November 6, 2026

Summary of Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2027 (Six Months Ended September 30, 2026)

[Japanese GAAP]

Company name: MKSystem Corporation — Listing: Tokyo Stock Exchange
Stock code: 3910 — URL: https://www.mks.jp
Representative: Noboru Miyake, Representative Director and President
Contact: Kiyoshi Takemoto, Director, General Manager of Business Administration Division
Tel: +81-6-7222-3394
Scheduled date of filing of Semi-Annual Securities Report: November 6, 2026
Scheduled date of payment of dividend: –
Preparation of supplementary materials for financial results: Yes
Holding of financial results meeting: None

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2026 (April 1, 2026–September 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	%
Six months ended Sep. 30, 2026	1,578	3.1	190	–	189	–	139	–
Six months ended Sep. 30, 2025	1,531	1.6	2	–	5	–	(10)	–

Note: Comprehensive income (million yen) Six months ended Sep. 30, 2026: 140 (–%)
Six months ended Sep. 30, 2025: (11) (–%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended Sep. 30, 2026	25.65	–
Six months ended Sep. 30, 2025	(1.85)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Sep. 30, 2026	2,051	1,006	48.7
As of Mar. 31, 2026	2,276	910	39.6

Reference: Shareholders' equity (million yen) As of Sep. 30, 2026: 998 As of Mar. 31, 2026: 902

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2026	–	0.00	–	8.00	8.00
Fiscal year ending Mar. 31, 2027	–	0.00			
Fiscal year ending Mar. 31, 2027 (forecast)			–	8.00	8.00

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

3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2027 (April 1, 2026–March 31, 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	3,300	1.3	270	8.9	260	5.1	192	(25.2)	35.37

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

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Application of special accounting methods for presenting semi-annual consolidated financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others:	None
2) Changes in accounting policies other than 1) above:	None
3) Changes in accounting-based estimates:	None
4) Restatements:	None

(4) Number of issued shares (common stock)

1) Number of shares issued at the end of period (including treasury shares)

As of Sep. 30, 2026:	5,428,000 shares	As of Mar. 31, 2026:	5,428,000 shares

2) Number of treasury shares at the end of period

As of Sep. 30, 2026:	506 shares	As of Mar. 31, 2026:	506 shares

3) Average number of shares outstanding during the period

Six months ended Sep. 30, 2026:	5,427,494 shares	Six months ended Sep. 30, 2025:	5,427,494 shares

* This semi-annual financial report is not subject to review by certified public accountants or an auditing firm.

* Explanation of appropriate use of earnings forecasts, and other special items

Forecasts of future performance in this report are based on assumptions judged to be valid and information available to the MKSystem's management at the time the materials were prepared but are not promises by MKSystem regarding future performance. Actual results may differ significantly from these forecasts for a number of reasons. Please refer to "1. Qualitative Information on Semi-Annual Consolidated Financial Performance, (3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Statements" on page 4 for forecast assumptions and notes of caution for usage.

Contents of Attachments

1. Qualitative Information on Semi-Annual Consolidated Financial Performance 2
(1) Explanation of Results of Operations 2
(2) Explanation of Financial Position 3
(3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Statements 4

2. Semi-Annual Consolidated Financial Statements and Notes 5
(1) Semi-Annual Consolidated Balance Sheet 5
(2) Semi-Annual Consolidated Statements of Income and Comprehensive Income 7
Semi-Annual Consolidated Statement of Income 7
Semi-Annual Consolidated Statement of Comprehensive Income 8
(3) Semi-Annual Consolidated Statement of Cash Flows 9
(4) Notes to Semi-Annual Consolidated Financial Statements 10
Going Concern Assumption 10
Significant Changes in Shareholders' Equity 10
Segment and Other Information 10

1. Qualitative Information on Semi-Annual Consolidated Financial Performance

(1) Explanation of Results of Operations

During the first half of the fiscal year ending March 31, 2027 (hereinafter the "period under review"), the Japanese economy showed a gradual recovery, with personal consumption and capital investment showing signs of recovery, while there were also improvements observed in corporate profits and the employment situation. Looking ahead, improvements in employment and income conditions and the effects of various policies are expected to support the gradual recovery; however, it remains necessary to pay attention to the impacts of the situation in the Middle East and natural disasters, as well as fluctuations in financial and capital markets.

In the business environment surrounding MKSystem Corporation and its group companies (the "Group"), there is a growing need for the streamlining and sophistication of personnel and labor tasks due to labor shortages, diversification of work style, and digitalization of administrative procedures. Additionally, as generative AI and other AI technologies are rapidly advancing, interest in AI utilization is growing in the personnel and labor fields, while service providers are required to ensure accuracy, personal information protection, and compliance with laws and regulations.

In the social security attorney industry, which is the Group's major customer base, revisions to the Act on Public Consultants on Social and Labour Insurance have clarified that labor audits are included in the tasks of social security attorneys, further defining the scope of their specialized tasks. Additionally, in that industry, interest in using digital technology such as AI for the sophistication and streamlining of tasks is growing.

Under such circumstances, in July 2026 the Group released Process Support Agent (Onboarding-Offboarding Function) as the first function for AI Shalom, an AI agent for Shalom, with the aim of supporting productivity enhancement and higher added value for overall social security attorney operations. In conjunction with this, we focused on promotion activities such as introduction campaigns and seminars, and progressed with the development of future functional enhancements.

During the period under review, net sales, operating profit, ordinary profit, and profit attributable to owners of parent all reached new record high first-half results. Net sales increased year on year, mainly reflecting solid accumulation of earnings in the subscription model in our Shalom Business and an increase in contracted development sales in the CuBe business. On the profit front, also, profits increased substantially, mainly due to reduction of IDC expenses in the Shalom business and progress on cost reduction measures, while the temporary impact of unprofitable projects in the CuBe Business that occurred in the first quarter of the previous fiscal year ran its course and profitability normalized.

As a result, for the period under review, the Group reported net sales of 1,578 million yen (up 3.1% year on year), gross profit of 834 million yen (up 35.4%), operating profit of 190 million yen (roughly 85 times as high as the same period of the previous fiscal year), ordinary profit of 189 million yen (roughly 36 times as high as the same period of the previous fiscal year), and profit attributable to owners of parent of 139 million yen (compared with loss attributable to owners of parent of 10 million yen for the same period of the previous fiscal year). In addition, the return on equity (ROE), one of the KPIs for the Group, was at 14.7% (compared with minus 1.5% for the same period of the previous fiscal year) on a consolidated basis, and 10.4% (compared with 7.6% for the same period of the previous fiscal year) on a non-consolidated basis.

Results by business segment were as follows.

The Shalom Business

We provide business software to support labor and social security attorney offices, labor insurance administration associations, and general corporations by facilitating their operations and processes for the social security insurance, labor insurance, and payroll calculation in our Shalom business. Our mainstay products include the following cloud services: Shalom series as our flagship product, MYNABOX series as a My Number management system, and eNEN as a web-based year-end adjustment filing system.

A growing number of companies as well as labor and social security attorney offices are more interested in introducing relevant systems, amid an increasing need for operational efficiency following the work-style reforms including teleworking. At the same time, the market environment remains severe, anticipating intensified price

competition with succession of active entries of competitors in the market.

Under such circumstances, net sales of ASP services under the subscription model remained strong due to its existing customer base, resulting in increased revenue. Profits increased significantly compared to the same period of the previous fiscal year due to decreases in IDC expenses and software amortization, in addition to the contribution of an increase in costs transferred to other accounts due to recording labor costs related to system development of AI Shalom as an asset.

As a result, net sales of the segment amounted to 1,214 million yen (up 1.6% year on year), and operating profit amounted to 153 million yen (up 91.0%). The ratio of operating profit (loss) to net sales, one of the KPIs for the Group, came in at 12.7% (compared with 6.7% for the same period of the previous fiscal year).

The CuBe Business

We have been engaged in the contracted development of individually customized front-end systems for the personnel and general affairs divisions of large companies to improve their business processes. The CuBe Business also provides cloud services, GooooN, which focuses on the convenience to small- and medium- sized companies by leveraging our know-how gained through the contracted development of systems for large companies.

In the contracted development of front-end systems, orders increased steadily. Net sales increased year on year reflecting the spread of a part of the sales that have previously tended to cluster in the fourth quarter into the second quarter this year. In terms of profits, the operating loss reported in the same period of the previous fiscal year was reversed to a substantial profit, reflecting the normalization of profitability as a result of the temporary impact of unprofitable projects that arose in the first quarter of the previous fiscal year running its course and progress on controlling outsourcing processing expenses.

As a result, the segment recorded net sales of 367 million yen (up 7.7% year on year) and operating profit of 29 million yen (compared with operating loss of 83 million yen for the same period of the previous fiscal year). Operating profit for the period under review includes amortization of goodwill of 19 million yen.

(2) Explanation of Financial Position

Cash flows

The balance of cash and cash equivalents (hereinafter “net cash”) at the end of the period under review increased 32 million yen from the end of the previous fiscal year to 783 million yen. The details of cash flows during the period under review from each activity and the major components of changes are as follows.

Cash flows from operating activities

Net cash provided by operating activities was 391 million yen (compared with net cash provided of 347 million yen for the same period of the previous fiscal year). Major factors include a decrease in trade receivables of 209 million yen, depreciation of 163 million yen, a decrease in trade payables of 57 million yen, income taxes paid of 42 million yen and a decrease in accrued consumption taxes of 32 million yen.

Cash flows from investing activities

Net cash used in investing activities was 123 million yen (compared with cash used of 73 million yen for the same period of the previous fiscal year). Major negative factors include purchase of intangible assets of 107 million yen and purchase of property, plant and equipment of 12 million yen.

Cash flows from financing activities

Net cash used in financing activities was 235 million yen (compared with cash used of 203 million yen for the same period of the previous fiscal year). Major negative factors include repayments of long-term borrowings of 192 million yen, repayments of short-term borrowings of 100 million yen and dividends paid of 43 million yen.

Financial Resources and Liquidity of Funds

The Group’s policy is to secure liquidity through its own funds in principle, as capital expenditure and loan

repayments are funded from cash generated by operating activities. However, the Group plans to borrow from financial institutions to finance working capital and large-scale capital investment where necessary.

Assets, Liabilities and Net Assets

Assets

The balance of current assets at the end of the period under review decreased 158 million yen from the end of the previous fiscal year to 1,337 million yen. This was mainly due to an increase of 32 million yen in cash and deposits, an increase of 18 million yen in work in progress and a decrease of 209 million yen in accounts receivable-trade.

The balance of non-current assets decreased 67 million yen from the end of the previous fiscal year to 713 million yen. This was mainly due to an increase of 20 million yen in software in progress, decreases of 63 million yen in software and 19 million yen in goodwill.

As a result, the balance of total assets decreased 225 million yen from the end of the previous fiscal year to 2,051 million yen.

Liabilities

The balance of current liabilities at the end of the period under review decreased 295 million yen from the end of the previous fiscal year to 823 million yen. This was mainly due to decreases of 100 million yen in short-term borrowings, 60 million yen in current portion of long-term borrowings, 57 million yen in accounts payable-trade, 32 million yen in advances received, and 32 million yen in accrued consumption taxes.

The balance of non-current liabilities decreased 26 million yen from the end of the previous fiscal year to 220 million yen. This was mainly due to a decrease of 32 million yen in long-term borrowings.

As a result, the balance of total liabilities decreased 322 million yen from the end of the previous fiscal year to 1,044 million yen.

Net assets

The balance of shareholders' equity at the end of the period under review increased 95 million yen from the end of the previous fiscal year to 998 million yen. This was mainly due to an increase of 95 million yen in retained earnings.

Consequently, the balance of net assets increased 96 million yen from the end of the previous fiscal year to 1,006 million yen.

(3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Statements

The consolidated earnings forecast for the fiscal year ending March 31, 2027 remains unchanged from the consolidated earnings forecast stated in the "Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Japanese GAAP)," released on May 8, 2026.

If the future development of business performance causes us to decide to revise the consolidated earnings forecasts for the fiscal year ending March 31, 2027, we will disclose them promptly.

2. Semi-Annual Consolidated Financial Statements and Notes

(1) Semi-Annual Consolidated Balance Sheet

(Thousands of yen)

	FY3/26 (As of Mar. 31, 2026)	Second quarter of FY3/27 (As of Sep. 30, 2026)
Assets		
Current assets		
Cash and deposits	751,186	783,258
Accounts receivable-trade	675,502	466,314
Merchandise	9,766	7,772
Work in process	12,087	30,547
Supplies	506	476
Prepaid expenses	46,021	48,310
Other	1,643	1,753
Allowance for doubtful accounts	(441)	(502)
Total current assets	1,496,273	1,337,931
Non-current assets		
Property, plant and equipment		
Buildings, net	87,722	82,168
Vehicles, net	0	0
Tools, furniture and fixtures, net	15,117	12,345
Total property, plant and equipment	102,840	94,513
Intangible assets		
Software	418,252	355,221
Software in progress	–	20,741
Trademark right	181	121
Telephone subscription right	1,218	1,218
Goodwill	19,411	–
Total intangible assets	439,063	377,302
Investments and other assets		
Investments in capital	70	70
Guarantee deposits	168,221	171,069
Deferred tax assets	67,406	66,634
Distressed receivables	–	102
Other	2,713	3,480
Allowance for doubtful accounts	–	(102)
Total investments and other assets	238,411	241,254
Total non-current assets	780,315	713,070
Total assets	2,276,588	2,051,001

(Thousands of yen)

	FY3/26 (As of Mar. 31, 2026)	Second quarter of FY3/27 (As of Sep. 30, 2026)
Liabilities		
Current liabilities		
Accounts payable-trade	90,442	33,169
Short-term borrowings	300,000	200,000
Current portion of long-term borrowings	313,669	253,637
Accounts payable-other	113,572	101,843
Accrued expenses	16,054	14,905
Income taxes payable	50,723	50,841
Accrued consumption taxes	60,417	28,215
Advances received	92,039	59,481
Provision for bonuses	74,363	72,455
Other	7,667	9,136
Total current liabilities	1,118,949	823,685
Non-current liabilities		
Long-term borrowings	226,001	193,377
Retirement benefit liability	21,324	26,980
Total non-current liabilities	247,325	220,357
Total liabilities	1,366,274	1,044,042
Net assets		
Shareholders' equity		
Share capital	219,110	219,110
Capital surplus	202,122	202,122
Retained earnings	481,591	577,408
Treasury shares	(499)	(499)
Total shareholders' equity	902,325	998,141
Non-controlling interests	7,988	8,817
Total net assets	910,313	1,006,958
Total liabilities and net assets	2,276,588	2,051,001

(2) Semi-Annual Consolidated Statements of Income and Comprehensive Income

Semi-Annual Consolidated Statement of Income

(Thousands of yen)

	First six months of FY3/26 (Apr. 1, 2025–Sep. 30, 2025)	First six months of FY3/27 (Apr. 1, 2026–Sep. 30, 2026)
Net sales	1,531,048	1,578,139
Cost of sales	915,147	744,091
Gross profit	615,901	834,048
Selling, general and administrative expenses	613,649	643,320
Operating profit	2,251	190,727
Non-operating income		
Interest income	588	1,162
Dividend income	1	1
Insurance claim income	3,143	–
Rental income	21,913	21,913
Outsourcing service income	1,800	1,800
Other	2,126	874
Total non-operating income	29,572	25,751
Non-operating expenses		
Interest expenses	6,377	6,611
Rental costs	19,987	19,987
Other	167	538
Total non-operating expenses	26,532	27,136
Ordinary profit	5,291	189,341
Extraordinary losses		
Loss on retirement of non-current assets	–	5,117
Total extraordinary losses	–	5,117
Profit before income taxes	5,291	184,223
Income taxes-current	16,174	43,386
Income taxes-deferred	819	772
Total income taxes	16,993	44,158
Profit (loss)	(11,701)	140,065
Profit (loss) attributable to non-controlling interests	(1,661)	828
Profit (loss) attributable to owners of parent	(10,040)	139,236

Semi-Annual Consolidated Statement of Comprehensive Income

(Thousands of yen)

	First six months of FY3/26 (Apr. 1, 2025–Sep. 30, 2025)	First six months of FY3/27 (Apr. 1, 2026–Sep. 30, 2026)
Profit (loss)	(11,701)	140,065
Comprehensive income	(11,701)	140,065
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(10,040)	139,236
Comprehensive income attributable to non-controlling interests	(1,661)	828

(3) Semi-Annual Consolidated Statement of Cash Flows

(Thousands of yen)

	First six months of FY3/26 (Apr. 1, 2025–Sep. 30, 2025)	First six months of FY3/27 (Apr. 1, 2026–Sep. 30, 2026)
Cash flows from operating activities		
Profit before income taxes	5,291	184,223
Depreciation	181,520	163,760
Amortization of goodwill	19,411	19,411
Increase (decrease) in retirement benefit liability	2,669	5,656
Increase (decrease) in provision for bonuses	3,725	(1,907)
Increase (decrease) in allowance for doubtful accounts	249	163
Interest and dividend income	(589)	(1,163)
Interest expenses	6,377	6,611
Loss on retirement of non-current assets	–	5,117
Decrease (increase) in trade receivables	308,736	209,085
Decrease (increase) in inventories	20,920	(16,436)
Increase (decrease) in trade payables	(70,562)	(57,273)
Increase (decrease) in accrued consumption taxes	(50,023)	(32,202)
Increase (decrease) in accounts payable-other	(22,206)	(9,532)
Other, net	(40,412)	(36,631)
Subtotal	365,108	438,883
Interest and dividends received	589	1,163
Interest paid	(6,377)	(6,611)
Income taxes paid	(11,631)	(42,150)
Net cash provided by (used in) operating activities	347,688	391,284
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,817)	(12,883)
Purchase of intangible assets	(69,592)	(107,515)
Payments of leasehold and guarantee deposits	–	(3,612)
Other, net	69	764
Net cash provided by (used in) investing activities	(73,340)	(123,246)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	–	(100,000)
Proceeds from long-term borrowings	–	100,000
Repayments of long-term borrowings	(181,812)	(192,656)
Dividends paid	(21,607)	(43,310)
Net cash provided by (used in) financing activities	(203,419)	(235,966)
Net increase (decrease) in cash and cash equivalents	70,928	32,071
Cash and cash equivalents at beginning of period	606,324	751,186
Cash and cash equivalents at end of period	677,253	783,258

(4) Notes to Semi-Annual Consolidated Financial Statements

Going Concern Assumption

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

Segment and Other Information

First six months of FY3/26 (Apr. 1, 2025–Sep. 30, 2025)
Information related to net sales and profit/loss for each reportable segment

(Thousands of yen)

	Shalom Business	CuBe Business	Total	Adjustment (Note)	Amounts recorded in semi-annual consolidated statement of income
Net sales					
External sales	1,194,995	336,053	1,531,048	–	1,531,048
Inter-segment sales and transfers	17	5,454	5,472	(5,472)	–
Total	1,195,012	341,508	1,536,521	(5,472)	1,531,048
Segment profit (loss)	80,634	(83,447)	(2,812)	5,064	2,251

Notes: 1. The adjustment to segment profit (loss) is the elimination of inter-segment transactions.
2. Segment profit (loss) is adjusted to be consistent with operating profit presented on the semi-annual consolidated statement of income.

First six months of FY3/27 (Apr. 1, 2026–Sep. 30, 2026)
Information related to net sales and profit/loss for each reportable segment

(Thousands of yen)

	Shalom Business	CuBe Business	Total	Adjustment (Note)	Amounts recorded in semi-annual consolidated statement of income
Net sales					
External sales	1,214,688	363,450	1,578,139	–	1,578,139
Inter-segment sales and transfers	3	4,441	4,445	(4,445)	–
Total	1,214,692	367,892	1,582,584	(4,445)	1,578,139
Segment profit	153,994	29,826	183,821	6,905	190,727

Notes: 1. The adjustment to segment profit is the elimination of inter-segment transactions.
2. Segment profit is adjusted to be consistent with operating profit presented on the semi-annual consolidated statement of income.

This financial report is solely a translation of MKSystem's Kessan Tanshin (including attachments) in Japanese, which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.