

FY2026 Q2 Financial Results

Six months ended March 31,2026

Capital Asset Planning Co., Ltd.

TSE: 3965

May 20,2026

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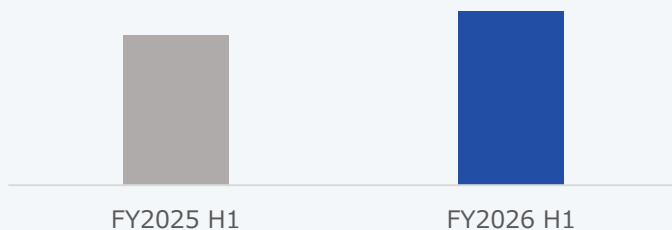
FY2026 Interim Highlights

- Record-high sales and profits for the first half of the financial year.

Net sales

¥ 5,487M

+16.2% YoY



Operating Profit

¥ 638M

+66.3% YoY



Ordinary Profit

¥ 643M

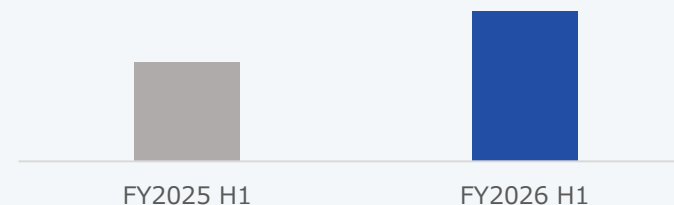
+65.3% YoY



Profit attributable to owners of parent

¥ 405M

+51.8% YoY



Key Achievements

Life Insurance Sector

- Rebuilt customer management systems and system integrations following organizational restructuring
- Developed insurance agency management systems

Banking Sector

- Enhanced goal-based planning (GBP) systems for mega banks
- Continued DX projects for net banks and regional banks

Securities Companies Sector

- Enhanced an investment product order support system for IFAs

Cloud & Digital Services

- WMW(Wealth Management Workstation) account base expansion driving license/usage fees

FY2026

Interim Consolidated Results

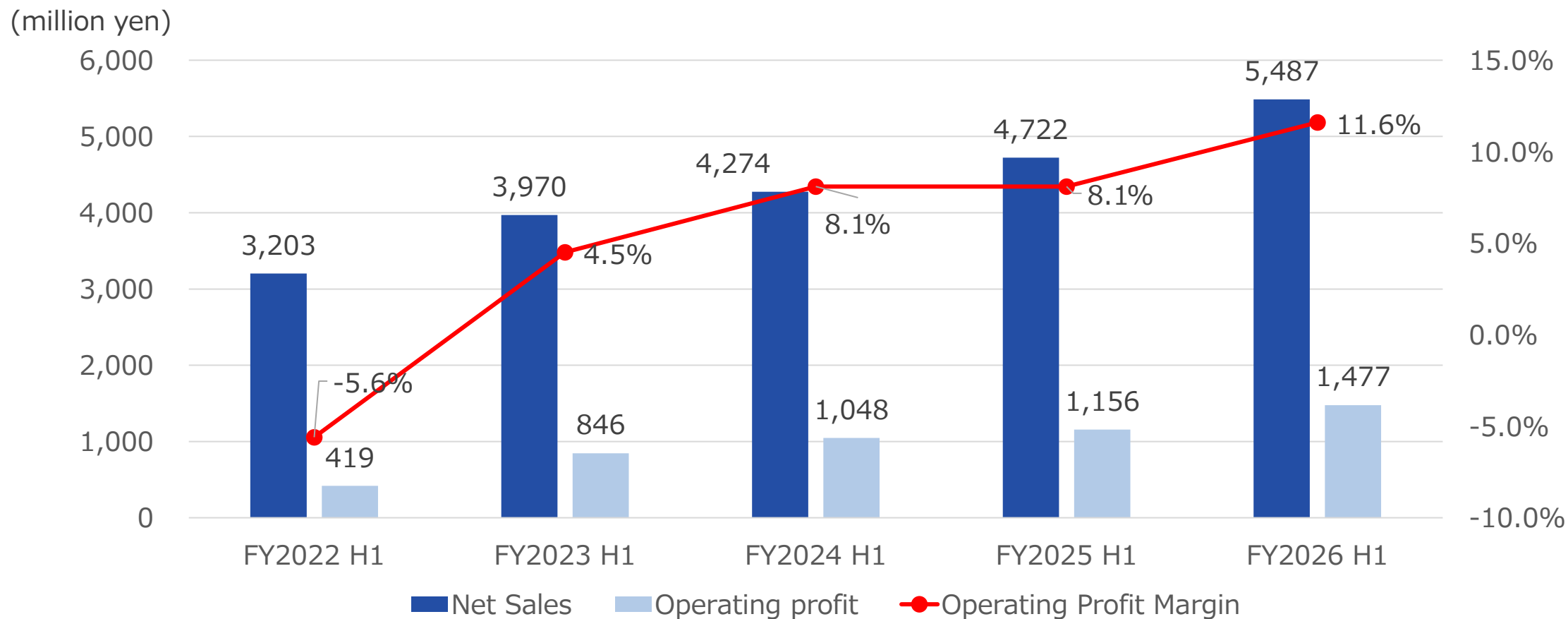
FY2026 Interim Consolidated Results

- Record-high sales and profits for the first half of the year
- The gross profit margin improved from 24.5% to 26.9%, and the operating profit margin improved from 8.1% to 11.6%.

Unit: million yen	FY2025 H1	FY2026 H1	YoY comparison	
			Increase/ Decrease	Rate of increase or decrease
Net sales	4,722	5,487	765	16.2%
Gross profit	1,156	1,477	320	27.7%
Gross profit margin	24.5%	26.9%	–	2.4P
SG&A expenses	772	838	66	8.6%
Operating profit	383	638	254	66.3%
Operating profit margin	8.1%	11.6%	-	3.5P
Ordinary profit	389	643	254	65.3%
Profit before income taxes	398	613	215	54.2%
Profit attributable to owners of parent	267	405	138	51.8%

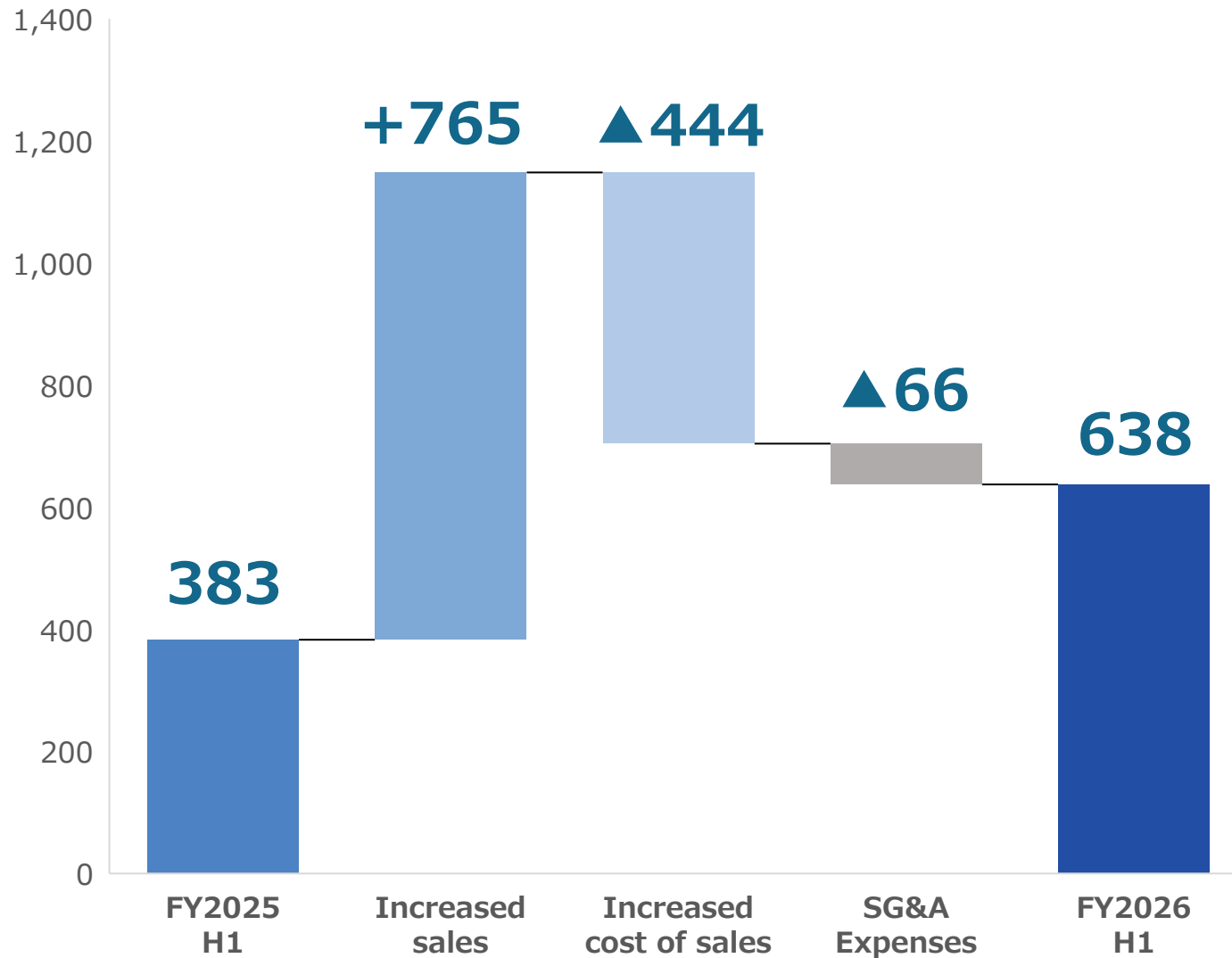
Net Sales / Operating Profit Margin Trends

- In addition to development projects such as the rebuild of customer management systems for life insurance companies and the system DX projects for an online bank, sales from licensing and maintenance also increased due to the rise in the number of WMW accounts. As a result, the company recorded record-high sales of 5,487 million yen for the interim period



Analysis of Operating Profit by Factor (YoY Change)

(million yen)



Main factors

Positive Drivers

- Continued strength in life insurance projects
- Expansion of DX projects for mega/net banks
- Growth in stock revenue such as licensing and maintenance associated with the increase in the number of "WMW" accounts. (+23.2% YoY)

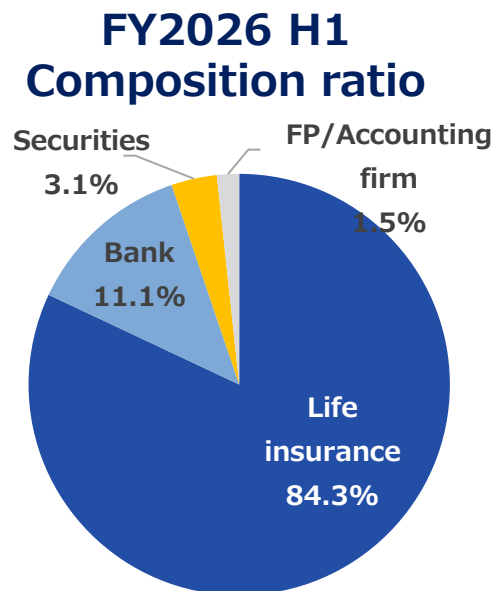
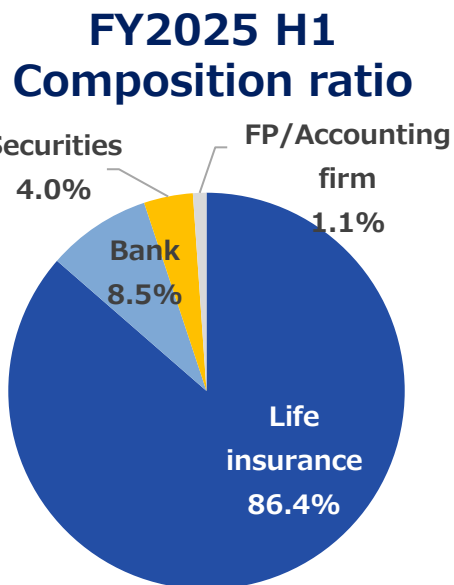
Cost and Efficiency

- Controlled labor/subcontracting costs growth below sales growth (+16.2%)
- Proactive use of generative AI tools achieved up to ~60% time reduction in one of development processes

Operating profit increased by +66.3% YoY through sales growth and the use of AI

Sales by Client Segment

- Sales to life insurance companies increased by 13.4% year-on-year, while sales to banks increased by 51.5%, driven by improvements to goal-based planning systems for mega-banks and system DX (digital transformation) projects for online banks



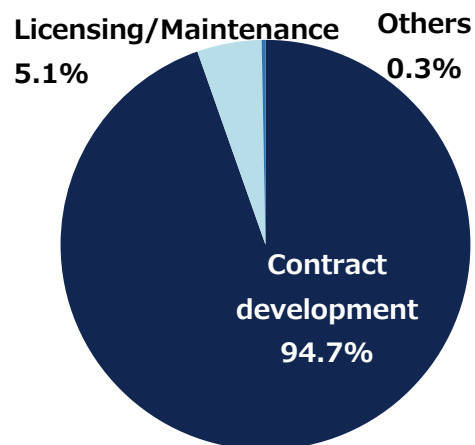
Unit: million yen	FY2025 H1	ratio(%)		FY2026 H1	ratio(%)
Life insurance	4,079	86.4	+13.4%	4,626	84.3
Bank	402	8.5	+51.5%	609	11.1
Securities	189	4.0	13.6%	168	3.1
FP/Accounting firm	51	1.1		82	1.5
Total amount	4,722	100.0		5,487	100.0

15.7%

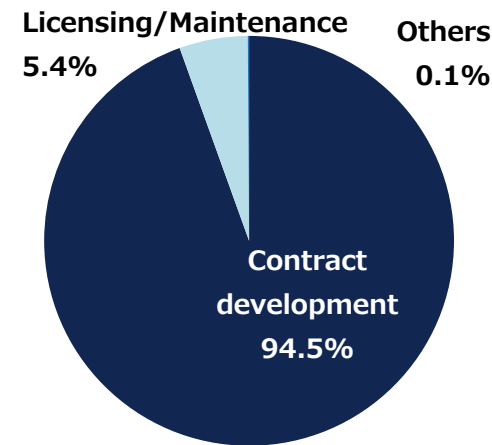
Sales by Service Type

- Contact System Development remains around 95% of total sales with 16.0% of growth by new projects for life insurance and regional banks
- Sales from Licensing & Maintenance also increased by 23.2% due to factors such as an increase in the number of accounts for our proprietary cloud service, Wealth Management Workstation (WMW)

**FY2025 H1
Composition ratio**



**FY2026 H1
Composition ratio**



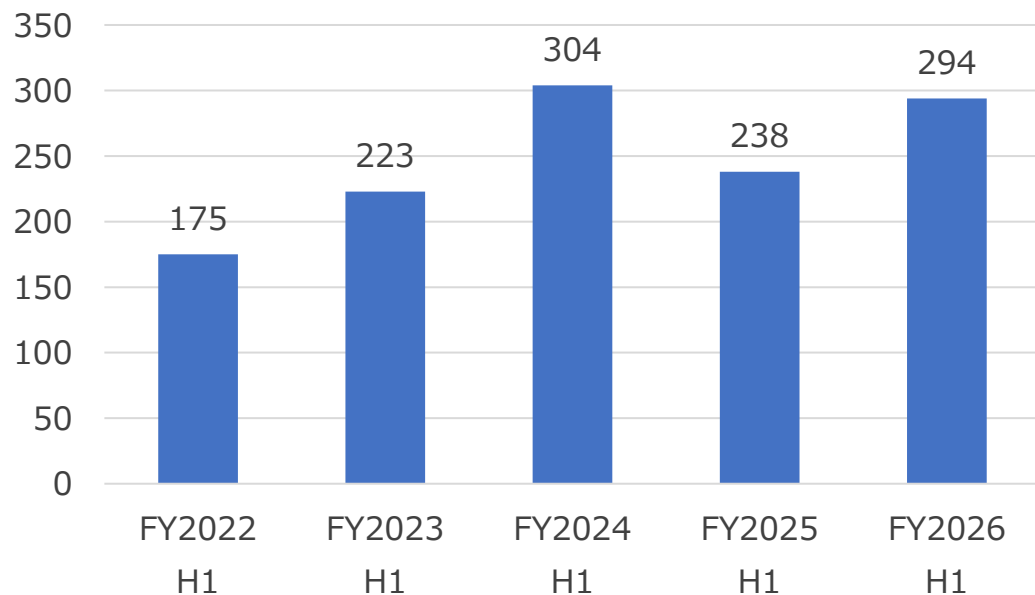
The ratio of non-contract development sales remains low at 5.5%.

Unit: million yen	FY2025 H1	ratio(%)	FY2026 H1	ratio(%)
Contract development	4,469	94.7	+16.0% → 5,185	94.5
Licensing/Maintenance	238	5.1	+23.2% → 294	5.4
Others	13	0.3	7	0.1
Total amount	4,722	100.0	5,487	100.0

Licensing / Maintenance Sales and Sales per Employee

Licensing & Maintenance Sales trends

(million yen)

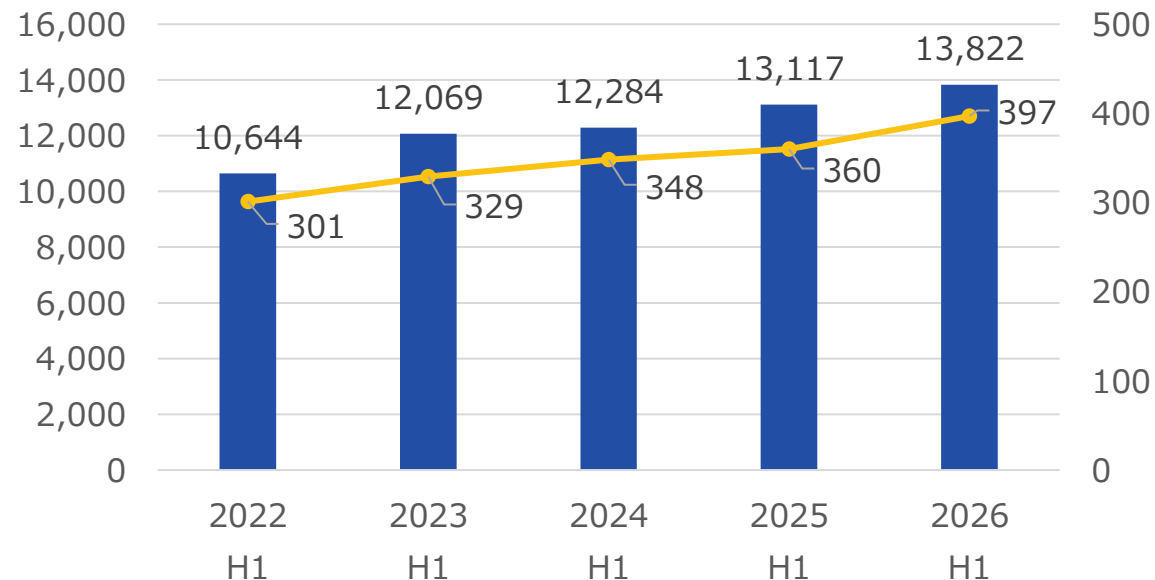


- The number of accounts for our integrated asset management and tax management system, "WMW (Wealth Management Workstation)," is continuously increasing, and consequently, licensing and maintenance sales is also rising
- Licensing and usage fee from the financial portfolio management system developed by the subsidiary Trust Engine is also expected to add in FY2027

Trends in Number of Employees / Sales per Employee

(Revenue per employee : thousand yen)

(Number of Employees)



■ Sales per employee ● Employees

- Employee headcount and sales per employee both increasing
- Factors contributing to the increase in sales per employee include expanded orders from existing clients, increased efficiency in the development process through the use of generational AI, and increased sales from licensing and maintenance

Consolidated Income Statement

	FY2025 H1		FY2026 H1		Rate of increase or decrease	Factors
	Amount (Million yen)	% of Net Sales	Amount (Million yen)	% of Net Sales		
Net sales	4,722	100.0	5,487	100.0	16.2%	<ul style="list-style-type: none"> Restructuring of customer management systems and proposal and application systems for life insurance companies Enhanced goal-based planning systems and DX projects for an online bank systems
Cost of sales	3,565	75.5	4,010	73.1	12.5%	<ul style="list-style-type: none"> As sales increased, cost of sales including labor costs and subcontracting expenses, increased by 444 million yen
Gross profit	1,156	24.5	1,477	26.9	27.7%	<ul style="list-style-type: none"> Gross profit margin improved from the same period last year, to 26.9%
SG&A expenses	772	16.4	838	15.3	8.6%	<ul style="list-style-type: none"> Personnel expenses such as salaries, allowances, and welfare expenses increased
Operating profit	383	8.1	638	11.6	66.3%	<ul style="list-style-type: none"> Although cost of sales and SG&A Expenses increased, both were kept below the rate of increase in net sales, resulting in a significant increase in operating profit
Non-operating income	16	0.3	20	0.4	26.6%	
Non-operating expenses	11	0.2	15	0.3	42.0%	
Ordinary profit	389	8.2	643	11.7	65.3%	
Profit before income taxes	398	8.4	613	11.2	54.2%	
Total income taxes	130	2.8	218	4.0	67.0%	<ul style="list-style-type: none"> Including deferred tax adjustments of 11 million yen
Profit attributable to owners of parent	267	5.7	405	7.4	51.8%	<ul style="list-style-type: none"> Despite an increase in income taxes, profit increased due to the substantial growth in operating profit
Comprehensive income attributable to owners of parent	411	8.7	197	3.6	△52.1%	<ul style="list-style-type: none"> A decrease of 208 million yen in valuation difference on available-for-sale securities was recorded

Consolidated Balance Sheet

Unit: million yen	FY2025	FY2026 H1	Rate of increase or decrease	Factors
Current assets	4,677	5,308	13.5	<ul style="list-style-type: none"> ● Accounts receivable and contract assets decreased by 56,671 thousand yen ● Cash and deposits increased by 670,299 thousand yen
Non-current assets	1,943	1,595	-17.9	<ul style="list-style-type: none"> ● Investment securities decreased by 333,906 thousand yen
Total assets	6,630	6,912	4.2	
Current liabilities	1,956	2,203	12.6	<ul style="list-style-type: none"> ● Income tax payable increased by 114,991 thousand yen, accrued consumption taxes increased by 75,796 thousand yen, and contract liabilities increased by 58,286 thousand yen.
Non-current liabilities	743	637	-14.3	<ul style="list-style-type: none"> ● Long-term borrowings decreased by 23,621 thousand yen, and deferred tax liabilities decreased by 83,883 thousand yen
Total liabilities	2,700	2,840	5.2	
Total net assets	3,930	4,071	3.6	<ul style="list-style-type: none"> ● Profit attributable to owners of parent of 405,321 thousand yen was recorded, while valuation difference on available-for-sale securities decreased by 208,268 thousand yen
Total liabilities and net assets	6,630	6,912	4.2	

FY2026 H1

Key Topics

Strategy 1 | Deepening and Strengthening the Customer Base

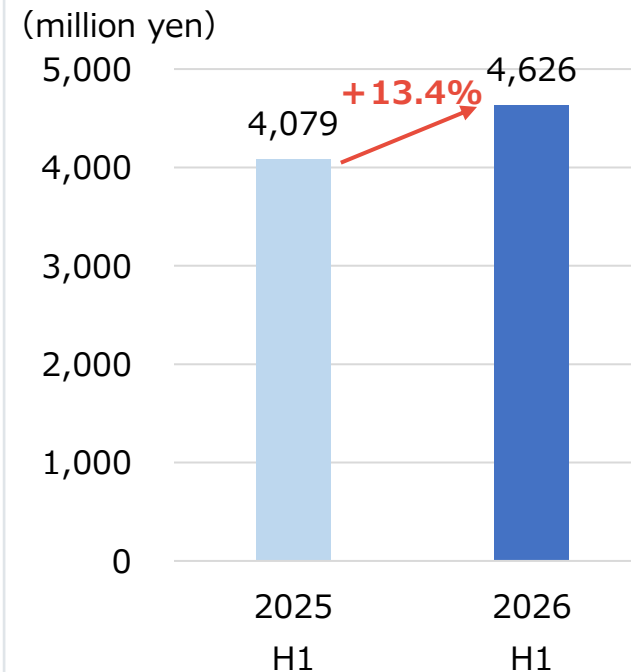
Long-term Trust Relationship × Advanced Technology for Deep Client Engagement

Main Initiatives and actions

- A major project to improve the customer management system continues
- System integration response associated with organizational restructuring
- Shortening of contract and administrative procedures (paperless, etc.)
- Development of proposal and application systems for new products (asset-building products and cancer insurance)
- Development of an insurance agency management system

Sales Trends to Life Insurance Companies

4,626 million yen (+547 million yen)
YoY comparison
+13.4%



Main Factors

- ✓ Orders from existing clients, including customer management system improvements
- ✓ Furthermore, new orders expanded based on trust, including system integration following organizational restructuring due to mergers, and new product development

Strategy 2 | Portfolio Reform (Banking, Securities, IFA)

Breaking away from dependence on specific industries and diversifying revenue streams

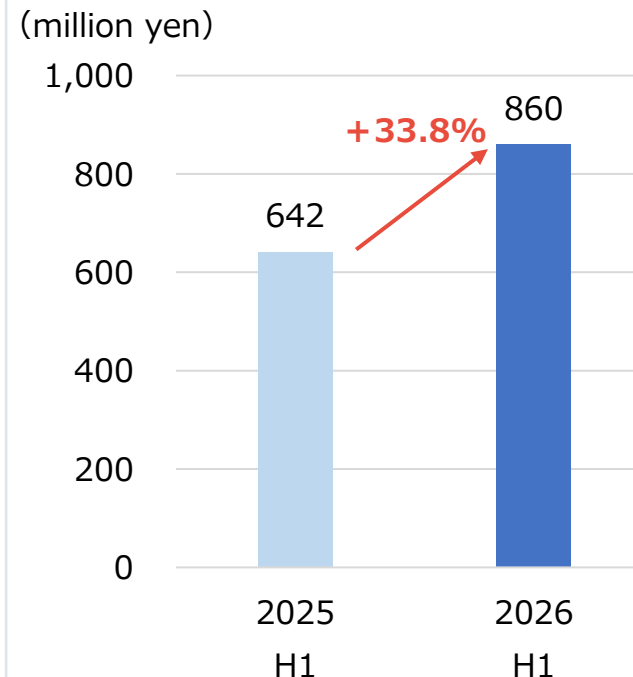
Main Initiatives and actions

- UI/UX improvements for an asset management and goal-based planning system for mega-banks
- Continuing to deepen the project for digital transformation and paperless operations of an online bank
- Functionality enhancement of an investment product order support system for securities companies and IFAs.

Sales Trends to Banking, Securities, IFA

860 million yen

YoY comparison
+33.8%
(+217 million yen)



Main Factors

- ✓ A mega-bank's goal-based planning system improvement project has entered the next phase, leading to increased sales
- ✓ Expansion of projects such as DX initiatives for an online bank
- ✓ New orders received from securities companies and regional banks.

Strategy 3 | Entry into Family Office Business

Background/Market Environment

With the arrival of the "100-year life era" and the "era of large-scale inheritance," the needs related to inheritance, business succession and asset management are rapidly expanding.

Status of the Company's Initiative

- To fully enter the family office business for high-net-worth individuals, established a wholly owned subsidiary, "Wealth Engine Co., Ltd.," in June 2024
- We are currently applying for registration as an investment advisory and agency business and a Type II financial instruments business
- In the future, we will use a financial portfolio management system developed by our group company, Trust Engine
- We plan to offer personalized, customized wraps to each customer and charge fees based on the balance of assets under management

Business Development Roadmap

★ current position

FY2026 H1

- License application under way (Investment advisory and agency business, etc.)

FY2026 H2

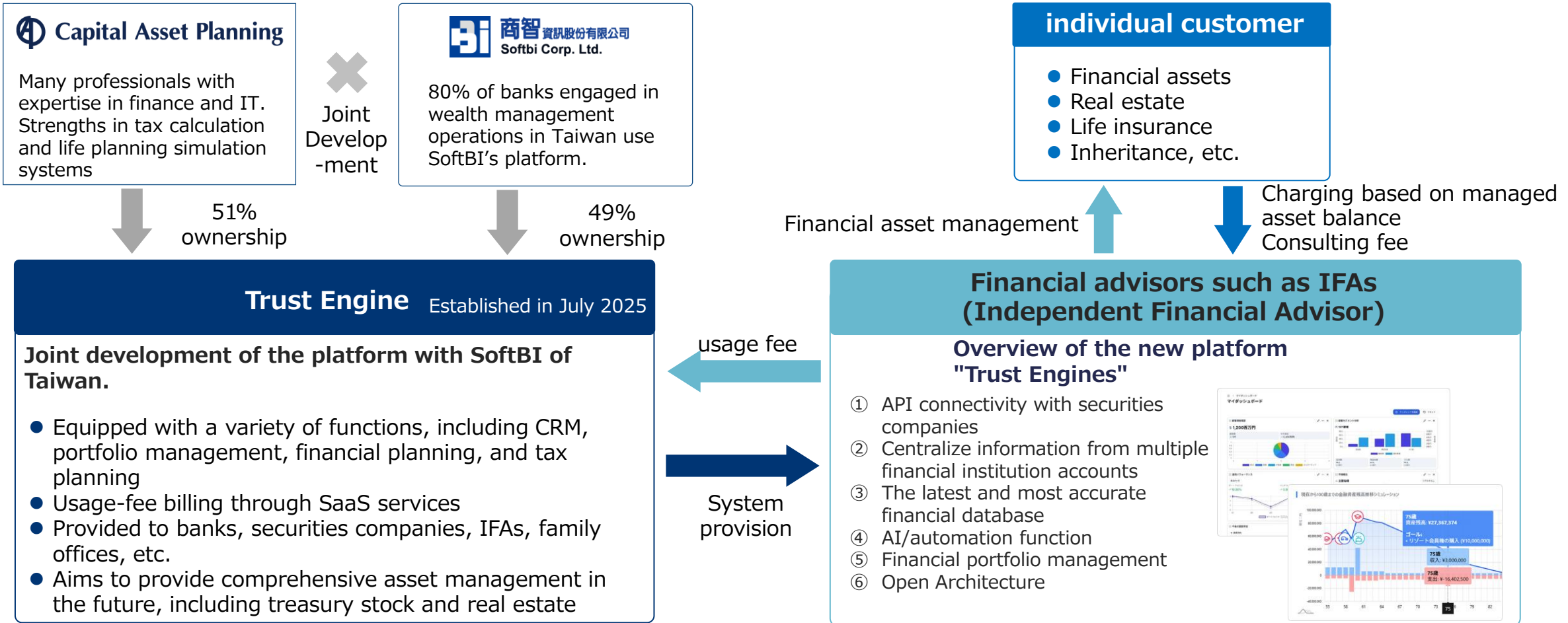
- Building a foundation for customer acquisition
- Rollout of marketing activities
- Uses a financial portfolio management system developed by Trust Engine

FY2027~

- Full-scale rollout of the family office business
- Provision of customized wrap products
- Service expansion and enhancement
- Achieving stable revenue

Strategy 4 | New Stock Business Platform Development

Through the group company Trust Engine, we are currently developing a financial portfolio management platform for IFAs and financial institutions, with the aim of expanding a subscription-based business.



Development is continuing toward release within the current fiscal year (FY2026).

Automation and Efficiency in Asset Management Business through AI Agents

- A comprehensive asset management AI agent executes the proposal creation process related to business succession, estate succession, and asset management.
- From total asset assessment to audio explanations for clients, it automates the entire process in one stop, achieving a unique competitive advantage.

Comprehensive Asset Management AI Agent

Proposal preparation



Business succession

Estate succession

Asset management

Screen example



Main features

Identifying total assets
Comprehensively identifies deposits, marketable securities, insurance, real estate and treasury shares, and visualizes the entire picture of the deceased's assets.

Hearing expectations and policies
Interviews the deceased's family about their expectations and policies regarding inheritance and asset division, and organizes the results as structured data.

Calculation of tax amounts and divided assets
Estimates inheritance tax amounts and divisible financial assets for each heir, and analyzes each person's ability to pay taxes.

Diagnosis of current issues
Diagnoses current issues from four aspects: tax payment feasibility, smooth asset division, reduction of taxable value, and optimization of asset management.

Proposal of solutions
Develop measures to resolve the four issues, visualizes priorities in order of effectiveness, and presents them in ranked form.

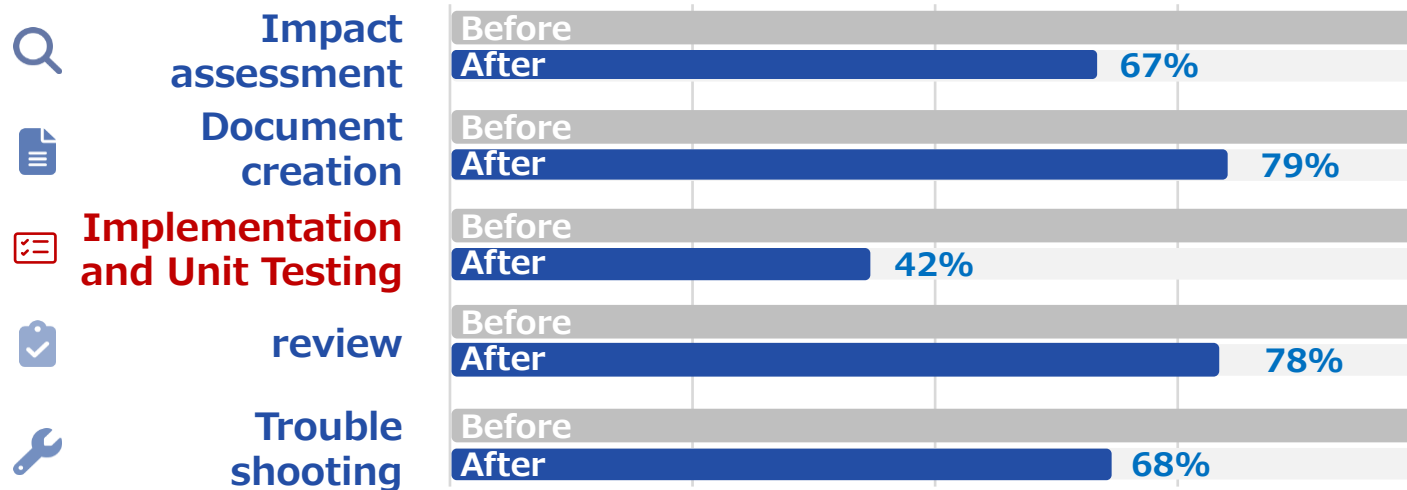
Creation of audio data for customers
Automatically generates approximately 10 minutes of audio covering the content of processes 1-5 to facilitate understanding.

Improving the Efficiency of System Development through the Use of Generative AI

- By utilizing AI code editors such as Claude Code in the development of our goal-based planning system, we significantly improved development efficiency throughout all stages of a system development project
- We utilized this technology in processes such as automatic code generation, completion, correction, and debugging, achieving both quality standardization and productivity improvement simultaneously

Time reduction rate by development process (Based on engineer survey results)

Time reduction rate 0% 25% 50% 75% 100%



- ✓ Average time reduction of approximately 33% across the 5-step process
- ✓ Achieves efficiency improvements of up to 58% (implementation and unit testing).

[Development lead time]



Significant reduction

[quality indicators]



Reduced defect rate

[Customer satisfaction]



Improving the on-time delivery rate

※The figures are based on data collected from engineers through a survey investigating their perceived reduction rates.

※Testing processes other than unit testing have not been verified.

FY2026

Performance forecast

FY2026 Consolidated Financial Forecast

- Due to anticipated uncertainty regarding system development orders in the second half of the year compared to previous years, we conservatively forecast full-year consolidated net sales at 10.3 billion yen, up 6.3% from the previous fiscal year, in line with the previously announced forecast
- Operating profit is projected at 730 million yen, reflecting lower production costs through the use of AI and strict control of selling, general, and administrative expenses

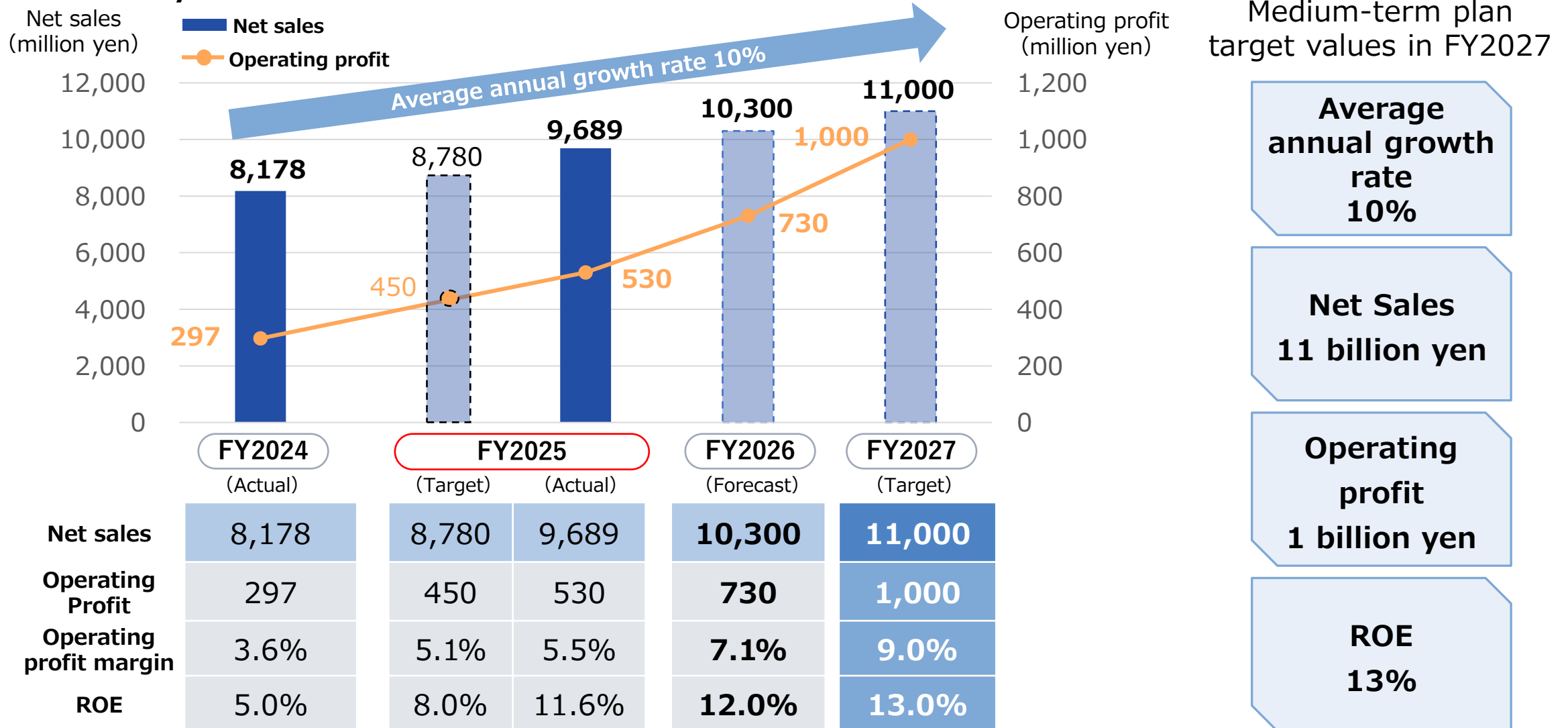
(unit : million yen)	FY2025		FY2026 H1		FY2026 earnings forecast		Compared to the previous period	
	Amount	Ratio of sales	Amount	Ratio of sales	Amount	Ratio of sales	Amount	Ratio of sales
Net sales	9,689	100.0	5,487	100.0	10,300	100.0	610	6.3
Cost of sales	7,567	78.1	4,010	73.1	7,800	75.7	232	3.1
Gross profit	2,122	21.9	1,477	26.9	2,500	24.3	377	17.8
SG&A expenses	1,591	16.4	838	15.3	1,770	17.2	178	11.2
Operating profit	530	5.5	638	11.6	730	7.1	199	37.6
Ordinary profit	535	5.5	643	11.7	735	7.1	199	37.4
Profit before income taxes	544	5.6	613	11.2	705	6.8	160	29.4
Total income taxes	146	1.5	218	4.0	260	2.5	113	77.8
Profit attributable to owners of parent	401	4.1	405	7.4	465	4.5	63	15.7

Consolidated Financial Forecast for FY2026

- ✓ **While uncertainty is anticipated at this time, the full year net sales forecast for FY2026 is projected to be 10.3 billion yen, a 6.3% increase compared to the previous year
⇒ Towards becoming a company with 10 billion yen in sales**
- ✓ **Gross profit is projected to increase by 18% year-on-year to 2.5 billion yen, driven by the promotion of increased efficiency in the development process through the use of generative AI.(Gross profit margin: 24%)**
- ✓ **We aim to achieve an operating profit of 730 million yen, a 38% increase year-on-year, surpassing the record high of 625 million yen recorded in FY2019**

Performance forecast from FY2025 to FY2027

Target achieved for FY2025. We aim for Net sales of 11 billion yen and Operating profit of 1 billion yen in FY2027.



Factors related to achieving the target for FY2027

Positive and negative factors for achieving the performance targets in FY2027

(unit : million yen)	FY2026 forecast	FY2027 target	FY26/FY27 comparison	
			Increase	growth rate
Net sales	10,300	11,000	700	6.8%
Operating Profit	730	1,000	270	37.0%
Operating Profit margin	7.1%	9.0%	-	1.9P
ROE	12.0%	13.0%	-	1.0P

Improvement in operating profit and operating profit margin is the key challenge.



Incorporate positive factors into performance and aim to achieve goals.

Positive factors

- There is a growing need for more sophisticated simulations related to inheritance, estate succession, and business succession, and we are seeing an increase in new inquiries for our system solutions, which have a strong advantage in integrating tax management and asset management services
- Our group company, Trust Engine, is currently developing a financial portfolio management system, which is scheduled for release during the September 2026 fiscal year. Following the release, revenue is expected to be generated through system licensing and usage fee charges, contributing to improved profit margins
- Our group company, Wealth Engine, is expected to obtain licenses for investment advisory and agency business and Type II Financial Instruments Business during FY2026. After that, it plans to charge based on the balance of assets under management through a customized wrap
- Increased sales revenue through the introduction of new services such as a comprehensive asset management AI agent and physical AI robo-advisor, and improved profit margins through increased efficiency in the development process using generative AI

Negative factors

- Increased uncertainty stemming from U.S. trade policy and the situation in the Middle East could lead to economic stagnation and a decline in capital investment, posing a risk to the system development of financial institutions
- Due to the suspension of business activities taken in response to scandals at financial institutions, investment in system development may stagnate
- The shortage of IT personnel is driving up labor costs, which poses a risk to gross profit margins in contract system development

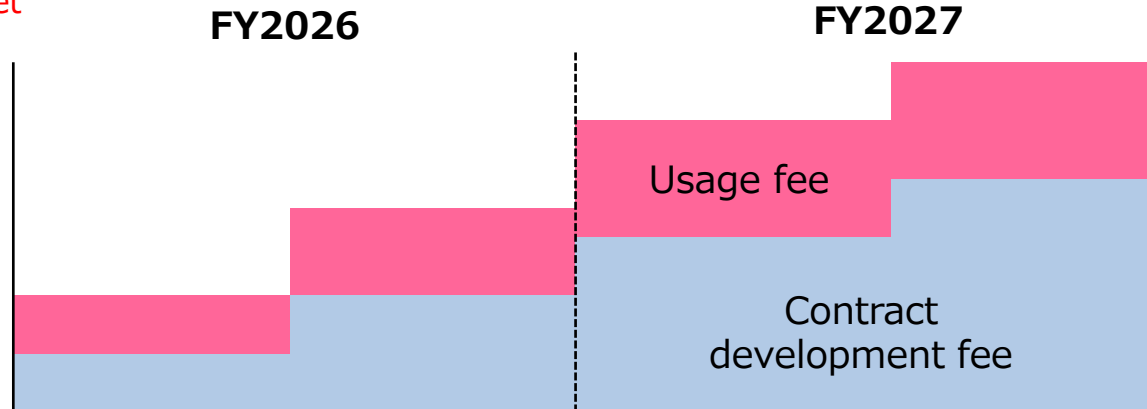
Strategy Scenarios for the Generative AI and AI Agent business

CAP Group's revenue streams, usage fees, and financial asset balance-based billing models

Capital Asset Planning

Fees charged for contract development and usage fees from banks, securities companies, and life insurance companies.

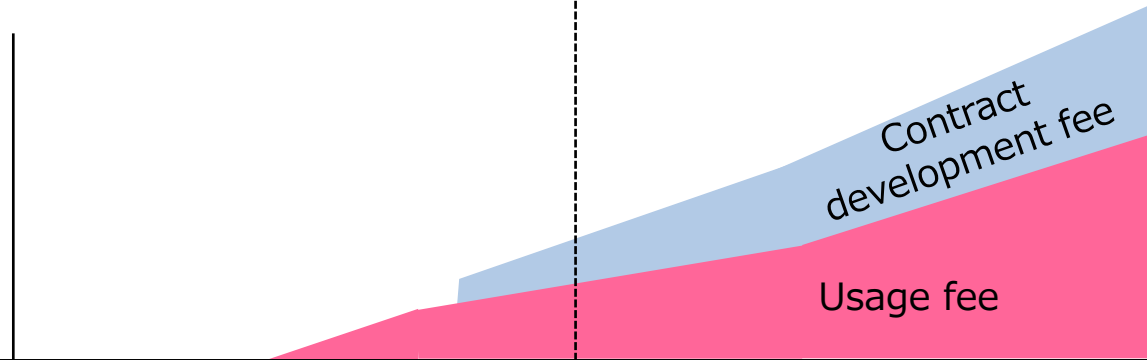
- ▶ Pursuing Wealth Tech = Asset Management + Tax Management



Trust Engine

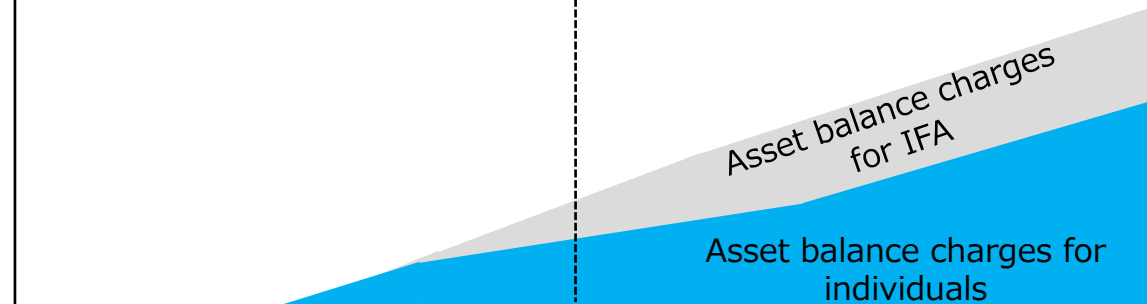
Usage fees for system platform for IFAs

- ▶ Pursuing customer-centric business operations Portfolio Management + CRM + Goal Base Planning + Total Asset Management



Wealth Engine

- Charging based on managed asset balance for high-net-worth individuals and business executives
- Providing financial product portfolio such as wraps and SMAs for IFAs
- ▶ Providing family office services to wealthy families using digital and AI technologies.



**Progress on
the Medium-Term Management Plan**

Progress on the Medium-Term Management Plan

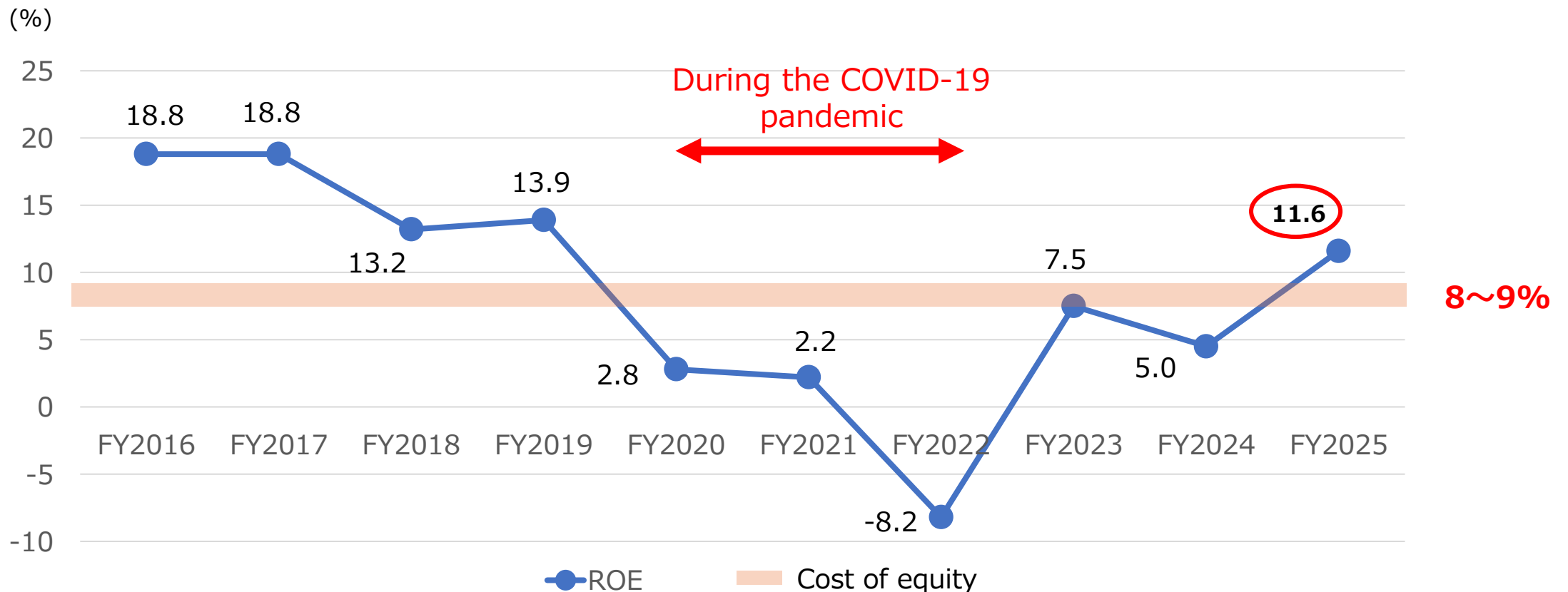
In the first year, FY2025, all key performance indicators (KPIs) of the medium-term management plan—net sales, operating profit margin, ROE, and dividend payout ratio—were achieved. Progress in the second year, FY2026, is also proceeding steadily.

Unit: billion yen		First year				Second year		Final year
		FY2024	FY2025			FY2026 Before revised	FY2026 After revised	FY2027
		Actual	Target	Actual	Achievements	Target	Target	Target
Sales scale	Net sales *	8.1	8.7	9.6	○	10.3	10.3	11.0
Growth	CAGR	7.2%	—	12.8%	—	—	—	10%
Profitability	Operating Profit margin	3.6%	5.1%	5.5%	○	6.1%	7.1%	9%
Capital efficiency	ROE	5.0%	8.0%	11.6%	○	12.0%	12.0%	13%
Shareholder Returns	Dividend payout ratio	50.6%	20%~ 50%	25.7%	○	20%~ 50%	20%~ 50%	20%~ 50%

* CAGR is shown for the three-year period from 2022 to 2025 for the 2025 fiscal year, and for the three-year period from 2024 to 2027 for the 2027 target.

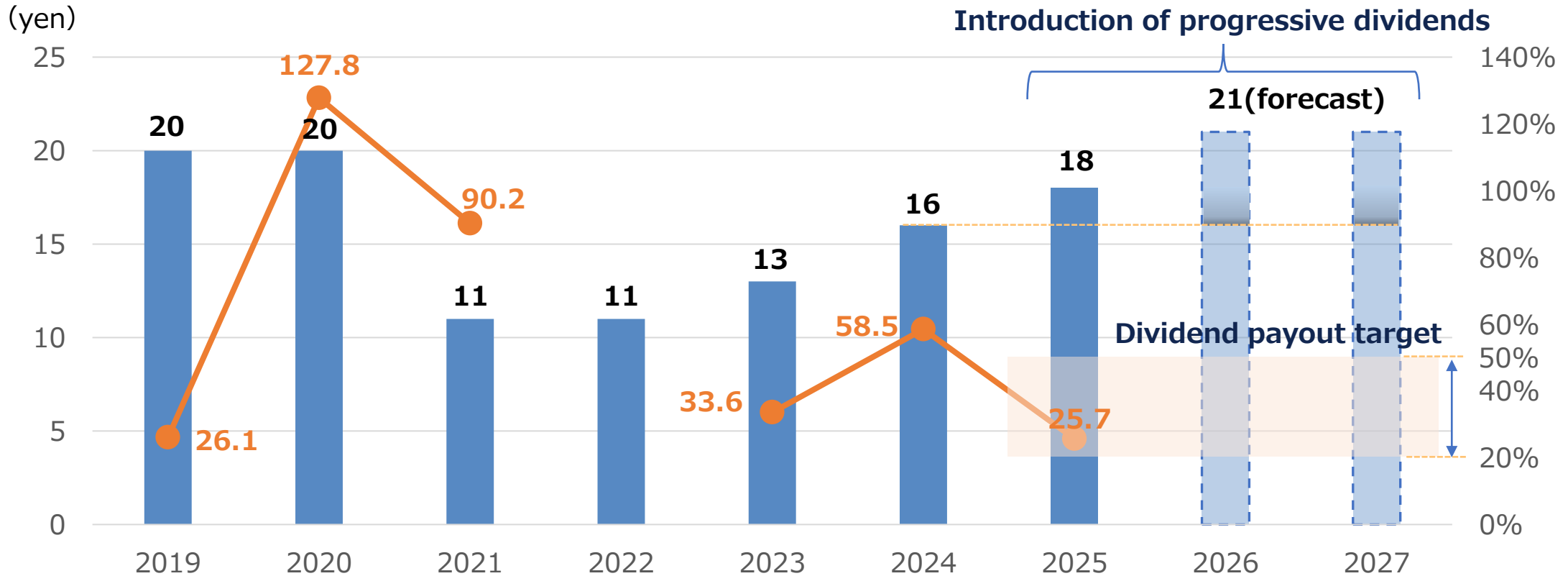
Trends in ROE

- ROE for the FY2025 improved significantly from 5.0% in the previous year to 11.6%, exceeding the target of 8% for FY2025, due to a substantial increase in net income for the period. This result exceeded the cost of equity (8-9%) from the first year.
- We continue to target ROE of 13% in the final year of the Mid-Term Management Plan, the fiscal year ending September 2027



Shareholder Returns

- The dividend policy is to adopt a "progressive dividend" policy under which, in principle, will not reduce dividends and will maintain or increase them. We aim to actively return profits to shareholders with a dividend payout ratio of 20% to 50% during the period of the medium-term management plan
- For FY2025, the annual dividend increased from 16 yen to 18 yen, and the payout ratio reached 25.7%, achieving the target range
- For FY2026, we forecast an annual dividend of 21 yen and a payout ratio of 26%. Going forward, we aim to further enhance shareholder returns with a target ratio of 30%



(※1) Since net income was negative in fiscal year 2022, the dividend payout ratio is not listed.

(※2) The dividend payout ratio is a consolidated figure.

Reference materials

Purpose / Vision

PURPOSE

Create financial wellness through the integration of FT and IT

Create financial wellness by achieving optimal asset allocation of personal assets and worry-free transfer to the next generation.

VISION

Become an innovator in financial services and asset management

Become an innovator in personal asset management by building platforms to realize financial wellness and managing individuals' total assets through multi-client family office businesses.

Value

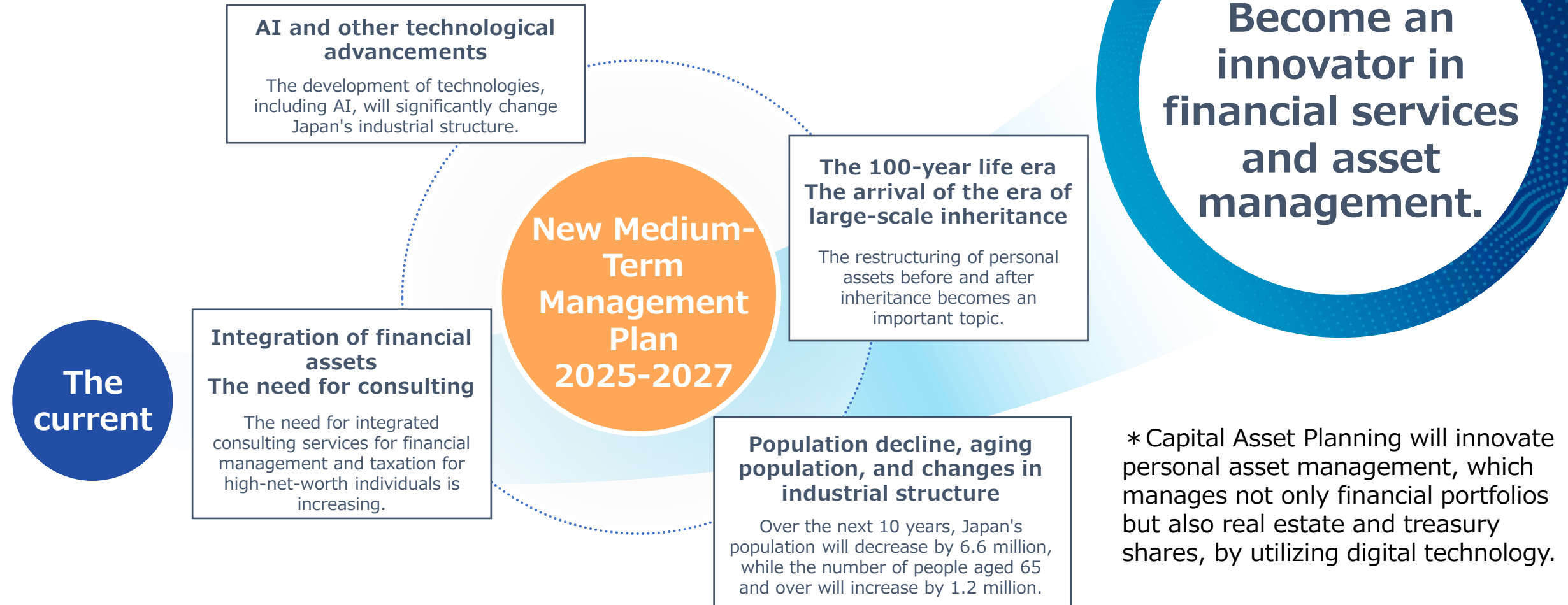
- 1 Entrepreneurship** Even in today's rapidly changing world, we never forget our entrepreneurial spirit and continue to embrace challenges.
- 2 Scientific & Artistic** We provide distinctive services that blend scientific thinking with artistic sensibility.
- 3 Innovative** We aspire to be an innovator that meets customer expectations through innovative services utilizing advanced technology.
- 4 Wellness** We contribute to the wellness of all stakeholders, including customers, shareholders, employees, and local communities.



**CAP will
become a WISE
company.**

Long-Term Vision: What we aim to be in 2035

With the purpose of “Create financial wellness through the integration of FT and IT”, we aim to become "an innovator in financial services and asset management" in 10 years.



Key Performance Indicators (KPIs)

– Achieve ROE of 13% in the final year, exceeding the cost of capital

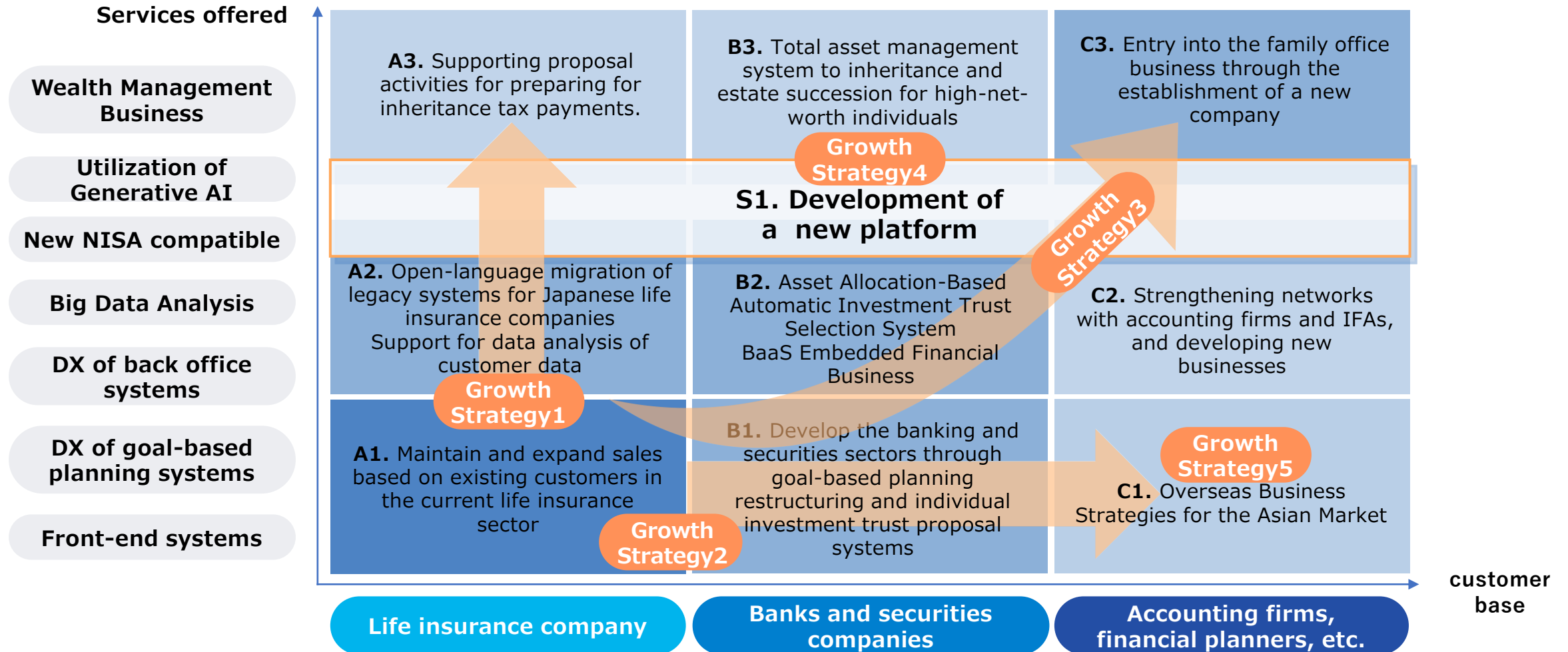
		FY2024 (Actual)		FY2027 (Target)
Sales scale	Net sales	8.1 billion yen	▶	11.0 billion yen
Growth	CAGR	7.2%	▶	10%
Profitability	Operating Profit margin	3.6%	▶	9%
Capital efficiency	ROE	5.0%	▶	13%
Shareholder Returns	Dividend payout ratio	50.6%	▶	20~50% (Introduction of progressive dividends)

* The compound annual growth rate (CAGR) for 2024 is calculated based on the three-year period from 2021 to 2024, while the CAGR for 2027 is calculated based on the three-year period from 2024 to 2027.

Growth Strategy: Five Growth Strategies

– Aggressively deploy strategies that leverage CAP's strengths

We aim to achieve the Medium-Term Management Plan through five growth strategies, aligned with the stages of deepening our services and expanding our customer base.



Growth Strategy / Organic & Inorganic Strategy

We will effectively incorporate the five organic strategies together with inorganic strategies, including M&A, to achieve sustainable growth.

Growth Strategy1

Deepen and strengthen customer base

To maintain and expand sales to life and non-life insurance companies, which are CAP's core business, we will provide new services to existing customers and acquire new customers.

Growth Strategy2

Business Portfolio Reform

We will focus on acquiring new business and increasing the sales ratio in the banking and securities sectors, improving our business portfolio and profit margins, and developing overseas markets.

Growth Strategy3

Entry into the Family Office Business

In preparation for the arrival of the era of large-scale inheritances, the new company will develop a family office business focused on optimizing and managing asset restructuring for business executives and wealthy individuals.

Growth Strategy4

Development of a new platform for stock-type businesses.

We developed a new asset management platform for accounting firms and IFAs, expanding our revenue share through subscription-based billing and improving profit margins.

Growth Strategy5

Overseas market development

Focusing on the insurance business market in Asia, where economic growth continues, we are partnering with local companies to develop overseas markets.



Inorganic Strategy

We aim to further enhance our competencies through M&A.

Disclaimer

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 **Capital Asset Planning, Inc.**