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November 12, 2026

Consolidated Financial Results for the Nine Months Ended September 30, 2026 (Under Japanese GAAP)

Company name: SOLITON SYSTEMS K.K.
Listing: Tokyo Stock Exchange
Securities code: 3040
URL: https://www.soliton.co.jp/
Representative: Osamu Kamata, President
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Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

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

1. Consolidated Financial Results for the Nine Months Ended September 30, 2026 (from January 1, 2026 to September 30, 2026)

(1) Consolidated Operating Results (cumulative)

(Percentage reflects the change compared to the same period of the preceding year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	15,926	14.5	2,925	56.9	3,043	59.1	2,226	57.3
September 30, 2025	13,904	5.0	1,864	79.0	1,913	78.0	1,415	95.0

Note: Comprehensive income For the nine months ended September 30, 2026: ¥2,227 million [67.8%]
For the nine months ended September 30, 2025: ¥1,327 million [87.8%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
September 30, 2026	120.06	-
September 30, 2025	76.36	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2026	27,916	14,428	51.7
December 31, 2025	26,228	13,256	50.5

Reference: Equity
As of September 30, 2026: ¥14,421 million
As of December 31, 2025: ¥13,247 million

2. Cash Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2025	-	26.00	-	28.00	54.00
Fiscal year ending December 31, 2026	-	30.00	-		
Fiscal year ending December 31, 2026 (Forecast)				42.00	72.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2026 (from 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
Fiscal year ending December 31, 2026	22,300	12.8	3,900	37.1	3,950	32.7	2,670	16.2	144.01

Note: Revisions to the earnings forecasts most recently announced: None

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes
Excluded: 1 company (Sound-FinTech Inc.)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) 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

(4) Number of issued shares (common shares)

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

As of September 30, 2026	19,738,888 shares
As of December 31, 2025	19,738,888 shares

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

As of September 30, 2026	1,187,631 shares
As of December 31, 2025	1,197,498 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2026	18,545,193 shares
Nine months ended September 30, 2025	18,538,783 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters
(Cautions on forward-looking statements, etc.)
The forward-looking statements, including forecasts of financial results contained in these materials, are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors

Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of December 31, 2025	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	10,858	9,903
Electronically recorded monetary claims - operating	1,349	1,270
Accounts receivable - trade	2,695	2,855
Securities	6,000	8,000
Investments in leases	97	109
Merchandise and finished goods	1,050	1,519
Work in process	66	92
Raw materials and supplies	48	45
Prepaid expenses	1,677	1,892
Other	125	145
Allowance for doubtful accounts	(14)	(13)
Total current assets	23,954	25,819
Non-current assets		
Property, plant and equipment	731	724
Intangible assets		
Software	210	200
Software in progress	60	6
Other	14	14
Total intangible assets	285	221
Investments and other assets		
Investment securities	12	12
Guarantee deposits	378	401
Deferred tax assets	393	260
Other	472	476
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	1,257	1,151
Total non-current assets	2,274	2,097
Total assets	26,228	27,916

(Millions of yen)

	As of December 31, 2025	As of September 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,420	1,742
Lease liabilities	32	39
Accounts payable - other	564	636
Income taxes payable	655	389
Contract liabilities	8,931	10,061
Provision for bonuses	752	278
Provision for bonuses for directors (and other officers)	57	-
Other	482	259
Total current liabilities	12,896	13,407
Non-current liabilities		
Lease liabilities	65	69
Other	10	10
Total non-current liabilities	75	80
Total liabilities	12,971	13,488
Net assets		
Shareholders' equity		
Share capital	1,326	1,326
Capital surplus	1,406	1,415
Retained earnings	12,163	13,314
Treasury shares	(1,310)	(1,299)
Total shareholders' equity	13,585	14,756
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	0	0
Foreign currency translation adjustment	(338)	(335)
Total accumulated other comprehensive income	(338)	(335)
Non-controlling interests	9	7
Total net assets	13,256	14,428
Total liabilities and net assets	26,228	27,916

Quarterly Consolidated Statement of Income

(Millions of yen)

	Nine months ended September 30, 2025	Nine months ended September 30, 2026
Net sales	13,904	15,926
Cost of sales	7,447	8,070
Gross profit	6,457	7,855
Selling, general and administrative expenses	4,593	4,930
Operating profit	1,864	2,925
Non-operating income		
Interest income	21	93
Dividend income	20	26
Foreign exchange gains	11	7
Reversal of allowance for doubtful accounts	-	0
Recoveries of written off receivables	2	-
Other	8	6
Total non-operating income	64	133
Non-operating expenses		
Interest expenses	0	-
Loss on retirement of non-current assets	0	-
Provision of allowance for doubtful accounts	0	-
Loss on investments in investment partnerships	13	15
Other	0	0
Total non-operating expenses	15	16
Ordinary profit	1,913	3,043
Extraordinary income		
Gain on sale of non-current assets	44	0
Gain on sale of shares of subsidiaries	-	63
Total extraordinary income	44	63
Extraordinary losses		
Loss on valuation of investment securities	16	-
Loss on sale of investment in affiliates	105	-
Total extraordinary losses	122	-
Profit before income taxes	1,835	3,106
Income taxes - current	369	749
Income taxes - deferred	52	132
Total income taxes	421	882
Profit	1,413	2,224
Loss attributable to non-controlling interests	(2)	(1)
Profit attributable to owners of parent	1,415	2,226

Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Nine months ended September 30, 2025	Nine months ended September 30, 2026
Profit	1,413	2,224
Other comprehensive income		
Valuation difference on available-for-sale securities	(0)	0
Foreign currency translation adjustment	(85)	2
Total other comprehensive income	(86)	2
Comprehensive income	1,327	2,227
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,330	2,229
Comprehensive income attributable to non-controlling interests	(2)	(1)

(Notes on Segment Information, etc.)
Segment Information

I. Changes to Reporting Segments
From the first quarter of the current fiscal year, the expenses of the video transmission basic technology development team, which were previously included in the "company-wide expenses," were changed to include in the "Mobile Video Communication BU." In accordance with this segment change, the segment information for the nine months of the previous fiscal year is based on the segment classification after the change.

II. The Nine months of the Previous Fiscal Year (January 1, 2025 to September 30, 2025)
1. Information on Sales and Profit or Loss for Each Reporting Segment and Breakdown of Earnings

(Millions of yen)

	Reporting Segments			Total
	IT security BU	Mobile Video Communication BU	Eco Innovative BU	
Sales				
Products & Products	4,958	229	93	5,280
Maintenance	4,071	39	-	4,111
Cloud Services	1,936	71	-	2,008
Services and other revenues	2,147	296	59	2,503
Revenue generated from customer contracts	13,114	637	152	13,904
Revenues from external customers	13,114	637	152	13,904
Transactions with other segments	8	6	13	28
Total	13,123	643	166	13,933
Segment profit (loss)	2,530	(163)	(125)	2,240

2. The Difference between the Total Amount of Profit or Loss of the Reporting Segments and the Amount Recorded in the Quarterly Consolidated Statements of Income and the Key Details of the Differences (Matters related to Adjustment of Differences)

(Millions of yen)

Profit	Amount
Total Amount of Reporting Segments	2,240
Company-wide Expenses (Note)	(376)
Operating Income in Quarterly Consolidated Statements of Income	1,864

Note: Company-wide expenses are the difference in the allocation of related departmental expenses, which are mainly borne by the reporting segment.

3. Information on Impairment Losses or Goodwill on Fixed Assets by Reporting Segments: Not applicable

III. The Nine Months of the Current Fiscal Year (January 1, 2026 to September 30, 2026)
1. Information on Sales and the Amount of Profit or Loss for Each Reporting Segments and Breakdown of Earniings

(Millions of yen)

	Reporting Segments			Total
	IT security BU	Mobile Video Communication BU	Eco Innovative BU	
Sales				
Products & Products	6,169	388	115	6,673
Maintenance	4,079	47	-	4,126
Cloud Services	2,280	80	-	2,360
Services and other revenues	2,504	245	15	2,766
Revenue generated from customer contracts	15,033	762	130	15,926
Revenues from external customers	15,033	762	130	15,926
Transactions with other segments	21	12	-	34
Total	15,055	775	130	15,960
Segment profit (loss)	3,762	(183)	(212)	3,366

2. The Difference between the Total Amount of Profit or Loss of the Reporting Segments and the Amount Recorded in the Quarterly Consolidated Statements of Income and the Key Details of the Differences (Matters related to Adjustment of Differences)

(Millions of yen)

Profits	Amount
Total Reporting Segments	3,366
Company-wide expenses (Note)	(441)
Operating Income in Quarterly Consolidated Statements of Income	2,925

Note: Company-wide expenses are the difference in the allocation of related departmental expenses, which are mainly borne by the reporting segment.
3. Information on Impairment Losses or Goodwill on Fixed Assets by Reporting Segments :Not applicable.