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February 12, 2026

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



Company name: SOURCENEXT CORPORATION

Listing: Tokyo Stock Exchange

Securities code: 4344

URL: <http://www.sourcenext.com>

Representative: Tomoaki Kojima President & COO

Inquiries: Fumihiko Aoyama, Director & CFO

Telephone: +81-3-5797-7165

Scheduled date of annual general meeting of shareholders: March 25, 2026

Scheduled date to commence dividend payments: -

Scheduled date to file annual securities report: March 24, 2026

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (for analysts and institutional investors)

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

1. Consolidated financial results for the fiscal year ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended December 31, 2025	9,274	-	(1,308)	-	(1,243)	-	(2,128)	-
March 31, 2025	11,455	1.1	(3,480)	-	(3,925)	-	(3,896)	-

Note: Comprehensive income

For the fiscal year ended December 31, 2025: ¥ (2,642) million

[-%]

For the fiscal year ended March 31, 2025: ¥ (5,502) million

[-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended December 31, 2025	(15.39)	-	(32.6)	(7.8)	(14.1)
March 31, 2025	(28.65)	-	(50.2)	(23.1)	(30.4)

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

For the fiscal year ended December 31, 2025: ¥ (71) million

For the fiscal year ended March 31, 2025: ¥ (294) million

Note: The fiscal year ending December 31, 2025, is a transitional period due to a change in the fiscal year-end. Consequently, the results cover a nine-month period from April 1, 2025, to December 31, 2025. For this reason, year-on-year percentage changes are not provided.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2025	14,544	6,787	38.3	40.33
March 31, 2025	17,209	9,354	43.4	53.97

Reference: Equity

As of December 31, 2025: ¥ 5,577 million

As of March 31, 2025: ¥ 7,465 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended December 31, 2025	426	(940)	(645)	4,761
March 31, 2025	(1,857)	(1,215)	5,778	5,858

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended March 31, 2025	Yen -	Yen 0.00	Yen -	Yen 0.00	Yen 0.00	Millions of yen -	% -	% -
Fiscal year ended December 31, 2025	Yen -	Yen 0.00	Yen -	Yen 0.00	Yen 0.00	Millions of yen -	% -	% -
Fiscal year ending December 31, 2026 (Forecast)	-	-	-	-	-			

Note: The dividend forecast for the fiscal year ending December 31, 2026, is currently undetermined.

3. Consolidated financial result forecasts for the fiscal year ending December 31, 2026 (from January 1, 2026 to December 31, 2026)

Regarding the consolidated earnings forecast for the fiscal year ending December 31, 2026, we have chosen not to disclose the figures at this time because it is difficult to provide a highly accurate forecast.

* Notes

(1) Significant changes in the scope of consolidation during the period:	None
Newly included: - companies()
Excluded: - companies()
(2) Changes in accounting policies, changes in accounting estimates, and restatement	
(i) Changes in accounting policies due to revisions to accounting standards and other regulations:	None
(ii) Changes in accounting policies due to other reasons:	None
(iii) Changes in accounting estimates:	None
(iv) Restatement:	None
(3) Number of issued shares (common shares)	
(i) Total number of issued shares at the end of the period (including treasury shares)	
As of December 31, 2025	139,115,100 shares
As of March 31, 2025	139,110,300 shares
(ii) Number of treasury shares at the end of the period	
As of December 31, 2025	800,112 shares
As of March 31, 2025	800,112 shares
(iii) Average number of shares outstanding during the period	
Fiscal Year ended December 31, 2025	138,311,270 shares
Fiscal Year ended March 31, 2025	136,017,207 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended December 31, 2025	7,093	-	274	-	273	-	(156)	-
March 31, 2025	8,383	(10.5)	(1,238)	-	(1,268)	-	(2,121)	-

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended December 31, 2025	(1.13)	-
March 31, 2025	(15.60)	-

Note: The fiscal year ending December 31, 2025, is a transitional period due to a change in the fiscal year-end. Consequently, the results cover a nine-month period from April 1, 2025, to December 31, 2025. For this reason, year-on-year percentage changes are not provided.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2025	13,206	7,188	50.7	48.38
March 31, 2025	13,693	6,962	47.8	47.29

Reference: Equity

As of December 31, 2025: ¥ 6,691 million

As of March 31, 2025: ¥ 6,540 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(1) Statements regarding the future, such as performance forecasts, contained in this material are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable. Actual results may differ significantly due to various factors.

(2) The financial results briefing materials will be promptly posted on our website today, Thursday, February 12.

(URL of the Company's website) <https://sourcenext.co.jp/ir-english/library/settlement>

Consolidated Financial Statements and Primary Notes

Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	6,008,174	4,918,066
Accounts receivable - trade	1,554,445	1,592,216
Merchandise and finished goods	2,646,768	2,953,520
Raw materials and supplies	94,715	50,322
Advance payments to suppliers	539,834	410,696
Income taxes refund receivable	626	668
Other	499,446	379,201
Allowance for doubtful accounts	(1,339)	(1,870)
Total current assets	11,342,672	10,302,820
Non-current assets		
Property, plant and equipment		
Buildings	73,604	106,817
Accumulated depreciation	(33,425)	(34,516)
Buildings, net	40,178	72,300
Tools, furniture and fixtures	190,173	182,473
Accumulated depreciation	(129,181)	(129,892)
Tools, furniture and fixtures, net	60,992	52,581
Total property, plant and equipment	101,170	124,882
Intangible assets		
Software	2,570,970	1,201,002
Contract based intangible assets	923,583	457,201
Other	102,780	45,281
Total intangible assets	3,597,334	1,703,486
Investments and other assets		
Investment securities	2,152,084	2,372,989
Deferred tax assets	964	-
Other	15,195	40,764
Total investments and other assets	2,168,245	2,413,754
Total non-current assets	5,866,750	4,242,123
Total assets	17,209,423	14,544,943

(Thousands of yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	379,392	461,758
Short-term borrowings	3,600,000	3,100,000
Current portion of long-term borrowings	519,312	318,912
Accounts payable - other	695,012	936,768
Income taxes payable	29,380	35,900
Unearned revenue	488,540	607,352
Provision for bonuses	45,725	8,707
Other	407,851	453,178
Total current liabilities	6,165,215	5,922,576
Non-current liabilities		
Long-term borrowings	1,259,498	1,314,164
Long-term unearned revenue	409,420	451,473
Deferred tax liabilities	3,644	23,759
Other	17,166	45,446
Total non-current liabilities	1,689,730	1,834,844
Total liabilities	7,854,946	7,757,421
Net assets		
Shareholders' equity		
Share capital	4,009,050	4,009,527
Capital surplus	11,596,166	11,596,643
Retained earnings	(7,956,695)	(10,085,337)
Treasury shares	(163,142)	(163,142)
Total shareholders' equity	7,485,378	5,357,690
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(257,260)	49,376
Foreign currency translation adjustment	236,920	170,832
Total accumulated other comprehensive income	(20,339)	220,208
Share acquisition rights	422,287	497,202
Non-controlling interests	1,467,150	712,420
Total net assets	9,354,476	6,787,522
Total liabilities and net assets	17,209,423	14,544,943

Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended December 31, 2025
Net sales	11,455,896	9,274,295
Cost of sales	6,119,396	4,476,134
Gross profit	5,336,500	4,798,160
Selling, general and administrative expenses		
Promotion expenses	612,758	476,214
Salaries	1,525,904	1,229,090
Provision for bonuses	45,725	8,707
Outsourcing expenses	2,487,184	1,638,547
Advertising expenses	1,266,501	812,729
Other	2,878,908	1,941,202
Total selling, general and administrative expenses	8,816,982	6,106,491
Operating loss	(3,480,481)	(1,308,330)
Non-operating income		
Interest income	13,054	9,686
Dividend income	500	500
Foreign exchange gains	-	160,699
Gain on investments in silent partnerships	1,376	26,708
Interest subsidy	8,191	5,600
Other	1,853	2,813
Total non-operating income	24,975	206,007
Non-operating expenses		
Interest expenses	79,745	64,782
Share of loss of entities accounted for using equity method	294,785	71,545
Foreign exchange losses	60,910	-
Loss on investments in silent partnerships	5,595	-
Share issuance costs	26,101	-
Other	3,330	4,552
Total non-operating expenses	470,468	140,880
Ordinary loss	(3,925,974)	(1,243,202)
Extraordinary income		
Gain on sale of investment securities	135,700	-
Gain on reversal of share acquisition rights	8,880	21,536
Settlement income	-	12,500
Total extraordinary income	144,581	34,036
Extraordinary losses		
Impairment losses	-	1,617,973
Extra retirement payments	-	22,905
Loss on valuation of investment securities	391,265	-
Loss on retirement of non-current assets	23,353	-
Cancellation penalty	38,095	-
Total extraordinary losses	452,714	1,640,878
Loss before income taxes	(4,234,108)	(2,850,044)
Income taxes - current	6,844	5,468
Income taxes - deferred	203,106	964
Total income taxes	209,950	6,433
Loss	(4,444,059)	(2,856,477)
Loss attributable to non-controlling interests	(547,301)	(727,835)
Loss attributable to owners of parent	(3,896,757)	(2,128,642)

Consolidated Statement of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended December 31, 2025
Loss	(4,444,059)	(2,856,477)
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,086,410)	306,637
Foreign currency translation adjustment	27,578	(92,982)
Total other comprehensive income	(1,058,832)	213,654
Comprehensive income	(5,502,891)	(2,642,823)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(4,964,589)	(1,888,093)
Comprehensive income attributable to non-controlling interests	(538,301)	(754,729)

Consolidated Statement of Changes in Equity
For the fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,703,401	7,545,969	(4,059,938)	(163,122)	7,026,310
Changes during period					
Issuance of new shares - exercise of share acquisition rights	305,648	305,648			611,297
Loss attributable to owners of parent			(3,896,757)		(3,896,757)
Purchase of treasury shares				(20)	(20)
Change in ownership interest of parent due to transactions with non-controlling interests		3,744,547			3,744,547
Net changes in items other than shareholders' equity					-
Total changes during period	305,648	4,050,196	(3,896,757)	(20)	459,067
Balance at end of period	4,009,050	11,596,166	(7,956,695)	(163,142)	7,485,378

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	829,149	218,343	1,047,492	315,759	-	8,389,563
Changes during period						
Issuance of new shares - exercise of share acquisition rights						611,297
Loss attributable to owners of parent						(3,896,757)
Purchase of treasury shares						(20)
Change in ownership interest of parent due to transactions with non-controlling interests						3,744,547
Net changes in items other than shareholders' equity	(1,086,410)	18,577	(1,067,832)	106,527	1,467,150	505,845
Total changes during period	(1,086,410)	18,577	(1,067,832)	106,527	1,467,150	964,913
Balance at end of period	(257,260)	236,920	(20,339)	422,287	1,467,150	9,354,476

For the fiscal year ended December 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,009,050	11,596,166	(7,956,695)	(163,142)	7,485,378
Changes during period					
Issuance of new shares - exercise of share acquisition rights	477	477			954
Loss attributable to owners of parent			(2,128,642)		(2,128,642)
Purchase of treasury shares				-	-
Change in ownership interest of parent due to transactions with non-controlling interests		-			-
Net changes in items other than shareholders' equity					-
Total changes during period	477	477	(2,128,642)	-	(2,127,688)
Balance at end of period	4,009,527	11,596,643	(10,085,337)	(163,142)	5,357,690

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	(257,260)	236,920	(20,339)	422,287	1,467,150	9,354,476
Changes during period						
Issuance of new shares - exercise of share acquisition rights						954
Loss attributable to owners of parent						(2,128,642)
Purchase of treasury shares						-
Change in ownership interest of parent due to transactions with non-controlling interests						-
Net changes in items other than shareholders' equity	306,637	(66,088)	240,548	74,915	(754,729)	(439,266)
Total changes during period	306,637	(66,088)	240,548	74,915	(754,729)	(2,566,954)
Balance at end of period	49,376	170,832	220,208	497,202	712,420	6,787,522

Consolidated Statement of Cash Flows

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended December 31, 2025
Cash flows from operating activities		
Loss before income taxes	(4,234,108)	(2,850,044)
Depreciation	426,200	336,380
Amortization of software	843,097	791,617
Share-based payment expenses	96,199	76,153
Amortization of trademark right	3,480	1,812
Increase (decrease) in allowance for doubtful accounts	1,354	372
Increase (decrease) in provision for bonuses	4,295	(42,587)
Interest and dividend income	(13,554)	(10,186)
Interest expenses	79,745	64,782
Share of loss (profit) of entities accounted for using equity method	294,785	71,545
Share issuance costs	26,101	-
Loss (gain) on sale of investment securities	(135,700)	-
Loss (gain) on valuation of investment securities	391,265	-
Gain on reversal of share acquisition rights	(8,880)	(21,536)
Loss on retirement of non-current assets	23,353	-
Impairment losses	-	1,617,973
Cancellation penalty	38,095	-
Decrease (increase) in trade receivables	434,099	(26,566)
Decrease (increase) in inventories	(182,764)	(211,316)
Decrease (increase) in advance payments to suppliers	142,048	129,137
Increase (decrease) in trade payables	69,472	54,964
Increase (decrease) in accounts payable - other	(101,521)	253,926
Increase (decrease) in unearned revenue	(40,733)	118,811
Increase (decrease) in long-term unearned revenue	137,280	42,052
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	(137,187)	149,279
Other, net	45,184	(58,555)
Subtotal	(1,798,392)	488,018
Interest and dividends received	14,391	11,665
Interest paid	(80,956)	(66,682)
Income taxes paid	(6,378)	(7,375)
Income taxes refund	13,528	626
Net cash provided by (used in) operating activities	(1,857,805)	426,253
Cash flows from investing activities		
Purchase of property, plant and equipment	(99,686)	(64,845)
Purchase of software	(1,252,597)	(849,039)
Purchase of investment securities	(22,560)	-
Proceeds from sale of investment securities	152,662	-
Payments of leasehold and guarantee deposits	(13,549)	(26,836)
Payments from collection of lease and guarantee deposits	20,170	-
Net cash provided by (used in) investing activities	(1,215,560)	(940,720)

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended December 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(225,000)	(500,000)
Proceeds from long-term borrowings	200,000	300,000
Repayments of long-term borrowings	(551,010)	(445,734)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	605,394	667
Proceeds from issuance of share acquisition rights	25,112	-
Purchase of treasury shares	(20)	-
Proceeds from share issuance to non-controlling shareholders	5,723,899	-
Dividends paid	(0)	-
Net cash provided by (used in) financing activities	5,778,374	(645,066)
Effect of exchange rate change on cash and cash equivalents	23,010	62,385
Net increase (decrease) in cash and cash equivalents	2,728,017	(1,097,148)
Cash and cash equivalents at beginning of period	3,130,636	5,858,654
Cash and cash equivalents at end of period	5,858,654	4,761,506