



*Envisioning the future,
leading change*

1H Financial Results Briefing for the Fiscal Year Ending September 2026

April 28, 2026

Summary

- Increases in consolidated revenue and profits: First net sales increase in three fiscal years and first ordinary profit increase in four fiscal years
- Increases in TTC revenue and profits: Both revenue and profits rose due to strong demand and significant order backlog from the end of the previous fiscal year.
- Increase in ITS revenue and decrease in ITS profits: Revenue increased in general industries, service business, etc. but profits decreased due to unprofitable projects.

[billion yen]

	Result	YoY change
Net sales	72.5	+7.1
	<ul style="list-style-type: none"> • Think Tank & Consulting Services (TTC): Revenue increased mainly due to strong sales from government and public office projects and also private sector initiatives, which reflected the significant order backlog carried forward from the previous fiscal year. • IT Services (ITS): Revenue increased due to growth in financial and card payment solutions, HR and education service business, and general industry sector projects. 	
Ordinary profit	10.0	+2.4
	<ul style="list-style-type: none"> • TTC: Ordinary profit rose due to increased revenue and only a slight cost increase. • ITS: Ordinary profit decreased due to the posting of provision for loss on orders received related to unprofitable projects. 	
Profit	8.4	+3.5
	<ul style="list-style-type: none"> • Posting of gain on sale of investment securities 	

Yabuta: I am Yabuta, the President of the Company. Thank you very much for taking the time out of your busy schedule to participate in our financial report. I would now like to report on the financial results for Q2 of the fiscal year ending September 30. I would also like to discuss our earnings forecast for the fiscal year ending September 30, 2026.

First, a summary of financial results for 1H of the fiscal year ending September 30, 2026. On a consolidated basis, net sales were JPY72.5 billion and ordinary profit was JPY10 billion, the first increase in net sales in three fiscal years and the first increase in ordinary profit in four fiscal years. TTC achieved a significant increase in profit thanks to strong demand and a backlog of orders, setting a new record for 1H of the fiscal year.

ITS, on the other hand, secured an increase in revenue but posted a decrease in profit due to the recording of new unprofitable projects.

However, excluding unprofitable businesses, our businesses are generally progressing as planned. Net profit increased significantly, partly due to a gain on sales of investment securities.

1H Consolidated Results <YoY>

[million yen]

	FY2025 1H	FY2026 1H	YoY change	
			Amount	Rate
Net sales	65,437	72,571	+7,133	+10.9%
Gross profit	16,439	19,276	+2,837	+17.3%
Gross profit margin	25.1%	26.6%	+1.4P	
SG&A expenses	9,619	9,982	+363	+3.8%
Operating profit	6,819	9,293	+2,474	+36.3%
Operating profit margin	10.4%	12.8%	+2.4P	
Ordinary profit	7,640	10,094	+2,453	+32.1%
Ordinary profit margin	11.7%	13.9%	+2.2P	
Profit attributable to owners of parent	4,881	8,470	+3,588	+73.5%
Basic earnings per share (yen)	310.07	537.68	+227.61	+73.4%

On page four, you will find a consolidated profit statement of the current financial results. Please take a look at your convenience.

Think Tank & Consulting Services (TTC)

[million yen]

	FY2025 1H	FY2026 1H	YoY change	
			Amount	Rate
Net sales	28,914	33,562	+4,648	+16.1%
Operating profit	4,995	7,774	+2,779	+55.7%
Operating profit margin	17.3%	23.2%	+5.9P	
Ordinary profit	5,648	8,431	+2,782	+49.3%
Orders received	31,207	39,263	+8,055	+25.8%
Order backlog	28,094	35,918	+7,823	+27.8%

Key points

- Healthcare and long-term care projects, digital transformation and digitalization initiatives for government and public offices, as well as management strategy, marketing, and AI/semiconductor projects in the private sector, supported performance.
- Profits increased significantly YoY due to increased revenue and only a slight cost increase.
- Demand remained strong, and orders consistently increased, mainly from government and public offices. (At MRI, orders received in line with the government's strategic sectors were strong. See page 17.)

Next, the results by segment.

I would like to begin with TTC, which is primarily the main body of the Mitsubishi Research Institute. In addition to the abundant order backlog carried over from the end of the previous fiscal year, orders steadily piled up during the period due to strong demand.

Our strategic focus areas (healthcare and long-term care sector, digital transformation and digitalization initiatives projects) for government and public offices grew, while in the private sector, management strategy/marketing, AI/semiconductor-related, and other projects also contributed to revenue growth.

Expenses increased only slightly in relation to sales growth, and the effect of increased revenues was directly linked to increased profits. As a result, net sales were JPY33.5 billion and ordinary profit was JPY8.4 billion, a significant increase and a record high. Orders and order backlogs are

trending at high levels, supporting the certainty of the outlook for 2H of the year and beyond.

IT Services (ITS)

[million yen]

	FY2025 1H	FY2026 1H	YoY change	
			Amount	Rate
Net sales	36,523	39,009	+2,485	+6.8%
Operating profit	1,832	1,521	(310)	(17.0%)
Operating profit margin	5.0%	3.9%	(1.1P)	
Ordinary profit	1,999	1,665	(333)	(16.7%)
Orders received	36,225	34,867	(1,358)	(3.7%)
Order backlog	49,307	46,173	(3,134)	(6.4%)

Key points

- The negative impact from the completion of large-scale projects in the financial and credit card business was largely offset by revenue growth in the private sector primarily through payment-related projects, as well as those related to HR and education services and core systems, contributed positively to results.
- Profits decreased due to the posting of provision for loss on orders received resulting from unprofitable projects.
- Both orders and the order backlog declined due to the completion of large-scale projects in the financial and credit card business.

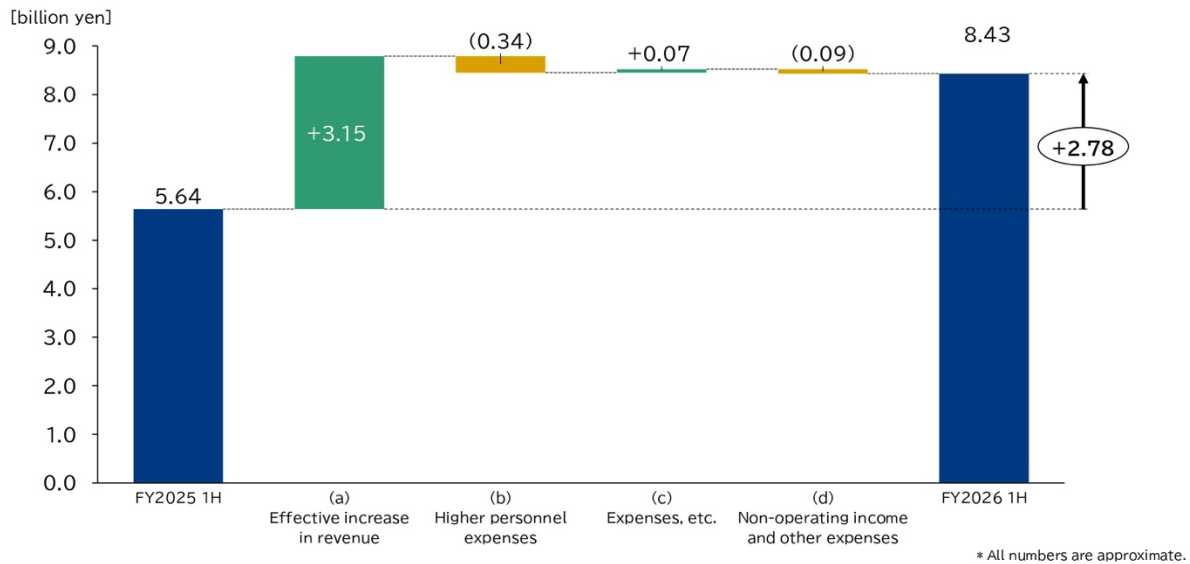
Next is ITS.

This is generally the performance of the Mitsubishi Research Institute DCS Group. Sales grew steadily to JPY39 billion, driven by the financial and credit card settlement area, education and human resource-related services business, and general industrial applications. On the other hand, ordinary profit decreased due to a new unprofitable system development project and the posting of a provision for loss on orders received.

Although orders received and order backlogs declined in reaction to the completion of large projects in the finance and card fields on schedule, we view this as a phase of replacement of our project portfolio.

Factors Behind Fluctuation in TTC's Ordinary Profit <YoY>

- TTC's ordinary profit increased significantly due to an effective increase in revenue (a). The changes in factors (b), (c), and (d) were minor.
- Investments planned at the beginning of this fiscal year, including AI and R&D, will be implemented.



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These materials are prepared for the purpose of providing reference information for making investment decisions and not for the purpose of soliciting investment.

Page seven shows the factors behind the change in TTC's ordinary profit.

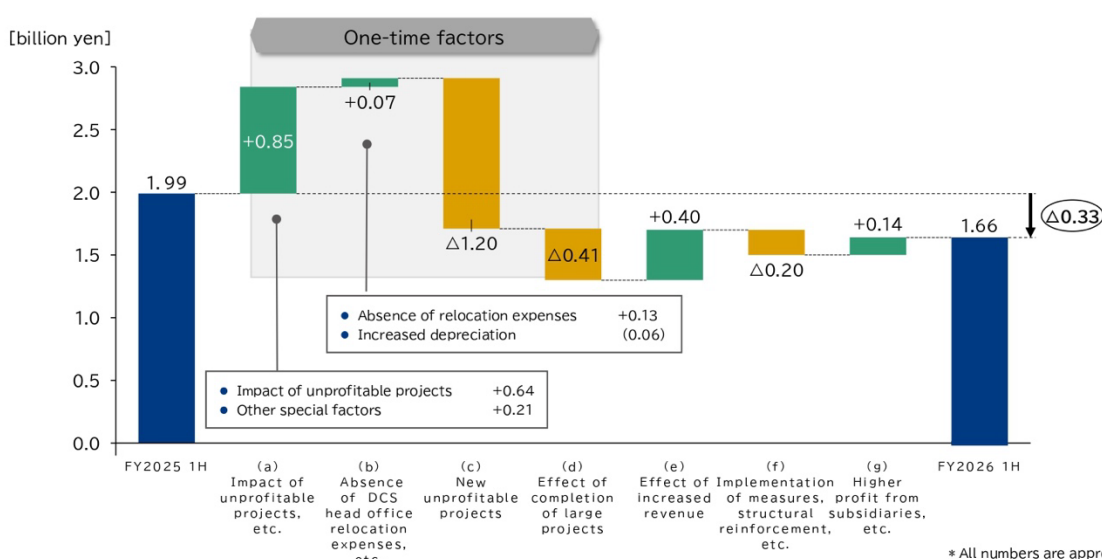
The key point is that our revenue growth is translating into profit with strong efficiency. Compared to the same period last year, ordinary profit increased by approximately JPY2.8 billion, the bulk of which was boosted by the increase in gross revenues, as shown in a. We allocated more resources to high value-added areas, and as a result, we kept additional costs relatively low compared with sales growth, demonstrating effective operating leverage.

As shown in b, we kept the increase in personnel expenses within a reasonable range relative to revenue growth, while incorporating the additions necessary for medium- to long-term competitiveness, such as hiring, training, and compensation improvements, and also benefiting from more balanced utilization and enhanced project management. As shown in c, the other costs resulted in a slight increase. The non-operating factors shown in d were negative yet marginal.

We built an annual budget on the assumption that investments in AI, R&D, and human resources will be executed as planned for the next mid-term plan in 2H of the year, while taking advantage of the strong performance in 1H. We aim for sustainable value enhancement instead of the maximization of short-term profit.

Factors Behind Fluctuation in ITS's Ordinary Profit <YoY>

- The elimination of one-time factors in the first half of the prior year for (a)–(b) was offset by new negative impacts from unprofitable projects under (c).
- The impact of large-scale projects completions under (d) was largely offset by business growth under (e).
- Expected operating efficiency improvements from the beginning of the fiscal year are projected to materialize from the second half onward.



Page eight is ITS.

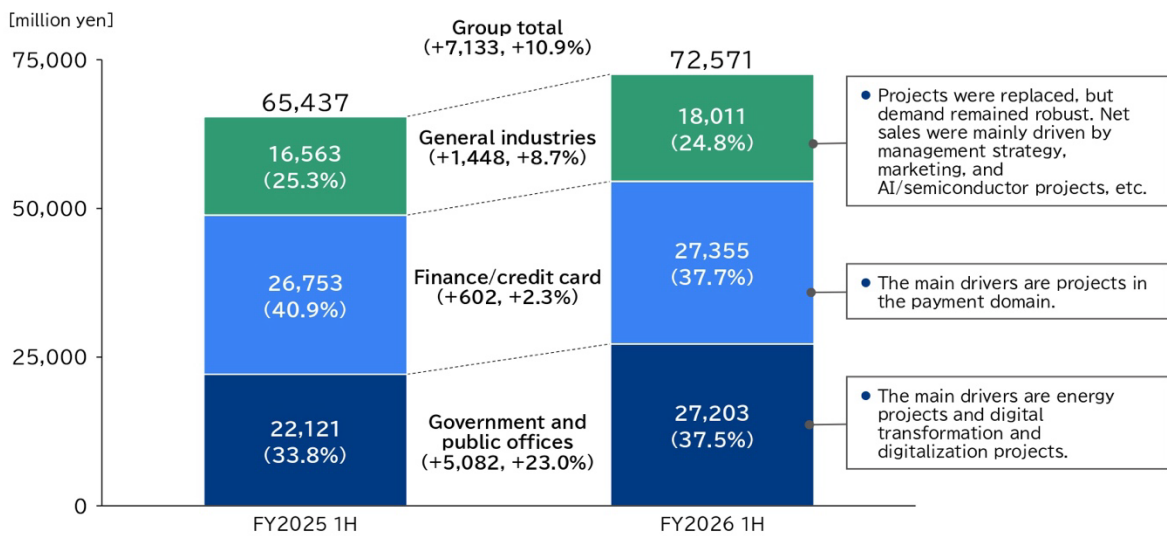
As we eliminated unprofitable projects and relocation expenses incurred in 1H of the previous fiscal year, profits increased; however, another unprofitable project emerged in the current fiscal year, leading to a decrease in profits, resulting in a one-time factor of negative JPY300 million in total.

In terms of core business, business growth almost offset the reactionary decline from the completion of large projects. The increase in expenses associated with structural reinforcement and implementation of initiatives is an upfront cost and is expected to show efficiency gains in 2H of the

year and beyond. Although investors may wonder whether unprofitable projects reflect structural issues, we currently view them as individual project-specific factors.

Net Sales by Customer's Industry Sector <YoY>

- Revenue increased in all industry sectors, supported by significant order backlog carried forward from the previous fiscal year and strong demand.



Page nine shows sales by client industry.

Revenues increased compared to the previous year in all three industry sectors. Both TTC and ITS saw a YoY increase in all sectors.

Net Sales by Segment and Customer's Industry Sector <YoY>

[million yen]

		FY2025 1H	FY2026 1H	YoY change	
				Amount	Rate
TTC	Government and public offices	21,238	25,067	+3,828	+18.0%
	Finance/credit card	1,268	1,790	+522	+41.2%
	General industries	6,407	6,704	+296	+4.6%
	Subtotal TTC	28,914	33,562	+4,648	+16.1%
ITS	Government and public offices	882	2,136	+1,253	+142.0%
	Finance/credit card	25,485	25,565	+79	+0.3%
	General industries	10,155	11,307	+1,151	+11.3%
	Subtotal ITS	36,523	39,009	+2,485	+6.8%
Total		65,437	72,571	+7,133	+10.9%

Page 10 shows segment sales broken down by client industry. Please take a look at your convenience.

Trends in 1H Progress Rates (for net sales + order backlog by segment)

- Progress in 1H (the total of sales in 1H and the backlog of orders scheduled for sale in the current fiscal year divided by the full-year net sales forecast) stands at 89.2%.
- This is 3.3 percentage points higher than the previous fiscal year.

		[million yen]			
		FY2023	FY2024	FY2025	FY2026
TTC	Full-year net sales*1	50,462	45,419	47,090	51,500
	1H Net sales + order backlog*2	45,556	39,889	40,407	47,647
	1H progress	90.3%	87.8%	85.8%	92.5%
ITS	Full-year net sales*1	71,663	69,942	74,367	73,500
	1H Net sales + order backlog*2	61,600	62,191	63,893	63,830
	1H progress	86.0%	88.9%	85.9%	86.8%
Total	Full-year net sales*1	122,126	115,362	121,458	125,000
	1H Net sales + order backlog*2	107,157	102,080	104,300	111,477
	1H progress	87.7%	88.5%	85.9%	89.2%

*1. Net sales for FY2023 through FY2025; forecasts for FY2026 (revised on 2026/4/27)

*2. Order backlog at the end of 1H (expected to be sold during this fiscal year)

Page 11 is the progress rate.

It compares actual results with the annual sales forecast. We calculated cumulative sales through Q2 and added the order backlog expected to be recognized during the current fiscal year. Overall progress stands at 89.2%. TTC, in particular, has reached 92.5%, indicating that the Company is well positioned to achieve its revised full-year forecast. ITS is currently at 86.8%, which we view as a reasonable level if the replacement of large project completions is factored in.

(Reference) Trends in 1H Progress Rates

		[million yen]			
		FY2023	FY2024	FY2025	FY2026
Net sales	Full-year result*	122,126	115,362	121,458	125,000
	1H result	73,325	66,534	65,437	72,571
	1H progress	60.0%	57.7%	53.9%	58.1%
Operating profit	Full-year result*	8,688	7,060	8,010	8,400
	1H result	9,291	8,601	6,819	9,293
	1H progress	106.9%	121.8%	85.1%	110.6%
Ordinary profit	Full-year result*	10,002	8,147	9,734	9,500
	1H result	9,836	9,341	7,640	10,094
	1H progress	98.3%	114.7%	78.5%	106.3%

* Results for FY2023 through FY2025; forecasts for FY2026(revised on 2026/4/27)

Page 12 shows profit progress.

Although we have exceeded our full-year forecast as of 1H of the fiscal year, there is a seasonal tendency for our company's sales to be concentrated in 1H of the fiscal year. In addition, we will steadily implement human resources, R&D, and AI investments in 2H of the year in preparation for the next mid-term plan. For this reason, the full-year forecast is not a simple extension of 1H results, but rather a highly probable level that incorporates future investments.

(Reference) Trends in 1H Progress Rates (for net sales by segment)

[million yen]

		FY2023	FY2024	FY2025	FY2026
TTC	Full-year result*	50,462	45,419	47,090	51,500
	1H result	36,236	30,433	28,914	33,562
	1H progress	71.8%	67.0%	61.4%	65.2%
ITS	Full-year result*	71,663	69,942	74,367	73,500
	1H result	37,088	36,101	36,523	39,009
	1H progress	51.8%	51.6%	49.1%	53.1%

* Results for FY2023 through FY2025; forecasts for FY2026(revised on 2026/4/27)

(Reference) Trends in 1H Progress Rates (for ordinary profit by segment)

[million yen]

		FY2023	FY2024	FY2025	FY2026
TTC	Full-year result*	4,428	4,237	5,715	5,800
	1H result	6,102	6,233	5,648	8,431
	1H progress	137.8%	147.1%	98.8%	145.4%
ITS	Full-year result*	5,560	3,909	4,037	3,700
	1H result	3,728	3,104	1,999	1,665
	1H progress	67.1%	79.4%	49.5%	45.0%

* Results for FY2023 through FY2025; forecasts for FY2026(revised on 2026/4/27)

Pages 13 and 14 show the percentages of progress in sales and ordinary profit by segment. Please take a look at your convenience.

(Reference) Progress by Business (MRI)

- Forecasts and progress of effective revenue*¹ by business based on aggregate revenue of MRI, which is the core company of the TTC segment

[billion yen]

		FY2026 effective revenue		
		Full-year forecast* ²	1H result (YoY Change)	Progress rate* ²
Total		28.8	18.2 (+17%)	63%
Concentration domains	Medical and long-term care	3.4	2.3 (+27%)	67%
	Energy and sustainability	5.1	2.8 (+7%)	55%
	Business analytics and AI	2.4	1.4 (+43%)	61%
General domains	Public	10.8	7.4 (+16%)	69%
	Management and digital transformation	6.9	4.1 (+14%)	59%

*1 Effective revenue:

MRI's net sales are significantly influenced by expenses paid to external entities for projects, particularly large-scale demonstration projects. MRI has introduced effective revenue, which represents net sales after the deduction of these expenses. It is considered to be effective net sales.

*2 The full-year forecasts and progress rates presented in this document are based on the initial plan figures.

* All numbers are approximate.

Please refer to page 15.

During the presentation of the financial results for the previous fiscal year, I explained the business policies of TTC, ITS, and each of them for the current fiscal year. Each of these policies was formulated as a medium-to long-term business direction for the next medium-term business plan and is also the basis for the next medium-term business plan currently under consideration.

First is the TTC.

We have established priority areas based on the selection-and-concentration approach. Our focus domains cover medical and long-term care, energy and sustainability, as well as business analytics and AI. General domains cover public, as well as management and digital transformation.

In 1H of the fiscal year, four of the five fields recorded double-digit growth, with the progress rate generally exceeding 60%, especially in the business analytics and AI sector, as well as the medical and long-term care sector, which grew approximately 30% to 40% over the previous year. We believe that the [areas] we have set as hypotheses are generally progressing as expected and will be the basis for the next mid-term plan.

On the other hand, there are human resource constraints in each area, so we will promote recruitment, training, and productivity improvement as a set.

(Reference) Progress by Business (ITS)

		FY2026 net sales		
		Full-year forecast	1H result	Progress rate
Total		75.0	39.5	53%
Growth	Public and electric power	7.0	3.5	50%
	HR and education	8.0	5.0	63%
	Financial	18.0	8.5	47%
	DA	3.0	0.5	17%
Main	Payment	8.0	3.5	44%
	ERP	2.0	0.5	25%
	Industry	5.0	2.5	50%
	Credit card	18.0	11.5	64%
Others (subsidiaries)		8.0	4.5	56%

* All numbers are approximate.

Please refer to page 16. ITS.

For ITS, we evaluate businesses based on three axes: market size, proposal and sales capabilities, and resources, and select and concentrate on priority areas. Progress in this sector is also generally in line with our expectations, and we will continue to dig deeper into each area to lay the foundation for the next mid-term business plan.

Orders Received from Strategic Sectors in the Public Sector Business (MRI)

- Orders received at MRI in the 17 strategic sectors identified by the Headquarters for Japan’s Growth Strategy (see the next page) increased steadily.
- The ratio of orders in the 17 sectors to all orders increased in terms of both number and volume.
 - The number of orders increased approx. 60 YoY.
 - The order volume increased approx. 9.0 billion yen YoY.
 - Overall orders increased in terms of both volume and number.

	Orders received at MRI in the public sector business					
	FY2025 1H		FY2026 1H		YoY change	
Number and volume of orders in the 17 sectors	210	17.0 billion yen	260	25.0 billion yen	+60	+9.0 billion yen
Number and volume of other orders	110	6.0 billion yen	100	4.0 billion yen	(10)	(2.0 billion yen)
Total	320	23.0 billion yen	370	29.0 billion yen	+50	+6.0 billion yen
Percentage of orders in the 17 sectors	65%	73%	72%	87%	+7Pt	+13Pt

Note: We used AI and other tools to classify and organize projects based on the names of contracts we received from government and public offices, and compiled data on projects falling into 17 sectors.

* All numbers are approximate (Round to the nearest whole number).

Please refer to page 17.

The Domestic Growth Strategy Headquarters has identified 17 strategic areas to actively encourage investment in the public and private sectors. This page shows the status of government contracts in these 17 strategic areas.

The number of orders increased by approximately 60, and the value of orders increased by approximately JPY9 billion compared to the previous year, and the ratio of orders to total orders also increased. One of the reasons for TTC’s strong performance is that the Company has definitely caught the policy tailwind.

(Reference) The Government’s Strategic Sectors and MRI’s Strengths and Track Record

- In November 2025, the Headquarters for Japan’s Growth Strategy has identified 17 strategic sectors.
- MRI has strengths and a proven track record in many of these sectors.

17 priority sectors for investment	
(1) AI and semiconductors	(10) Disaster prevention and national resilience
(2) Shipbuilding	(11) Drug discovery and advanced medicine
(3) Quantum technology	(12) Fusion energy
(4) Synthetic biology and biotechnology	(13) Materials (critical minerals and component materials)
(5) Aerospace	(14) Port logistics
(6) Digital security, cybersecurity	(15) Defense
(7) Content	(16) Information and communications
(8) Food tech	(17) Marine and ocean
(9) Resources, energy security, green transformation	

Page 18 shows the relationship between the government's strategic areas that I just explained and our strengths and achievements. Please take a look at your convenience.

FY2026 Full Year Forecasts (changed from initial forecasts)

■ Revised earnings forecast upward (see next page)

- **Based on a strong performance and order intake of the TTC business, sales and profit forecasts for this segment have been revised upward.**
 - ✓ At the same time, we considered the risks involved in maintaining high operating levels in the second half comparable to the previous fiscal year.
 - ✓ We plan to implement necessary measures, including AI investments, in preparation for the next mid-term management plan.
 - We are establishing a system that enables all employees to utilize cutting-edge AI engines in their daily work.
 - Established “AI Co-creation Center” to promote company-wide adoption.
- **For ITS, although the impact of unprofitable projects remains, the forecast has been maintained. It has been considered on the assumption that actuarial pension differences (cost) will be decreased YoY at fiscal year-end, which will contribute to profit increase.**
 - ✓ Pension actuarial difference expenses are influenced by equity market conditions and long-term interest rates.
 - ✓ Given that long-term interest rates are on an upward trend, exceeding 2%, a reduction in pension actuarial difference expenses—assumed at the beginning of the fiscal year to be at the same level as the prior year—has been incorporated into the forecast.
- **Net profit has been revised upward to reflect gains on the sale of investment securities.**
- **Dividends are expected to remain unchanged at this point.**

From here, I will move on to the report on earnings forecast for the fiscal year ending September 30, 2026. Please see page 20.

Based on the strong 1H results and orders received, especially from TTC, we have revised our full-year forecasts upward. The revision reasonably reflects the upward swing of TTC.

On the other hand, there is a risk in assuming that we can maintain the same high level of utilization achieved in 2H of the previous fiscal year. Accordingly, we have set the level at a highly probable range, taking into account constraints on utilization, hiring, and subcontracting.

We have also factored in plans to make the investments necessary for our next medium-term management plan during 2H of the fiscal year. This investment includes hiring and training personnel, laying the groundwork for AI utilization, research and development, and efforts to develop services.

Specifically, we have established a system that enables all employees to access multiple AI engines in their work. In April, we established the AI Co-Creation Promotion Center in MRI. This is an organization to promote company-wide utilization of AI engines.

In addition, as you will see on the topics page that follows, we have already achieved several use cases that successfully incorporate AI functions into the services we offer to our clients. We intend to continue to actively engage in the development of new business services using AI.

For ITS, we kept the forecast unchanged at this time, while factoring in the impact of unprofitable operations. This is because we took into account that other business growth is progressing as initially expected and that actuarial gains and losses are expected to be less costly at the end of the fiscal year than in the previous fiscal year.

FY2026 Full Year Forecasts (changed from initial forecasts)

	[million yen]					
	FY2025 results	FY2026 forecast	YoY change		Previous forecast	Change
			Amount	Rate		
Net sales	121,458	125,000	+3,541	+2.9%	122,000	+3,000
TTC	47,090	51,500	+4,409	+9.4%	48,500	+3,000
ITS	74,367	73,500	(867)	(1.2%)	73,500	—
Operating profit	8,010	8,400	+389	+4.9%	7,500	+900
Operating profit margin	6.6%	6.7%	+0.1P		6.1%	+0.6P
Ordinary profit	9,734	9,500	(234)	(2.4%)	9,000	+500
TTC	5,715	5,800	+84	+1.5%	5,300	+500
ITS	4,037	3,700	(337)	(8.3%)	3,700	—
Profit attributable to owners of parent	6,386	6,600	+213	+3.3%	5,800	+800
Basic earnings per share (yen)	405.55	418.88	+13.33	+3.3%	368.26	+50.62
ROE	9.2%	8.9%	(0.3P)		8.0%	+0.9P

Page 21 shows the revised forecast.

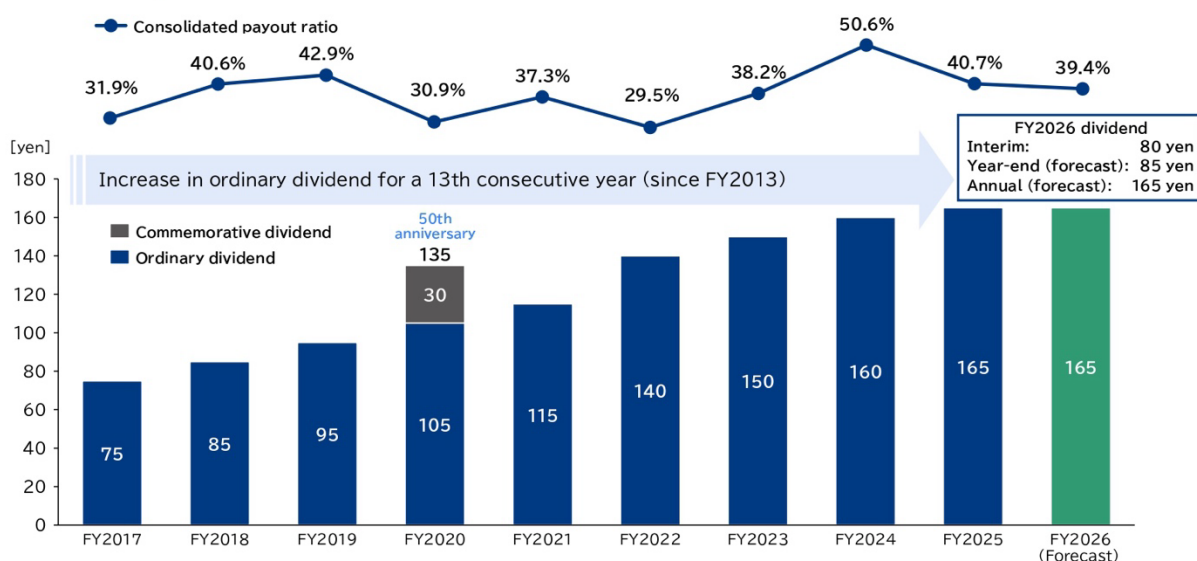
Net sales and operating profit are revised upward to JPY125 billion and JPY8.4 billion, respectively. Compared to the previous forecast, net sales and operating profit have increased by JPY3 billion and JPY900 million, respectively. Ordinary profit is revised to JPY9.5 billion and net profit to JPY6.6 billion, reflecting the gain on sales of investment securities. ROE is expected to be 8.9%.

While being conscious of capital efficiency, the Company will prioritize investments to enhance its ability to generate future profits, rather than to generate short-term profits by limiting investments for growth. The Company will make appropriate decisions on shareholder returns, emphasizing stability and balancing medium- and long-term cash-generating capacity with investment demand.

FY2026 Full Year Dividend Forecasts (no change from initial forecasts)

Dividend Policy

The basic policy is to continue to pay stable dividends, determined by comprehensively considering the balance between operating results, future funding requirements and financial soundness, among other factors. A dividend payout ratio of around 40% is targeted.



Please see page 22.

As in the past, the dividend policy will be based on stable dividends and will be determined by comprehensively taking into consideration the

balance between business performance, future capital needs, and financial soundness.

As the current fiscal year is also a phase in which we will steadily implement investments for the next medium-term management plan, we maintain our dividend forecast unchanged at this time. The interim dividend is JPY80, the year-end dividend is JPY85, and the annual dividend is JPY165. We will make our decision after carefully examining the future situation, including the handling of any upward swing in business performance.

Topics: Business Development Using AI

Mitsubishi Research Institute Starts Providing AI Scoring Model for Practical Operations of Mebuki Financial Group, Inc(2026/4/1)

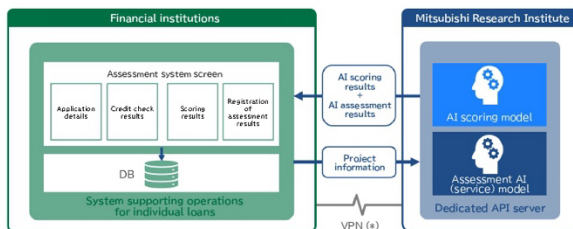
<https://www.mri.co.jp/news/press/20260401.html>

- Supporting the sophistication of credit risk assessments and evaluation decisions by linking the AI scoring model and the Assessment AI service
- AI scoring model: Analysis engine that quantifies credit risk
- Assessment AI (service): A decision-making support system that makes evaluation decisions based on scores, etc.

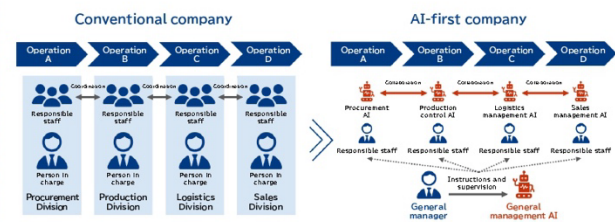
Mitsubishi Research Institute Comprehensively Supports Companies in Their Shift to AI-First Approach (2026/3/2)

<https://www.mri.co.jp/news/press/20260302.html>

- Supporting companies in their use of AI by transforming their organizations and operations and ensuring they become entrenched, instead of confining the use of AI to the proof-of-concept stage:
- Taking the following four approaches to achieving the above
 - A: Use case exploration and specification
 - B: Establishment of system infrastructure and organization of data
 - C: Establishment of rules and governance structures
 - D: Facilitating establishment with hands-on support



* VPN (Virtual Private Network) technologies are communication technologies used to link bases using virtual dedicated lines to facilitate the secure transmission of information.



Waste occurs when matters are being confirmed within organizations and when organizations are coordinating. This results in an insufficient understanding of the external environment and insufficient responses to change.

Enabling the 24/365 high-speed mass production of high-quality products

Topics. I will cover only the main points today. For more details, please feel free to take a look at your convenience. Page 24 is an example of AI-based business development.

We have started providing AI scoring models in practice in the financial sector to help improve the sophistication of screening decisions. In addition, we are expanding our accompanying services from conception

to establishment to support companies' shift to AI-first. We have positioned the development of new businesses and services utilizing such AI as one of our growth areas and will continue to promote it.

Topics: Recent News Releases

Date	Title	※All releases below are only in Japanese
[TTC]		
21 April 2026	Mitsubishi Research Institute Begins Research and Study on Resource Circular Society Strategy for Plastics	
20 April 2026	Mitsubishi Research Institute Announces 11 Proposals for Future Co-Creation Between Offshore Wind Power Generation and the Fisheries Industry	
20 April 2026	Mitsubishi Research Institute Examines Cost Rationality of Domestically Produced Green Hydrogen from Multiple Perspectives Including Energy and Economic Security	
15 April 2026	Mitsubishi Research Institute Entrusted with Nursing Care Start-up Support Initiative Powered by CARISO by Ministry of Health, Labour and Welfare	
14 April 2026	Mitsubishi Research Institute Launches Preparatory Committee to Establish Japan Council for the Promotion of Robotic Manipulation Application (Tentative Name) Jointly with DENTSU SOKEN INC.	
13 April 2026	Mitsubishi Research Institute Launches Initiatives to Achieve Both Higher-Level Risk Management and Establishment of a Sustainable Structure in Retail Field	
6 April 2026	Mitsubishi Research Institute Announces MEGURI2040 Stage 2 Achievements: Four Demonstration Vessels Obtain MLIT Certification as Autonomous Ships	
3 April 2026	Mitsubishi Research Institute and SAKURA internet Inc. Begin Considering Collaboration in Domains of Digital Government and Digital Sovereignty	
1 April 2026	Mitsubishi Research Institute Starts Providing AI Scoring Model for Practical Operations of the Mebuki Financial Group, Inc	

Topics: Recent News Releases

Date	Title	※All releases below are only in Japanese except for certain releases
[TTC]		
2 March 2026	Mitsubishi Research Institute Comprehensively Supports Companies in Their Transformation into AI-First Companies	
24 February 2026	Biostimulants Boost Rice Yields in Vietnam	
16 February 2026	Mitsubishi Research Institute Submits Opinions Regarding Proposed GHG Protocol Scope 2 Guidance Revision	
10 February 2026	Mitsubishi Research Institute and TDSE Inc. Confirm Effectiveness of PC Operation Agent Technology Using AI to Operate PCs in Businesses Conducted in Japanese	
[ITS]		
16 March 2026	[DCS] Entrance Examinations will Change! miraicompass and Eiken Foundation of Japan's Life-long Learning Platform collaborate	

Topics: Recent News Releases

Date	Title	※All releases below are only in Japanese
[Affiliates]		
31 March 2026	[JBS] JBS Supports Mitsubishi UBE Cement Corporation's Strengthening of Global IT Governance	
23 March 2026	[JBS] JBS Starts Collaborating with Avanade Japan K.K. Anticipating Expansion of AI Agent Use	
16 March 2026	[JBS] MOU Signed a Basic Agreement with SAKURA internet Inc. Regarding Activities to Drive Digitalization of Administration Systems	
12 March 2026	[JBS] JBS Supports DENSO's Transformation to Achieve 30,000 Office Workers Using AI with 99% Utilization Rate	
12 March 2026	[JBS] JBS Ready to Support Transformations into Frontier Companies Collaborating with AI Agents	

Pages 25 through 27 are examples of press releases issued by the group companies and us during this period. Please take a look at your convenience.

四半期別連結業績

Consolidated operating results by quarter

【百万円】【Million Yen】

	2024年9月期(FY2024)					2025年9月期(FY2025)					2026年9月期(FY2026)		
	1Q	2Q	3Q	4Q		1Q	2Q	3Q	4Q		1Q	2Q	
売上高 Net sales	27,668	38,865	23,720	25,108	115,362	27,706	37,731	26,185	29,834	121,458	30,899	41,672	72,571
販売費及び 一般管理費等 SG&A expenses	4,319	4,410	4,885	4,744	18,358	4,952	4,666	5,726	5,382	20,728	4,977	5,005	9,982
営業利益 Operating profit	2,037	6,564	(1,542)	1	7,060	1,480	5,339	(186)	1,377	8,010	3,455	5,838	9,293
営業利益率 Operating profit margin	7.4%	16.9%	-	0.0%	6.1%	5.3%	14.2%	-	4.6%	6.6%	11.2%	14.0%	12.8%
経常利益 Ordinary profit	2,437	6,904	(1,201)	7	8,147	1,938	5,702	613	1,479	9,734	3,857	6,236	10,094
経常利益率 Ordinary profit margin	8.8%	17.8%	-	0.0%	7.1%	7.0%	15.1%	2.3%	5.0%	8.0%	12.5%	15.0%	13.9%
親会社株主に帰属 する四半期純利益 Profit attributable to owners of parent	1,178	5,033	(1,362)	153	5,003	991	3,889	105	1,398	6,386	2,634	5,835	8,470

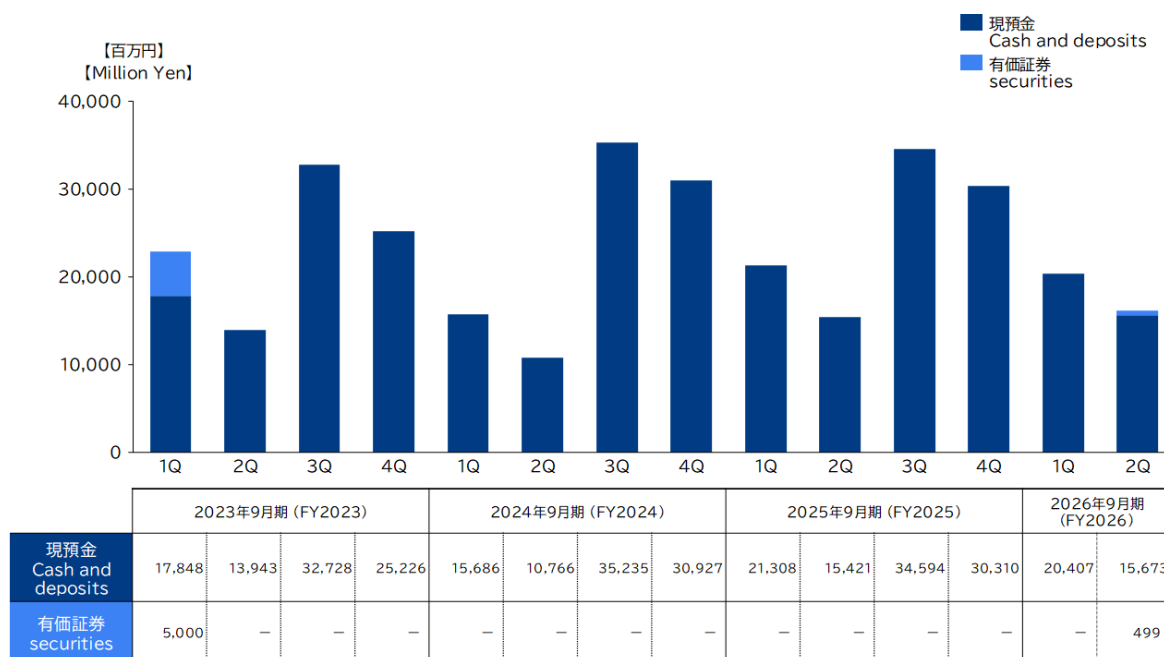
四半期別セグメント別業績

Segment operating results by quarter

【百万円】【Million Yen】

	2024年9月期(FY2024)					2025年9月期(FY2025)					2026年9月期(FY2026)			
	1Q	2Q	3Q	4Q		1Q	2Q	3Q	4Q		1Q	2Q		
TTC	売上高 Net sales	9,563	20,869	6,682	8,304	45,419	9,547	19,366	7,837	10,339	47,090	11,095	22,466	33,562
	営業利益 Operating profit	703	4,956	(1,722)	(534)	3,402	716	4,278	(721)	71	4,344	1,976	5,798	7,774
	営業利益率 Operating profit margin	7.4%	23.8%	-	-	7.5%	7.5%	22.1%	-	0.7%	9.2%	17.8%	25.8%	23.2%
	経常利益 Ordinary profit	995	5,238	(1,482)	(513)	4,237	1,069	4,579	(79)	146	5,715	2,286	6,144	8,431
	経常利益率 Ordinary profit margin	10.4%	25.1%	-	-	9.3%	11.2%	23.6%	-	1.4%	12.1%	20.6%	27.3%	25.1%
ITS	売上高 Net sales	18,105	17,996	17,038	16,803	69,942	18,159	18,364	18,348	19,495	74,367	19,803	19,205	39,009
	営業利益 Operating profit	1,329	1,607	181	538	3,657	769	1,062	545	1,306	3,683	1,480	40	1,521
	営業利益率 Operating profit margin	7.3%	8.9%	1.1%	3.2%	5.2%	4.2%	5.8%	3.0%	6.7%	5.0%	7.5%	0.2%	3.9%
	経常利益 Ordinary profit	1,437	1,666	281	523	3,909	874	1,124	702	1,335	4,037	1,571	93	1,665
	経常利益率 Ordinary profit margin	7.9%	9.3%	1.7%	3.1%	5.6%	4.8%	6.1%	3.8%	6.8%	5.4%	7.9%	0.5%	4.3%

四半期別現金保有高 Cash and deposits by quarter



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These materials are prepared for the purpose of providing reference information for making investment decisions and not for the purpose of soliciting investment.

After page 29 is the Appendix. This report contains more detailed information, including figures and quarterly trends. Please take a moment to read it when you have the time.

This concludes my explanation.

The next medium-term management plan is currently under consideration. We plan to identify specifics over the summer. Based on the results of 1H of the fiscal year, we believe that the direction we have hypothesized as a priority area is generally progressing as expected, and that this will serve as the basis for the business direction of the next medium-term management plan.

Thank you for your kind attention.

Question & Answer

A : Although you have revised the forecast for TTC upward this time, when various factors are taken into account, TTC's performance in 2H of the year is still expected to deteriorate significantly compared to last year. I assume that this is due to the impact of investments scheduled to be made in 2H of the year. Could you please share more details?

Answer 1: For MRI, because our business is primarily with government agencies, revenue is concentrated in 1H, while 2H is typically a period of groundwork. As a result, 2H often ends up in the red.

Last year, however, 2H performed exceptionally well, and we were able to both sow and reap, so ordinary profit for the year ended up roughly in line with the prior year. This year, however, we expect the difference to be around negative JPY2.6 billion, which, compared to last year, shows a significant difference.

There are two reasons. First of all, based on the recent orders' status, orders are coming in quite favorably. However, the capacity utilization rate was extremely high last year. If we assume that the utilization rate will remain at a high level this fiscal year, there is a risk that issues may arise. Therefore, we have set our sales forecast conservatively, targeting a level comparable to the same period last year.

Second, we plan to aggressively implement various investments and up-front expenditures in 2H of this fiscal year and in the next fiscal year and beyond, in preparation for our next medium-term management plan. Various costs and investments are expected to emerge as factors that will weigh on overall earnings in 2H of the year.

To share some more specifics, we expect to invest about JPY700 million in R&D, mainly in AI, in 2H of the year, an increase of about JPY400 to JPY500 million over the previous year. In addition, investments in human resources and personnel expenses are expected to increase by JPY700

to JPY800 million compared to the previous year, due to increases in bonuses associated with base salary increases (base pay raises) and favorable business performance.

We also have upfront investments, such as system investments, or investments related to recruitment and overseas investment. We expect to see the same level of cost increase in these investments. When these various factors are added together, a significant portion of the YoY decline can be explained. Also, the performance of the equity-method subsidiary is a factor that slightly lowers the overall ordinary profit.

In any case, we do not anticipate that our business will peak in 1H of the year and then shift to negative growth in 2H and beyond. While revenue and order intake continue to benefit significantly from favorable market conditions and our performance remains solid, we expect to post a loss in 2H of the current fiscal year, primarily due to investments aimed at future growth. We appreciate your understanding that this reflects our six-month business cycle.

B : ITS has had major unprofitable projects this year as well as last year. What caused the project to become unprofitable, and what measures were taken to prevent a recurrence? Is there a possibility of further deficits or expenses arising during the current fiscal year?

Answer 2: First, regarding the possibility of the new unprofitable project arising or additional costs being incurred during the current fiscal year, the budget for this project has already been calculated based on the maximum allocation amount, and we believe it is unlikely that additional costs will arise in connection with this project.

Since this concerns individual clients, I will refrain from providing further details. The key point is that the system was new. The specifications and the nature of the operations were far more complex than initially anticipated; a fact that became apparent after the specifications were finalized.

These are system projects. Therefore, we acknowledge that it is unlikely such incidents will be completely eliminated in the future. However, we have determined that the overall trend in this instance was attributable to changes in the new system's specifications and the fact that the operations were more complex than expected. Consequently, from the perspective of preventing recurrence, we are implementing measures to prevent such situations from occurring.

To be more specific, from the perspective of gaining a deeper understanding of the projects, for example, we will go deeper into the upstream process. Then, we will accumulate business knowledge to gain a deeper understanding of the content. I would go further and say that we will improve productivity efficiency through the use of AI. We also need to deepen cooperation with external partners and improve our overall capabilities in a comprehensive manner.

To achieve this, a new department called the "development capabilities enhancement department" was established in April. This department will play a central role in leading initiatives to strengthen and enhance our comprehensive development capabilities, with the aim of significantly reducing the occurrence of system failures. In addition, the human resources department will take the lead in revitalizing our talent strategy and promoting skill development, including reskilling.

I would like to add that of the approximately 1,500 projects that we are running overall, only about 2% of them actually result in this kind of situation.

C : I remember that you had announced the directions for the current medium-term management plan (MP2026) at the time of the interim report. There was no specific announcement at this time, but would it be correct to say that you will be announcing the next medium-term management plan (MP) when you review the full-year earnings results?

Answer 1: We are actually in the process of formulating and detailing the next MP. We are hoping to share the plan at the time of the release of the next financial results, the full-year financial results.

In fact, we made some major revisions to MP2026 last year. While we were in the midst of the revision process, I stated that in 2026 we would focus on redefining our ideal vision for 2030 and reorganizing our business operations in preparation for the next MP.

At that time, our primary direction was to create synergies between TTC and ITS as the core of the Group's growth strategy. That said, I'm starting to get a sense of what is and isn't possible. Therefore, we will clearly narrow down the areas where we aim and expect synergies to emerge, and at the same time, we will formulate a strategy that will enable us to demonstrate our respective strengths, MRI's and DCS's strengths.

Regarding the collaboration between MRI and DCS, we are positioning it as one of the various options. The direction of maximizing the Group's corporate value was verified in this fiscal year 2026 as we proceeded with business narrowing, selection, and concentration within each of our business entities. We also started with the idea of connecting this to the next MP.

The financial results of 1H of the fiscal year shared today show that this new strategy is generating a positive effect. In terms of the strategic direction and priority business areas, we do not expect major changes in the next MP. The direction we outlined in the previous financial results, particularly the themes of focus and selection that I explained today, will remain largely unchanged.

On the other hand, the environment surrounding us has changed considerably. With the evolution of AI, how can we incorporate it into our business and leverage it to fuel growth?

In addition, the mobility of human resources has increased considerably, and competition has intensified. We are currently finalizing the details of the new MP to ensure alignment between the numerical targets and the associated initiatives, while also incorporating recent changes in the external environment. We aim to disclose the new plan at the time of our annual financial results announcement.

D : How do you view the shockwave from Anthropic's latest release in February? Also, what are your thoughts on the impact of AI on your business?

Answer 1: I believe this phenomenon, where AI is expected to have a disruptive impact on various economic, social, and corporate sectors and is likely to have a particularly significant negative impact on the IT industry, is what caused stock prices in related sectors to plummet in both the United States and Japan.

I assume both positive and negative aspects of how the evolution of AI will affect our industry. At this point, these positive effects are becoming increasingly evident. In the consulting and IT services industries, companies are integrating AI capabilities into their businesses. Demand for consulting services and system design services related to AI implementation has boosted our performance. This trend was particularly pronounced in our 1H results.

On the other hand, as AI continues to evolve, tasks such as simple research and analysis, programming, and system development will likely be gradually replaced by AI. Alternatively, by leveraging AI capabilities, organizations may be able to handle these tasks in-house. In the long term, this could have significant negative consequences.

While it is unclear how long this trend will continue, we view it as a favorable opportunity for our company. We are currently exploring ways to provide new value to our customers. We are also examining how we can enhance the value contributed by each individual employee by leveraging AI to streamline internal business processes and various back-office operations. We are taking a variety of measures, knowing that our efforts to address this issue will lead to the use of AI as a tailwind, and we are also working on up-front investments.

We would like to make the specifics a pillar of our strategy in the next MP. I plan on announcing the overall plan as part of the MP. We will also introduce these examples in press releases and in our communication with investors.

E : I have a different perspective on unprofitable ITS project. When the president commented that it was based on individual case factors at this point, do you consider the risk that structural problems in DCS's business model may become apparent in the future?

Answer 1: We are currently in the middle of an evaluation. We are considering changes to our business model in preparation for our next MP.

Regarding the potential for this business segment, which currently includes the unprofitable projects to become a pillar of our future business model, we recognize that possibility and are currently treating it as a separate project.

To lay the foundation for the future of the DCS business model, we must resolve this issue at its root. Therefore, we intend to implement the preventive measures and use them as the cornerstone of our future business. We are committed to taking measures to prevent the recurrence of such issues and to use them as the foundation for our future business.

[END]

[Translation for reference only]

This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.