,555
Purchase of treasury shares					(2,929)
Net changes in items other than shareholders' equity	407	9	417	3	421
Total changes during period	407	9	417	3	380
Balance at end of period	1,265	294	1,560	3	11,633

For the fiscal year ended December 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	613	5,022	8,709	(4,275)	10,069
Changes during period					
Dividends of surplus			(1,386)		(1,386)
Profit attributable to owners of parent			7,081		7,081
Disposal of treasury shares		83		24	107
Net changes in items other than shareholders' equity					
Total changes during period	-	83	5,695	24	5,803
Balance at end of period	613	5,105	14,404	(4,251)	15,873

	Accumulated other comprehensive income			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	1,265	294	1,560	3	11,633
Changes during period					
Dividends of surplus					(1,386)
Profit attributable to owners of parent					7,081
Disposal of treasury shares					107
Net changes in items other than shareholders' equity	325	50	376	1	378
Total changes during period	325	50	376	1	6,181
Balance at end of period	1,591	345	1,936	5	17,815

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Cash flows from operating activities		
Profit before income taxes	5,179	10,325
Depreciation	2,254	2,600
Amortization of software	98	131
Amortization of goodwill	-	5
Loss (gain) on sale and retirement of non-current assets	2	0
Gain on receipt of donated non-current assets	-	(81)
Loss (gain) on investments in investment partnerships	31	(13)
Loss (gain) on valuation of investment securities	-	79
Impairment losses	2	2
Increase (decrease) in allowance for doubtful accounts	1	(0)
Interest and dividend income	(23)	(35)
Interest expenses	0	0
Business restructuring expenses	150	-
Decrease (increase) in trade receivables	(791)	(1,000)
Decrease (increase) in accounts receivable - other	(190)	(170)
Decrease (increase) in inventories	10	(15)
Increase (decrease) in trade payables	0	(0)
Increase (decrease) in accounts payable - other	86	46
Increase (decrease) in accrued expenses	164	258
Increase (decrease) in contract liabilities	1,002	431
Increase (decrease) in provision for point card certificates	(1)	4
Other, net	(685)	485
Subtotal	7,291	13,054
Interest and dividends received	23	35
Interest paid	(0)	(0)
Income taxes paid	(1,710)	(2,279)
Income taxes refund	0	13
Business structure improvement expenses paid	(3)	(147)
Net cash provided by (used in) operating activities	5,601	10,676
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,691)	(2,879)
Purchase of intangible assets	(280)	(318)
Purchase of investment securities	(160)	(59)
Payments of leasehold and guarantee deposits	(33)	(29)
Proceeds from refund of leasehold and guarantee deposits	84	4
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	151
Other, net	(8)	29
Net cash provided by (used in) investing activities	(3,089)	(3,102)
Cash flows from financing activities		
Repayments of long-term borrowings	-	(4)
Purchase of treasury shares	(2,939)	-
Dividends paid	(662)	(1,383)
Other, net	3	(0)
Net cash provided by (used in) financing activities	(3,599)	(1,388)
Effect of exchange rate change on cash and cash equivalents	183	(80)

(Millions of yen)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Net increase (decrease) in cash and cash equivalents	(902)	6,104
Cash and cash equivalents at beginning of period	6,492	5,589
Cash and cash equivalents at end of period	5,589	11,694

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Changes in scope of consolidation or scope of equity method application)

In the fiscal year ended December 31, 2025, we acquired shares in Ehime Sports Entertainment Co., Ltd., and made it a subsidiary. Accordingly, we included it in the scope of consolidation.

(Changes in accounting policies)

(Application of Accounting Standard for Current Income Taxes, etc.)

The Company has applied the “Accounting Standard for Current Income Taxes, etc.” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022), the “Accounting Standard for Presentation of Comprehensive Income” (ASBJ Statement No.25, October 28, 2022), and the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022) from the beginning of the fiscal year under review. This does not affect the consolidated financial statements.

(Consolidated statement of income)

* Business restructuring expenses

For the fiscal year ended December 31, 2024

To optimize the Group’s development structure, we abolished the development business of consolidated subsidiary, Cybozu IT Shanghai Inc., and the resulting personnel restructuring expenses were recorded as business restructuring expenses.

(Business combinations)

Business combination by acquisition

(1) Outline of the business combination

The Company has resolved, at the Board of Directors Meeting held on June 25, 2025, to sign a capital and business alliance agreement with Ehime Sports Entertainment Co., Ltd., and make it a subsidiary of the Company by acquiring shares of the said company through a third-party allotment of new shares. Based on the resolution, the Company signed the agreement on June 25, 2025, and made the investment on June 26, 2025.

(i) Name and description of business of the acquiree

Name of the acquiree: Ehime Sports Entertainment Co., Ltd.

Description of business: Management of Ehime Orange Vikings professional basketball club

(ii) Main reason for carrying out the business combination

Guided by its purpose of “building a society brimming with teamwork,” the Company, through technology, has been supporting organizations (primarily private-sector companies and public organizations) that face teamwork-related challenges. We believe that not only IT tools, but also social systems and fostering culture, are essential to make progress towards achieving this purpose. That is why we are establishing the Teamwork City Office in order to explore ways to deliver our technology, and the expertise we have developed through our endeavors in supporting organizations, to local communities (regions). The aim is to create a community brimming with teamwork by leveraging IT, enabling a region to function as a team, thereby promoting information sharing and dialogue and proactively addressing social challenges. We are launching this regional challenge in Ehime Prefecture, where the Company was founded.

We believe a professional sports team can help foster a sense of community, revitalize the region, become the pride of the community, create a sense of unity, and more, thereby uniting the entire region as one team. This is well-aligned with the Company’s strategic direction. Therefore, we have signed a capital and business alliance agreement to provide long-term support and have agreed to become the largest shareholder. Accordingly, our acquisition of said shares is not for trading purposes, but for the purpose of taking a long-term holding.

(iii) Date of the business combination

June 26, 2025 (Share acquisition date)

June 30, 2025 (Deemed acquisition date)

(iv) Legal form of the business combination

Acquisition of shares through third-party allotment of new shares for cash consideration

(v) Name of the combined enterprise

Unchanged

(vi) Ratio of voting rights acquired

50.15%

(vii) Grounds for determining the acquirer

The Company acquired the shares for cash consideration.

(2) Period during which the financial results of the acquiree are included in the consolidated statement of income

From July 1, 2025 to December 31, 2025

(3) Acquisition cost of the acquiree and breakdown by type of consideration

Consideration for acquisition:	Cash	¥165 million
<hr/>		
Acquisition cost:		¥165 million

(4) Details and amount of major acquisition-related cost

Advisory fees, etc.: ¥26 million

(5) Amount of goodwill that occurred, cause for the occurrence, amortization method, and amortization period

(i) Amount of goodwill that occurred

¥111 million

(ii) Cause for the occurrence

This occurred from the excess earning power expected from future business development.

(iii) Amortization method and amortization period

Straight-line method over 10 years

(6) Amount of assets accepted and liabilities assumed on the date of the business combination, and the major breakdown thereof

Current assets		¥329 million
Non-current assets		¥10 million
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Total assets		¥340 million
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Current liabilities		¥177 million
Non-current liabilities		¥57 million
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Total liabilities		¥234 million

(7) Estimated impact on the consolidated statement of income for the fiscal year under review if the business combination is assumed to have been completed on the start date of the relevant fiscal year and the calculation method thereof

The information has been omitted due to immateriality.

(Revenue recognition)

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers disaggregated in accordance with the timing of revenue recognition is as follows.

The reportable segments of the Group (the Company and its consolidated subsidiaries) consist solely of “Development and Sale of Software.” Information by segment has been omitted as other segments are immaterial in terms of disclosure.

(Millions of yen)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Goods and services transferred at a point in time	717	797
Goods and services transferred over time	28,958	36,633
Revenue from contracts with customers	29,675	37,430
Net sales to external customers	29,675	37,430

(Segment information, etc.)

[Segment information]

For the fiscal year ended December 31, 2024

The reportable segments of the Group consist solely of “Development and Sale of Software.” Information by segment has been omitted as other segments are immaterial in terms of disclosure.

For the fiscal year ended December 31, 2025

The reportable segments of the Group consist solely of “Development and Sale of Software.” Information by segment has been omitted as other segments are immaterial in terms of disclosure.

(Per share information)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Net assets per share	¥251.69	¥385.13
Basic earnings per share	¥74.99	¥153.17

(Notes) 1. Information on diluted earnings per share is omitted since there are no dilutive shares.

2. The basis for the calculation of basic earnings per share is as follows:

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Basic earnings per share		
Profit attributable to owners of parent (millions of yen)	3,555	7,081
Amount not attributable to common shareholders (millions of yen)	—	—
Profit attributable to owners of parent relating to common shares (millions of yen)	3,555	7,081
Average number of shares during the period (shares)	47,406,986	46,233,149

(Significant subsequent events)

Not applicable.